CITY OF BILLINGS

CITY OF BILLINGS VISION STATEMENT:

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

REVISED as of 02/07/2019
Attachment added to Item 3
AGENDA

COUNCIL CHAMBERS **February 11, 2019** **5:30 P.M.**

CALL TO ORDER: Mayor Cole

PLEDGE OF ALLEGIANCE: Mayor Cole

INVOCATION: Councilmember Neese

ROLL CALL: ROLL CALL: Councilmembers present on roll call were: ☐ Cromley, ☐ Yakawich, ☐ Neese, ☐ Ewalt, ☐ Joy, ☐ Friedel, ☐ Gibbs, ☐ Ronning, ☐ Clark, ☐ Brown

MINUTES: January 28, 2019

COURTESIES:

PROCLAMATIONS:

ADMINISTRATOR REPORTS - CHRIS KUKULSKI

PUBLIC COMMENT on "NON-PUBLIC HEARING" Agenda Items: 1, 2 and 3 ONLY. Speaker sign-in required. (Comments are limited to one (1) minute for one item, or three (3) minutes for multiple items. Please sign the roster at the cart located at the back of the Council chambers or at the podium. Comments 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 Cole recommends that Council confirm the following appointments:

1.

	Name	Board/Commission	Term	
			Begins	Ends
1	No Applications	Animal Control Board*	02/11/19	12/31/21
2	No Applications	Board of Appeals - Electrical Contractor	02/11/19	12/31/21
3	No Applications	Board of Appeals	02/11/19	12/31/22
4	No Applications	Community Development - Lod Mod*	02/11/19	12/31/19
5	Jessica Schmidt	Community Development - Lod Mod	02/11/19	12/31/22
6	No Applications	Community Development - Lod Mod	02/11/19	12/31/22
7	No Applications	Housing Authority	02/11/19	12/31/23
8	Todd Morgan	Billings Parking Board - City Employee	02/11/19	12/31/22
9	No Applications	Traffic Control Board	02/11/19	12/31/22

* 1 Unexpired term of Jeannette Vieg
* 4 Unexpired term of Rebecca Bey

B. **Bid Awards:**

1. **Two Fire Pumpers.** (Opened 1/22/19) Recommend Pierce Manufacturing, Inc.; $1,217,169.

C. **Professional Services Contract** for W.O. 18-15, Voelker Pump Station Improvements and Staples Generator; Morrison-Mairele; $260,000.

D. **Professional Services Contract** for W.O. 19-05, Hydrogen Sulfide Mitigation Plan; HDR Engineering, Inc.; $167,145.

E. **Professional Services Contract** for W.O. 19-11, WRF Nutrient Recovery and Biosolids Facilities Plan; HDR Engineering; $195,000.

F. **Grant Application Request** to submit FY19-FY20, Montana State Historic Preservation Office Certified Local Government (CLG) Grant application; $5,500.

G. **Resolution** authorizing a grant application to Land Water Conservation Fund to reconstruct the Central Park Tennis Court Facility; up to $250,000.

H. **Resolution** relating to $21,990,000 Solid Waste Revenue Bonds, Series 2019; authorizing the sale and prescribing the forms and terms for the Landfill Construction Project.

I. **Bills:**

1. January 14, 2019

2. January 22 and 23, 2019

REGULAR AGENDA:

2. **RESOLUTION** adopting the One Big Sky District Development Plan. Staff recommends approval. (Action: approval or disapproval of staff recommendation.)

3. **APPROVAL** of contract revision of One Big Sky District Development Plan Agreement between Big Sky Economic Development (BSED) and Landmark Development Services Company, LLC. 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 are limited to 3 minutes. Please sign the roster 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 Denise R. Bohlman, City Clerk, at 657-8210.

Consent **1. A. 1.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Boards & Commissions Appointments

PRESENTED BY: Kevin Iffland, Assistant City Administrator

Department: City Hall Administration

Presentation: No

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 unfilled vacancies.

ALTERNATIVES ANALYZED

Council may:

- Confirm the proposed appointments; or
- Not confirm the appointments.

FINANCIAL IMPACT

The proposed action has no financial impact.

RECOMMENDATION

Mayor Cole recommends that the City Council confirm the appointments to the following boards and commissions.

	Name	Board/Commission	Term	
			Begins	Ends
1	No Applications	Animal Control Board*	02/11/19	12/31/21
2	No Applications	Board of Appeals - Electrical Contractor	02/11/19	12/31/21
3	No Applications	Board of Appeals	02/11/19	12/31/22
4	No Applications	Community Development - Lod Mod*	02/11/19	12/31/19
5	Jessica Schmidt	Community Development - Lod Mod	02/11/19	12/31/22
6	No Applications	Community Development - Lod Mod	02/11/19	12/31/22
7	No Applications	Housing Authority	02/11/19	12/31/23
8	Todd Morgan	Billings Parking Board - City Employee	02/11/19	12/31/22
9	No Applications	Traffic Control Board	02/11/19	12/31/22

* 1 Unexpired term of Jeannette Vieg

* 4 Unexpired term of Rebecca Bey

APPROVED BY CITY ADMINISTRATOR

Consent **1. B. 1.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: BID AWARD: Fire Apparatus

PRESENTED BY: William Rash, Fire Chief

Department: Fire

Presentation: No

PROBLEM/ISSUE STATEMENT

The City of Billings Fire Department issued an Invitation for Sealed Bids for the purchase of two (2) new fire pumpers. The Bid was advertised in the *Yellowstone County News* on December 28, 2018, January 4, 11 and 18, 2019. The Bid opening was held January 22, 2019. Two bids were received. The responding vendors were: Pierce Manufacturing, Inc. and Sutphen. Pierce Manufacturing's bid was $1,277,684.00 and Sutphen's was $1,218,883.34. However, Pierce Manufacturing is offering various discount options, which with Council approval brings the total bid to $1,217,169.00, as outlined below:

1,277,684.00	Proposal price for two (2) Pierce Enforcer PUC Pumpers
(20,952.00)	Less discount for chassis progress payment
(12,073.00)	Less discount for payment upon completion at the factory
(21,940.00)	Less discount for 100% pre-payment
(9,000.00)	Less drive-out allowance (FOB Factory)
3,450.00	Plus performance bond
1,217,169.00	Total purchase price

A committee made up of Fire Department staff, the Finance Director and Purchasing Agent have reviewed the specifications and discount allowances and recommend executing a contract with the pre-payment options with Pierce Manufacturing.

If Mayor and Council approve the full pre-payment options, staff recommends the addition of a performance bond to this contract to provide additional security and protection, which still leaves Pierce Manufacturing as the lowest responsible bid.

ALTERNATIVES ANALYZED

City Council may:

1. approve staff recommendation with some or all discount options;
2. approve staff recommendation with discount options;
3. disapprove staff recommendation.

FINANCIAL IMPACT

The purchase of two (2) fire pumpers is fully funded by the City's Equipment Replacement Plan for FY2019.

$1,215,676 of the purchase of these two (2) fire pumpers has been allocated through the City’s Equipment Rotation Replacement Plan for FY2019. The department’s budget will absorb the difference.

RECOMMENDATION

Staff recommends awarding the contract for the purchase of two (2) fire pumpers to Pierce Manufacturing, Inc. for their total bid of $1,217,169.00, including all prepayment options and the addition of a performance bond.

APPROVED BY CITY ADMINISTRATOR

Consent **1. C.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Consultant Agreement: W.O. 18-15: Voelker Pump Station Improvements and Staples Generator

PRESENTED BY: David Mumford, Public Works Director

Department: Public Works

Presentation: No

PROBLEM/ISSUE STATEMENT

City Council will consider awarding a professional engineering services contract to Morrison-Maierle, Inc. in the amount of $260,000 for design, bidding and construction administration services on W.O. 18-15: Voelker Pump Station Improvements and Staples Generator. The project consists of installing a new pump, VFD, motor control cabinet, piping and valves, and a flow meter to the Voelker Pump Station and constructing a building addition and relocating a generator to Staples Pump Station.

Morrison-Mairele was selected based on City staff review of two project proposals submitted by prequalified firms that have considerable pump experience with the City of Billings. The other firm considered for the work was HDR.

ALTERNATIVES ANALYZED

City Council may:

- Award the professional engineering services contract to Morrison-Mairele, or;
- Disapprove award of the construction contract to Morrison-Mairele. If the project is not completed, Voelker will not have pumping capacity for the increasing demand and Staples will not have a backup generator.

FINANCIAL IMPACT

Funding for this project has been approved by City Council for FY 19 in the Capital Improvement Plan (CIP) and is sufficient for the engineering design and construction administration portion of the project.

Project Budget	$1,632,200
Previously Encumbered	$0
This Contract	$260,000
Budget Remaining	$1,372,200

RECOMMENDATION

Staff recommends that the City Council award a professional engineering services contract for the design and construction administration of W.O. 18-15: Voelker Pump Station Improvements and Staples Generator to Morrison-Maierle, Inc., in the amount of $260,000.

APPROVED BY CITY ADMINISTRATOR

Attachments

Contract

Contract for Professional Architectural and Engineering Services

W.O. 18-15 Voelker Pump Station Improvements and Staples Generator

In consideration of the mutual promises herein, City of Billings and Morrison-Maierle, 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 7 pages (Basic Services of Contractor);

Appendix B consisting of 2 pages (Methods and Times of Payment);

Appendix C consisting of 1 pages (Additional Services of Contractor);

Appendix D consisting of 4 pages (Schedule of Professional Fees);

Appendix E consisting of 1 pages (Project Schedule);

Appendix F consisting of 22 pages (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 Morrison-Maierle, 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 Engineer shall provide as-built drawings 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. Requirements for submitting as constructed documents of completed Private Contracts, Work Orders, Special Improvement Districts and Site plans involving any City of Billings infrastructure: a point file; 1 (*.asc, *.txt, comma delimited; point number, northing, easting, elevation and description) / 2 (*.csv, with headings for; point number, northing, easting, elevation and description), with northings and eastings to the nearest tenth of a foot, elevations to the nearest hundredth of a foot, representing new, updated or relocated City of Billings infrastructure features such as, but not limited to Sanitary Sewer Manholes, Storm Drain Manholes, Water Valves, Water Bends, Signals, Street Light, etc., in the coordinates of Montana State Plane, Zone 2500 using NAD83(2011), Horizontal and NAVD88 Vertical, Horizontal units and Vertical units will be International feet, one half size paper copy to scale, one full size paper copy to scale, two CD's or DVD's with PDF files being half size to scale and full size to scale and AutoCAD DWG files as-constructed / as-built, Version 2016, or equivalent.

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 December 31, 2021.

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 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 claim.

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

Contractor: Morrison Maierle, Inc.
Carl Anderson, PE
315 North 25th Street, Suite 102
Bilings, Montana 59101 FAX: (406) 237-1201

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 a 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.
F. The Contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a), which prohibit discrimination against qualified protected veterans and/or qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

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: President or Vice President
(title of position)

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.

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.

Billings shall indemnify, defend, save, and hold the Contractor 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 Billings or any agent, employee or subcontractor as a result of Billings' or any subcontractor's performance pursuant to this Contract.

Billings shall not indemnify, defend, save and hold the Contractor 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 the Contractor occurring during the course of or as a result of the performance of the Contract.

Where claims, lawsuits or liability, including attorneys' fees and costs arise from wrongful or negligent act of both Billings and the Contractor, Billings shall indemnify, defend, save, and hold the Contractor 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 Billings' or any subcontractor's wrongful or negligent acts occurring as a result from Billings' 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

_____
City Council or Designee

Date:_____

ATTEST:

_____
City Clerk

Date:_____

Contractor

Morrison-Maierle, Inc.

Name:_____
Title: Vice President
Date:_____

IRS Tax ID # 81-0217149

APPROVED AS TO FORM:

By_____
BRENT BROOKS, City Attorney

STATE OF MONTANA)
:ss.
COUNTY OF YELLOWSTONE)

On this _____ day of _____, 2019, 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 if Federal funds are used.

Appendix A

Basic Services of Engineer

Section 1. Engineer's Rights and Duties.

A. To furnish all labor, materials, equipment, supplies, and incidentals necessary to conduct and complete the Engineer'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 Engineer 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. Engineer'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 Engineer 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 monthly progress reports thereafter until complete. The reports will include any problems, potential problems, and delays as foreseen by the Engineer. 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 Engineer. For this project the Task Director designated for the Engineer is Kurtis DeShaw, P.E., working under the Principal-in-Charge, Carl Anderson, P.E.

Section 2. 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 Engineer and Billings. For this project, the Task Director designated is Ken Ard, P.E.

Section 3. Scope of Work.

The project consists of engineering services for the preliminary evaluation, alternatives analysis, design, bidding phases, and construction for the City of Billings W.O. 18-15 – Voelker Pump Station Improvements and Staples Generator.

The purpose of the project is to design and perform construction administration for pump station improvements to Voelker Pump Station (consisting of a new pump, VFD, motor control cabinet, piping and valves, and a flow meter and vault) and to Staple Pump Station (consisting of an addition of approximately 18'x30' to match the existing building for the relocation of an 800 kW Generator from the WRF).

The scope of work is summarized below.

TASK 00 - PROJECT MANAGEMENT

Project management for the design and construction phases will include all project coordination between the City and the consultant team members. This management task includes communication of ideas, questions, and issues to ensure the design encompasses the input from the project personnel for both the City and Morrison-Maierle. Project management also includes the effort necessary to control the quality, schedule, and budget of the project.

TASK 31 – DESIGN SURVEY

A design survey will be conducted on the City-owned parcels on which the existing Voelker Pump Station and Staples Pump Station lie. Survey will include utility locations as located by Montana One Call and applicable public/private utilities, property lines, structures, and all other information needed for design of the new addition to Staples Pump Station and for the installation of a flow meter and vault outside of Voelker Pump Station.

Survey inside the Voelker Pump Station will only include photographs and key measurements. No 3D scan or similar survey will take place unless requested by the Owner or if the record drawings and measurements taken in the field do not match.

The horizontal and vertical datums for this project shall be coordinated with the datums used by the City.

TASK 32 – CONSTRUCTION SURVEY

Provide personnel, equipment, and supplies for setting control at Staples Pump Station and Voelker Pump Station. Construction layout shall include setting control for Staples Pump Station and horizontal staking of the flow meter at Voelker Pump Station.

TASK 39 – GEOTECHNICAL EVALUATION

A geotechnical evaluation of the pump station sites will be completed. A sufficient number of borings will be completed at the new pump station site and will be used to compile the geotechnical information needed to ascertain the soil and groundwater conditions that will be reasonably expected during construction. Test results will include information needed to design the pump station addition foundation (Staples) and water meter (Voelker). Also, soil information necessary for structural calculations of the pump station and recommendations for fill material and compaction will be provided. The information will be used in the design as well as provided in the contract documents. Design geotechnical work will include one (1) 15' deep soil boring at both Staples and Voelker Pump Stations. Quality assurance density tests, proctors, and concrete testing are included in the construction materials testing scope up to $4,000. Since actual geotechnical testing fees may vary based on the contractors means and methods, the Engineer shall notify the City immediately if the budget is exceeded.

TASK 40 – PRELIMINARY AND FINAL DESIGN

The following work will be performed under this task:

- Prepare preliminary plans at 60% complete for review by the City. An electronic file (PDF) of each review set will be provided to the City for review. In addition one (1) 22"x34" copy and one (1) 11"x17" copies of 60% plans will be provided to the City.
- Coordinate with permitting agencies and public/private utilities, including MDEQ.
- Assist City with application(s) for all required permits (City Building permits, DEQ, etc.). City will pay respective permitting fees directly. City or construction Contractor will pay Building permit fees.
- Hold separate review meetings to review 60%, and 90% submittals with City staff before development of next stage plan documents.
- Perform field review(s) with City and other agencies.
- Develop 90% plans, specifications, quantity summaries, and estimate of probable cost for final review by City staff. Engineer will meet with City staff to review 90% comments. One (1) 22"x34" copy and two (2) 11"x17" copies will be provided to the City, as well as an electronic file (PDF).

- Seal and sign all final plans, specifications, submitted calculations, and reports with the seal of the Montana licensed Professional Engineer in responsible charge of the work.
- Submit plans and specifications to Montana Department of Environmental Quality for review and approval. Coordinate with MDEQ on any follow-up comments/requirements.

The following list describes the criteria used to develop the scope of services and fee estimate.

- The City will pay all DEQ review permit fees directly.
- The City or construction Contractor will pay all building permit fees.

Staples Pump Station

- The structural, mechanical, electrical, and architectural design will be based on an addition to Staples approximately 18'x30' in size. It shall consist of a single room for the generator and no additional rooms.
- The controls will be designed by the Engineer.
- The City will integrate improvements into the City of Billings system.
- This scope includes determining if a new electrical service to the site is required, and if it is, coordination with the utility for the new service. The City shall pay all costs associated with a new service.
- Design of electrical improvements to allow for relocation of the 800 kW genset from the WRF is included in the design. This scope includes design for modifications to the generator to convert it to an indoor generator.
- Site work, including a gravel/geocell access will be included in this design
- Architectural design shall match existing building

Voelker Pump Station

- Hydraulic and electrical design is included for selection of one pump and associated VFD.
- The controls and MCC layout shall be designed by the Engineer.
- The City will integrate improvements into the City of Billings system.
- A mechanical evaluation will occur to verify that louvers/fans/HVAC is adequate for a larger pump, motor, and electrical. However, no design is included in the scope if the mechanical is undersized.
- A flow meter shall be designed to be in a vault exterior to the building.
- Analysis of the existing control valves and suction fittings shall occur. Design of modifications to these will be included, if required.
- Sitework will include restoration to existing conditions (e.g. grass).

Bidding services will be provided as follows:

- Furnish contract plans and specifications in sufficient number for bidding and contracting the project. It is anticipated that fifteen (15) 11"x17" copies will be required. More will be printed as needed. Payment for additional sets will be covered by the bid deposits for the drawings and project manuals. City will work with Engineer to set bid deposit amount.

- Provide bid advertisement text to City for publication. Submission of the advertisement to publications and the cost for advertising will be responsibility of the City.
- Maintain a plan holders' list.
- Answer prospective bidders' questions in regard to the project.
- Schedule and hold a pre-bid conference with interested contractors and suppliers. Publish any necessary addenda. Conduct pre-bid field review with Contractors, if necessary.
- Prepare and distribute addendums as necessary.
- Attend bid opening, analyze bid proposals, publish a bid tabulation, and make recommendations on awarding a construction contract.
- Prepare four (4) copies of construction contract documents.
- Plan sales will be credited to this task of the project.

TASK 50 – CONSTRUCTION ADMINISTRATION

Construction administration will include the following tasks:

- Coordinate appropriate quality assurance testing of materials intended for incorporation into the project and require documentation of testing results.
- Provide review of construction to observe that the Contractor's work is in general compliance with the drawings, specifications, and other applicable documents, codes or standards. Review of work shall be made on a full-time basis while any major item of work is in progress. Major items of work shall include, but not be limited to, water main installation; subgrade preparation; gravel base course preparation; concrete pouring and finishing; and all piping and buried structural construction for the pump station. The Engineer shall provide a minimum of 48 hours notice for Billings personnel when specific inspections or testing require their presence on the project. Each daily review shall be documented in permanent reproducible form and kept in consecutive order with the project file. Copies of the daily review reports shall be furnished to Billings as requested during construction. Engineer will notify Billings immediately of contract problems or deviation from approved plans.
- Coordinate and administer bi-weekly (or as needed) progress meetings.
- This scope includes one (1) resident project representative (RPR) for the following time frames:
    - Staples Pump Station – Construction is anticipated to be a 70 calendar day contract. This scope includes one (1) week of full time inspection, nine (9) weeks of half time inspection, and approximately 10 hours for initiation and punch list items (230 total hours).
    - Voelker Pump Station – Construction is anticipated to be a 45 calendar day contract. This scope includes one (1) week of full time inspection, five and a half (5.5) weeks of half time inspection, and approximately 10 hours for initiation and punch list items (160 total hours).
- Interpret geotechnical test results and recommendations and coordinate with field observations.
- The Engineer shall record the location and depth, where available, of all underground utilities.

- Review the construction operations, prior to the start of work. Engineer shall ascertain that the Contractor has all needed permits to accomplish his work during construction.
- Review shop drawings, samples, equipment, concrete mix design, aggregate, and other data submitted by the Contractor for compliance with drawings and specifications.
- Evaluate and respond to Requests for Information (RFI) from Contractor.
- Prepare change orders.
- Prepare monthly pay estimates and final pay estimates for construction and prepare contract administration forms on a monthly basis. These will be submitted in Billings' approved format.
- Engineer shall provide City with geotechnical testing reports after construction.
- Issue notice to the Contractor to suspend work in whole or part when, in the opinion of the Engineer, and when directed by the Owner, work is not being, or cannot be performed in accordance with the contract documents and specifications.
- Contact the City for any proposed plan or specification changes when required due to initial design and engineering deficiencies in order to complete the project in its original concept. Plan and specification changes shall be prepared by the design engineer and implemented via change order.
- Prepare and recommend field orders and change orders when necessary due to conditions encountered during construction. Any work resulting in contract overage will be processed by approved change orders using Billings' standard format.

TASK 60 – CLOSEOUT

Closeout services will be provided as follows:

- Following receipt of red-lined drawings from the general contractor and any review comments from Billings, make necessary changes and furnish Billings with record drawings as indicated in Section 2D of Part I of this contract. Record drawings shall include, but not be limited to:
    - Elevations indicating the depth of bury of critical pump station elevations (including, but not limited to water main inverts into the pump station, pump station elevations, and water main connection elevations).
    - All above elevations shall be referenced to a permanent benchmark elevation – clearly shown on the plans.
    - Record drawings and are due within 60 days of Contractor's final payment and before final payment to the Engineer.
- Provide one (1) CD and/or flash drive with Contractor's submittals.
- Schedule and make final inspection with Billings and certify to Billings all construction items were constructed in general accordance with to plans and specifications and are acceptable to the Engineer.
- Issue Certificate of Substantial Completion.
- Schedule and make an inspection with Billings prior to the expiration of construction warranty period and provide a certification of final acceptance. If any problems are found, send a list of deficiencies to Billings and Contractor and continue until acceptable.

- Approximately eleven (11) months after construction is completed, a one-year walkthrough will be attended by a representative of the design team with the City. A follow-up letter of findings and recommendations will be provided to the City.
- Based on design information, shop drawings, and as-built information provided by the contractor, prepare an O&M Manual for the pump station. This task includes compiling, organizing, reviewing, and transmitting the information. No custom written operational instructions are anticipated. Two draft copies for review and three (3) copies of the O&M Manual will be provided to the City.

TASK 88 – QUALITY ASSURANCE

Internal quality assurance will be provided for all reports, plans and specifications furnished to the City or other agencies.

TASK 92 – ARCHITECTURAL

An architect will be subcontracted to perform the architectural design to match the existing Staples Pump Station and for construction administrative services related to architectural items of the pump station.

Appendix B

Methods and Times of Payment

Section 1. Payments for Basic Services.

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

Partial payment shall be made to the Engineer upon receipt of the Engineer's pay estimate, said estimate being proportioned to the work completed by the Engineer. 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. For services rendered prior to construction, Appendix A, the Engineer shall be paid based upon actual time accrued, but not to exceed the total amount:

1.	Task 00 – Project Management	$4,300.00
2.	Task 31 – Design Survey	$4,300.00
3.	Task 32 – Construction Survey	$900.00
4.	Task 39 – Geotechnical (Design and Construction)	$12,500.00
5.	Task 40 – Design	$103,000.00
6.	Task 50 – Construction Administration	$100,000.00
7.	Task 60 – Project Closeout	$9,200.00
8.	Task 88 – Quality Assurance	$12,050.00
9.	Task 92 – Architectural (Design and Construction)	$13,750.00
	TOTAL	**$260,000.00**

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 Engineer's work which requires redoing by Billings shall be deducted from any payments due the Engineer, if the Engineer 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 Engineer's costs and hourly rates as shown in Appendix D have increased for all comparable clients.

Appendix C

Additional Services of Engineer

Extra Services of the Engineer 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 at the agency or public meetings, which are beyond the scope and intent of this study.

Appendix D

Schedule of Professional Fees

Current agreements for engineering services stipulate that the standard hourly rates are subject to review and adjustments. Hourly rates for services effective on the date of this Agreement are included below.

The itemized schedule provided below includes direct labor costs, normal payroll and overhead costs, transportation, furnishing equipment and materials normally required for performance of the work and reasonable profit. Direct project costs not itemized herein shall be paid for at actual cost.

Section 1. Professional Services.

Morrison Maierle
engineers • surveyors • planners • scientists

Standard Billing Rate Schedule
Effective Thru
December 31, 2019

			Standard Rate	Overtime Rate
Professional Services	**Principal**	**Principal**	216.00	216.00
	Engineer	**Supervising Engineer III**	201.00	201.00
		Supervising Engineer II	191.00	191.00
		Supervising Engineer I	181.00	181.00
		Senior Engineer II	171.00	171.00
		Senior Engineer I	155.00	155.00
		Design Engineer II	146.00	146.00
		Design Engineer I	136.00	136.00
		Engineer Intern II	118.00	118.00
		Engineer Intern I	104.00	104.00
	Planner	**Supervising Senior Planner**	186.00	186.00
		Senior Planner	155.00	155.00
		Planner III	125.00	125.00
		Planner II	115.00	115.00
		Planner I	100.00	100.00
	Scientist	**Supervising Environmental Scientist**	200.00	200.00
		Environmental Scientist III	160.00	160.00
		Environmental Scientist II	120.00	120.00
		Environmental Scientist I	103.00	103.00
		Environmental Technician	90.00	90.00
		Supervising Geologist	201.00	201.00
		Senior Geologist	190.00	190.00
		Geologist III	164.00	164.00
		Geologist II	140.00	140.00
		Geologist I	120.00	120.00
	Engineering Technician	**Senior Engineering Technician**	150.00	150.00
		Engineering Technician	104.00	104.00
		Cad Designer III	129.00	129.00
		Cad Designer II	119.00	119.00
		Cad Designer I	111.00	166.50
		Cad Tech III	109.00	163.50
		Cad Tech II	94.00	141.00
		Cad Tech I	83.00	124.50
	Resident Project Representative	**Senior Resident Project Representative**	145.00	145.00
		Resident Project Representative III	138.00	138.00
		Resident Project Representative II	121.00	121.00
		Resident Project Representative I	105.00	157.50
	Clerical and Graphics	**Administrative Manager**	105.00	105.00
		Administrative Coordinator III	97.00	97.00
		Administrative Coordinator II	91.00	136.50
		Administrative Coordinator I	75.00	112.50
		Project Coordinator III	98.00	147.00
		Project Coordinator II	86.00	129.00
		Project Coordinator I	75.00	112.50
		Technical Intern	72.00	108.00
		Senior Communication Specialist	103.00	103.00
		Graphic Designer	87.00	87.00
Surveying Services	**Survey**	**Senior Survey Manager**	175.00	175.00
		Survey Manager	150.00	150.00
		Land Surveyor IV	144.00	144.00
		Land Surveyor III	135.00	135.00
		Land Surveyor II	124.00	124.00
		Land Surveyor I	114.00	114.00
		Remote Sensing Specialist	109.00	163.50
		Survey Technician IV	103.00	154.50
		Survey Technician III	98.00	147.00
		Survey Technician II	85.00	127.50
		Survey Technician I	72.00	108.00
	Expert Witness	Recommended rate for expert witness services (depositions and/or time in court) is charged at an hourly rate of 150-200% of the standard billing rate.		

Morrison Maierle
engineers • surveyors • planners • scientists

Standard Billing Rate Schedule
Rates Effective Thru
December 31, 2019

EQUIPMENT RATES

Company Vehicle: highway miles - Pickups	$.681/mile
highway miles – Medium SUV	$.646/mile
highway miles - Small SUV	$.525/mile
highway miles - Sedan	$.591/mile
on-site mileage	$ .591/mile plus $5.00/hour
Private Vehicle	$.580/mile
ATV	$50.00/day
UTV	$100.00/day
Survey-Grade GNSS (1 Receiver)	$120.00/day
Survey-Grade GNSS (2 Receivers)	$30.00/hour, $240.00/day
Resource-Grade (GIS) GNSS Receivers	$65.00/day
Total Station	$80.00/day
Robotic Total Station	$30.00/hour, $240.00/day
FARO Focus 3D X 130 Laser Scanner	$400.00/day
sUAS Survey Drone	$400.00/day
Nuclear Density Meter	$10.00/hour, $35.00/day
Airflow Balancing Hood	$75.00/day
Core Drill	$10.00/hole
Digital Level	$50.00/day
Trimble V10 Image Rover	$50.00/day

HYDROLOGICAL EQUIPMENT

Conductivity Meter	$15.00/day
Disposable Bailers	$10.00/each
Dissolved Oxygen Meter	$20.00/day
PH Meter	$15.00/day
PH/Temp/Conductivity Meter	$25.00/day
Water Sample Fee	$10.00/each
In Situ Level Troll 700	$63.00/day, $250.00/week
AquaCalc Pro	$60.00/day, $120.00/week
Marsh McBirney 2000 Flowmeter	$60.00/day, $120.00/week
Global Water FP 111 Flowmeter	$25.00/day, $75.00/week
Submersible Pump (Redi Flo 2)	$155.00/day
Water Level Meter, 300 Ft.	$25.00/day, $50.00/week
Water Level Meter, 500 Ft.	$35.00/day, $75.00/week
Oil/Water Interface Well Probe	$40.00/day, $120.00/week
Hach Flo-Dar (logger & sensor)	$400.00/week, $1,000.00/month
Rain Gauge Sensor	$15.00/week, $60.00/month

PRINTING EXPENSES

Black & White Copies	$.10/8.5X11, $.13/8.5x14, $.20/11x17
Color Copies	$.20/8.5X11, $.20/8.5x14, $.40/11x17
Binding	$.25/each
Lamination	$1.00/each
Oversize Print Black & White	$5.00/each
Oversize Print Color	$6.00/each
Print & Basic Mount	$12.00/each
Print & Machine Mount	$20.00/each
Print, Machine & Laminate White Board	$32.00/each

MISCELLANEOUS EXPENSE

Lodging	Current Rates
Meals	$50.00/day

Materials and other direct costs will be invoiced at current rates plus minimum 10% markup. The following are included as direct costs: approved employee meals, lodging, transportation, premium delivery services (UPS, Federal Express, etc.), testing and survey supplies, premiums for special insurance, performance bonds, and consultants. Cost of professional liabity insurance is included in the hourly rates of personnel.

Section 2 Materials and Other Direct Costs.

Materials and other direct costs will be invoiced at current rates, plus a ten percent (10%) handling fee. Included as direct costs are the following:

A. Approved Employee Meals, Lodging, Transportation

B. Premium Delivery Service (UPS, Federal Express, etc.)

C. Toll Communication Services (Telephone, Fax, etc.)

D. Supplies

E. Premiums for Special Insurance, Performance Bonds, etc.

F. Other Out-of-Pocket Expenses

G. Consultants

The cost of Professional Liability Insurance coverage is included in the hourly rates of personnel.

Appendix E

Project Schedule

Based on a notice to proceed by Billings date no later than February 11, 2019, the completion date for the Engineer's work through final design shall be:

A. 60% Review – March 2019

B. 90% Review – April 2019

C. Bid – May 2019

D. Construction – Late Summer/Fall/Winter 2019 to 2020

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

Consent **1. D.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: W.O. 19-05: Hydrogen Sulfide Mitigation Plan

PRESENTED BY: David Mumford, Public Works Director

Department: Public Works

Presentation: No

PROBLEM/ISSUE STATEMENT

Public Works staff has obtained sulfate and hydrogen sulfide (H2S) samples at various points in the sewer system. The laboratory analysis of the samples shows higher than anticipated levels of both sulfate and H2S in many locations. The presence of H2S in sewer systems has been shown to be a safety hazard and increase corrosion, which reduces the lifespan of wastewater infrastructure. This plan will develop a sewer model that predicts sulfate and H2S concentrations and subsequently develops alternatives to mitigate the effects of H2S in the sewer system.

ALTERNATIVES ANALYZED

City Council may:

- Award the Contract for Professional Services to HDR Engineering, Inc., or
- Do not award the contract. If the contract is not awarded, the safety of Public Works staff will be compromised and increased corrosion in wastewater infrastructure will result in higher costs for rate payers.

FINANCIAL IMPACT

There is available funding in the Wastewater FY19 Capital Improvement Projects.

RECOMMENDATION

Staff recommends that Council authorize the Mayor to execute a Contract for Professional Services with HDR Engineering, Inc. for $167,145.00 for Work Order 19-05 – Wastewater Collection System Hydrogen Sulfide Mitigation Plan.

APPROVED BY CITY ADMINISTRATOR

Attachments

Agreement

Contract for Professional Architectural and Engineering Services
Project W.O. 19-05:
Wastewater Collection System Hydrogen Sulfide Mitigation Plan

In consideration of the mutual promises herein, City of Billings and HDR Engineering, 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 5 pages (Basic Services of Engineer);

Appendix B consisting of 2 pages (Methods and Times of Payment);

Appendix C consisting of 1 pages (Additional Services of Engineer);

Appendix D consisting of 1 pages (Schedule of Professional Fees);

Appendix E consisting of 1 pages (Project Schedule);

Appendix F consisting of 21 pages (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 HDR Engineering, 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 Section 4.
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.

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 December 31, 2019.

Section 4. Compensation; Method of Payment.

A. Subject to the Contractor’s satisfactory performance, Billings shall pay the Contractor no more than One Hundred Sixty-Seven Thousand One Hundred and Forty-Five dollars ($167,145) in accordance with this Section and Appendix B.
B. 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.
C. The Contractor is not entitled to any compensation under this Contract, other than is expressly provided for in this Section.
D. 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 claim.

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: Louis Engels
City of Billings
Public Works – Water Treatment Plant
2251 Belknap Avenue
Billings, MT 59101 FAX: (406) 247-8580

Contractor: Amanda McInnis, PE
HDR Engineering, Inc.
700 SW Higgins Avenue, Suite 200
Missoula, MT 59803 FAX: (406) 532-2241

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 a 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.
F. The Contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a), which prohibit discrimination against qualified protected veterans and/or qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

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: Jared Harris, Amanda McInnis, or Authorized Signatory

   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

_____
City Council or Designee

Date:_____

ATTEST:

_____
City Clerk

Date:_____

Contractor

_____

Name:_____
Title:_____
Date:_____

IRS Tax ID #_____

APPROVED AS TO FORM:

By_____
BRENT BROOKS, City Attorney

STATE OF MONTANA)
:ss.
COUNTY OF YELLOWSTONE)

On this _____ day of _____, 2018, 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 Engineer
City of Billings W.O. 19-05:
Wastewater Collection System Hydrogen Sulfide Mitigation Plan

Section 1. Engineer's Rights and Duties.

A. To furnish all labor, materials, equipment, supplies, and incidentals necessary to conduct and complete the Engineer'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 Engineer 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. Engineer'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 Engineer 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 monthly progress reports thereafter until complete. The reports will include any problems, potential problems, and delays as foreseen by the Engineer. Reports will be submitted in a timely manner to permit prompt resolution of problems.

J. Contract administration duties will include review of contractor certified payrolls for wage rate compliance. Discrepancies in certified payrolls will be resolved with the

Contractor. A signed Engineer's Payroll Check Sheet (included in the Standard Modifications to MPWSS) will be submitted as proof of this review with one copy of each payroll.

K. Name a Task Director who shall be the liaison between Billings and the Engineer. For this project the Task Director designated for the Engineer is Amanda McInnis working under the Principal-in-Charge, Jared Harris.

Section 2. 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 Engineer and Billings. For this project, the Task Director designated is Louis Engels, working under the Public Works Director, Dave Mumford.

Section 3. Scope of Work.

The project consists of engineering services for the City of Billings W.O. 19-05 – Wastewater Collection System Hydrogen Sulfide Mitigation Plan. Overall general concepts of the H_2S Mitigation Plan include:

- The H2S Mitigation Plan will utilize the City's existing wastewater collection system InfoSWMM model as the basis for the Wastewater Aerobic/Anaerobic Transformation in Sewers (WATS) model to be prepared by HDR.
- This scope of service assumes that no updates to the InfoSWMM model are required for the successful completion of this project.
- The WATS model will be used to identify potential high-risk locations within the collection system.
- Potential H_2S mitigation measures will be identified and evaluated based on non-monetary factors in order to create a short-list of viable mitigation options.
- The WATS model will be updated to incorporate the short-list of mitigation measures in order to estimate the effectiveness of each measure within the various potential high-risk locations in the collection systems. Using the results of the WATS model the non-monetary factors will be update and project costs (capital and O&M) will be developed in order to compare potential mitigation measures.
- A final recommendation regarding H2S mitigation in the collection system will be provide along with estimates of total project cost.

The plan excludes the following components:

- Updating or modifying the City of Billings InfoSWMM collection system model.
- Additional H_2S sampling within the collection system.
- Evaluation of improvement alternatives to the City of Billing's existing Water Reclamation Facility (WRF).
- Analyzing plant and collection system operation.
- Emergency protocols.

DETAIL SCOPE OF SERVICES

The scope of services that will be utilized on the Billings H_2S Mitigation Plan project is presented in the summaries for Tasks 100 through 300. The scope of services is organized as follows:

Task Series	Description
100	Project Management and Administration
200	Model Development
300	Mitigation Alternatives Evaluation

TASK SERIES 100 – PROJECTMANAGEMENT AND ADMINISTRATION

Objective

HDR will manage and control its professional services contract to provide efficient completion of the project. Under this task, HDR will prepare and implement a project management plan; provide scope, schedule, and cost control services; negotiate and administer the contract; and initiate and attend project working meetings. The project management plan will be completed jointly for the identified project phases and components identified in the scope of services for project delivery.

101 – Project Management

A project management plan will include: 1) project objectives and priorities; 2) role of the City of Billings (City) and HDR throughout the project; 3) contract work plan, including scope, schedule, budget, resource assignments, and coordination requirements; 4) quality assurance and quality control plan; 5) management tools and techniques; 6) reporting requirements; and 7) administrative procedures, such as invoicing, communication protocol, and formats.

102 – Project Coordination Meetings and Reports

The HDR project manager will conduct meetings with City staff as necessary to review project progress, schedule and budget; identify information needs; and make decisions regarding any changes in the scope of the preliminary design and design. These meetings are planned to be coordinated with the work meetings identified in specific tasks and will also be conducted in conjunction with the meetings required for detailed preliminary and final design. This scope of services assumes that meetings will be conducted in Billings, Montana.

- Deliverable: Agenda and meeting minutes for each meeting and monthly invoices.

103 – Kick Off Meeting

An initial project kick off working meeting will be held immediately after the Notice to Proceed to identify City goals, performance data, engineering data needs (available collection system drawings and data including their InfoSWMM model) and schedule. Members of the project team will be introduced. Data will be exchanged and detailed work tasks outlined. During this initial work session, all project communications and project team responsibilities will be clearly defined. Initial project alternatives will be identified and all key alternatives for each project element and/or unit process will be selected for further evaluation and analysis by HDR. Any additional sampling needs will also be identified at this time.

- Deliverable: Agenda and meeting minutes

TASK SERIES 200 – MODEL DEVELOPMENT

Objective

The City's high levels of sulfate and H2S necessitate mitigation. The testing completed by the City is the basic evaluation approach recommended from the initial HDR site visit prior to the execution of this scope of service. The next more extensive approach is to use hydraulic data from a calibrated InfoSWMM model which can be used to scan for risk locations that; create turbulence from hydraulic jumps; create stripping from drop locations; create sewer headspace pressurization from headspace restrictions. Alternatively, a more complete collection system model could be created that considers these issues as well as all of the biochemical reactions occurring in the sewer system along with hydraulics and air movement. Given the high H2S levels observed during the 2018 summer sampling this approach is recommended. This work would consist of the following sub-tasks:

201 –Model Development and Hot Spot Identification

HDR will review the City's existing hydraulic model (e.g. InfoSWMM) data and construct a new fully-developed Wastewater Aerobic/Anaerobic Transformation in Sewers (WATS) model. It is assumed that the InfoSWMM model provided by the City is accurate and contains the necessary information required to use it in the WATS model. Work will include the review of field sampling data (to be provided by the City of Billings) and calibrate the WATS model. Once completed the WATS model will be run in order to identify existing (current) conditions and identify high-risk locations (hot spots). A draft technical memorandum will be developed that summarizes the results of the modeling, identifies high-risk locations of potential hot spots, and describes any additional recommended field sampling.

As part of this and other Subtasks HDR will subcontract with Jes Vollertsen, PhD who currently serves as a Professor at the Department of Civil Engineering, Aalborg University, Denmark and is the developer of the WATS model. Jes will assist HDR staff with the development, calibration and option of this model for this project.

- Deliverable: Draft Technical Memorandum #1.

202 – Workshop #1

The first technical workshop will be held in Billings to discuss the information presented in the draft technical memorandum developed under Subtask 201. Once comments have been collected from City staff a final Technical Memorandum will be issued.

- Deliverables: Workshop meeting agenda and notes
  Final Technical Memorandum #1

TASK SERIES 300 – MITIGATION ALTERNATIVES EVALUATION

Objective

Evaluate both liquid and gas phase treatment mitigation approaches that might be considered depending on the location in the sewer. It may also be possible that key locations in the collection system could be vented to localized gas phase odor control. This would keep that portion of the sewer under negative pressure preventing fugitive odor release as well as reducing the headspace H2S concentrations by venting the sewer headspace. The West End and Heights Interceptors might be an example where this applies near the WRF.

301 – Evaluation of H_2S Mitigation Measures

Identification and initial screening of H2S mitigation measures using non-monetary criteria including odor control effectiveness, technically reliable and proven technology, compatibility with existing sites and downstream systems (WRF treatment process, odor control/corrosion treatment, digesters, and biogas composition), and O&M complexity. Using this data, the potential mitigation measures will be narrowed down to three and incorporated into the WATS model where impacts (corrosion, odor, etc.) associated with the various mitigation alternatives will be compared to baseline conditions. Once these impacts are known, the non-monetary criteria will be updated and the top two potential mitigation measures will be carried forward into the next phase of analysis which includes implementation and long-term operation and maintenance costs. A draft Technical Memorandum will produced summarizing the results of this evaluation.

- Deliverable: Draft Technical Memorandum #2.

302 – Workshop #2

A second technical workshop will be held in Billings to discuss the information presented in the draft technical memorandum develop under Subtask 301. Workshop #2 will also include a final determination regarding the weight of the various monetary and non-monetary criteria used to development final recommendation for H2S mitigation measures in Billing's collection system. Once comments have been collected from City staff a final Technical Memorandum will be issued that summarizes the recommended alternative and cost estimates.

- Deliverables: Workshop meeting agenda and notes
  Final Technical Memorandum #1

Appendix B

Methods and Times of Payment
City of Billings W.O. 19-05:
Wastewater Collection System Hydrogen Sulfide Mitigation Plan

Section 4. Payments for Basic Services.

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

Partial payment shall be made to the Engineer upon receipt of the Engineer's pay estimate, said estimate being proportioned to the work completed by the Engineer. 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. For services rendered prior to construction, Appendix A, the Engineer shall be paid based upon actual time accrued, but not to exceed the following amounts:

i.	Project Management and Administration	$12,929
ii.	Model Development	$112,067
iii.	Mitigation Alternatives Evaluation	$42,150
		$167,145

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

Section 5. 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 based on a negotiated fee.

Section 6. Corrections.

Costs of Billings work that is required for corrections to the Engineer's work which requires redoing by Billings shall be deducted from any payments due the Engineer, if the Engineer 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 Engineer's costs have increased for all comparable clients.

Appendix C

Additional Services of Engineer
City of Billings W.O. 19-05:
Wastewater Collection System Hydrogen Sulfide Mitigation Plan

Extra Services of the Engineer will be paid only with written prior authorization by Billings.

A. Requests made or conditions identified which are beyond the scope and intent of the services identified under Appendix A.

Appendix D

Schedule of Professional Fees
City of Billings W.O. 19-05:
Wastewater Collection System Hydrogen Sulfide Mitigation Plan

Not used on this Contract.

Appendix E

Project Schedule
City of Billings W.O. 19-05:
Wastewater Collection System Hydrogen Sulfide Mitigation Plan

Based on a notice to proceed by Billings dated no later than January 14, 2019, the completion date for the Engineer's work shall be on or before July 31, 2019 based on the following estimated schedule for major deliverables:

A. Draft Technical Memorandum #1 – March, 2019

B. Workshop #1 – March, 2019

C. Final Technical Memorandum #1 – April, 2019

D. Draft Technical Memorandum #2 – June, 2019

E. Workshop #2 – June, 2019

F. Final Technical Memorandum – July, 2019

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

Based on the results of the Alternatives Analysis, Engineer will reassess remainder of project schedule and revise accordingly with City's concurrence.

Appendix F

Certificate(s) of Insurance
City of Billings W.O. 19-05:
Wastewater Collection System Hydrogen Sulfide Mitigation Plan

(Attach Certificate(s) of Insurance)

Consent **1. E.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: W.O. 19-11; WRF Nutrient Recovery and Biosolids Facility Plan

PRESENTED BY: David Mumford, Public Works Director

Department: Public Works

Presentation: No

PROBLEM/ISSUE STATEMENT

Council is asked to consider awarding a professional engineering services contract to HDR Engineering for W.O. 19-11, WRF Nutrient Recovery and Biosolids Facilities Plan in the amount of $195,000.00. Under this contract, HDR will review and update the solids handling, nutrient recovery and biogas recovery practices at the Water Reclamation Facility (WRF) that were previously analyzed in preparing the 2013 Wastewater Facilities Plan and in designing the 2014 WRF Nutrient Upgrade, Expansion and Improvements Project.

Significant technological and process advancements have been made in the last several years to aid in the recovery of phosphorous, increase the level of biogas production, improve the dewaterability of biosolids, and provide carbon sources for better nitrogen removal. Under this contract with HDR, the City plans to evaluate if these and other benefits can be realized at the WRF.

HDR will evaluate the following and summarize all analyses, evaluations, potential alternatives and recommendations in a report that will include a recommended future project schedule and cost estimates:

- primary clarification and solids handling (including gravity thickening and dewatering issues),
- phosphorous recovery alternatives (including biogas optimization, modeling of liquid and solid stream impacts),
- developing an onsite carbon source to aid in nitrogen removal,
- arsenic, selenium and hydrogen sulfide removal options, and
- potential to reuse/repurpose existing infrastructure.

HDR was selected for this project based on City staff review of project proposals submitted by prequalified firms. Jacobs Engineering Group was the other firm considered for the project.

ALTERNATIVES ANALYZED

City Council may:

- Approve the W.O. 19-11 professional engineering services contract with HDR Engineering, or;
- Disapprove the professional engineering services contract. If this project is not completed, the City will forego a current opportunity to enhance the functionality of WRF treatment processes that may include recovering valuable natural resources, optimizing current processes, and improving the quality of treated water released to the Yellowstone River.

FINANCIAL IMPACT

W.O. 19-11, WRF Nutrient Recovery and Biosolids Facilities Plan is in the amount of $195,000.00, and funding for this project has been approved by City Council in the Capital Improvement Plan (CIP) and the budget for the Public Works Department. The project will use wastewater funds.

	WRF Nutrient Recovery and Biosolids Facilities Plan
Project Budget	$3,050,000
Previously Encumbered	$0.00
This Contract	$195,000
Budget Remaining	$2,855,000

RECOMMENDATION

Staff recommends that Council approve a professional engineering services contract with HDR Engineering in the amount of $195,000.00 for W.O. 19-11, WRF Nutrient Recovery and Biosolids Facilities Plan.

APPROVED BY CITY ADMINISTRATOR

Attachments

WO1911 PES Contract

Contract for Professional Engineering Services
City of Billings W.O. 19-11
WRF Nutrient Recovery and Biosolids Facilities Plan

In consideration of the mutual promises herein, City of Billings and HDR Engineering, 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 6 pages (Basic Services of Engineer);

Appendix B consisting of 2 pages (Methods and Times of Payment);

Appendix C consisting of 1 pages (Additional Services of Engineer);

Appendix D consisting of 1 pages (Schedule of Professional Fees);

Appendix E consisting of 1 pages (Project Schedule);

Appendix F consisting of 21 pages (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 HDR Engineering, 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 Section 4.
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.

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 December 31, 2019.

Section 4. Compensation; Method of Payment.

A. Subject to the Contractor's satisfactory performance, Billings shall pay the Contractor no more than One Hundred Ninety Five Thousand Dollars and NO/100 ($195,000.00) in accordance with this Section and Appendix B.
B. 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.
C. The Contractor is not entitled to any compensation under this Contract, other than is expressly provided for in this Section.
D. 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 claim.

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, PE)
City of Billings
Engineering Division
2224 Montana Avenue
Billings, MT 59101
FAX: (406) 237-6291

Contractor: Amanda McInnis, PE
HDR Engineering, Inc.
700 SW Higgins Avenue, Suite 200
Missoula, MT 59803 FAX: (406) 532-2241

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 a 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.
F. The Contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a), which prohibit discrimination against qualified protected veterans and/or qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

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: Jared Harris, Amanda McInnis, or Authorized Signatory

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

_____
City Council or Designee

Date:_____

ATTEST:

_____
City Clerk

Date:_____

Contractor

_____

Name:_____
Title:_____
Date:_____

IRS Tax ID #_____

APPROVED AS TO FORM:

By_____
BRENT BROOKS, City Attorney

STATE OF MONTANA)
:ss.
COUNTY OF YELLOWSTONE)

On this _____ day of _____, 2019, 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 Engineer
City of Billings W.O. 19-11
WRF Nutrient Recovery and Biosolids Facilities Plan

Section 1. Engineer's Rights and Duties.

A. To furnish all labor, materials, equipment, supplies, and incidentals necessary to conduct and complete the Engineer'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 Engineer 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. Engineer'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 Engineer 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 monthly progress reports thereafter until complete. The reports will include any problems, potential problems, and delays as foreseen by the Engineer. Reports will be submitted in a timely manner to permit prompt resolution of problems.

J. Contract administration duties will include review of contractor certified payrolls for wage rate compliance. Discrepancies in certified payrolls will be resolved with the Contractor. A signed Engineer's Payroll Check Sheet (included in the Standard Modifications to MPWSS) will be submitted as proof of this review with one copy of each payroll.

K. Name a Task Director who shall be the liaison between Billings and the Engineer. For this project the Task Director designated for the Engineer is Amanda McInnis working under the Principal-in-Charge, Jared Harris.

Section 2. 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 Engineer and Billings. For this project, the Task Director designated is Randy Straus, working under the City Engineer, Debi Meling.

Section 3. Scope of Work.

The City of Billings would like to update the review of the solids handling practices, nutrient recovery, and biogas recovery analysis from the Facility Plan and the Nutrient Design, looking specifically at primary clarifier requirements, primary sludge thickening, Calprex/other recent nutrient recovery developments, and potential associated benefits to the biogas composition. The City's goals are to:

- Recover phosphorous
- Reduce hydrogen sulfide in the biogas
- Increase dewaterability of the biosolids
- Reduce polymer usage for dewatering
- Provide volatile fatty acids for the biological nutrient removal (BNR) process
- Increase biogas production
- Reuse existing infrastructure to the extent possible
- Meet goals in the most cost effective manner

The plan includes the following components:

1. Summarize and update projected residuals in the process.
2. Evaluate best use and operation of primary clarifiers.
3. Update phosphorous recovery evaluation with a focus on Calprex.
4. Analyze other side stream treatment options for nitrogen and/or ammonia removal.
5. Determine need for third gravity thickener.
6. Update recommendations for primary clarifiers, residuals, side stream treatment and nutrient recovery and provide recommendation for hydrogen sulfide (H_2S) reduction in the wastewater system.
7. Summarize in a Report.

DETAIL SCOPE OF SERVICES

This scope of services is for HDR to assist the City through various technical assistance activities related to the Water Reclamation Facility (WRF) Nutrient Recovery and Biosolids Facility Plan project. The proposed scope of Consultant services are identified in the following tasks.

Task Series	Description
100	Project Management and Administration
200	Innovation Workshop
300	Evaluate Primary Clarification and Potential Third Gravity Thickener
400	Evaluate Resource Recovery Alternatives
500	Overall H_2S Evaluation of the Wastewater System
600	Overall Solids Handling/Liquid Stream Evaluation and Summary Report

TASK SERIES 100 – PROJECT MANAGEMENT AND ADMINISTRATION

101 – Project Management

Project manager and project accountant will initiate project internally, monitor the project schedule/budget, prepare monthly invoices and close out the project.

- Deliverable: Monthly invoices

102 – Project Coordination Meetings

HDR will conduct meetings with City staff as necessary to review project progress. Four project meetings are anticipated.

- Deliverable: Agenda and meeting minutes for each meeting

TASK SERIES 200 – INNOVATION WORKSHOP

Objective

HDR expertise and the City of Billings staff shall join together for a one-day workshop on innovative ideas for the integration of the nutrient recovery, side stream treatment and biosolids management including their potential impacts on the rest of the facility.

201 – Innovation Workshop

The Innovation Workshop will be held in Billings for local staff and via video conference for out-of-state support. The meeting will include JB Neethling and Mario Benisch and focus on developing alternatives for solids impacts and nutrient recovery. A focus will include reuse of existing infrastructure. A 4-hour video conference is planned, with an HDR internal prep meeting beforehand.

- Deliverables: Workshop meeting agenda and notes

TASK SERIES 300 – EVALUATE CURRENT PRIMARY CLARIFICATION AND POTENTIAL THIRD GRAVITY THICKENER

Objective

A summary of current and projected residuals quantities will be summarized from the Nutrient Design and Facility Plan.

301 – Evaluation Primary Clarification and Potential Third Gravity Thickener

HDR will review primary clarifier requirements as well as potential modes of operation. Settling sludge in the primary clarifiers or using one of the clarifiers as a gravity thickener would free up the gravity thickeners for other uses, such as side stream treatment. Similarly, the potential for a third gravity thickener will be evaluated, as well as how a third gravity thickener could affect plant processes. Montana Department of Environmental Quality (MDEQ) design criteria for primary clarifiers will be reviewed to project capacity of existing clarifiers. HDR will coordinate with MDEQ on weir loading rate criteria and limitations on continuing to get a variance for this criteria. Evaluation will also look at partial/full/seasonal bypassing of primary clarification and the effects on the plant process.

- Deliverable: A summary of current and future residual quantities and primary clarifier and gravity thickener options.

TASK SERIES 400 – EVALUATE RESOURCE RECOVERY ALTERNATIVES

Objective

One of the fundamental keys to the goals of the WRF has always been the recovery of phosphorus from the treatment process. There are a variety of phosphorus recovery technologies that can be employed to recover phosphorus during the treatment process, with the CalPrex process being especially applicable to the goals of the City. The Calprex process is a phosphorus recovery process that creates a fertilizer called Brushite. It uses acid phase digestion to solubilize phosphorus, which then reacts with calcium addition to crystallize the phosphorus upstream of anaerobic digestion. The Calprex process can be a good fit with (BNR) facilities because it captures the phosphorus upstream of the digesters (before it can form struvite in the digester) and creates a carbon-rich recycle stream that can improve nitrogen removal in the BNR process. Sampling work suggests that phosphorus is the limiting nutrient in the Yellowstone River, and consequently it makes sense from a water quality perspective to focus on reducing phosphorus loading. Additionally, dewaterability would likely improve and polymer demand would decrease. Other possible processes for phosphorous removal include Airpex, MultiForm Harvest and Ostara.

401- Calprex Evaluation

The objective of this task is to review Calprex in the context of existing and possible future tankage at the WRF site, and compare it at a screening level with other alternatives.

402 – Additional Alternative Technologies

The objective of this task is to review up to three other technologies in the context of existing and possible future tankage at the WRF site, and compare each alternative at a screening level with each other and Calprex. Possibilities will be included in the

discussion of the Innovation Workshop and may include Annamox, or alternative phosphorus recovery and ammonia/nitrogen reduction technologies.

403- Preliminary Biowin Modeling
This task will include Biowin modeling of each alternative to determine the localized impacts on the plant.

404 – Preliminary Cost Estimates
The purpose of this task is evaluate the costs of the alternatives developed. Preliminary capital and O&M costs will be calculated and presented as alternatives to the current CIP.

405 – Alternatives Analysis
The evaluations for alternatives and the cost estimates will be used in this task to perform an alternatives analysis. Evaluation criteria will be weighted with the costs for the full evaluation.

406 - Bench Scale Testing
This task also includes assistance with one bench scale phosphorus release evaluation conducted at the WRF lab. Samples for TP and soluble P will be included and pH will be monitored. This test will be conducted after the plant has started up its new nutrient removal trains. The test will include one, two-day bench scale phosphorus release test.

- Deliverable: Bench Scale testing protocol.

TASK SERIES 500 – OVERALL H_2S EVALUATION OF THE WASTEWATER SYSTEM

Objective
The impacts of the elevated H_2S concentrations is being explored in the collection system under a separate project. Chemical dosing for impacts to H_2S removal in the biosolids system is also being explored by a separate project. This task will provide additional recommendations and bring together the findings of the other two projects for an overall solution.

501- H_2S Evaluation and Recommendations for the Wastewater System
This task will incorporate recommendations from the Collection System H_2S Evaluation Project, results of the Chemical Pilot Project, corrosion/odor control improvements at the WRF to provide a holistic look at the H_2S mitigation in the wastewater system and provide overall recommendations.

TASK SERIES 600 – OVERALL SOLIDS HANDLING EVALUATION, LIQUID STREAM EVALUATION AND SUMMARY REPORT

Objective
Based on the findings in Task 300, 400 and 500 an overall solids handling and liquid stream evaluation will be provided along with recommendations for current and future needs. Various solids handling options will be developed and the effects on the liquid stream will be analyzed. Options will be developed schematically and facility layouts will be developed along with major pipeline routing. The findings will be summarized in a

report along with a recommended plan. Summary of capital and O&M costs will be included for proposed improvements. In providing opinions of probable cost, HDR has no control over cost or price of labor and materials, unknown or latent conditions of existing equipment or structures that might affect operation or maintenance costs, competitive bidding procedures and market conditions, time or quality of performance by operating personnel or third parties, and other economic and operational factors that might materially affect the ultimate the project construction cost or schedule.

601- Final Biowin Modeling
This task will include Biowin modeling of the combination of recommended alternatives to summarize the projected treatment results and to determine required facility sizing.

602 – Recommendation
This task will include schematic level layouts and process flow diagrams of the recommended alternative from Task 400.

603- Biosolids Evaluation
This task will include a mass balance of the biosolids impacts of the recommendation and the impacts to the dewatering and disposal of the biosolids. Impacts to the biogas will also be evaluated.

604- Detailed Capital Cost Estimate of Recommendation
This task will include the cost estimate for implementing the recommended alternative. The schematic layout will be used to determine impacts to the site piping and integration of the alternative for an overall cost estimate.

605- Compare Recovery Recommendation to Previously Planned Facilities
This task will evaluate the recommendation in light of the expected discharge permit requirements and compare the recommendation to the facilities recommended in the Wastewater Treatment Facility Plan for comparative discharge limits

606- Final Report
This task includes the writing of the final report and documentation. A single set of review comments from the City of Billings is assumed.

- Deliverable: Three hard copies and one electronic copies of the draft and final technical memorandum.

Appendix B

Methods and Times of Payment
City of Billings W.O. 19-11
WRF Nutrient Recovery and Biosolids Facilities Plan

Section 1. Payments for Basic Services.

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

Partial payment shall be made to the Engineer upon receipt of the Engineer's pay estimate, said estimate being proportioned to the work completed by the Engineer. 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. For services rendered prior to construction, Appendix A, the Engineer shall be paid based upon actual time accrued, but not to exceed the following amounts:

1.	Project Management and Administration	$21,700
2.	Innovation Workshop	$12,500
3.	Evaluate Primary Clarification and Potential Third Gravity Thickener	$15,900
4.	Evaluate Resource Recovery Alternatives	$76,200
5.	Overall H2S Evaluation of the Wastewater System	$10,900
6.	Overall Solids Handling/Liquid Stream Evaluation and Summary Report	$57,800
		$195,000

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 based on a negotiated fee.

Section 3. Corrections.

Costs of Billings work that is required for corrections to the Engineer's work which requires redoing by Billings shall be deducted from any payments due the Engineer, if the Engineer 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 Engineer's costs have increased for all comparable clients.

Appendix C

Additional Services of Engineer
City of Billings W.O. 19-11
WRF Nutrient Recovery and Biosolids Facilities Plan

Extra Services of the Engineer will be paid only with written prior authorization by Billings.

A. Requests made or conditions identified which are beyond the scope and intent of the services identified under Appendix A.

Appendix D

Schedule of Professional Fees
City of Billings W.O. 19-11
WRF Nutrient Recovery and Biosolids Facilities Plan

Not used on this Contract.

Appendix E

Project Schedule
City of Billings W.O. 19-11
WRF Nutrient Recovery and Biosolids Facilities Plan

Based on a notice to proceed by Billings dated no later than February 11, 2019, the completion date for the Engineer's work shall be on or before December 31, 2019 based on the following estimated schedule for major deliverables:

A. Innovation Workshop – March, 2019

B. Primary Clarifier Memo – May, 2019

C. Draft Alternatives Memo – June, 2019

D. Final Alternatives Summary Report – August, 2019

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

Based on the results of the Alternatives Analysis, Engineer will reassess remainder of project schedule and revise accordingly with City's concurrence.

Appendix F

Certificate(s) of Insurance
City of Billings W.O. 19-11
WRF Nutrient Recovery and Biosolids Facilities Plan

(Attach Certificate(s) of Insurance)

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
05/18/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
Willis of Minnesota, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	PHONE (A/C, No, Ext): 1-877-945-7378	FAX (A/C, No): 1-888-467-2378
	E-MAIL ADDRESS: certificates@willis.com	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Liberty Mutual Fire Insurance Company	23035
INSURER B : Liberty Insurance Corporation	42404
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
HDR Engineering, Inc.
8404 Indian Hills Drive
Omaha, NE 68114

COVERAGES **CERTIFICATE NUMBER:** W6234505 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR X Contractual Liability GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT X LOC OTHER:	Y	Y	TB2-641-444950-038	06/01/2018	06/01/2019	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS HIRED AUTOS ONLY NON-OWNED AUTOS ONLY	Y	Y	AS2-641-444950-048	06/01/2018	06/01/2019	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 2,000,000 $ $ $
B	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $	Y	Y	TH7-641-444950-068	06/01/2018	06/01/2019	EACH OCCURRENCE AGGREGATE	$ 5,000,000 $ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N No If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	Y	WA7-64D-444950-018	06/01/2018	06/01/2019	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate Holder is named as Additional Insured on General Liability, Automobile Liability and Umbrella Liability on a primary, non-contributory basis where required by written contract. Waiver of Subrogation applies on General Liability, Automobile Liability, Umbrella Liability and Workers Compensation where required by written contract. Umbrella policy follows form of the underlying General Liability, Automobile Liability, Employers Liability.

RE: CLIENT #000194: ALL PROJECTS.

CERTIFICATE HOLDER

CITY OF BILLINGS
PUBLIC WORKS DEPARTMENT
ATTN: DAVE MUMFORD
2224 MONTANA AVE
2ND FLOOR
BILLINGS, MT 59101

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Kit A. Hoo

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SR ID: 16184332 BATCH: 716696

AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

AGENCY		NAMED INSURED
Willis of Minnesota, Inc.		HDR Engineering, Inc. 8404 Indian Hills Drive Omaha, NE 68114
POLICY NUMBER See Page 1		
CARRIER See Page 1	NAIC CODE See Page 1	EFFECTIVE DATE: See Page 1

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

ADDITIONAL INSUREDS: CITY OF BILLINGS, ITS OFFICIALS, OFFICERS, EMPLOYEES & AGENTS

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Location(s):
All locations owned by or rented to the Named Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage **A,** and for all medical expenses caused by accidents under Section I – Coverage **C,** which can be attributed only to operations at a single designated "location" shown in the Schedule above:

1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
   a. Insureds;
   b. Claims made or "suits" brought; or
   c. Persons or organizations making claims or bringing "suits".
3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.

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B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A**, and for all medical expenses caused by accidents under Section **I** – Coverage **C**, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:

1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
2. Such payments shall not reduce any Designated Location General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.

D. For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

E. The provisions of Section **III** – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Construction Project(s): **All construction projects not located at premises owned, leased or rented by a Named Insured**
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A,** and for all medical expenses caused by accidents under Section **I** – Coverage **C,** which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
   a. Insureds;
   b. Claims made or "suits" brought; or
   c. Persons or organizations making claims or bringing "suits".
3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

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B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A,** and for all medical expenses caused by accidents under Section **I** – Coverage **C,** which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and

2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.

D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.

E. The provisions of Section **III** – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

© ISO Properties, Inc., 2012

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Any person or organization with whom you have agreed, through written contract, agreement or permit to provide additional insured coverage.	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization to whom or to which you are required to provide additional insured status in a written contract, agreement or permit except where such contract or agreement is prohibited.	**Any location where you have agreed, through written, contract, agreement or permit, to provide additional insured coverage for completed operations.**
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

© Insurance Services Office, Inc., 2012

Policy Number TB2-641-444950-038
Issued by

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER INSURANCE AMENDMENT – SCHEDULED ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART

Schedule

Person or Organization:	Where required by written contract.

If you are obligated under a written agreement to provide liability insurance on a primary, excess, contingent, or any other basis for any person or organization shown in the Schedule of this endorsement that qualifies as an additional insured on this policy, this policy will apply solely on the basis required by such written agreement and Paragraph 4. Other Insurance of Section IV - Conditions will not apply. If the applicable written agreement does not specify on w hat basis the liability insurance will apply, the provisions of Paragraph 4. Other Insurance of Section IV - Conditions will govern. However, this insurance is excess over any other insurance available to the additional insured for which it is also covered as an additional insured by attachment of an endorsement to another policy providing coverage for the same "occurrence", claim or "suit".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

SCHEDULE

Name Of Person(s) Or Organization(s):
As required by written contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

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Policy Number: AS2-641-444950-048
Issued by: Liberty Mutual Fire Insurance Co.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED - NONCONTRIBUTING

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIERS COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage form.

Schedule

Name of Person(s) or Organizations(s):
Any person or organization where the Named Insured has agreed by written contract to include such person or organization

Regarding Designated Contract or Project:
Any

Each person or organization shown in the Schedule of this endorsement is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form

The following is added to the **Other Insurance Condition**:

If you have agreed in a written agreement that this policy will be primary and without right of contribution from any insurance in force for an Additional Insured for liability arising out of your operations, and the agreement was executed prior to the "bodily injury" or "property damage", then this insurance will be primary and we will not seek contribution from such insurance.

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POLICY NUMBER: TB2-641-444950-038

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization: As required by written contract or agreement
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions:**

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

SCHEDULE

Name(s) Of Person(s) Or Organization(s):
Any person or organization for whom you perform work under a written contract of the contract requires you to obtain this agreement from us but only if the contract is executed prior to the injury or damage occurring.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a c ontract with that person or organization.

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WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Where required by contract or written agreement prior to loss.

Issued by:

For attachment to Policy No WA7-64D-444950-018 Effective Date 6/01/2018 Premium
$

Issued to:

© 1983 National Council on Compensation Insurance, Inc.

Policy Number TB2-641-444950-038
Issued by LIBERTY MUTUAL FIRE INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION OR MATERIAL REDUCTION IN COVERAGE TO THIRD PARTIES

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART
MOTOR CARRIER COVERAGE PART
GARAGE COVERAGE PART
TRUCKERS COVERAGE PART
EXCESS AUTOMOBILE LIABILITY INDEMNITY COVERAGE PART
SELF-INSURED TRUCKER EXCESS LIABILITY COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EXCESS COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
COMMERCIAL LIABILITY – UMBRELLA COVERAGE FORM

Schedule		
Name of Other Person(s) / Organization(s):	**Email Address or mailing address:**	**Number Days Notice:**
Per Schedule on File		30

A. If we cancel this policy for any reason other than nonpayment of premium, or make a material reduction in coverage, we will notify the persons or organizations shown in the Schedule above. We will send notice to the email or mailing address listed above at least 10 days, or the number of days listed above, if any, before the cancellation becomes effective. In no event does the notice to the third party exceed the notice to the first named insured.

B. This advance notification of a pending cancellation or material reduction of coverage is intended as a courtesy only. Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

All other terms and conditions of this policy remain unchanged.

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Policy Number AS2-641-444950-048
Issued by LIBERTY MUTUAL FIRE INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION OR MATERIAL REDUCTION IN COVERAGE TO THIRD PARTIES

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART
MOTOR CARRIER COVERAGE PART
GARAGE COVERAGE PART
TRUCKERS COVERAGE PART
EXCESS AUTOMOBILE LIABILITY INDEMNITY COVERAGE PART
SELF-INSURED TRUCKER EXCESS LIABILITY COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EXCESS COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
COMMERCIAL LIABILITY – UMBRELLA COVERAGE FORM

Schedule		
Name of Other Person(s) / Organization(s):	**Email Address or mailing address:**	**Number Days Notice:**
Per Schedule on File		30

A. If we cancel this policy for any reason other than nonpayment of premium, or make a material reduction in coverage, we will notify the persons or organizations shown in the Schedule above. We will send notice to the email or mailing address listed above at least 10 days, or the number of days listed above, if any, before the cancellation becomes effective. In no event does the notice to the third party exceed the notice to the first named insured.

B. This advance notification of a pending cancellation or material reduction of coverage is intended as a courtesy only. Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

All other terms and conditions of this policy remain unchanged.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF MATERIAL CHANGE

We will not make changes that reduce the insurance afforded by this policy until written notice of such reduction has been delivered to those scheduled below at least 30 days before the effective date of the material change to the insurance afforded by this policy.

Our failure to provide notice under this endorsement will not affect the validity of the changes except as it relates to the person or organization listed below.

NAME	ADDRESS
Per Schedule on file.	

In no event will the notification be less than the minimum days required for notification by state statute. Notification will be provided to all parties in a manner as required by state statute, if any.

This endorsement is executed by the Liberty Insurance Corporation

Premium:

Effective Date: 6/1/2018 Expiration Date: 6/1/2019

For attachment to Policy No: WA7-64D-444950-018

Countersigned by _____
Authorized Representative

End. Serial No.

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY
WC 99 20 74

(Ed. 12-16)

NOTICE OF CANCELLATION TO THIRD PARTIES

A. If we cancel this policy for any reason other than nonpayment of premium, we will notify the persons or organizations shown in the Schedule below by email as soon as practical after notifying the first Named Insured.

B. This advance email notification of a pending cancellation of coverage is intended as a courtesy only.
Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

SCHEDULE

Name of Other Person(s) / Organization(s):

Per Schedule on file with Company	30 Days

All other terms and conditions of this policy remain unchanged.

Issued by

For attachment to Policy No. WA7-64D-444950-018 Effective Date 6/01/2018 Premium $

Issued to

CERTIFICATE OF LIABILITY INSURANCE

6/1/2019

DATE (MM/DD/YYYY) 5/18/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE — NAIC #
	INSURER A : Lexington Insurance Company — 19437
INSURED 1016040 HDR ENGINEERING, INC. 8404 INDIAN HILLS DRIVE OMAHA, NE 68114-4049	INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES *HDRIN01 **CERTIFICATE NUMBER:** 14716735 **REVISION NUMBER:** XXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY			NOT APPLICABLE			EACH OCCURRENCE	$ XXXXXXX
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ XXXXXXX
							MED EXP (Any one person)	$ XXXXXXX
							PERSONAL & ADV INJURY	$ XXXXXXX
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ XXXXXXX
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$ XXXXXXX
	OTHER:							$
	AUTOMOBILE LIABILITY			NOT APPLICABLE			COMBINED SINGLE LIMIT (Ea accident)	$ XXXXXXX
	☐ ANY AUTO						BODILY INJURY (Per person)	$ XXXXXXX
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$ XXXXXXX
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$ XXXXXXX
								$ XXXXXXX
	☐ UMBRELLA LIAB ☐ OCCUR			NOT APPLICABLE			EACH OCCURRENCE	$ XXXXXXX
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$ XXXXXXX
	☐ DED ☐ RETENTION $							$ XXXXXXX
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			NOT APPLICABLE			☐ PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$ XXXXXXX
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ XXXXXXX
							E.L. DISEASE - POLICY LIMIT	$ XXXXXXX
A	ARCH & ENG PROFESSIONAL LIABILITY	N	N	061853691	6/1/2018	6/1/2019	PER CLAIM: $2,000,000 AGGREGATE: $2,000,000.	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: CLIENT #000194: ALL PROJECTS. CITY OF BILLINGS

CERTIFICATE HOLDER

14716735
CITY OF BILLINGS
PUBLIC WORKS DEPARTMENT
ATTN: DAVE MUMFORD
2224 MONTANA AVE
2ND FLOOR
BILLINGS MT 59101

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Joseph M Arnello

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Consent **1. F.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Annual Certified Local Government Grant Program for Historic Preservation

PRESENTED BY: Monica Plecker

Department: Planning & Community Services

Presentation: No

PROBLEM/ISSUE STATEMENT

The City Council is being asked to authorize the application for the FY19-FY20 grant cycle for the Certified Local Government (CLG) grant for historic preservation. The Montana State Historic Preservation Office has designated the City of Billings as a CLG for historic preservation activities. As a CLG, the City is eligible annually to receive state funding to coordinate historic preservation efforts in the area. Applications for the FY19-FY20 funding cycle from the State are due February 20, 2019. The City of Billings has been utilizing CLG funding for activities that support the efforts of the Yellowstone Historic Preservation Board since 1997. A description of these activities is provided in Attachment 2. Recent projects completed by the Yellowstone Historic Preservation Board include researching the eligibility of listing the Billings Mausoleum in Mountview Cemetery and Riverside Park in Laurel to the National Register of Historic Places, and holding a neighborhood celebration in the North Elevation Historic District. North Elevation is the first residential historic district listed in the City of Billings.

ALTERNATIVES ANALYZED

The City Council may:

- Agree to participate in the State CLG program and approve submitting a CLG grant application that provides funding to coordinate historic preservation activities; or
- Decline to participate in the State CLG program and not authorize a CLG grant application. Declining participation would potentially limit historic preservation activities in Billings and Yellowstone County, and/or require other funding sources to be accessed for historic preservation activities.

FINANCIAL IMPACT

City Council approval would allow the City of Billings to apply for $5,500 in State of Montana Certified Local Government funding.

- The local cash match for the Certified Local Government grant will be $44,740. The cash match includes funds from the Planning Division of $43,271, including a portion of the Historic Preservation Officer's salary of $42,240 and $1,031 in cash that will go toward consultant fees. The Yellowstone Historic Preservation Board will request $1,000 from Yellowstone County and $469 from the City of Laurel that will also be used for consultant fees.
- There is also an in-kind match of $4,138.80 generated from board members' time, use of the Planning Division conference room, and other incidentals for a total match of $48,130.40.
- The total funding package is $54,378.80 ($48,787.80 (Match) + $5,500 (CLG Grant))(See

attached CLG Application).

- The total cash funding package for the grant program is $8,000 ($5,500+$2,500(local cash contribution)) that is used for consulting services provided by the Western Heritage Center to perform activities identified in the Yellowstone Historic Preservation Board Annual Work Plan.

RECOMMENDATION

Staff recommends the City Council authorize submitting an application to the State Historic Preservation Office for a $5,500 Certified Local Government grant for the FY19-FY20 funding cycle.

APPROVED BY CITY ADMINISTRATOR

Attachments

CLG Application
YHPB Work Plan

Certified Local Government Grant Application

April 1, 2019 to March 31, 2020

Application Deadline

February 20, 2019

Montana State Historic Preservation Office
PO Box 201202
Helena, MT 59620-1202
(406) 444-7715

2019-2020 GRANT APPLICATION

CERTIFIED LOCAL GOVERNMENT PROGRAM

Certified Local Government: City of Billings

Address: 2825 3rd Avenue North, 4th Floor, Billings, MT 59101

Contact Person: Lora Mattox, AICP, Historic Preservation Officer, Transportation Planner

Tax ID: 816001237

Period of Grant Request: April 1, 2019 to March 31, 2020

Scope of Work: The National Park Service asks we grant funds to CLGs for kinds and levels of work that reflect increasing sophistication, skills, and roles by the Preservation Officers, in other words, tasks that reflect improvement in community thinking. For this section, please itemize regular work duties (not including special projects) – products or projects starting or completing, meetings to be attended, etc., and more specifically, ways in how the federal grant funds will help the local program to grow and develop. Please tie your tasks to your community's Preservation Plan. If not, please explain.
(☑ Check if Scope of Work is continued on additional pages.)

The Cities of Billings and Laurel, Yellowstone County, and the Crow Tribal Council entered into an inter-local agreement in July 1993 establishing the Yellowstone Historic Preservation Board (YHPB). Along with the inter-local agreement, the four governmental entities adopted ordinances setting up a multi-government YHPB, appointed nine (9) qualified board members, and a Historic Preservation Officer. Since that time, the YHPB has been meeting monthly and has continued to develop and refine an encompassing Historic Preservation Program. In 2016, the City of Billings adopted Billings Beyond, a Growth Policy for the Billings Urbanized Area. An area of the policy identified "Place Makers" as a community goal and states, "The Billings area should continue to make places that we all enjoy by preserving and improving public space as well as the natural and historic landscapes to bring the community together where people are comfortable and share activities. These places are ones that you go back to, share with visitors and recall when someone asks you to describe your community". One of the objectives includes protection and preservation such as historic preservation controls, preservation of view sheds, preservation of natural areas and the preservation of historic places.

This year the CLG funding for half-time staff is $5,500. The local cash match for these funds is provided by the City of Billings, City of Laurel, and Yellowstone County in the amount of $2,500. This amount combined with the $5,500 from the CLG provides $8,000 for consulting services provided by the Western Heritage Center. In addition to the local funds, the Planning Division also provides in-kind match through the HPO salary, room usage, and supplies. Also, Historic Preservation Board member's time is also counted toward the in-kind match. As mentioned above, the CLG and local funds are used to contract services with the Western Heritage Center and assist in carrying out the following activities:

- Assist the Board and Historic Preservation officer in undertaking action to meet short and long-range goals established by the Board. See Attachment A.
- Provide professional services to assist the Board, Historic Preservation Officer, and the City in performing duties and responsibility identified in the City's Historic Preservation Ordinance MCA 27-500.

- Act as a historic preservation center by providing technical assistance, direction, and literature on the following:
    - Historic preservation tax credits
    - National Register
    - Federal historic preservation regulations, and
    - Secretary of Interior Standards related to historic preservation activities.
- Attend community meetings related to preservation activities, on behalf of the Board upon request.
- Plan and coordinate activities and publicity during National Preservation Week in May.
- Carry out the responsibilities for the CLG program as outlined in "The Certified Local Government Program in Montana".
- Submit semi-annual reports on the historic preservation efforts of the community carried out by the City under the CLG grant.

BUDGET

4-1-2019 to 3-31-2020 Budget	Cash Amount	Cash Source	In-kind Amount	In-kind Source	Total
A. Salaries, Wages, Benefits	$42,240.00	HPO-$44/hr x 80 hrs/mo x 12 mos CI/CO			$42,240.00
B. Office Rental			$1,000.00 Conference room @ 2 hrs/mo x $50/hr x 10 mtgs/yr	CI/CO	$1,000.00
C. Equipment			*	CI/CO	
D. Supplies & Materials Itemize major categories			*	CI/CO	
E. Postage			*	CI/CO	
F. Telephone & Internet			*	CI/CO	
G. Photocopies			*	CI/CO	
H. Preservation Commission Number of hours X * rate X number of members X number of meetings			$3,138.80 7 members x 2 hrs/mo x $22.42 x 10 mtgs/year	YHPB	$3,138.80
I. Volunteers Hours X * rate X number of volunteers.					
J. Travel Mileage Number of miles X $**0.535**. **Include funds for HPO and/or Commissioners to attend CLG annual training**			*	CI/CO	

K. Travel Meals # of Meals X rate: Breakfast - $5.00 Lunch - $6.00 Dinner - $12.00			*	CI/CO	
L. Lodging $93.00 plus tax X number of nights			*	CI/CO	
M. Project (s) Expenses – fully itemized	$5,500.00 $2,500.00	F CI/CO			$8,000.00
N. Other Expenses – fully itemized.					
M. Total Expenses	$50,240.00		$4,138.80		$54,378.80

SOURCE KEY:

F-Federal
CI-City
CO-County
NP- Private/Non-Profit

* Federally approved minimum rate for volunteers is **$22.42 per hour**.

SOURCES OF REVENUE/FUNDING	AMOUNT
Itemized Cash Match Source	
City of Billings (Tax ID #: 816001237	$1,031.00
City of Billings	$42,240.00
City of Laurel	$ 469.00
Yellowstone County	$1,000.00
Itemized In-Kind Match Source	
Room rental for board meetings	$1,000.00
YHPB member time	$3,138.80
Federal HPF Grant Request from SHPO	
CLG Funds	$5,500.00
TOTAL REVENUE	**$54,378.80**

Certified Local Government
Historic Preservation Commission Chairperson or President

Signature _____ Date 1/9/2019

Name (typed) Blain Fandrich

Address 3120 Smokey Lane

Telephone 406-656-6928

* * * *

Yellowstone Historic Preservation Board Work Plan
2018-2019

Goals & Objectives:

I. Promote the preservation of historic buildings, sites or neighborhoods.

II. Increase community awareness on the benefits of historic preservation activities.

III. Promote increased awareness of preservation activities and the work of the YHPB through the four governing bodies represented on the Board.

IV. Comply with the duties and responsibilities of historic preservation organizations under the State Certified Local Government Program and the requirements of the Inter-local Agreement.

2018-2019 Projects

1. Complete a National Registration for McKinley Elementary School.

Time Frame: 2018-2019
Who: YHPB Board, HPO/WHC, State Historic Preservation Office (SHPO)
Status: SHPO is currently working on this nomination with the intent to submit by mid-2018

2. Assist the North Elevation Historic District neighborhood with the ribbon cutting/celebration of the National Register District sign installation for the district and the neighborhood celebration.

Time Frame: May, 2018
Who: HPO/WHC/YHPB/North Elevation Historic District
Status: Preliminary work being completed.

3. YHPB will continue to explore funding opportunities for assistance in listing individual properties/districts to the National Register. Several properties have been brought to the YHPB including Laurel's Riverside Park (German prison camp) and the mausoleum at Mountview Cemetery.

Time Frame: 2018-2019
Who: YHPB, WHC, HPO, Yellowstone Genealogy Forum, possibly Montana SHPO
Status: Continuing.

4. **YHPB will continue partnering with AT&T, SHPO, and the City Parks Department in the preparation of a Memorandum of Understanding and the development of a National Register Nomination for Pioneer Park. This project was developed as part of a mitigating impacts of the placement of a cell tower on the Montana Power Building in the downtown.**

Time Frame: 2018-2019
Who: YHPB, WHC, HPO, PRPL, Montana SHPO
Status: Continuing.

Annual Board Activities

1. **Continue the review of building permits submitted for properties located within the designated historic district.**

Time Frame: Ongoing
Who: Committee and HPO

2. **Continue the review of Community Development Block Grant rehabilitation projects as needed.**

Time Frame: Ongoing
Who: YHPB/WHC

3. **Continue to review and update the information relating to the Downtown Billings Electronic Walking Tour. Discuss with the City of Laurel to include its new downtown historic district in the application.**

Time Frame: Yearly
Who: Committee/WHC

4. **To continually update the local governing bodies of the activities undertaken by the YHPB, annual PowerPoint Presentations will be made to the City of Billings, the City of Laurel and Yellowstone County.**

Time Frame: Yearly
Who: Chair/WHC/HPO
Status: The scheduling of these meetings will take place yearly during spring.

5. **To provide up to date information to the general public, continually update the web site and social media sites on activities and programs.**

Time Frame: Ongoing
Who: WHC

6. **Provide resources to property owners who are interested in listing a property to the National Register. Including State Historic Preservation Office contacts, literature and technical assistance.**

Time Frame: Ongoing
Who: YHPB Board/HPO/WHC

7. **Expand YHPB meetings to alternate locations. To take advantage of some of our many historic venues, the board wishes to expand meetings to alternate locations.**

Time Frame: Ongoing
Who: HPO/WHC

8. **Due to a loss of potential historic buildings within the City of Billings, an effort is being made to notify WHC and a member of the board about upcoming demolitions. The Building Division notifies HPO on the release of demolition permits, HPO notifies members of the demolition and a determination is made to either document/photograph building.**

Time Frame: Ongoing
Who: HPO/WHC/Board

9. **Continue exploration of grant opportunities to provide additional funds to the YHPB for historic preservation projects.**

Time Frame: Ongoing
Who: HPO/WHC

10. **Consultant, Historic Preservation Officer and YHPB will attend training meetings as needed. Historic Preservation Officer will attend the required annual Montana State Historic Preservation Conference.**

Time Frame: Ongoing
Who: WHC/HPO

11. **To provide a forum for Historic Preservationist to share their successes and discuss projects and to present historic preservation awards, continue to host the Historic Preservation Roundtable yearly.**

Time Frame: Yearly
Who: WHC/HPO/Board
Status: Preservation Month - March

12. **Celebrate National Historic Preservation Month. Board will decide on a program, speakers and other events to commemorate this event.**

Time Frame: Yearly
Who: Committee/WHC
Status: This event will occur yearly during May.

2019 YHPB Board

Designation	*Name & Address*	*Phone*	*Date of Term Expiration & Term Number*
City of Billings	**Keith Edgerton** 1140 N. 32nd Street Billings, MT 59101 Edgerton, Keith kedgerton@msubillings.edu	Home: 861-2845 Work 657-2895	1st term expires 12/31/2019
City of Laurel	**Evan Bruce** 105 E. Main, Apt. #1 Laurel, MT 59044 evanblaurel@gmail.com	Home: 598-7883 Work:	2nd Term expires 12/31/2020
Yellowstone County	**Allen Rapacz** 4840 Piegan Trail Billings, MT 59106 allen@schutzfoss.com	Home: Work: 252-9218	2nd Term expires 12/31/2019
Crow Tribe	**Vacant**	Home: Work:	
At Large Member – History	**Sue Mueller** 637 Lewis Avenue Billings, MT 59101	Home: 256-0838	3rd Term expires 12/31/2020
At Large Member - Professional Expertise - Architecture	**Kevin Nelson** 3945 Parkwood Drive Billings, MT 59106 archmedtech@gmail.com kevinn@ctagroup.com	Home: 969-1828 Work: 896-6189 Cell: 670-8815	3rd Term expires 12/31/2019
At Large Member - Professional Expertise – Museum	**Rebecca Jeter** 7944 Molt Road Billings, MT 59106 jumpinjeters@yahoo.com	Home: 694-3505 Work:	1st Term expires 12/31/2019
At Large Member - Professional Expertise – History and Museum	**Vacant**	Home: Work:	1st Term expires
Professional Expertise – Archaeology and Cultural Resources	**Blain Fandrich** 3120 Smokey Lane Billings, MT 59102 bfandrich@ethnoscience.com	Home: 656-6928 Work: 252-7945	3rd Term expires 12/31/2019

Last Update: December 31, 2018

Board members can serve a maximum of four two-year terms.

Consultants	Lauren Hunley lauren@ywhc.org		256-6809 Ext. 133	
Staff Support	Lora Mattox mattoxl@ci.billings.mt.us		247-8622	

Jointly Selected Members

3 need professional expertise in history, planning, archaeology, architecture, or historic preservation-related disciplines.

2 need to be selected from the following categories:

- 1 member of Yellowstone County Board of Planning;
- 1 member of Laurel Board of Planning;
- 1 property owner residing or operating business in historic district or property is listed on National Register;
- 1 member of city, county, or a tribal historic preservation group.

Can serve 4-2-yr terms

Yellowstone Historic Preservation Board Work Plan
2018-2019

Goals & Objectives:

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Time Frame: 2018-2019
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Who: YHPB Board/HPO/WHC

7. **Expand YHPB meetings to alternate locations. To take advantage of some of our many historic venues, the board wishes to expand meetings to alternate locations.**

Time Frame: Ongoing
Who: HPO/WHC

8. **Due to a loss of potential historic buildings within the City of Billings, an effort is being made to notify WHC and a member of the board about upcoming demolitions. The Building Division notifies HPO on the release of demolition permits, HPO notifies members of the demolition and a determination is made to either document/photograph building.**

Time Frame: Ongoing
Who: HPO/WHC/Board

9. **Continue exploration of grant opportunities to provide additional funds to the YHPB for historic preservation projects.**

Time Frame: Ongoing
Who: HPO/WHC

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Who: WHC/HPO

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Time Frame: Yearly
Who: Committee/WHC
Status: This event will occur yearly during May.

Consent **1. G.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Resolution for Land Water Conservation Funding (LWCF) Grant

PRESENTED BY: Mike Whitaker, Parks, Recreation & Public Lands Director

Department: Parks/Rec/Public Lands

Presentation: No

PROBLEM/ISSUE STATEMENT

Billings Parks and Recreation staff proposes to apply for a Land Water Conservation Fund (LWCF) grant for improvements to the Central Park Tennis Courts. Part of the application requires Council to approve a resolution authorizing application for LWCF assistance, see Attachment A. By applying for this grant, the City may be eligible for up to $250,000. The Central Park Tennis Court Replacement project was recommended by the Parks, Recreation and Cemetery Board and is scheduled to be completed during FY2019 as part of the City Wide Park District (PD 1) . The PD 1 budget is $500,000 and grant proceeds will be used to upgrade the court surface from asphalt to post tension concrete, improve fencing structure to support wind screens and provide ADA accessible route from parking to the courts. By seeking grant funds to add to the PD 1 funds already allocated, the playability of the courts will be significantly enhanced, life expectancy of the courts will dramatically increase and maintenance costs will be significantly reduced. The grant has a 50% match requirement, which is met by the City's PD 1 appropriation. The grant application deadline is Thursday, February 28, 2019 but the grant award may be as late as winter of 2020. Due to this timeframe, the replacement project will be delayed slightly. As part of the application process, staff contacted stakeholders and surrounding property owners to inform them of the grant opportunity, to solicit letters of support and to receive comments.

ALTERNATIVES ANALYZED

City Council may:

- Approve,the resolution authorizing application for LWCF assistance or;
- Disapprove the resolution and provide staff with additional guidance

FINANCIAL IMPACT

The PD 1 budget for this project is $500,000. If the City is awarded a $250,000 LWCF grant, those funds will be used to make additional improvements and upgrades to the Central Park Tennis Courts. There will be no additional financial impacts to the City.

RECOMMENDATION

Staff recommends that the City Council approve the resolution authorizing application for LWCF funding to reconstruct the Central Park Tennis Court facility.

APPROVED BY CITY ADMINISTRATOR

Attachments

RESOLUTION 19-_____

A RESOLUTION AUTHORIZING APPLICATION FOR LAND AND WATER CONSERVATION FUND ASSISTANCE FOR THE REPLACEMENT OF THE CENTRAL PARK TENNIS COURTS AND AUTHORIZING CITY OFFICIALS TO PROCEED.

WHEREAS, The City of Billings is interested in acquiring or developing outdoor recreational facilities on the following described project for the enjoyment of the citizenry of the City of Billings and the State of Montana.

Project Title: Central Park Tennis Court Renovation

Total Estimated Cost: $500,000

Brief Description of Project: This project will remove and replace the existing four court tennis facility at Central Park. The renovation project involves re-building the court surface, fencing and netting system along with providing ADA accessibility to the courts. The current facility has developed excessive horizontal and vertical cracking in the playing surface that has necessitated its closure due to safety concerns. The new facility will meet United States Tennis Association (USTA) regulations for dimensions and equipment and will provide a durable surface for the next 50 years. It will also encourage a healthy lifestyle for citizens of all ages through active participation in City sponsored tennis programs and tournaments; and

WHEREAS, Land & Water Conservation Fund financial assistance is required for the acquisition or development of said outdoor recreational facilities,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA: that the project described be authorized;

AND, be it further resolved that said City of Billings Parks, Recreation and Public Lands Department staff is authorized to make application to Montana Fish, Wildlife and Parks to seek 2019 Land & Water Conservation Fund financial assistance from the National Park Service in the amount of 50 percent of the actual cost of the project on behalf of said City Council of the City of Billings;

AND, be it further resolved by the City Council of the City of Billings that it certifies to the Following:

1. That it will accept the terms and conditions set forth in the Land & Water Conservation Fund Grants in Aid Mutual and the official agreement between the applicant and Montana Fish, Wildlife and Parks, both of which will be part of the project agreement for any grant award.
2. That it is in complete accord with the attached proposal and that it will carry out the acquisition and/or development in the manner described in the

proposal and any plans and specifications attached thereto unless prior approval for any change has been received from Montana Fish, Wildlife and Parks.

3. That, at the time of application, it has committed to fund the entire project (the sponsor must make full payment on all project expenses before being reimbursed for up to 50 percent of allowable costs), and will initiate work within 90 days following federal approval (weather permitting).
4. That the project will be operated and maintained in perpetuity at the expense of said City Council of the City of Billings for public outdoor recreation use.
5. That it will maintain adequate financial records on the proposed project to substantiate claims for cost sharing.
6. That open public participation was encouraged throughout the planning phase of the project.

ADOPTED AND APPROVED by the City Council of the City of Billings, Montana, on the 11th day of February, 2018.

CITY OF BILLINGS

By: _____
William A. Cole, Mayor

ATTEST:

By: _____
Denise R. Bohlman, City Clerk

Consent **1. H.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Resolution Prescribing the Form and Terms of the Solid Waste Revenue Bonds

PRESENTED BY: Andy Zoeller, Finance Director

Department: City Hall Administration

Presentation: No

PROBLEM/ISSUE STATEMENT

The City awarded the purchase of the solid waste revenue bonds to Robert W. Baird & Company. The bid proposal between the City of Billings and Robert W. Baird & Company has been signed and accepted by Council on January 28, 2019. The bond proceeds will be used for the construction of a drop-off building, maintenance building, scale plaza, C&D and HHW drop-off areas, and a new diesel fueling station.

This resolution authorizes the issuance of the bonds and recaps the details of the bonds.

ALTERNATIVES ANALYZED

This is the final step of the bond sale. Once Council approves the resolution, the closing will take place in February and the money will be disbursed to the project.

FINANCIAL IMPACT

The term of the bonds will be 20 years with debt service being paid from the solid waste funds. The interest rate is 3.09%

RECOMMENDATION

Staff recommends that the City Council approve the attached bond resolution providing financing for the landfill construction project.

APPROVED BY CITY ADMINISTRATOR

Attachments

resolution

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 a Resolution entitled: "RESOLUTION RELATING TO $21,990,000 SOLID WASTE SYSTEM REVENUE BONDS, SERIES 2019; AUTHORIZING THE SALE AND PRESCRIBING THE FORMS AND TERMS THEREOF AND THE SECURITY THEREFOR" (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 February 11, 2019, 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 Council Members voted in favor thereof: _____ _____; voted against the same: _____ _____; abstained from voting thereon: _____ _____; or were absent: _____.

WITNESS my hand officially this 11th day of February, 2019.

_____
City Clerk

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[Not a part of this Resolution; for convenience of reference only.]

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RESOLUTION NO. _____

RESOLUTION RELATING TO $21,990,000 SOLID WASTE SYSTEM REVENUE BONDS, SERIES 2019; AUTHORIZING THE SALE AND PRESCRIBING THE FORMS AND TERMS THEREOF AND THE SECURITY THEREFOR

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

Section 1. Definitions, Authorizations and Findings.

1.01. Definitions. The terms defined in this Section 1.01 shall for all purposes of this Resolution have the meanings herein specified, unless the context clearly otherwise requires:

Accountant shall mean a Person engaged in the practice of accounting as a certified public accountant, whether or not employed by the City.

Act shall mean Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended or supplemented.

Additional Bonds shall mean any Bonds issued pursuant to Sections 4.01 through 4.03.

Bond Counsel shall mean any firm of nationally recognized bond counsel experienced in matters relating to tax-exempt financing, selected by the City.

Bond Register shall mean the register maintained for the purpose of registering the ownership, transfer and exchange of the Bonds of any series.

Bonds shall mean the Series 2019 Bonds and any Additional Bonds.

Business Day shall mean, with respect to the Bonds of any series, any day other than a Saturday, Sunday or other day on which the Registrar for such series of Bonds is not open for business.

City shall mean the City of Billings, Montana, or its successors.

Code shall mean the Internal Revenue Code of 1986, as amended.

Construction Account shall mean the account created by Section 5.02.

Council shall mean the City Council of the City or any successor governing body thereof.

Debt Service Account shall mean the account created by Section 5.04.

Defeasance Obligations shall mean obligations for payment of the principal of and interest on which the United States has pledged its full faith and credit and which are not subject to redemption or prepayment other than at the option of the holder thereof.

Exempt Entities shall mean the City General Fund, the Public Safety Fund, the Parmly Billings Library, and MET Transit.

Fiscal Year shall mean the period commencing on the first day of July of any year and ending on the last day of June of the next calendar year, or any other twelve-month period authorized by law and specified by this Council as the City's Fiscal Year.

Interest Payment Date shall mean the Stated Maturity of an installment of interest on any of the Bonds.

Net Revenues shall mean the Revenues for a specified period less the Operating Expenses for the same period.

Operating Account shall mean the account created by Section 5.03.

Operating Expenses shall mean the current expenses, paid or accrued, of operation, maintenance and minor repair of the System, excluding interest on the Bonds and depreciation, as calculated in accordance with generally accepted accounting principles, and shall include, without limitation, administrative expenses of the City relating solely to the System, public works cost allocation, premiums for insurance on the properties thereof, labor and the cost of materials and supplies used for current operation and for maintenance, charges for the accumulation of appropriate reserves for current expenses which are not recurrent regularly but may reasonably be expected to be incurred, and current charges for the accumulation of Remediation Funds.

Original Purchaser shall mean, with respect to any series of Bonds, the Person who purchases such series of Bonds from the City when first issued. The Original Purchaser of the Series 2019 Bonds is Robert W. Baird & Co., Inc. of Red Bank, New Jersey.

Outstanding shall mean, with reference to Bonds, as of the date of determination, all Bonds theretofore issued and delivered under this Resolution except:

(i) Bonds theretofore cancelled by the City or delivered to the City cancelled or for cancellation;

(ii) Bonds and portions of Bonds for whose payment or redemption money or Defeasance Obligations (as provided in Section 10.04) shall have been theretofore deposited in trust for the Owners of such Bonds; provided, however, that if such Bonds are to be redeemed, notice of such redemption shall have been duly given pursuant to this Resolution or irrevocable instructions to call such Bonds for redemption at a stated Redemption Date shall have been given by the City; and

(iii) Bonds in exchange for or in lieu of which other Bonds shall have been issued and delivered pursuant to this Resolution;

provided, however, that in determining whether the Owners of the requisite principal amount of Outstanding Bonds have given any request, demand, authorization, direction, notice, consent or

waiver hereunder, Bonds owned by the City shall be disregarded and deemed not to be Outstanding.

Owner shall mean, with respect to any Bond, the Person in whose name such Bond is registered in the Bond Register.

Person shall mean any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Principal and Interest Requirements shall mean, with respect to any Bonds and for any Fiscal Year or other specified period, the amount required to pay the principal of and interest on such Bonds during such Fiscal Year or other period, determined on the assumption that each Serial Bond is to be paid on its Stated Maturity and each Term Bond is to be paid on the Sinking Fund Payment Dates according to the mandatory redemption requirements established for such Term Bond pursuant to this Resolution or any Supplemental Resolution.

Principal Payment Date shall mean the Stated Maturity of principal of any Serial Bond and the Sinking Fund Payment Date for any Term Bond.

Project shall mean an improvement, betterment, reconstruction or extension of the System.

Rebate Account shall mean the account created by Section 5.09.

Rebate Certificate shall mean, with respect to a series of Bonds, a certificate delivered by the City on the day of issuance of such Bonds pursuant to which the City represents and covenants to segregate funds, calculate amounts, report and pay to the United States Department of Treasury any rebatable arbitrage relating to the Bonds of any series in accordance with the requirements of Section 148 of the Code and the regulations promulgated thereunder.

Redemption Date when used with respect to any Bond to be redeemed shall mean the date on which it is to be redeemed.

Redemption Price when used with respect to any Bond to be redeemed shall mean the price at which it is to be redeemed.

Registrar shall mean the Person, if any, appointed by the City to act as bond registrar, transfer agent and paying agent for a series of Bonds. With respect to the Series 2019 Bonds, the Registrar shall be appointed as set forth in Section 3.05.

Remediation Funds shall mean funds required by federal or State law or regulation to be accumulated for purposes of closure, post-closure care and corrective action with respect to the System, including but not limited to all funds deposited pursuant to the Trust Agreement or any similar agreement and any investment earnings with respect thereto.

Repair and Replacement Account shall mean the account created by Section 5.07.

Reserve Account shall mean the account created by Section 5.05.

Reserve Requirement shall mean, as of the date of calculation, an amount equal to the maximum Principal and Interest Requirements on Outstanding Bonds secured by the Reserve Account for the then current or any future Fiscal Year.

Resolution shall mean this resolution as originally adopted or as it may from time to time be amended or supplemented pursuant to the applicable provisions hereof.

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

Series 2019 Bonds shall mean the City's Solid Waste System Revenue Bonds, Series 2019, issued in the original aggregate principal amount of $21,990,000.

Sinking Fund Payment Date shall mean a date set forth in any applicable provision of this Resolution or a Supplemental Resolution for the making of a mandatory principal payment for the redemption of a Term Bond.

State shall mean the State of Montana.

Stated Maturity when used with respect to any Bond or any installment of interest thereon shall mean the date specified in such Bond as the fixed date on which principal of such Bond or such installment of interest is due and payable.

Solid Waste System Fund shall mean the fund created in Section 5.01.

Subordinate Obligations shall mean bonds, notes or other obligations of indebtedness of the City payable from the Subordinate Obligations Account and issued in accordance with Section 4.04.

Subordinate Obligations Account shall mean the account created by Section 5.06.

Supplemental Resolution shall mean any resolution supplemental to this Resolution adopted pursuant to Section 9.

System shall mean the City's municipal solid waste management system, as it may at any time exist, including any replacement, expansion and improvement thereof.

2019 Project shall mean the facilities, improvements and activities financed, refinanced or the cost of which is being reimbursed to the City with proceeds of the Series 2019 Bonds, described in Exhibit A hereto.

Term Bond shall mean any Bond for the payment of the principal of which mandatory payments are required by this Resolution or Supplemental Resolution to be made at times and in amounts sufficient to redeem all or a portion of such Bond prior to its Stated Maturity.

Trust Agreement shall mean the Trust Agreement, dated August 29, 2007, between the City and U.S. Bank National Association, as trustee, as amended or supplemented.

1.02. Rules of Construction. Unless the context otherwise requires or except as otherwise expressly provided:

(i) All references in this Resolution to designated sections and other subdivisions are to the designated sections and other subdivisions of this Resolution as originally adopted.

(ii) The words "herein," "hereof" and "hereunder" and other words of similar import without reference to any particular section or subdivision refer to this Resolution as a whole and not to any particular section or other subdivision unless the context clearly indicates otherwise.

(iii) The terms defined in this Resolution include the plural as well as the singular.

(iv) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles applicable to governmental entities.

(v) All computations provided herein shall be made in accordance with generally accepted accounting principles applicable to governmental entities consistently applied.

(vi) "Or" is not intended to be exclusive, but is intended to contemplate or encompass one or more or all of the terms or alternatives conjoined.

1.03. Authorization. Under the Act, the City is authorized to issue and sell its revenue bonds payable during a term not exceeding forty years from their date of issue, to provide funds for the acquisition, purchase, construction, reconstruction, improvement, betterment and extension of a solid waste management system; provided that the bonds and the interest thereon are to be payable solely out of the income and revenues to be derived from rates, fees and charges for the services, facilities and commodities furnished by the undertaking, and are not to create any obligation of the City for the payment of which taxes may be levied except to pay for services provided by the solid waste management system to the City.

1.04. 2019 Project. After investigation of the facts and as authorized by the Act, this Council has determined it to be necessary and desirable and in the best interests of the City to acquire and construct the 2019 Project. The estimated costs of the 2019 Project, including engineering and financing costs, are presently estimated to be $23,338,126.95 and consist of the following items:

Construction Costs	$23,000,000.00
Costs of Issuance	134,651.19
Underwriter's Discount	203,475.76
Total	$23,338,126.95

Costs of the 2019 Project in excess of the proceeds of the Series 2019 Bonds shall be paid from Revenues of the System available therefor.

1.05. Findings and Determinations. It is hereby found, determined and declared by this Council as follows:

(i) The City is authorized under the Act to charge just and equitable rates, charges and rentals for all services directly or indirectly furnished by the System, and to pledge and appropriate to the payment of the Bonds the revenues to be derived from the operation of the System, including improvements, betterments or extensions thereof hereafter constructed or acquired.

(ii) The Net Revenues to be produced by such rates, charges and rentals during the term of the Series 2019 Bonds will be sufficient to pay the principal of and interest when due on the Series 2019 Bonds, to create and maintain reasonable reserves therefor, to pay the reasonable and ordinary costs of operating and maintaining the System, to provide an adequate allowance for replacement and repair, and to accumulate Remediation Funds, as herein prescribed. No other bonds or indebtedness are outstanding that are payable from the Revenues of the System.

(iii) It is in the best interests of the City and its residents to issue and sell the Series 2019 Bonds to finance the acquisition and construction of the 2019 Project as provided in this Resolution.

1.06. Authorization and Sale of Series 2019 Bonds. On January 14, 2019, this Council authorized and provided for the issuance and sale of its solid waste system revenue bonds in the aggregate principal amount of up to $22,710,000 to pay costs of the 2019 Project. Pursuant to such authorization, this Council at a public sale duly noticed and held on January 28, 2019, awarded the sale of the Series 2019 Bonds to Robert W. Baird & Co., Inc. of Red Bank, New Jersey, on a bid to purchase the Series 2019 Bonds at a price of $23,134,651.19 (representing the principal amount of the Series 2019 Bonds ($21,990,000.00 plus original issue premium of ($1,348,126.95) and less underwriter's discount ($203,475.76)), the Series 2019 Bonds to bear interest at the rates designated by the Original Purchaser in such bid and as set forth in Section 3.01, which rates result in a true interest cost of 3.093165%. The rates of interest designated by the Original Purchaser result in a total dollar interest cost of $9,609,852.85. It is hereby found, determined and declared that the interest rates designated by the Original Purchaser and set forth in Section 3.01 are consistent with the Original Purchaser's bid accepted by this Council on January 28, 2019 and are hereby approved. It is now desirable, proper and in the best interest of the City that the form and details of the Series 2019 Bonds be set forth and prescribed in the official proceedings of this Council.

1.07. Application of Proceeds of Series 2019 Bonds. The City shall deposit the proceeds of the sale of the Series 2019 Bonds in the Construction Account to be used to pay costs of the 2019 Project and costs of issuance of the Series 2019 Bonds.

1.08. Recitals. All acts, conditions and things required by the Constitution and laws of the State to be done, to exist, to happen and to be performed prior to the issuance of the Series 2019 Bonds have been done, do exist, have happened, and have been performed in due time, form and manner, wherefore it is now necessary for this Council to establish the form and terms of the Series 2019 Bonds, to provide for the security thereof and to issue the Series 2019 Bonds forthwith.

Section 2. The Bonds.

2.01. General Title. The general title of the Bonds of all series shall be "Solid Waste System Revenue Bonds," with appropriate additions for refunding or Subordinate Obligations and to distinguish Bonds of each series from Bonds of each other series.

2.02. General Limitations; Issuable in Series. The aggregate principal amount of Bonds that may be authenticated and delivered and Outstanding under this Resolution is not limited, except as provided in Section 4 and except as may be limited by law.

The Bonds may be issued in series as from time to time authorized by the City.

The Bonds are special, limited obligations of the City. The Bonds are not general obligations of the City and neither the general credit nor the taxing power of the City, Yellowstone County or the State is pledged to the payment of the Bonds or the interest thereon. Principal of, premium, if any, and interest on the Bonds (except to the extent expressly payable out of proceeds of the Bonds) are payable solely from the Net Revenues and funds on deposit in the Solid Waste System Fund, as provided in Section 5. Yellowstone County and the State shall in no event be liable for the payment of the principal of, premium, if any, or interest on the Bonds or the performance of any pledge of any kind whatsoever that may be undertaken by the City with respect thereto. Neither the Bonds nor any of the agreements or obligations of the City contained herein or therein shall be construed to constitute an indebtedness of the City, Yellowstone County or the State within the meaning of any constitutional or statutory provisions whatsoever. Remediation Funds are not pledged to the payment of the Bonds or the interest thereon.

If any Stated Maturity, Redemption Date or Sinking Fund Payment Date shall be on a day which is not a Business Day, then payment of principal of, premium, if any, or interest due on such day may be made on the next succeeding Business Day, with the same force and effect as if made on such Stated Maturity, Redemption Date or Sinking Fund Payment Date (whether or not such next succeeding Business Day occurs in a succeeding month), and no interest shall accrue for the intervening period.

2.03. Terms of a Particular Series. Each series of Bonds (except the Series 2019 Bonds, which are created by Section 3) shall be created by a Supplemental Resolution and pursuant to Section 4. The City may, at the time of the creation of any series of Bonds or at any time thereafter make, and the Bonds of that series may also contain, provision for a sinking,

amortization, improvement or other analogous fund. The City shall state whether or not each series of Bonds is secured by the Reserve Account. All Bonds of the same series shall be substantially identical except as to denomination and the differences specified herein or in a Supplemental Resolution between interest rates, Stated Maturities and redemption provisions.

2.04. Form and Denominations. The form of the Bonds (other than the Series 2019 Bonds, as to which specific provision is made in Section 3) shall be established by the Supplemental Resolution creating such series.

The Bonds of any series shall be issuable as fully registered Bonds, in such denominations as shall be provided in the Supplemental Resolution creating such series (other than the Series 2019 Bonds, as to which specific provision is made in Section 3). In the absence of any such provision with respect to the Bonds of any particular series, Bonds shall be in denominations of $5,000 or any integral multiple thereof, of single Stated Maturities.

2.05. Execution and Delivery. Each Bond shall be executed on behalf of the City by the officials of the City specified in a Supplemental Resolution (other than the Series 2019 Bonds, as to which specific provision is made in Section 3). The signature of any official may be printed, engraved or lithographed facsimiles thereof, if permitted by applicable law. Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper officials of the City shall bind the City, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the delivery of such Bonds or did not hold such offices at the date of such Bonds.

At any time and from time to time, the City may deliver Bonds executed by the proper officers of the City to the Registrar for authentication, and the Registrar shall authenticate and deliver such Bonds as specified in a Supplemental Resolution (other than the Series 2019 Bonds, as to which specific provision is made in Section 3).

2.06. Priority of Payments. Each and all of the Bonds shall be payable solely from, and secured equally and ratably by, Net Revenues, without preference or priority of any one Bond over any other by reason of serial number, date of issue, series designation or otherwise; provided that if at any time the Net Revenues on hand in the Solid Waste System Fund are insufficient to pay principal and interest then due on all such Bonds, any and all Net Revenues then on hand shall be first used to pay the interest accrued on all Outstanding Bonds, and the balance shall be applied toward payment of the maturing principal of such Bonds to be paid first, and pro rata in payment of Bonds maturing on the same date; provided further, however, that only Bonds secured by the Reserve Account shall be payable from amounts therein or from amounts transferred to the Debt Service Account from the Reserve Account in accordance with Sections 5.04 and 5.05.

Section 3. Series 2019 Bonds.

3.01. Term of Series 2019 Bonds. The Series 2019 Bonds shall be designated "Solid Waste Revenue Bonds, Series 2019." The Series 2019 Bonds shall be in denominations of $5,000 or any integral multiple thereof, of single Stated Maturities. The Series 2019 Bonds shall mature, subject to redemption as hereinafter provided, on July 1 in the years and amounts listed

below, and the Series 2019 Bonds maturing in such years and amounts shall bear interest from date of original issue until paid or duly called for redemption at the rates shown opposite such years and amounts:

Year	Amount	Interest Rate
2020	$ 700,000	5.000%
2021	735,000	5.000
2022	775,000	5.000
2023	815,000	5.000
2024	855,000	5.000
2025	895,000	5.000
2026	940,000	5.000
2027	990,000	5.000
2028	1,040,000	5.000
2029	1,090,000	4.000
2030	1,135,000	4.000
2032*	2,395,000	3.000
2033	1,250,000	3.000
2034	1,290,000	3.125
2035	1,330,000	3.250
2036	1,370,000	3.250
2037	1,415,000	3.250
2038	1,460,000	3.375
2039	1,510,000	3.500

*Term Bond subject to mandatory sinking fund redemption as set forth in Section 3.07 below.

Interest on the Series 2019 Bonds shall be calculated on the basis of a year of 360 days composed of twelve 30-day months. The Series 2019 Bonds are not secured by the Reserve Account.

3.02. Registered Form, Interest Payment Dates. The Series 2019 Bonds shall be issuable only in fully registered form, and the ownership of the Series 2019 Bonds shall be transferred only upon the Bond Register of the City hereinafter described. The interest on the Series 2019 Bonds shall be payable on January 1 and July 1 in each year, commencing July 1, 2019. Interest on the Series 2019 Bonds shall be payable to the Owners thereof as of the close of business on the 15th day of the month immediately preceding each Interest Payment Date, whether or not such day is a Business Day. Interest on, and upon presentation and surrender thereof, the principal of each Series 2019 Bond shall be payable by check or draft issued by the Registrar described herein.

3.03. Dated Date. Each Series 2019 Bond shall be originally dated as of February 20, 2019, and upon authentication of any Series 2019 Bond the Registrar shall indicate thereon the date of such authentication.

3.04. Registration. The City shall appoint, and shall maintain, a bond registrar, transfer agent and paying agent (the "Registrar"). This Section 3.04 shall establish a system of registration for the Series 2019 Bonds as defined in the Model Public Obligations Registration Act of Montana, Montana Code Annotated, Title 17, Chapter 5, Part 11, as amended (the "Registration Act"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(i) Bond Register. The Registrar shall keep at its principal corporate trust office a Bond Register in which the Registrar shall provide for the registration of ownership of Series 2019 Bonds and the registration of transfers and exchanges of Series 2019 Bonds entitled to be registered, transferred or exchanged.

(ii) Transfer of Series 2019 Bonds. Upon surrender to the Registrar for transfer of any Series 2019 Bond duly endorsed by the Owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the Owner thereof or by an attorney duly authorized by the Owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2019 Bonds of the same series and a like aggregate principal amount, interest rate and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer of any Series 2019 Bond or portion thereof selected or called for redemption.

(iii) Exchange of Series 2019 Bonds. Whenever any Series 2019 Bond is surrendered by the Owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2019 Bonds of the same series and a like aggregate principal amount, interest rate and maturity, as requested by the Owner or the Owner's attorney in writing.

(iv) Cancellation. All Series 2019 Bonds surrendered upon any transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(v) Improper or Unauthorized Transfer. When any Series 2019 Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Series 2019 Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(vi) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Series 2019 Bond is at any time registered in the Bond Register as the absolute owner of such Series 2019 Bond, whether such Series 2019 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Series 2019 Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the City upon such Series 2019 Bond to the extent of the sum or sums so paid.

(vii) Taxes, Fees and Charges. For every transfer or exchange of Series 2019 Bonds (except for an exchange upon the partial redemption of a Series 2019 Bond), the Registrar may impose a charge upon the Owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(viii) Mutilated, Lost, Stolen or Destroyed Series 2019 Bonds. In case any Series 2019 Bond shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Series 2019 Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Series 2019 Bond or in lieu of and in substitution for any such Series 2019 Bond lost, stolen or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Series 2019 Bond lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Series 2019 Bond was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. All Series 2019 Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen or destroyed Series 2019 Bond has already matured or such Series 2019 Bond has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Series 2019 Bond prior to payment.

3.05. Appointment of Initial Registrar. The City hereby appoints U.S. Bank National Association, in Salt Lake City, Utah, to act as Registrar. The City reserves the right to appoint a successor Registrar, as authorized by the Registration Act, but the City agrees to pay the reasonable and customary charges of the Registrar for the services performed. Upon merger or consolidation of a bank or trust company that is acting as the Registrar, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The City reserves the right to remove any Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Series 2019 Bonds in its possession as Registrar to the successor Registrar and shall deliver the Bond Register to the successor Registrar.

3.06. Optional Redemption. The Series 2019 Bonds with Stated Maturities on or after July 1, 2028 will be subject to redemption on July 1, 2027 and any date thereafter, at the option of the City, in whole or in part, and if in part from such Stated Maturities and in such principal amounts as the City may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in $5,000 principal amounts selected by the Registrar by lot or other manner it deems fair), at a Redemption Price equal to the principal amount thereof and interest accrued to the Redemption Date, without premium.

The Redemption Date and the principal amount of the Series 2019 Bonds to be redeemed shall be fixed by the City Finance Director who shall give notice thereof to the Registrar at least 35 days prior to the Redemption Date or such lesser period as the Registrar accepts. The Registrar, at least 30 days prior to the designated Redemption Date, shall cause notice of

redemption to be mailed, by first class mail, or by other means required by the securities depository, to the Owners of each Series 2019 Bond to be redeemed at their addresses as they appear on the Bond Register, but no defect in or failure to give such mailed notice shall affect the validity of proceedings for the redemption of any Series 2019 Bond not affected by such defect or failure. The notice of redemption shall specify the Redemption Date, Redemption Price, the numbers, interest rates and CUSIP numbers of the Series 2019 Bonds to be redeemed and the place at which the Series 2019 Bonds are to be surrendered for payment, which is the principal corporate trust office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2019 Bonds or portions thereof so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and from and after such date (unless the City shall default in the payment of the Redemption Price) such Series 2019 Bonds or portions thereof shall cease to bear interest.

3.07. Mandatory Sinking Fund Redemption. The Series 2019 Bonds having a Stated Maturity in 2032 are subject to mandatory sinking fund redemption on July 1 in the years and the principal amounts set forth below in $5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date:

Sinking Fund Payment Date (July 1)	Principal Amount on Sinking Fund Payment Date
2031	$1,180,000
2032*	1,215,000

*Final maturity.

The principal amounts of the Series 2019 Bonds having a Stated Maturity in 2032 required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of any such Series 2019 Bonds theretofore redeemed at the option of the City and not previously applied to reduce the principal amount of such Series 2019 Bonds on a Sinking Fund Payment Date.

If the Series 2019 Bonds having a Stated Maturity in 2032 are not previously purchased by the City in the open market or prepaid, $1,215,000, in principal amount of such Series 2019 Bonds would remain to mature in 2032. The principal amount of the Series 2019 Bonds required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of such Series 2019 Bonds theretofore redeemed at the option of this Council and as to which the City has not previously applied amounts to reduce the principal amount of such Series 2019 Bonds on a Sinking Fund Payment Date.

3.08. Execution and Delivery. The Series 2019 Bonds shall be forthwith prepared for execution under the direction of the City Clerk and shall be executed on behalf of the City by the signatures of the Mayor, the City Finance Director and the City Clerk, provided that said signatures may be printed, engraved or lithographed facsimiles thereof. The seal of the City need not be imprinted on or affixed to any Series 2019 Bond. When the Series 2019 Bonds have been so executed by said City officers, they shall be registered by the City Finance Director in

accordance with Montana Code Annotated, Section 7-7-4432, as amended. Notwithstanding such execution, no Series 2019 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Series 2019 Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Series 2019 Bonds need not be signed by the same representative. The executed certificate of authentication on each Series 2019 Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Series 2019 Bonds have been fully executed and authenticated, they shall be delivered by the Registrar to the Original Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Original Purchaser shall not be obligated to see to the application of the purchase price.

3.09. Securities Depository for the Series 2019 Bonds.

(i) For purposes of this Section 3.09, the following terms shall have the following meanings:

"Beneficial Owner" shall mean, whenever used with respect to a Series 2019 Bond, the person in whose name such Series 2019 Bond is recorded as the beneficial owner of such Series 2019 Bond by a Participant on the records of such Participant, or such person's subrogee.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2019 Bonds.

"DTC" shall mean The Depository Trust Company of New York, New York.

"Participant" shall mean any broker-dealer, bank or other financial institution for which DTC holds Series 2019 Bonds as securities depository.

"Representation Letter" shall mean the Blanket Issuer Letter of Representations pursuant to which the City agrees to comply with DTC's Operational Arrangements.

(ii) The Series 2019 Bonds of each series shall be initially issued as separately authenticated fully registered Series 2019 Bonds, and one Series 2019 Bond shall be issued in the principal amount of each stated maturity of each series of the Series 2019 Bonds. Upon initial issuance, the ownership of such Series 2019 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. The Registrar and the City may treat DTC (or its nominee) as the sole and exclusive Owner of the Series 2019 Bonds registered in its name for the purposes of payment of the principal of or interest on the Series 2019 Bonds, selecting the Series 2019 Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to Owners of Series 2019 Bonds under this Resolution, registering the transfer of Series 2019 Bonds, and for all other purposes whatsoever; and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Series 2019 Bonds under or through DTC or any Participant, or any other Person which is not shown on the Bond Register as being an Owner, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any

Participant of any amount with respect to the principal of or interest on the Series 2019 Bonds, with respect to any notice which is permitted or required to be given to Owners under this Resolution, with respect to the selection by DTC or any Participant of any Person to receive payment in the event of a partial redemption of the Series 2019 Bonds, or with respect to any consent given or other action taken by DTC as Owner of the Series 2019 Bonds. So long as any Series 2019 Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Series 2019 Bond, and shall give all notices with respect to such Series 2019 Bond, only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and interest on the Series 2019 Bonds to the extent of the sum or sums so paid. No Person other than DTC shall receive an authenticated Series 2019 Bond for each separate Stated Maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Series 2019 Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(iii) In the event the City determines to discontinue the book-entry-only system for the Series 2019 Bonds, the City may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Series 2019 Bonds in the form of certificates. In such event, the Series 2019 Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Series 2019 Bonds at any time by giving notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Series 2019 Bonds will be transferable in accordance with paragraph (e) hereof.

(iv) The Representation Letter sets forth certain matters with respect to, among other things, notices, consents and approvals by Owners and Beneficial Owners and payments on the Series 2019 Bonds. The Registrar shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Resolution.

(v) In the event that any transfer or exchange of Series 2019 Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Series 2019 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this Resolution. In the event Series 2019 Bonds in the form of certificates are issued to Owners other than Cede & Co., its successor as nominee for DTC as Owner of all the Series 2019 Bonds, or another securities depository as Owner of all the Series 2019 Bonds, the provisions of this Resolution shall also apply to all matters relating thereto, including, without limitation, the preparation of such Series 2019 Bonds in the form of Series 2019 Bond certificates and the method of payment of principal of and interest on such Series 2019 Bonds in the form of Series 2019 Bond certificates.

3.10. Form of Series 2019 Bonds. The Series 2019 Bonds shall be prepared in substantially the form set forth in Exhibit B hereto and by this reference are made a part hereof.

Section 4. Additional Bonds.

4.01. General Provisions. In addition to the Series 2019 Bonds, whose issuance and delivery is provided for in Section 3, Additional Bonds may at any time and from time to time be issued, sold and delivered by the City but only upon compliance with the conditions of Sections 4.02 and 4.03, whichever may be applicable, and upon filing with the City Clerk the following:

(i) A Supplemental Resolution authorizing the issuance of such series of Additional Bonds and the sale thereof to the Original Purchaser named therein for the purchase price set forth therein. Such Supplemental Resolution shall also state whether or not such series of Additional Bonds is secured by the Reserve Account.

(ii) A certificate executed by the Mayor and the City Finance Director stating that upon the issuance of such series of Additional Bonds, no default hereunder has occurred and is continuing which would not be cured upon the issuance of such series of Additional Bonds and application of the proceeds thereof, and that on the date of issuance of such Additional Bonds the balance in the Reserve Account equals the Reserve Requirement, calculated assuming the issuance of such Additional Bonds (and the defeasance of any Bonds to be defeased by application of the proceeds of the Additional Bonds on the date of issuance thereof).

(iii) An opinion of Bond Counsel (who may rely on factual representations of the City and which opinion may be qualified by customary qualifications and exceptions) stating that:

(A) all conditions precedent provided for in this Resolution relating to the issuance and delivery of such series of Additional Bonds have been complied with, including any conditions precedent specified in this Section 4.01; and

(B) the series of Additional Bonds when issued and delivered by the City will be valid and binding special, limited obligations of the City in accordance with their terms and entitled to the benefits of and secured by this Resolution.

Any Additional Bonds shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate, if any, permitted by law, shall have Stated Maturities, and may be subject to redemption at such times and prices and on such terms and conditions, all as may be provided by the Supplemental Resolution authorizing their issuance. All Additional Bonds issued pursuant to Sections 4.02 and 4.03 shall be payable and secured ratably and equally and on a parity with the Series 2019 Bonds and any Additional Bonds theretofore issued, entitled to the same benefits and security of this Resolution; provided, however, that only Bonds secured by the Reserve Account shall be payable from amounts therein or from amounts transferred to the Debt Service Account from the Reserve Account in accordance with Sections 5.04 and 5.05.

4.02. Additional Bonds to Pay the Cost of Projects. Additional Bonds may be issued under this Section 4.02, at one time or from time to time, subject to the conditions provided in Section 4.01 and this Section 4.02, for the purpose of providing funds, with any other funds

available and committed therefor, for paying the cost of one or more Projects and any expenses in connection with such financing.

Before any Additional Bonds shall be issued under this Section 4.02, the City shall adopt a Supplemental Resolution authorizing the issuance of such series of Additional Bonds and fixing the amount and the details thereof, and describing in brief and general terms the Projects to be acquired, constructed, altered or improved and estimating the costs thereof.

In addition, prior to the execution and delivery of any series of Additional Bonds under this Section 4.02, there shall be filed with the City Clerk a certificate executed by the Mayor and the City Finance Director stating that the Net Revenues in the Fiscal Year immediately preceding the issuance of such Additional Bonds were at least equal to 125% of the maximum Principal and Interest Requirements for any complete future Fiscal Year (during the term of the then Outstanding Bonds) with respect to the Outstanding Bonds and the Additional Bonds proposed to be issued. In determining the Net Revenues available, if the City has approved an increase in the rates, fees, charges and rentals for the benefit and availability of the System and which increase shall become effective no later than the third year following the issuance of the Additional Bonds, if the City has entered into contracts with local governments or private solid waste contractors or if the City has extended the System or added land to the City since the beginning of the preceding Fiscal Year which is benefitted by the System, historical Net Revenues of the System may be adjusted for the preceding Fiscal Year to include Net Revenues which, in the opinion of the Mayor and the City Finance Director, would have been received had such increased rates, fees, charges and rentals been in effect, had such contracts been in effect or had such land been in the City throughout the preceding Fiscal Year. In addition, if the Mayor and City Finance Director determine that the Operating Expenses will be increased or reduced because of the proposed Project, the additional annual Operating Expenses shall be added to, or the reduction in annual Operating Expenses shall be subtracted from, the Operating Expenses for the preceding Fiscal Year, as the case may be, in determining Net Revenues for purposes of the first sentence of this paragraph.

4.03. Additional Bonds for Refunding Purposes. Additional Bonds may be issued under this Section 4.03, at one time or from time to time, subject to the conditions provided in Section 4.01 and this Section 4.03, for the purpose of providing funds, with any other funds available and committed therefor, for paying at, or redeeming prior to, their Stated Maturities any Outstanding Bonds, including the payment of any redemption premium thereon and interest which will accrue on such Bonds to any Redemption Date or the Stated Maturities thereof, and any expenses in connection with such financing. Such Additional Bonds shall be designated substantially as the Bonds to be refunded, with the addition of the term "Refunding".

Before any Additional Bonds shall be issued under this Section 4.03, the City shall adopt a Supplemental Resolution authorizing the issuance of such series of Additional Bonds and fixing the amount and the details thereof, and authorizing the redemption of the Outstanding Bonds to be refunded.

In addition, prior to the execution and delivery of any series of Additional Bonds under this Section 4.03, there shall be filed with the City Clerk:

(i) such documents as shall be required to show that provisions have been duly made in accordance with this Resolution for the redemption of the Outstanding Bonds to be refunded; and

(ii) an officer's certificate to the effect that (A) the proceeds (excluding accrued interest but including any premium) of the Additional Bonds plus any moneys to be withdrawn from the Debt Service Account and/or the Reserve Account for such purpose, together with any other funds deposited for such purpose, will be not less than an amount sufficient to pay the Redemption Price on the Outstanding Bonds to be refunded, or (B) from such proceeds there shall be deposited in trust, Defeasance Obligations which do not permit the redemption thereof at the option of the issuer, the principal of and the interest on which when due and payable (or redeemable at the option of the holder thereof) will provide, together with any other moneys which shall have been deposited in trust irrevocably for such purpose, but without reinvestment, sufficient moneys to pay such principal, redemption premium and interest.

If Additional Bonds are issued to refund Subordinate Obligations, the conditions for the issuance of Additional Bonds pursuant to Section 4.02 shall be satisfied in lieu of this Section 4.03.

4.04. Subordinate Obligations. Nothing herein prevents the City from issuing Subordinate Obligations having a lien on the Net Revenues subordinate to the lien thereon of the Bonds under this Resolution and payable solely from the Subordinate Obligations Account. Each Subordinate Obligation shall include in its title a word or phrase such as "subordinate" or "junior" or "second lien" and a clear statement that the lien thereof on Net Revenues is subordinate to the lien of all Bonds on the Net Revenues. No payment of principal or interest shall be made on any Subordinate Obligation if the City is then in default in the payment of principal of or interest on any Bond or if there is a deficiency in the Debt Service Account or the Operating Account or the balance in the Reserve Account is less than the Reserve Requirement.

4.05. Grant Anticipation Notes; Bond Anticipation Notes. The City may from time to time issue notes in anticipation of receipt of grant funds ("Grant Anticipation Notes"), or in anticipation of the issuance of Additional Bonds ("Bond Anticipation Notes") subject to the following conditions:

(i) The Additional Bonds in anticipation of which Bond Anticipation Notes are issued, assuming a rate of interest on the Additional Bonds as determined by the City in consultation with its municipal advisor, shall be authorized to be issued under Section 4.02 or 4.03 (provided that when calculating the debt service coverage requirements set forth in Section 4.02, the City shall use the Stated Maturity of the Additional Bonds and not the Stated Maturity of the Bond Anticipation Notes in such calculation).

(ii) The payment of interest on Grant Anticipation Notes and Bond Anticipation Notes from the Net Revenues shall be subordinated to Outstanding Bonds.

(iii) The principal of the Grant Anticipation Notes shall be payable solely from the receipt of grant funds, and the principal of the Bond Anticipation Notes shall be

payable solely from the proceeds of the Additional Bonds, unless the City is unable to sell the Additional Bonds, in which case the Bond Anticipation Notes shall be exchanged for the Additional Bonds on a par-for-par basis.

(iv) Grant Anticipation Notes and Bond Anticipation Notes shall have Stated Maturities within three years after their date of issue.

Section 5. Solid Waste System Fund.

5.01. Bond Proceeds and Revenues Pledged and Appropriated. A special Solid Waste System Fund is hereby created and shall be maintained as a separate bookkeeping account on the official books of the City until all Bonds and interest and redemption premiums due thereon have been fully paid, or the City's obligations with reference to such Bonds have been discharged as provided in Section 10. All proceeds of Bonds and all other funds presently on hand derived from the operation of the System are irrevocably pledged and appropriated to the Solid Waste System Fund. In addition, there is hereby irrevocably pledged and appropriated to the Solid Waste System Fund all Revenues and all investment earnings on all funds and accounts within the Solid Waste System Fund. Within the Solid Waste System Fund shall be separate accounts designated and described in Sections 5.02 through 5.09, to segregate income and expenses received, paid and accrued for the respective purposes described in those Sections. The Revenues received in the Solid Waste System Fund shall be apportioned monthly.

5.02. Construction Account. The Construction Account is hereby established as a separate account within the Solid Waste System Fund. Upon delivery of the Series 2019 Bonds, the City shall credit to the Construction Account, the proceeds of the Series 2019 Bonds. The Construction Account shall be used only to pay as incurred and allowed Project costs which under accepted accounting practice are capital costs of Projects authorized in accordance with law, including but not limited to payments due for work and materials performed and delivered under construction contracts, architectural, engineering, inspection, supervision, fiscal and legal expenses, the cost of lands and easements, interest accruing on Bonds during the period of construction of facilities financed thereby and for six months thereafter, if and to the extent that the Debt Service Account is not sufficient for payment of such interest, reimbursement of any advances made from other City funds, and all other expenses incurred in connection with the construction and financing of such Projects including the costs of issuance of the Bonds. To the Construction Account shall be credited as received all proceeds of Bonds issued to finance Projects and any other funds appropriated by the City for an improvement, betterment or extension to the System, and all income received from the investment of the Construction Account. In the event there are insufficient funds in the Debt Service Account to pay principal of and interest on the Bonds when due, after the transfer of funds to the Debt Service Account required in Section 5.04, any moneys then remaining in the Construction Account shall be transferred to the Debt Service Account for that purpose. Upon completion of a Project, the balance remaining in the Construction Account net of any amounts required to be transferred to the Rebate Account as required in Section 5.09, may be used to pay the cost of other capital improvements to the System but if and to the extent not so used shall be transferred to the Debt Service Account.

5.03. Operating Account. The Operating Account is hereby established as a separate account within the Solid Waste System Fund. On each monthly apportionment there shall be set aside and credited to the Operating Account, as a first charge on the Revenues, such amount as may be required over and above the balance then held in the Operating Account to pay Operating Expenses of the System which are then due and payable, or are to be paid prior to the next monthly apportionment. Operating Expenses shall not include any allowance for interest expense or depreciation, renewals or replacements of capital assets of the System and shall not include any portion of the salaries or wages paid to any officer or employee of the City, except such portion as shall represent reasonable compensation for the performance of duties necessary to the operation of the System. An operating reserve within the Operating Account is to be accumulated and maintained in an amount determined by the City to be necessary to meet contingencies arising in the operation and maintenance of the System. Money in the Operating Account shall be used solely for the payment of Operating Expenses of the System.

5.04. Debt Service Account. The Debt Service Account is hereby established as a separate account within the Solid Waste System Fund. Upon each monthly apportionment there shall be credited to the Debt Service Account out of the Net Revenues remaining after the credit to the Operating Account an amount equal to not less than one-sixth of the interest due within the next six months on all Bonds then Outstanding and one-twelfth of the principal, if any, to become due within the next twelve months on all Outstanding Bonds (whether due at Stated Maturity, upon mandatory sinking fund redemption of Term Bonds or otherwise); provided that the City shall be entitled to reduce a monthly apportionment by the amount of any surplus previously credited and then on hand in the Debt Service Account. Except as provided in Section 5.09, money from time to time held in the Debt Service Account shall be disbursed only to meet payments of principal of and interest on the Bonds (including as interest for this purpose any surcharges, fees, expenses or other charges payable on an ongoing basis and based on the principal amount of a Bond) as such payments become due; provided that on any date when the amount then on hand in the Debt Service Account, plus the amount in the Reserve Account allocable to a series of Bonds, is sufficient with other moneys available for the purpose to pay or discharge all Bonds of that series and the interest accrued thereon in full, it may be used for that purpose. If any payment of principal or interest becomes due when money in the Debt Service Account is temporarily insufficient therefor, to the extent of such deficiency funds shall be advanced to the Debt Service Account out of any funds then on hand in the Reserve Account (but only to the extent such deficiency is with respect to Bonds secured by the Reserve Account), the Repair and Replacement Account or the Surplus Account, in that order. Only Bonds secured by the Reserve Account shall be payable from funds transferred to the Debt Service Account from the Reserve Account in accordance with this Section 5.04.

5.05. Reserve Account. The Reserve Account is hereby established as a separate account within the Solid Waste System Fund. Upon each monthly apportionment, if the balance in the Reserve Account is less than the Reserve Requirement, all Net Revenues in the Solid Waste System Fund remaining after the required credit to the Debt Service Account shall be credited to the Reserve Account until the balance therein equals the Reserve Requirement.

If on any Interest Payment Date there shall exist a deficiency in the Debt Service Account, the City shall transfer from the Reserve Account (but only to the extent such deficiency is with respect to Bonds secured by the Reserve Account) to the Debt Service Account an

amount equal to such deficiency. Only Bonds secured by the Reserve Account shall be payable from funds transferred to the Debt Service Account from the Reserve Account in accordance with this Section 5.05.

If the City issues Additional Bonds secured by the Reserve Account, the City shall, upon issuance of the Additional Bonds, increase the balance in the Reserve Account to the Reserve Requirement, calculated after giving effect to the issuance of such Additional Bonds and the defeasance of any Bonds secured by the Reserve Account to be effected upon the issuance of such Additional Bonds.

Except as provided in Section 5.09, money held in the Reserve Account shall be transferred to the Debt Service Account to be used only to pay maturing principal and interest on Bonds secured by the Reserve Account when money within the Debt Service Account is insufficient therefor or to pay or defease a series of Bonds secured by the Reserve Account, as provided in Section 10.

If the balance in the Reserve Account has not been restored to the Reserve Requirement from transfers of Net Revenues within six months after the balance falls below the Reserve Requirement, the City shall transfer to the Reserve Account from the Surplus Account and then the Repair and Replacement Account, an amount sufficient to restore the balance therein to the Reserve Account.

If at any time (including, but not limited to, any Principal Payment Date and any Redemption Date), the balance in the Reserve Account net of any amounts required to be transferred to the Rebate Account as provided in Section 5.09, exceeds the Reserve Requirement, the City shall transfer such excess to the Debt Service Account for payment of Bonds secured by the Reserve Account.

5.06. Subordinate Obligations Account. Upon the issuance of any Subordinate Obligations as permitted by Section 4.04, there shall be established a Subordinate Obligations Account within the Solid Waste System Fund. Upon each monthly apportionment, there shall be credited to the Subordinate Obligations Account, from the Net Revenues remaining after the required credits to the Operating Account, the Debt Service Account and the Reserve Account, such amount as may be required to pay Subordinate Obligations, including reasonable reserves therefor, as provided by any Supplemental Resolution or other instrument. Money on hand in the Subordinate Obligations Account shall be transferred to the Operating Account, the Debt Service Account or the Reserve Account if at any time the balance on hand in any such accounts, after any transfer elsewhere authorized is not sufficient to pay all costs payable therefrom.

5.07. Repair and Replacement Account. The Repair and Replacement Account is hereby established as a separate account within the Solid Waste System Fund. There shall be set aside and credited, upon each monthly apportionment, to the Repair and Replacement Account such portion of the Net Revenues, in excess of the current requirements of the Debt Service Account, the Reserve Account and the Subordinate Obligations Account (which portion of the Net Revenues is referred to herein as "surplus revenues"), as the City shall determine to be required for replacement or renewal of worn out, obsolete or damaged properties and equipment thereof. Money in the Repair and Replacement Account shall be used only for the purposes above stated

or, if so directed by the Council to pay Operating Expenses, to redeem Bonds which are prepayable according to their terms, for transfer to the Debt Service Account for payment of principal or interest when due thereon as required in Section 5.04, to pay costs of improvements to the System or, if no default is subsisting under this Resolution to redeem Subordinate Obligations which are prepayable by their terms or to pay principal of or interest on Subordinate Obligations when due.

5.08. Surplus Account. The Surplus Account is hereby established as a separate account within the Solid Waste System Fund. Any amount of the surplus revenues from time to time remaining after the above required applications thereof shall be credited to the Surplus Account, and the moneys from time to time in that account, when not required to restore a current deficiency in the Debt Service Account or Reserve Account as provided in Sections 5.04 and 5.05, may be used for any of the following purposes and not otherwise:

(i) To redeem Bonds when and as such Bonds become payable according to their terms; or

(ii) To purchase Bonds on the open market, whether or not the Bonds or other such Bonds may then be prepayable according to their terms; or

(iii) If no default is then subsisting under this Resolution, transfer to the Subordinate Obligations Account for the payment or redemption of Subordinate Obligations when and as such Subordinate Obligations become payable according to their terms, or to purchase Subordinate Obligations on the open market; or

(iv) To be held as a reserve for redemption of Bonds or Subordinate Obligations which are not then but will later be prepayable according to their terms; or

(v) Transfer to the Repair and Replacement Account or the Construction Account, as the case may be, to pay for repairs of or for the construction and installation of improvements or additions to the System; or

(vi) Transfer to the Operating Account to pay Operating Expenses and to restore the operating reserve or increase the same when determined to be necessary by the Council.

No money shall at any time be transferred from the Surplus Account or any other account of the Solid Waste System Fund to any other fund of the City, nor shall such moneys at any time be loaned to other City funds or invested in warrants, special improvement bonds or other obligations payable from other funds, except as provided in Section 5.10.

5.09. Rebate Account. The Rebate Account is hereby established as a separate account within the Solid Waste System Fund. The City shall make deposits to and disbursements from the Rebate Account or Subaccounts therein in accordance with a Rebate Certificate, and shall invest the money on hand in the Rebate Account pursuant to the requirements of the Rebate Certificates, and shall deposit income from such investments immediately upon receipt thereof in the Rebate Account.

5.10. Deposit and Investment of Funds. The City Finance Director shall cause all moneys from time to time in the Solid Waste System Fund to be deposited as received with one or more depository banks duly qualified in accordance with the provisions of Montana Code Annotated, Section 7-6-201, as amended, and no money shall at any time be withdrawn from such deposit accounts except for the purposes of the Solid Waste System Fund as defined and authorized by this Resolution. The funds to the credit of the Solid Waste System Fund may be commingled in one or more deposit accounts. The balance on hand in the Solid Waste System Fund may at any time be invested and reinvested in Qualified Investments (as hereinafter defined), maturing and bearing interest payable at the times and in the amounts estimated to be required to provide cash when needed for the purposes of the respective accounts. Income from the investment of the moneys in the various accounts shall be credited thereto. Subject to the provisions of law now or hereafter controlling investment of such funds, money on hand in the Solid Waste System Fund may be invested in any of the following "Qualified Investments" but no others:

(i) direct obligations of or obligations guaranteed by the United States of America;

(ii) bank time deposits or certificates of deposit secured by obligations and securities described in clause (a) above; and

(iii) the short-term investment pool administered by the Board of Investments of the State or any successor investment pool created pursuant to Montana law.

Notwithstanding anything herein to the contrary, Remediation Funds held pursuant to the Trust Agreement or any similar agreement may be invested in accordance with the terms thereof.

Section 6. Continuing Disclosure.

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit participating underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the City hereby makes the following covenants and agrees, for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds, to provide annual reports of specified information and notice of the occurrence of certain events to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access system website ("EMMA"), as hereinafter described (the "Disclosure Covenants"). The City is the only "obligated person" in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made.

If the City fails to comply with this Section 6, any person aggrieved thereby, including the Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this Section 6, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder. Notwithstanding anything to the contrary contained herein, in no event shall a default

under this Section 6 constitute a default under the Bonds or under any other provision of this Resolution.

As used in this Section 6, "Owner" means, in respect of a Bond, the registered owner or owners thereof appearing in the Bond Register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used in this Section 6, "Beneficial Owner" means, in respect of a Bond, any person or entity that (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The City will provide, in the manner set forth in paragraph (c) hereof, either directly or indirectly through an agent designated by the City, the following information at the following times:

(i) on or before 365 days after the end of each fiscal year of the City, commencing with the fiscal year ending June 30, 2019, the following financial information and operating data in respect of the City (the "Disclosure Information"):

(A) the audited financial statements of the City for such fiscal year, accompanied by the audit report and opinion of the Accountant or government auditor relating thereto, as permitted or required by the laws of the State of Montana, containing a statement of net position for the System as of the end of such fiscal year and a statement of revenues, expenses and changes in fund net position for the System for the fiscal year then ended, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Montana law, as in effect from time to time or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the City Finance Director; and

(B) To the extent not included in the financial statements referred to in paragraph (b)(i)(A) hereof, the information of the type set forth below, which information may be unaudited:

(1) a list of major users of the System for such fiscal year in format similar to the table "—The Landfill – Largest Landfill Customers" in the Official Statement;

(2) updated information regarding the number of landfill trips and the total tonnage of solid waste collected for such fiscal year in a

format similar to the table under the heading "—The Landfill – Landfill Trips" in the Official Statement;

(3) updated information regarding any changes in the landfill fees in format similar to the table under the heading "—The Landfill – Landfill Fees" in the Official Statement;

(4) updated information regarding the number of solid waste collection customers served by the System in a format similar to the table under the heading "—Solid Waste Collections – Number of Customers" in the Official Statement; and

(5) updated information regarding any changes in the solid waste collection rates in a format similar to the tables under the heading "—Solid Waste Collections – Rates and Charges" in the Official Statement.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the City shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the City shall provide the audited financial statements.

Any or all of the Disclosure Information may be incorporated, if it is updated as required hereby, by reference from other documents, including official statements, which have been submitted to the MSRB in the manner set forth in paragraph (c) hereof. The City shall clearly identify in the Disclosure Information in each document so incorporated by reference.

If any part of the Disclosure Information can no longer be generated because the operations of the City have materially changed or been discontinued, such Disclosure Information need no longer be provided if the City includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other City operations in respect of which data is not included in the Disclosure Information and the City determines that certain specified data regarding such replacement operations would be material (as hereinafter defined), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations.

If the Disclosure Information is changed or this Section 6 is amended as permitted by paragraphs (b)(1) or (d) hereof, then the City shall include in the next Disclosure Information to be delivered pursuant to this Section 6, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(ii) In a timely manner not in excess of ten business days, notice of the occurrence of any of the following events:

(A) principal and interest payment delinquencies;
(B) non-payment related defaults, if material;
(C) unscheduled draws on debt service reserves reflecting financial difficulties;
(D) unscheduled draws on credit enhancements reflecting financial difficulties;
(E) substitution of credit or liquidity providers, or their failure to perform;
(F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
(G) modifications to rights of holders of the Bonds, if material;
(H) bond calls, if material, and tender offers;
(I) defeasances;
(J) release, substitution or sale of property securing repayment of the Bonds, if material;
(K) rating changes;
(L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
(M) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
(N) appointment of a successor or additional trustee or the change of name of a trustee, if material.

An event is "material" if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed in this Resolution or information generally available to the public. Notwithstanding the foregoing sentence, an event is also "material" if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(iii) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the City to provide the Disclosure Information required under paragraph (b)(i) hereof at the time specified thereunder;

(B) the amendment or supplementing of this Section 6 pursuant to paragraph (d) hereof, together with a copy of such amendment or supplement and any explanation provided by the City under paragraph (d)(2) hereof; and

(C) any change in the fiscal year of the City.

(c) Manner of Disclosure. The City agrees to make available the information described in paragraph (b) hereof to the MSRB via EMMA or in a manner as may be otherwise proscribed by the MSRB consistent with the Rule. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(d) Term; Amendments; Interpretation.

(i) The covenants of the City in this Section 6 shall remain in effect so long as any Bonds are outstanding.

(ii) Notwithstanding paragraph (d)(i) hereof, the Disclosure Covenants (and the form and requirements of the Disclosure Information) may be amended or supplemented by the City from time to time, without notice to (except as provided under paragraph (b)(iii) hereof) or the consent of the Owners of any Bonds, by a resolution of this Council filed in the office of the recording officer of the City accompanied by an opinion of Bond Counsel, who may rely on certificates of the City and others and the opinion may be subject to customary qualifications, to the effect that such amendment or supplement (A) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the City or the type of operations conducted by the City, or (B) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(iii) The Disclosure Covenants are entered into to comply with the continuing disclosure provisions of the Rule and should be construed so the undertaking would satisfy the requirements of paragraph (b)(5) of the Rule.

Section 7. Tax Covenants and Certifications.

7.01. Use of Facilities. The facilities of the System financed in whole or in part with proceeds of the Series 2019 Bonds (the "Financed Facilities") are and will be owned and operated by the City and used by the City to provide solid waste management services to members of the general public. No user of the System is granted any concession, license or special arrangement with respect to the System. The City shall not enter into any lease, use or other agreement with any non-governmental person relating to the use of the Financed Facilities or the System or security for the payment of the Series 2019 Bonds which might cause the Series 2019 Bonds to be considered "private activity bonds" or "private loan bonds" within the meaning of Section 141 of the Code.

7.02. General Covenant. The City covenants and agrees with the Owners from time to time of the Series 2019 Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Series 2019 Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the interest on the Series 2019 Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

7.03. Arbitrage Certification. The Mayor, the City Finance Director and the City Clerk being the officers of the City charged with the responsibility for issuing the Series 2019 Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Original Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Series 2019 Bonds, it is reasonably expected that the proceeds of the Series 2019 Bonds will not be used in a manner that would cause the Series 2019 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.

7.04. Arbitrage Rebate. The City acknowledges that the Series 2019 Bonds are subject to the rebate requirements of Section 148(f) of the Code. The City covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Series 2019 Bonds from gross income for federal income tax purposes, unless the Series 2019 Bonds qualify for the exception from the rebate requirement under Section 148(f)(4)(B) of the Code and no "gross proceeds" of the Series 2019 Bonds (other than amounts constituting a "bona fide debt service fund") arise during or after the expenditure of the original proceeds thereof. In furtherance of the foregoing, the Mayor, the City Finance Director and the City Clerk are hereby authorized and directed to execute a Rebate Certificate, substantially in the form to be prepared by Bond Counsel, and the City hereby covenants and agrees to observe and perform the covenants and agreements contained therein, unless amended or terminated in accordance with the provisions thereof.

7.05. Information Reporting. The City shall file with the Secretary of the Treasury, not later than May 15, 2019, a statement concerning the Series 2019 Bonds containing the information required by Section 149(e) of the Code.

Section 8. Other Covenants of City.

8.01. General. The City covenants and agrees with the Owners from time to time of all Bonds that until all Bonds are fully discharged as provided in this Resolution, it will continue to hold, maintain and operate the System as a public convenience, free from all liens thereon or on the income therefrom other than the liens herein granted or provided for, and will maintain, expend and account for its Solid Waste System Fund and the several accounts therein as provided in Section 5, and will not incur a further lien or charge on the income or revenues of the System except upon the conditions and in the manner prescribed in Section 4, and will perform and cause all officers and employees of the City to perform and enforce each and all of the

additional covenants and agreements set forth in this Section 8. The City further covenants to cause the System to be properly maintained in good operating condition.

8.02. Competing Service. The City will not establish or enfranchise any other facilities in competition with the facilities of the System.

8.03. Property Insurance. The City will cause all buildings, properties, fixtures and equipment constituting a part of the System to be kept insured with a reputable insurance carrier or carriers, qualified under the laws of the State, in such amounts as are ordinarily carried, and against loss or damage by such hazards and risks as are ordinarily insured against, by public bodies owning and operating properties of a similar character and size; provided that if at any time the City is unable to obtain insurance, it will obtain insurance in such amounts and against such risks as are reasonably obtainable. This covenant shall not preclude the City's ability to participate in the self-insurance program established by the Montana Municipal Insurance Association. The proceeds of all such insurance shall be available for the repair, replacement or reconstruction of damaged or destroyed property, and until paid out in making good such loss or damage, are pledged as security for the Outstanding Bonds. All insurance proceeds received in excess of the amount required for restoration of the loss or damage compensated thereby shall be and become part of the revenues appropriated to the Solid Waste System Fund. If for any reason insurance proceeds are insufficient for the repair, replacement and reconstruction of the insured property, the City shall supply the deficiency from amounts on hand in the Repair and Replacement Account and the Surplus Account.

8.04. Liability Insurance and Surety Bonds. The City will carry insurance against liability of the City and its employees for damage to persons and property resulting from the operation of the System in such amounts as the City determines from time to time to be necessary or advisable by reason of the character and extent of such operation. This covenant shall not preclude the City's ability to participate in the self-insurance program established by the Montana Municipal Insurance Association. It will also cause all persons handling money and other assets of the Solid Waste System Fund to be adequately bonded for the faithful performance of their duties and to account for and pay over such money to the City. All amounts received under such insurance and bonds shall be applied to the payment of the loss or damage covered thereby. The premiums for all insurance and bonds required by this Section 8.04 and Section 8.03 constitute part of the Operating Expenses of the System, but no insurance liabilities of the City in excess of amounts received under such insurance and bonds shall constitute a lien or charge on revenues or any other assets herein or otherwise pledged to the Solid Waste System Fund.

8.05. Disposition of Property. The City will not mortgage, lease, sell or otherwise dispose of any real or personal properties of the System, unless:

(i) Prior to or simultaneous with such mortgage, lease, sale or other disposition, all of the Bonds then Outstanding shall be discharged as provided in Section 10; or

(ii) The properties to be mortgaged, leased sold or otherwise disposed of are unserviceable, inadequate, obsolete or no longer required for use in connection with the

System; (i) the mortgage, lease, sale or other disposition will not prevent the City from complying with the provisions of this Resolution; and (ii) all proceeds of the mortgage, lease, sale or other disposition of such properties are deposited into the Solid Waste System Fund.

8.06. Books and Records. The City will cause proper and adequate books of record and account to be kept showing complete and correct entries of all receipts, disbursements and other transactions relating to the System, the Net Revenues derived from its operation, and the segregation and application of the Net Revenues in accordance with this Resolution, in such reasonable detail as may be determined by the City in accordance with generally accepted accounting practice and principles. It will cause such books to be maintained on the basis of a Fiscal Year.

8.07. Cost of Insurance and Accounting. The insurance and fidelity bond premiums and the cost of the bookkeeping and audits herein provided for and of the billings and collection of the Net Revenues shall be payable from the Operating Account.

8.08. Handling of Funds. The employees of the City, under the direction and control of the City Finance Director, shall keep books of accounts and collect the rates, charges and rentals for the services and facilities provided by the System and for other money currently receivable on account thereof. All money collected with respect to the System shall be deposited as received with the City Finance Director. The City Finance Director shall be bonded at all times with a surety company authorized to do business in the State, in the amount of at least $100,000, to assure the faithful carrying out of such duties, which requirement may be satisfied by a blanket bond covering other City employees as well as the City Finance Director.

8.09. Rates and Charges. While any Bonds are Outstanding, the rates, fees, charges and rentals for all services and facilities furnished and made available by the System to the City and its inhabitants, and to all other customers shall be reasonable and just, taking into consideration the cost and value of the System and the cost of maintaining and operating it, and the amounts necessary for the payment of all Bonds and the interest accruing thereon and all Subordinate Obligations and the interest accruing thereon, and the proper and necessary allowances for the depreciation of the System. The City does not assess property owned by the Exempt Entities; other than the Exempt Entities, no free service shall be provided to any Person. The City covenants and agrees that the rates, charges and rentals to be charged to all users or beneficiaries of the System, except for the Exempt Entities, shall be maintained and shall be revised whenever and as often as may be necessary, according to schedules such that (i) Revenues for each Fiscal Year will be at least sufficient to pay the principal of and interest on all Bonds payable from the Revenues derived in such Fiscal Year, to establish and maintain the Reserve Requirement, to pay promptly the reasonable and current Operating Expenses, to pay the principal of and interest on any Subordinate Obligations and to provide reserves for the repair and replacement of the System, and (ii) Net Revenues for each Fiscal Year commencing after June 30, 2019 will be at least equal to 125% of the Principal and Interest Requirements for such Fiscal Year.

If at the close of any Fiscal Year, the Revenues and Net Revenues actually received during such Fiscal Year have been less than required hereby, the City will forthwith prepare a schedule of altered rates, fees, charges and rentals which are just and equitable and sufficient to

produce Revenues and Net Revenues in such amounts, and will do all things necessary to the end that such schedule will be placed in operation at the earliest possible date.

The establishment of the percentage of Net Revenues contained in the first paragraph of this Section 8.09 has been deemed necessary in order to sell the Series 2019 Bonds upon terms most advantageous to the City. The excess of Net Revenues over the Principal and Interest Requirements and the Reserve Requirement may be used as authorized in Section 5. The Series 2019 Bonds may be redeemed according to their terms on and after July 1, 2027, and in the estimation of this Council any excess prior to that date of Net Revenues over Principal and Interest Requirements and required maintenance of the Reserve Account will be needed to pay or to provide reserves for payment of replacements, renewals and improvement costs, in order to provide adequate service for the present population and the increase thereof reasonably to be expected; and after that date, any excess not required for such purposes in the judgment of the Council may be used to redeem Bonds and thereby reduce the interest cost thereon to the City and the Persons served by the System.

8.10. Billing. The charges for solid waste management services shall be billed at least annually and the City shall take appropriate legal action to collect unpaid charges.

8.11. Appointment of Superintendent. In the event of default on the part of the City in the prompt and full payment of principal of or interest on any Bond, and if such default shall continue for a period of 60 days, the Council will appoint a special superintendent for the System, with the power and responsibility to operate the System for the City, and to recommend to the Council such revisions of the rates, fees, charges and rentals and operating policies as may be necessary to comply with this Resolution, and to assure that the Net Revenues will be sufficient to pay all principal of and interest on Bonds, and such superintendent shall in all things so operate the System as to comply fully with all the requirements and provisions of this Resolution. The right of the Owners of the Bonds to require employment of such superintendent shall not be exclusive, and in the event of default as herein outlined, such Owners shall have the right to proceed at law or in equity, in any form of action which shall to them seem appropriate.

8.12. Owners' Rights. No Owner of any Bond shall have the right to institute any proceeding, judicial or otherwise, for the enforcement of the covenants herein contained, without the written concurrence of the Owners of not less than 25% in aggregate principal amount of all such Bonds which are at the time Outstanding; but the Owners of such amount of Bonds may, either at law or in equity, by suit, action or other proceedings, protect and enforce the rights of all Owners of Bonds and compel the performance of any and all of the covenants required herein to be performed by the City and its officers and employees, including but not limited to the fixing and maintaining of rates, fees, charges and rentals and the collection and proper segregation of the Revenues and the application and use thereof. The Owners of a majority in principal amount of Outstanding Bonds shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Owners or the exercise of any power conferred on them and the right to waive a default in the performance of any such covenant, and its consequences, except a default in the payment of the principal of or interest on any Bond when due. Nothing herein, however, shall impair the absolute and unconditional right of the Owner of each Bond to receive payment of the principal of, premium, if any, and interest on such Bond as such principal, premium and interest respectively become due, and to institute suit for any such

payment. Any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the City with power to charge and collect rates, fees, charges and rentals sufficient to provide for the payment of any Bonds, and to apply the Net Revenues in conformity with this Resolution and the laws of the State.

Section 9. Supplemental Resolutions.

9.01. General. The City reserves the right to adopt Supplemental Resolutions to this Resolution from time to time and at any time, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained herein, or of making such provisions with regard to matters or questions arising hereunder as the City may deem necessary or desirable and not inconsistent with this Resolution, and which shall not adversely affect the interests of the Owners of Outstanding Bonds, or for the purpose of adding to the covenants and agreements herein contained, or to the Net Revenues herein pledged, other covenants and agreements hereafter to be observed and additional revenues or income hereafter appropriated to the Solid Waste System Fund, or for the purpose of surrendering any right or power herein reserved to or conferred upon the City, or for the purpose of authorizing the creation and issuance of a series of Additional Bonds, as provided in and subject to the conditions and requirements of Section 4. Any such Supplemental Resolution may be adopted by Supplemental Resolution, without the consent of the Owner of any of the Bonds issued hereunder.

9.02. Consent of Owners. With the consent of the Owners of a majority in principal amount of Outstanding Bonds affected thereby as provided in Section 9.04, the City may from time to time and at any time adopt a Supplemental Resolution for the purpose of amending this Resolution by adding any provisions hereto or changing in any manner or eliminating any of the provisions hereof or of any Supplemental Resolution, except that no Supplemental Resolution shall be adopted at any time without the consent of the Owners of all Outstanding Bonds affected thereby, if it would extend the time of payment of interest thereon, would reduce the amount of the principal thereof or premium thereon, would give to any Bond or Bonds any privilege over any other Bond or Bonds (except for the privilege accorded Bonds secured by the Revenue Account or Bonds over Subordinate Obligations), would reduce the sources of Revenues or income appropriated to the Solid Waste System Fund, or would reduce the percentage in principal amount of such Bonds required to authorize or consent to any such Supplemental Resolution. For purposes of this Section 9.02, Bonds shall be deemed to be "affected" by a Supplemental Resolution if such Supplemental Resolution adversely affects or diminishes the rights of Owners thereof against the City or the Net Revenues.

9.03. Notice. Notice of a Supplemental Resolution to be adopted pursuant to Section 9.02 shall be mailed by first-class mail, postage prepaid, to the Owners of all Outstanding Bonds at their addresses appearing in the Bond Register and shall become effective only upon the filing of written consents with the City Clerk, signed by the Owners of not less than a majority in principal amount of Outstanding Bonds affected thereby. Any written consent to the Supplemental Resolution may be embodied in and evidenced by one or any number of concurrent written instruments of substantially similar tenor signed by Owners thereof in person or by agent duly appointed in writing, and shall become effective when delivered to the City Clerk. Any consent by the Owner of any Bond shall bind that Owner and every future Owner of the same Bond with respect to any Supplemental Resolution adopted by the City pursuant to

such consent; provided than any Owner may revoke its consent with reference to any Bond by written notice received by the City Clerk before the Supplemental Resolution has become effective. In the event that unrevoked consents of the Owners of the required amount of Bonds have not been received by the City Clerk within one year after the publication of notice of the Supplemental Resolution, the Supplemental Resolution and all consents theretofore received shall be of no further force and effect.

9.04. Manner of Consent. Proof of the execution of any consent, or of a writing appointing any agent to execute the same, shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the City if made in the manner provided in this Section 9.04. The fact and date of the execution by any Person of any such consent or appointment may be proved by the affidavit of a witness of such execution or by the certification of any notary public or other officer authorized by law to take acknowledgment of deeds, certifying that the Person signing it acknowledged to him the execution thereof. The fact and date of execution of any such consent may also be proved in any other manner which the City may deem sufficient; but the City may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable. The ownership of any Bonds shall be proved by the Bond Register.

Section 10. Defeasance or Discharge.

10.01. General. When the liability of the City on all Bonds issued under and secured by this Resolution and all interest thereon has been discharged as provided in this Section 10, all pledges, covenants and other rights granted by this Resolution to the Owners of such Bonds shall cease.

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

10.03. Redemption. The City may also discharge its liability with reference to any Bonds which are called for redemption on any date in accordance with their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and premium, if any, which are then due thereon; provided that notice of such redemption has been duly given as provided in this Resolution.

10.04. Escrow. The City may also at any time discharge its liability in its entirety with reference to any Bond subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or Defeasance Obligations which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without reinvestment, to provide funds sufficient to pay all principal, interest and premiums, if any, to become due on such Bond at its Stated Maturity or, if such Bond is prepayable and notice of redemption thereof has been given or irrevocably provided for, to such earlier Redemption Date.

Section 11. Certification of Proceedings.

The officers of the City are hereby authorized and directed to prepare and furnish to the Original Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the City, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

Section 12. Repeals and Effective Date.

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

12.02. Effective Date. This Resolution shall take effect immediately upon its passage and adoption by this Council.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 11th day of February, 2019.

Mayor

Attest: _____
City Clerk

(SEAL)

EXHIBIT A

2019 PROJECT

The 2019 Project consists of improvements to the System, consisting of the design, construction and installation of a transfer station at the City-owned landfill that will compact trash, a new landfill maintenance building and a new scale plaza.

EXHIBIT B

UNITED STATES OF AMERICA
STATE OF MONTANA
COUNTY OF YELLOWSTONE

CITY OF BILLINGS, MONTANA

SOLID WASTE SYSTEM REVENUE BONDS, SERIES 2019

No. _____ $_____

Rate	Maturity Date	Date of Original Issue	CUSIP
%	July 1,	February 20, 2019	090133

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS AND NO/100

FOR VALUE RECEIVED, THE CITY OF BILLINGS, YELLOWSTONE COUNTY, STATE OF MONTANA (the "City"), acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, solely from the Debt Service Account of its Solid Waste System Fund, the principal amount specified above on the maturity date specified above or, if this Bond is prepayable as stated herein, on any date prior thereto on which this Bond shall have been duly called for redemption, and to pay interest on said principal amount to the registered owner hereof from the Date of Original Issue set forth above or from such later date to which interest has been paid or duly provided for until this Bond is paid or, if this Bond is prepayable, until it has been duly called for redemption, at the rate specified above. Principal of this Bond is payable upon presentation and surrender hereof to U.S. Bank National Association, of Salt Lake City, Utah, as registrar, transfer agent and paying agent, or its successor designated under the Resolution described herein (the "Registrar") at its operations center in St. Paul, Minnesota. The interest on this Bond shall be payable on January 1 and July 1 in each year, commencing July 1, 2019. Interest on the Series 2019 Bonds shall be payable to the owners of record thereof as such appear on the Bond Register as of the close of business on the 15th day of the month immediately preceding each interest payment date, whether or not such day is a Business Day. Interest on, and upon presentation and surrender thereof, the principal of each Bond shall be payable by check or draft issued by the Registrar described herein. The principal of and interest on this Bond are payable in lawful money of the United States of America. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any

other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the City.

This Bond is one of a duly authorized issue of Bonds of the City designated as "Solid Waste System Revenue Bonds" (collectively, the "Bonds"), issued and to be issued in one or more series under, and all equally and ratably secured by Resolution No. [___], adopted by the City Council on February 11, 2019 (as amended or supplemented in accordance with the provisions thereof, the "Resolution"), to which Resolution, copies of which are on file with the City, reference is hereby made for a description of the nature and extent of the security, the respective rights thereunder of the Owners of the Bonds and the City and the terms upon which the Bonds are to be issued and delivered. As provided in the Resolution, the Bonds are issuable in series which may vary as in the Resolution provided or permitted. This Bond is one of the series specified in its title, issued in the aggregate principal amount of $21,990,000 (the "Series 2019 Bonds"), all of like date of original issue and tenor except as to serial number, denomination, date, interest rate, maturity date and redemption privilege. The Series 2019 Bonds are issued by the City for the purpose of financing the costs of certain improvements of the City's municipal solid waste management system (the "System," which term includes all improvements, betterments, extensions and alterations of the System as it exists at any time). Capitalized terms used herein but not otherwise defined shall have the respective meanings given such terms in the Resolution.

The Series 2019 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Montana, particularly Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended or supplemented (the "Act"), and pursuant to the Resolution. The Series 2019 Bonds are payable solely and ratably from Net Revenues pledged to the payment thereof. **The Series 2019 Bonds are not secured by the Reserve Account. Only Bonds secured by the Reserve Account shall be payable from amounts therein or from amounts transferred to the Debt Service Account from the Reserve Account in accordance with Sections 5.04 and 5.05 of the Resolution.**

The Bonds are not general obligations of the City and the City's general credit and taxing powers are not pledged to the payment of the Bonds or the interest thereon. The Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitations.

The Series 2019 Bonds with Stated Maturities on or after July 1, 2028 are subject to redemption on July 1, 2027 and any date thereafter, at the option of the City, in whole or in part, and if in part from such Stated Maturities and in such principal amounts as the City may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in $5,000 principal amounts selected by the Registrar by lot or other manner it deems fair), at a Redemption Price equal to the principal amount thereof and interest accrued to the Redemption Date, without premium.

The Series 2019 Bonds having a Stated Maturity in 2032 are subject to mandatory sinking fund redemption on July 1 in the years and the principal amounts set forth below in

$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest accrued to the Redemption Date:

Sinking Fund Payment Date (July 1)	Principal Amount on Sinking Fund Payment Date
2031	$1,180,000
2032*	1,215,000

*Final maturity.

The principal amounts of the Series 2019 Bonds having a Stated Maturity in 2032 required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of any such Series 2019 Bonds theretofore redeemed at the option of the City and not previously applied to reduce the principal amount of such Series 2019 Bonds on a Sinking Fund Payment Date.

If the Series 2019 Bonds having a Stated Maturity in 2032 are not previously purchased by the City in the open market or prepaid, $1,215,000, in principal amount of such Series 2019 Bonds would remain to mature in 2032. The principal amount of the Series 2019 Bonds required to be redeemed on the above Sinking Fund Payment Dates shall be reduced by the principal amount of such Series 2019 Bonds theretofore redeemed at the option of this Council and as to which the City has not previously applied amounts to reduce the principal amount of such Series 2019 Bonds on a Sinking Fund Payment Date.

As provided in the Resolution and subject to certain limitations set forth therein, this Series 2019 Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his attorney; and may also be surrendered in exchange for Series 2019 Bonds of other authorized denominations. Upon any such transfer or exchange, the City will cause a new Series 2019 Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that the City will prescribe and collect reasonable rates, fees, charges and rentals for all services and facilities afforded by the System, and has created a special Solid Waste System Fund into which the Revenues of the System will be paid and a separate and special Debt Service Account in the Solid Waste System Fund into which will be paid monthly, from and as a first and prior lien on

the Net Revenues of the System, an amount not less than one-sixth of the interest due on all Outstanding Bonds within the next six months and one-twelfth of the principal of all Outstanding Bonds due within the next twelve months; that the Debt Service Account will be used only to pay the principal of, premium, if any, and interest on the Bonds pursuant to the Bond Resolution (subject to the requirements of the Rebate Account); that the rates and charges for the System will from time to time be made and kept sufficient to provide Net Revenues for each fiscal year commencing after June 30, 2019, at least equal to 125% of the maximum of the principal of and interest on the Series 2019 Bonds and any Additional Bonds to become due in all full future fiscal years, to establish and maintain the Reserve Requirement in the Reserve Account, to pay promptly the reasonable and current expenses of operating and maintaining the System, to accumulate Remediation Funds, to pay principal of and interest on any Subordinate Obligations and to provide reserves for the repair and replacement of the System; that Additional Bonds may be issued and made payable on a parity with the Series 2019 Bonds as set forth in the Resolution, provided, however, that only Bonds secured by the Reserve Account shall be payable from amounts therein or from amounts transferred to the Debt Service Account from the Reserve Account in accordance with Sections 5.04 and 5.05 of the Resolution; and that no obligation will be otherwise incurred and made payable from the Net Revenues, whether or not such obligation shall also constitute a general obligation and indebtedness of the City, unless the lien thereof shall be expressly made subordinate to the lien of the Series 2019 Bonds on such Net Revenues; that all provisions for the security of the holder of this Bond set forth in the Resolution will be punctually and faithfully performed as therein stipulated; that all acts, conditions and things required by the Constitution and laws of the State of Montana and the ordinances and resolutions of the City to be done, to exist, to happen and to be performed in order to make this Bond a valid and binding special, limited obligation of the City according to its terms have been done, do exist, have happened and have been performed as so required; and that this Bond and the interest and premium, if any, hereon are payable solely from the Net Revenues of the System pledged and appropriated to the Debt Service Account as provided in the Bond Resolution and do not constitute a debt of the City within the meaning of any constitutional or statutory limitation or provision and the issuance of the Series 2019 Bonds does not cause either the general or the special indebtedness of the City to exceed any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by the manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Billings, Montana, by its City Council, has caused this Bond to be executed by the facsimile signatures of the Mayor, the City Finance Director and the City Clerk, and by a printed facsimile of the official seal of the City.

CITY OF BILLINGS, MONTANA

(Facsimile Signature)
MAYOR

(Facsimile Signature)
(Facsimile Seal) CITY FINANCE DIRECTOR

(Facsimile Signature)
CITY CLERK

Dated:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned herein.

U.S. BANK NATIONAL ASSOCIATION,
as Registrar, Transfer Agent, and
Paying Agent

By_____
Authorized Signature

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM --	as tenants in common	UTMA.....Custodian..... (Cust) (Minor)	
TEN ENT --	as tenants by the entireties		
		under Uniform Gifts to	
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	Minor Act..... (State)	

Additional abbreviations may also be used.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

_____

_____

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

SIGNATURE GUARANTEED

_____

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Consent **1. I. 1.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Payment of Claims January 14, 2019

PRESENTED BY: Andy Zoeller

Department: City Hall Administration

Presentation: No

PROBLEM/ISSUE STATEMENT

Claims in the amount of $503,330.65 have been audited and are presented for City Council payment approval. A complete listing of the claims dated January 14, 2019, are available in the Finance Department.

ALTERNATIVES ANALYZED

No other alternatives were analyzed.

FINANCIAL IMPACT

Claims have a varying impact on department budgets, but are submitted by the departments and reviewed by Finance staff before being sent to the Council.

RECOMMENDATION

Staff recommends Council approve the Payment of Claims.

APPROVED BY CITY ADMINISTRATOR

Attachments

councilmemo01142019

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820106	Alternatives Inc	Municipal Court Grants	$ 30,229.44	Supportive Housing Agreement 1st Qtr FY19
01/14/2019	820116	Big Sky Linen & Uniform	Water	$ 232.40	2600 JAN 2019; MONTHLY UNIFORM FEES
01/14/2019	820116	Big Sky Linen & Uniform	Water	$ 36.40	2600 JAN 2019; MONTHLY UNIFORM FEES
01/14/2019	820116	Big Sky Linen & Uniform	Water	$ 801.08	2600 JAN 2019; MONTHLY UNIFORM FEES
01/14/2019	820116	Big Sky Linen & Uniform	Water	$ 598.50	2600 JAN 2019; MONTHLY UNIFORM FEES
01/14/2019	820116	Big Sky Linen & Uniform	Wastewater	$ 11.20	2600 JAN 2019; MONTHLY UNIFORM FEES
01/14/2019	820116	Big Sky Linen & Uniform	Wastewater	$ 596.68	2600 JAN 2019; MONTHLY UNIFORM FEES
01/14/2019	820116	Big Sky Linen & Uniform	Wastewater	$ 399.00	2600 JAN 2019; MONTHLY UNIFORM FEES
01/14/2019	820116	Big Sky Linen & Uniform	Public Safety	$ 31.30	1076:FIRE/911 DEC2018 LINEN SERVICE
01/14/2019	820116	Big Sky Linen & Uniform	Public Safety	$ 271.14	1076:FIRE/911 DEC2018 LINEN SERVICE
01/14/2019	820116	Big Sky Linen & Uniform	Water	$ 368.92	9390 DEC 2018; FLOOR MATS
01/14/2019	820116	Big Sky Linen & Uniform	Wastewater	$ 245.95	9390 DEC 2018; FLOOR MATS
01/14/2019	820120	Billings Community Cable	General	$ 45,000.00	01012019 Quarterly Disbursement
01/14/2019	820126	Border States Electric	Water	$ 28.13	REPLACEMENT TOOLS-E-3 ELECTRICAM
01/14/2019	820126	Border States Electric	Wastewater	$ 28.12	REPLACEMENT TOOLS-E-3 ELECTRICAM
01/14/2019	820126	Border States Electric	Water	$ 122.47	916695212; PPE ARCH FLASK
01/14/2019	820126	Border States Electric	Wastewater	$ 122.48	916695212; PPE ARCH FLASK
01/14/2019	820126	Border States Electric	Wastewater	$ 69.65	916695596; CP100 UPS PROJECT
01/14/2019	820126	Border States Electric	Water	$ 283.83	916705986; CP7 NETWORK PROJECT
01/14/2019	820126	Border States Electric	Wastewater	$ 87.10	916706337;POLE FUSE FOR CP100 UPS
01/14/2019	820126	Border States Electric	Wastewater	$ 916.24	916717664; PLC RACK FOR HEADWORKS
01/14/2019	820126	Border States Electric	Wastewater	$ 1,818.30	REPAIR OF BOXCAR SWITCHES/RELAYS
01/14/2019	820126	Border States Electric	Wastewater	$ 28.13	916736074; REPLACEMENT BREAKER
01/14/2019	820126	Border States Electric	Water	$ 498.40	916755525; STAPLER CLORETEC REPAIRS
01/14/2019	820126	Border States Electric	Water	$ 52.46	916756584; LIGHT REPLACEMENT PROJECT
01/14/2019	820126	Border States Electric	Wastewater	$ 12.20	916766354; BULBS-ROUND BARN
01/14/2019	820126	Border States Electric	Wastewater	$ 22.90	916794966; WWTP LIGHTS
01/14/2019	820126	Border States Electric	Wastewater	$ 194.26	PARTS FOR GT LIGHT BYPASS SWITCH
01/14/2019	820126	Border States Electric	Wastewater	$ 37.31	916834978; HEATER REPAIR CORD & PLUG
01/14/2019	820126	Border States Electric	Water	$ 1,121.94	916835242; STAPLES-Z3 VALVE CONDUITS
01/14/2019	820126	Border States Electric	Water	$ 119.60	SCHOTCHLOK UR 19-26 AWG BUTT
01/14/2019	820126	Border States Electric	Water	$ 1,516.41	CHANNEL ANALOG - INPUT MODULE SER B
01/14/2019	820126	Border States Electric	Water	$ 14.75	48" FLUORESCENT
01/14/2019	820126	Border States Electric	Water	$ 251.60	48" FLUORESCENT - F-40-CW-RS-EW II
01/14/2019	820127	Brenntag Pacific Inc	Wastewater	$ 3,899.97	BPI904199; CHEMICALS
01/14/2019	820130	Bruco Inc	Facilities Mngmt	$ 18.21	Inv. #377187
01/14/2019	820130	Bruco Inc	Facilities Mngmt	$ 180.64	Inv. #377310
01/14/2019	820130	Bruco Inc	Airport	$ 32.27	Invoice #376953. Floor Pads
01/14/2019	820130	Bruco Inc	Airport	$ 4,990.97	Invoice #377292. Replace Restroom Cleaning Unit
01/14/2019	820135	Century Link	Street/Traffic Oper	$ 39.06	406-245-9906 PW Traffic Signal 4th 27
01/14/2019	820135	Century Link	Telephone System	$ 87.79	406-248-9124 Met Measured Lines 406-248-9179

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820135	Century Link	Telephone System	$ 80.32	406-248-3329 Airport Measured Lines 406-248-9989
01/14/2019	820135	Century Link	Public Safety	$ 39.18	406-245-6600 Crime Prevention Alarm
01/14/2019	820135	Century Link	Library	$ 182.00	Library 6 lines
01/14/2019	820135	Century Link	Telephone System	$ 60.66	Library 6 lines
01/14/2019	820135	Century Link	Information Resources	$ 39.72	406-245-4437 Kenco Security Alarm IT Alarm
01/14/2019	820135	Century Link	Solid Waste	$ 117.67	406-245-9820 Solid Waste Landfil
01/14/2019	820135	Century Link	Airport	$ 39.06	406-245-1044 Airport Terminal Power M
01/14/2019	820135	Century Link	Public Safety	$ 40.16	406-245-1743 Fire Elevator
01/14/2019	820135	Century Link	Solid Waste	$ 63.69	406-245-7193 Solid Waste Landfill
01/14/2019	820135	Century Link	EOC 911	$ 0.33	406-255-9702 E911 Backup Line 4 Call Reroute
01/14/2019	820135	Century Link	Public Safety	$ 49.43	406-655-0728 Fire Maintenance Shop
01/14/2019	820135	Century Link	Transit	$ 50.83	406-254-7038 MET Transit
01/14/2019	820135	Century Link	EOC 911	$ 7,308.17	406-255-9700 E911
01/14/2019	820153	Dell Marketing Lp	Water	$ 4,085.97	COMPUTERS, MONITORS, SOUNDBARS
01/14/2019	820153	Dell Marketing Lp	Water	$ 1,634.39	COMPUTERS, MONITORS, SOUNDBARS
01/14/2019	820153	Dell Marketing Lp	Wastewater	$ 2,723.98	COMPUTERS, MONITORS, SOUNDBARS
01/14/2019	820153	Dell Marketing Lp	Wastewater	$ 1,089.59	COMPUTERS, MONITORS, SOUNDBARS
01/14/2019	820153	Dell Marketing Lp	P.W. Admin	$ 3,266.84	10284676043; COMPUTER, MONITOR,
01/14/2019	820156	Destiny Software Inc	General	$ 4,800.00	FY18 that was missed for PRR software.
01/14/2019	820157	Dezurik Inc	Wastewater	$ 4,936.00	RPI/64020529; BY PASS VALVE
01/14/2019	820159	Donnes Inc	Water	$ 6,500.00	CLEANING OF POND & INTAKE WTP
01/14/2019	820171	F M Forklift Sales	Wastewater	$ 4,955.61	50551220; MAINTENANCE VEHICLE # 7870
01/14/2019	820174	Fisher Sand & Gravel	Street/Traffic Oper	$ 104.94	asphalt
01/14/2019	820174	Fisher Sand & Gravel	Street/Traffic Oper	$ 2,695.05	asphalt
01/14/2019	820174	Fisher Sand & Gravel	Street/Traffic Oper	$ 400.00	concrete for 5101 king ave e
01/14/2019	820183	Gillig Corporation	Transit	$ 3,023.26	40532042
01/14/2019	820186	Gunarama Wholesale	Public Safety	$ 2,454.00	Glock Gen-4 G17, 9mm, 4.5" w/Night Sights
01/14/2019	820186	Gunarama Wholesale	Public Safety	$ 409.00	Glock G45, 9mm, 4" w/Night Sights
01/14/2019	820186	Gunarama Wholesale	Public Safety	$ 30.00	Freight
01/14/2019	820198	InfoSend Inc	Water	$ 7,437.90	monthly statement printing & mailing fees
01/14/2019	820198	InfoSend Inc	Water	$ 1,859.47	monthly statement printing & mailing fees
01/14/2019	820198	InfoSend Inc	Wastewater	$ 4,958.60	monthly statement printing & mailing fees
01/14/2019	820198	InfoSend Inc	Wastewater	$ 1,239.65	monthly statement printing & mailing fees
01/14/2019	820199	Ingram Library Services	Library	$ 17.20	37614722
01/14/2019	820199	Ingram Library Services	Library	$ 109.87	3780002
01/14/2019	820199	Ingram Library Services	Library	$ 7.06	3780002
01/14/2019	820199	Ingram Library Services	Library	$ 39.97	37638103
01/14/2019	820199	Ingram Library Services	Library	$ 21.11	37638103
01/14/2019	820199	Ingram Library Services	Library	$ 9.58	37870007
01/14/2019	820199	Ingram Library Services	Library	$ 11.20	37870007
01/14/2019	820199	Ingram Library Services	Library	$ 17.70	37870004

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820199	Ingram Library Services	Library	$ 16.49	37870005
01/14/2019	820199	Ingram Library Services	Library	$ 10.61	37870001
01/14/2019	820199	Ingram Library Services	Library	$ 9.57	37870003
01/14/2019	820199	Ingram Library Services	Library	$ 50.32	37637150
01/14/2019	820199	Ingram Library Services	Library	$ 94.64	37882696
01/14/2019	820199	Ingram Library Services	Library	$ 19.25	37882695
01/14/2019	820199	Ingram Library Services	Library	$ 99.50	37882695
01/14/2019	820199	Ingram Library Services	Library	$ 221.67	37882695
01/14/2019	820199	Ingram Library Services	Library	$ 4.79	37882695
01/14/2019	820199	Ingram Library Services	Library	$ 25.53	37924844
01/14/2019	820199	Ingram Library Services	Library	$ 20.65	37924844
01/14/2019	820199	Ingram Library Services	Library	$ 2.99	37924845
01/14/2019	820199	Ingram Library Services	Library	$ 13.56	37924846
01/14/2019	820199	Ingram Library Services	Library	$ 9.58	37924847
01/14/2019	820199	Ingram Library Services	Library	$ 38.57	37882694
01/14/2019	820199	Ingram Library Services	Library	$ 9.60	37882694
01/14/2019	820199	Ingram Library Services	Library	$ 45.43	37870006
01/14/2019	820199	Ingram Library Services	Library	$ 41.94	37870009
01/14/2019	820199	Ingram Library Services	Library	$ 139.59	37870008
01/14/2019	820199	Ingram Library Services	Library	$ 19.18	37870008
01/14/2019	820199	Ingram Library Services	Library	$ 21.99	37924848
01/14/2019	820199	Ingram Library Services	Library	$ 10.19	37924848
01/14/2019	820199	Ingram Library Services	Library	$ 27.49	37924849
01/14/2019	820199	Ingram Library Services	Library	$ 58.18	37924849
01/14/2019	820199	Ingram Library Services	Library	$ 201.95	37924851
01/14/2019	820199	Ingram Library Services	Library	$ 153.19	37924851
01/14/2019	820199	Ingram Library Services	Library	$ 213.36	37924851
01/14/2019	820199	Ingram Library Services	Library	$ 11.97	37924851
01/14/2019	820199	Ingram Library Services	Library	$ 12.36	37924850
01/14/2019	820199	Ingram Library Services	Library	$ 10.80	37998772
01/14/2019	820199	Ingram Library Services	Library	$ 48.97	37998773
01/14/2019	820199	Ingram Library Services	Library	$ 32.66	37998774
01/14/2019	820199	Ingram Library Services	Library	$ 24.74	37998775
01/14/2019	820199	Ingram Library Services	Library	$ 16.52	37998776
01/14/2019	820199	Ingram Library Services	Library	$ 16.52	37998776
01/14/2019	820199	Ingram Library Services	Library	$ 16.77	37998777
01/14/2019	820199	Ingram Library Services	Library	$ 18.87	37998778
01/14/2019	820199	Ingram Library Services	Library	$ 39.62	37998779
01/14/2019	820199	Ingram Library Services	Library	$ 8.25	37998780
01/14/2019	820199	Ingram Library Services	Library	$ 18.00	37998780
01/14/2019	820199	Ingram Library Services	Library	$ 377.05	37998781

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820199	Ingram Library Services	Library	$ 521.58	37998781
01/14/2019	820199	Ingram Library Services	Library	$ 112.89	37998781
01/14/2019	820199	Ingram Library Services	Library	$ 149.25	37998781
01/14/2019	820199	Ingram Library Services	Library	$ 28.62	38019444
01/14/2019	820199	Ingram Library Services	Library	$ 31.17	38019444
01/14/2019	820199	Ingram Library Services	Library	$ 6.57	38019444
01/14/2019	820199	Ingram Library Services	Library	$ 63.31	37882693
01/14/2019	820204	Junkermier,Clark,Campanella,Stevens	Transit	$ 3,000.00	Audit requested by FTA/Client NO: 115671
01/14/2019	820206	Kittelson & Associates Inc	City County Planning	$ 5,058.00	Billings MPO Travel Demand Model
01/14/2019	820211	Local Government Center	General	$ 3,200.00	December 2018 Ethics Training
01/14/2019	820214	Marshall and Associates Inc	General	$ 816.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	Building Inspection	$ 1,632.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	Street/Traffic Oper	$ 15,708.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	City County Planning	$ 408.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	CDBG	$ 204.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	Water	$ 2,040.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	Water	$ 204.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	Wastewater	$ 1,020.00	annual software subcription renewal
01/14/2019	820214	Marshall and Associates Inc	Engineering	$ 1,428.00	annual software subcription renewal
01/14/2019	820232	NorthWestern Energy	Water	$ 276.32	1920951-9 DEC 2018; 805 CONSTITUTION AVE
01/14/2019	820232	NorthWestern Energy	Airport	$ 124.60	0712535-4. Employee Parking. December 2018
01/14/2019	820232	NorthWestern Energy	Public Safety	$ 2,380.54	STATION #1 - monthly electrical charges
01/14/2019	820232	NorthWestern Energy	Public Safety	$ 114.58	FIRE 6 - MONTHLY ELECTRICAL CHARGES
01/14/2019	820232	NorthWestern Energy	Water	$ 918.63	0100478-7
01/14/2019	820232	NorthWestern Energy	Wastewater	$ 138.37	389 62ND ST LIFT STATION
01/14/2019	820232	NorthWestern Energy	Public Safety	$ 15.88	0712532-1
01/14/2019	820232	NorthWestern Energy	Airport	$ 22.47	0712791-3. Gate 16. December 2018
01/14/2019	820232	NorthWestern Energy	Transit	$ 1,833.19	Electricity at Metroplex for 11/27/18 to 12/27/18
01/14/2019	820232	NorthWestern Energy	Airport	$ 2,403.35	0719543-1. Parking Lot Lights. December 2018
01/14/2019	820232	NorthWestern Energy	Water	$ 9.42	0722249-0
01/14/2019	820232	NorthWestern Energy	Airport	$ 21.73	0719760-1. Gate 14. December 2018
01/14/2019	820232	NorthWestern Energy	General	$ 222.15	0722256-5
01/14/2019	820232	NorthWestern Energy	Airport	$ 21.73	0719759-3. Gate 12. December 2018
01/14/2019	820232	NorthWestern Energy	General	$ 5.97	0722253-2
01/14/2019	820232	NorthWestern Energy	Airport	$ 14.10	0719761-9. Gate 15. December 2018
01/14/2019	820232	NorthWestern Energy	General	$ 8.07	0722258-1
01/14/2019	820232	NorthWestern Energy	Airport	$ 23.07	0719762-7. Gate 13. December 2018
01/14/2019	820232	NorthWestern Energy	General	$ 13.66	0722259-9
01/14/2019	820232	NorthWestern Energy	General	$ 63.92	0712538-8
01/14/2019	820232	NorthWestern Energy	Airport	$ 26.46	0712795-4. Gate 17. December 2018
01/14/2019	820232	NorthWestern Energy	Airport	$ 11.30	0712813-5. Burn Pit. December 2018

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820232	NorthWestern Energy	General	$ 176.40	0720841-6
01/14/2019	820232	NorthWestern Energy	General	$ 85.93	0712539-6
01/14/2019	820232	NorthWestern Energy	Airport	$ 20.88	0712797-0. Gate 9. December 2018
01/14/2019	820232	NorthWestern Energy	General	$ 17.70	0723065-9
01/14/2019	820232	NorthWestern Energy	Wastewater	$ 275.70	0723383-6
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.97	0723384-4
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 7.70	0723385-1
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 7.70	0723386-9
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 7.70	0723387-7
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 7.70	0723388-5
01/14/2019	820232	NorthWestern Energy	General	$ 3.80	0723391-9
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 2.54	0723391-9
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 7.70	0723392-7
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 6.70	0723393-5
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.97	0723394-3
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.97	0723395-0
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.97	0723396-8
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.97	0723397-6
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.97	0723398-4
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.97	0723835-5
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 8.07	0723836-3
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 5.85	0723840-5
01/14/2019	820232	NorthWestern Energy	Wastewater	$ 384.86	0723878-5
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 12.66	0723879-3
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 6.34	0723883-5
01/14/2019	820232	NorthWestern Energy	General	$ 186.41	0723884-3
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 6.59	0723885-0
01/14/2019	820232	NorthWestern Energy	General	$ 17.70	0723887-6
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 5.03	0855404-0
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 6.09	0881455-0
01/14/2019	820232	NorthWestern Energy	General	$ 7.95	0920801-8
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 0.77	0971824-8
01/14/2019	820232	NorthWestern Energy	Facilities Mngmt	$ 503.19	0975808-7
01/14/2019	820232	NorthWestern Energy	General	$ 13.18	0978917-3
01/14/2019	820232	NorthWestern Energy	General	$ 66.73	0999807-1
01/14/2019	820232	NorthWestern Energy	Radio	$ 139.70	1006915-1
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 21.28	1045820-6
01/14/2019	820232	NorthWestern Energy	General	$ 5.97	1156527-2
01/14/2019	820232	NorthWestern Energy	Water	$ 2.71	1160807-2
01/14/2019	820232	NorthWestern Energy	Public Safety	$ 725.95	1183483-5
01/14/2019	820232	NorthWestern Energy	General	$ 5.85	1230066-1

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 5.85	1242222-6
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 0.68	1312707-1
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 36.77	1513800-1
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 33.98	1513802-7
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 17.14	1513804-3
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 6.59	1514388-6
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 6.59	1564209-3
01/14/2019	820232	NorthWestern Energy	Building Inspection	$ 32.67	1569631-3
01/14/2019	820232	NorthWestern Energy	General	$ 5.82	1588262-4
01/14/2019	820232	NorthWestern Energy	General	$ 6.98	1635289-0
01/14/2019	820232	NorthWestern Energy	General	$ 0.89	1692666-9
01/14/2019	820232	NorthWestern Energy	Wastewater	$ 12.89	1704025-4
01/14/2019	820232	NorthWestern Energy	Wastewater	$ 31.43	1704030-4
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 38.83	1738989-1
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 0.76	1797828-9
01/14/2019	820232	NorthWestern Energy	Water	$ 5.64	1867265-9
01/14/2019	820232	NorthWestern Energy	General	$ 7.18	1902257-3
01/14/2019	820232	NorthWestern Energy	General	$ 40.00	1941243-6
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 1.23	2041362-1
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 6.82	2047000-1
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 6.70	2047007-6
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 6.70	2047010-0
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 7.30	2047011-8
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 6.94	2047013-4
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 7.30	2047017-5
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 7.18	2047018-3
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ 6.70	2047019-1
01/14/2019	820232	NorthWestern Energy	Wastewater	$ 1,451.48	2132749-9
01/14/2019	820232	NorthWestern Energy	General	$ 4.49	3020837-5
01/14/2019	820232	NorthWestern Energy	General	$ 2.66	3178260-0
01/14/2019	820232	NorthWestern Energy	Public Safety	$ 1,306.65	3448739-7
01/14/2019	820232	NorthWestern Energy	General	$ 5.85	3477233-5
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ -	3590004-2
01/14/2019	820232	NorthWestern Energy	General	$ -	0723039-4
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ -	1045813-1
01/14/2019	820232	NorthWestern Energy	Water	$ -	1346673-5
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ -	1513796-1
01/14/2019	820232	NorthWestern Energy	Street/Traffic Oper	$ -	3088038-9
01/14/2019	820232	NorthWestern Energy	General	$ 17.70	0723064-2
01/14/2019	820232	NorthWestern Energy	General	$ 12.65	0723053-5
01/14/2019	820232	NorthWestern Energy	General	$ 18.49	0723049-3

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820232	NorthWestern Energy	General	$ 4.68	0723046-9
01/14/2019	820232	NorthWestern Energy	General	$ 5.97	0723025-3
01/14/2019	820232	NorthWestern Energy	General	$ 84.97	0723005-5
01/14/2019	820232	NorthWestern Energy	General	$ 273.59	0722995-8
01/14/2019	820232	NorthWestern Energy	General	$ 6.21	0722976-8
01/14/2019	820232	NorthWestern Energy	General	$ 77.98	0722901-6
01/14/2019	820232	NorthWestern Energy	General	$ 8.07	0722862-0
01/14/2019	820232	NorthWestern Energy	General	$ 16.86	0722808-3
01/14/2019	820232	NorthWestern Energy	General	$ 8.27	0722852-1
01/14/2019	820232	NorthWestern Energy	General	$ 5.97	0722284-7
01/14/2019	820232	NorthWestern Energy	General	$ 5.97	0722283-9
01/14/2019	820232	NorthWestern Energy	Airport	$ 20.16	0720296-3. Gate 29. December 2018
01/14/2019	820232	NorthWestern Energy	Water	$ 2,606.82	0722270-6
01/14/2019	820232	NorthWestern Energy	General	$ 9.88	0722272-2
01/14/2019	820232	NorthWestern Energy	Airport	$ 28.92	2114868-9. Runway Weather System
01/14/2019	820232	NorthWestern Energy	General	$ 13.19	0722274-8
01/14/2019	820232	NorthWestern Energy	General	$ 209.95	0722273-0
01/14/2019	820232	NorthWestern Energy	Airport	$ 12.53	0712805-1. IP-10. December 2018
01/14/2019	820232	NorthWestern Energy	Parks Maintenance	$ 6.59	0722272-2
01/14/2019	820232	NorthWestern Energy	General	$ 5.97	0722281-3
01/14/2019	820232	NorthWestern Energy	General	$ 5.97	0722280-5
01/14/2019	820232	NorthWestern Energy	General	$ 16.86	0722279-7
01/14/2019	820232	NorthWestern Energy	General	$ 32.88	0722278-9
01/14/2019	820232	NorthWestern Energy	General	$ 39.67	0722277-1
01/14/2019	820232	NorthWestern Energy	General	$ 110.21	0722275-5
01/14/2019	820233	O'Reilly Auto Parts	Transit	$ 3,603.00	Washer to replace 30yr old Parts Washer
01/14/2019	820239	Pine Cove Consulting LLC	Public Safety	$ 3,324.05	LIFESIZE ICON 400 PHONE HD
01/14/2019	820239	Pine Cove Consulting LLC	Public Safety	$ 599.00	LIFESIZE ICON 400 - DSS 1-YR
01/14/2019	820240	Plumb MT INC	Airport	$ 41,580.00	Terminal Water Chiller Replacement Project
01/14/2019	820241	Polydyne Inc	Wastewater	$ 2,975.74	1305206; WRF CHEMICAL
01/14/2019	820244	Public Utilities	Airport	$ 4,767.65	136516
01/14/2019	820244	Public Utilities	Facilities Mngmt	$ 473.65	158260
01/14/2019	820244	Public Utilities	CDBG	$ 27.23	Foreclosure Program:30 S Plainview Street
01/14/2019	820244	Public Utilities	Wastewater	$ 9.45	180645
01/14/2019	820244	Public Utilities	General	$ 92.24	255552
01/14/2019	820249	RDO Equipment Co.	Solid Waste	$ 2,991.16	Filters for Landfill Equipment P43229
01/14/2019	820253	Riverstone Health	General	$ 11,700.00	business license health inspection fees.
01/14/2019	820256	Sanderson Stewart	Water	$ 43,759.00	WO 19-01 Water/Sewer Replacement Project/1
01/14/2019	820267	St Vincent Occupational Health	General	$ 1,510.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	General	$ 95.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	Public Safety	$ 657.33	Drug Test,On-Site Nurse,DOT's,Hep B shots

Check Date	Check #	Name	Fund Name	Amount	Item Desc
01/14/2019	820267	St Vincent Occupational Health	Public Safety	$ 40.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	Water	$ 57.00	Drug Test,On-Site Nurse, DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	Wastewater	$ 100.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	Wastewater	$ 38.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	Solid Waste	$ 335.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	Airport	$ 115.00	Drug Test,On-Site Nurse, DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	Transit	$ 190.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	City Health Ins Fund	$ 40.00	Drug Test,On-Site Nurse, DOT's,Hep B shots
01/14/2019	820267	St Vincent Occupational Health	City Health Ins Fund	$ 630.00	Drug Test,On-Site Nurse,DOT's,Hep B shots
01/14/2019	820268	Steiner Thuesen PLLC	Rose Park Pool Construction	$ 9,815.00	Centennial Park development
01/14/2019	820271	Swank Enterprises	Airport	$ 36,966.29	Airline Support Facility
01/14/2019	820279	Town & Country Supply	Fleet	$ 9,566.07	312083 PO NUM 307404
01/14/2019	820279	Town & Country Supply	Wastewater	$ 535.37	313946; BY PASS HEADWORKS BLD
01/14/2019	820279	Town & Country Supply	Public Safety	$ 581.61	FIRE5 - diesel/blended-delivered 150 gal
01/14/2019	820279	Town & Country Supply	Transit	$ 3,082.75	314048 PO NUM 307405
01/14/2019	820279	Town & Country Supply	Public Safety	$ 484.68	FIRE3 - diesel/blended-delivered 125 gal
01/14/2019	820279	Town & Country Supply	Public Safety	$ 775.48	313963 FIRE1 BLENDED DIESEL
01/14/2019	820279	Town & Country Supply	Public Safety	$ 501.33	313963: FIRE1 UNLEADED DELIVERED
01/14/2019	820280	Tractor & Equipment Co.	Solid Waste	$ 311.92	Parts for Landfill Equipment BLCS0692534
01/14/2019	820280	Tractor & Equipment Co.	Solid Waste	$ 940.13	Parts for Landfill Equipment BLCS0695463
01/14/2019	820280	Tractor & Equipment Co.	Solid Waste	$ 1,261.18	Parts for Landfill Equipment BLCS0695528
01/14/2019	820280	Tractor & Equipment Co.	Solid Waste	$ 1,908.00	Repair on Landfill equipment 77WO0000814
01/14/2019	820282	TTCL Services LLC	Airport	$ 2,538.25	FY19 Window Cleaning Service
01/14/2019	820294	Yellowstone County GIS	EOC 911	$ 27,500.00	GIS SERVICES TO 911 CENTER - JAN-DEC 2019
01/14/2019	820296	Zayo Group LLC	Telephone System	$ 2,517.72	Bill Account #026770-T1 Ethernet Connections

Consent **1. I. 2.**

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Payment of Claims January 22 & 23, 2019

PRESENTED BY: Andy Zoeller

Department: City Hall Administration

Presentation: No

PROBLEM/ISSUE STATEMENT

Claims in the amount of $3,141,151.89 have been audited and are presented for City Council payment approval. A complete listing of the claims dated January 22 & 23, 2019, are available in the Finance Department.

ALTERNATIVES ANALYZED

No other alternatives were analyzed.

FINANCIAL IMPACT

Claims have a varying impact on department budgets, but are submitted by the departments and reviewed by Finance staff before being sent to the Council.

RECOMMENDATION

Staff recommends that Council approve the Payment of Claims.

APPROVED BY CITY ADMINISTRATOR

Attachments

councilmemo_01222019

Check Date	Check#	Name	Fund Name	Amount	Item Desc
01/22/2019	820299	Ace Electric Inc	Parking	$ 3,230.00	46233_Heat Trace on Sky Bridge in Park 3
01/22/2019	820299	Ace Electric Inc	Water	$ 616.37	46274; HVAC FACILITY MAINTENANCE
01/22/2019	820299	Ace Electric Inc	Wastewater	$ 410.91	46274; HVAC FACILITY MAINTENANCE
01/22/2019	820299	Ace Electric Inc	Water	$ 173.12	46275; REPAIR GAS LEAK
01/22/2019	820299	Ace Electric Inc	Wastewater	$ 115.42	46275; REPAIR GAS LEAK
01/22/2019	820299	Ace Electric Inc	Public Safety	$ 876.81	SWAT van and Barn electrical supplies
01/22/2019	820299	Ace Electric Inc	SID Construction	$ 183,338.85	SID 1404 Annafeld Streetlights; SID 1404 ACE 2F
01/22/2019	820303	Advanced Eng & Environment	Water	$ 3,212.85	Water & Waste Water Rate Study
01/22/2019	820303	Advanced Eng & Environment	Water	$ 3,019.75	WO 18-18 WTP Bio-Filtration Study/6
01/22/2019	820303	Advanced Eng & Environment	Water	$ 35,593.79	WO 18-21 WTP Intake Redundancy; 61055/3
01/22/2019	820303	Advanced Eng & Environment	Wastewater	$ 2,232.65	Water & Waste Water Rate Study
01/22/2019	820316	ATS Inland NW LLC	Airport	$ 611.00	FY19 Energy Management Services - QTA
01/22/2019	820316	ATS Inland NW LLC	Airport	$ 2,145.00	FY19 Energy Management Services - Terminal
01/22/2019	820319	Bcs Scrip	General	$ 2,500.00	2019 First Quarter Service Milestone Gift Cards
01/23/2019	820495	Bcs Scrip	General	$ 2,600.00	Final 2018 Preventive Wrap Up
01/22/2019	820323	Billings Bench Water Assn	General	$ 235.00	Assessments for Uinta 39853
01/22/2019	820323	Billings Bench Water Assn	General	$ 1,990.00	Assessment for Mountview cemetery #39854
01/22/2019	820323	Billings Bench Water Assn	General	$ 3,016.00	Assessment charges for parks
01/22/2019	820325	Billings Depot Inc	P.W. Admin	$ 2,606.73	January Rent
01/22/2019	820325	Billings Depot Inc	Engineering	$ 10,426.94	January Rent
01/22/2019	820325	Billings Depot Inc	P.W. Admin	$ 9.42	Remaining electric bill for east parking lot
01/22/2019	820329	Brenntag Pacific Inc	Airport	$ 2,610.50	Invoice #BPI907288. Street De-ice Fluid
01/22/2019	820330	Bright & Beautiful	Solid Waste	$ 5,000.00	Annual support
01/22/2019	820330	Bright & Beautiful	Street Maintenance Dist	$ 5,000.00	Annual support
01/22/2019	820333	Business Tax Section	Information Resources	$ 250.11	2018 City Hall IT Basement Offices
01/22/2019	820333	Business Tax Section	SID Construction	$ 1,851.91	SID 1404 Annafeld Street Lights; SID 1404 ACE 2F
01/22/2019	820333	Business Tax Section	Water	$ 3,261.24	WO 1716 Fox Pump Station Improvements; 3 WO1716 COP
01/22/2019	820336	Century Link	EOC 911	$ 45.65	406-245-3107 911
01/22/2019	820336	Century Link	EOC 911	$ 45.65	406-245-3108 911
01/22/2019	820336	Century Link	Water	$ 39.44	406-245-3659 PUD Alarm Water Tower
01/22/2019	820336	Century Link	Airport	$ 45.66	406-245-5834 Airport Alarm
01/22/2019	820336	Century Link	Public Safety	$ 119.32	406-245-7469 Fire
01/22/2019	820336	Century Link	Public Safety	$ 45.66	406-245-7481 Police
01/22/2019	820336	Century Link	Telephone System	$ 228.20	406-248-3049 Main System T1 City/County Tie
01/22/2019	820336	Century Link	Radio	$ 311.26	406-248-3635 Fire Airport Radio Tower WCK
01/22/2019	820336	Century Link	Radio	$ 311.26	406-248-3636 Fire Airport Radio Tower Jellison
01/22/2019	820336	Century Link	Fleet	$ 55.13	406-256-5047 Motor Pool
01/22/2019	820336	Century Link	Airport	$ 54.18	406-256-7070 Airport
01/22/2019	820336	Century Link	EOC 911	$ 47.26	406-245-2296 911
01/22/2019	820336	Century Link	Wastewater	$ 39.06	406-259-2328 PUD Sahara Sand Lift Station
01/22/2019	820336	Century Link	Street/Traffic Oper	$ 50.83	406-259-3298 PW Traffic 3728 McDougall

Check Date	Check#	Name	Fund Name	Amount	Item Desc
01/22/2019	820336	Century Link	Engineering	$ 105.54	406-259-7758 Measured Lines Depot
01/22/2019	820336	Century Link	P.W. Admin	$ 70.40	406-259-7758 Measured Lines Depot
01/22/2019	820336	Century Link	Public Safety	$ 118.32	406-373-3742 Fire RR Crossing Alarm
01/22/2019	820336	Century Link	Public Safety	$ 49.42	406-651-0282 Fire 5 911 Line
01/22/2019	820336	Century Link	City County Planning	$ 39.05	406-656-9578 Planning Traffic Central Broadwater
01/22/2019	820336	Century Link	City County Planning	$ 39.05	406-656-9604 Planning Traffic Central 9th
01/22/2019	820336	Century Link	Airport	$ 58.29	406-256-6014 Airport P9 Building
01/22/2019	820336	Century Link	EOC 911	$ 311.26	406-245-7101 9-1-1 Center Landfill #2
01/22/2019	820336	Century Link	EOC 911	$ 311.26	406-245-7102 9-1-1 Center Fox Reservoir #2
01/22/2019	820336	Century Link	Solid Waste	$ 50.82	406-256-7001 Solid Waste Scale House
01/22/2019	820336	Century Link	EOC 911	$ 419.63	406-245-8527 New 9-1-1 Center
01/22/2019	820341	CMG Construction LLC	Street/Traffic Oper	$ 82,847.50	Residential snowplowing 12-31 to 1-4
01/22/2019	820341	CMG Construction LLC	Gas Tax	$ 12,495.20	WO 18-13 Kyhl Lane Sidewalk; RetRel WO1813 CMG
01/22/2019	820342	Connect Telephone & Computer	Airport	$ 4,420.00	Display Advertising Digital Controller Replacements
01/22/2019	820343	Cop Construction Co	Water	$ 322,862.46	Fox Pump Station Improvements
01/22/2019	820350	Crowley Fleck PLLP	General	$ 2,500.00	Lobbyist Fees per contract
01/22/2019	820351	Cucancic Construction Inc	Information Resources	$ 24,760.89	2018 City Hall IT Basement Offices
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 11.21	1163
01/22/2019	820352	Cummins Rocky Mountain LLC	Fleet	$ 227.88	1372 PO NUM 307429
01/22/2019	820352	Cummins Rocky Mountain LLC	Transit	$ 336.84	AUTO &TRUCK MAINT.ITEMS
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 57.73	1227
01/22/2019	820352	Cummins Rocky Mountain LLC	Fleet	$ 314.67	1416 PO NUM 307429
01/22/2019	820352	Cummins Rocky Mountain LLC	Transit	$ 1,355.46	38-2558
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 670.64	1377
01/22/2019	820352	Cummins Rocky Mountain LLC	Transit	$ (125.00)	38-2641
01/22/2019	820352	Cummins Rocky Mountain LLC	Transit	$ 298.15	38-2622
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 65.60	1228
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ (78.68)	1622
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 68.68	1578
01/22/2019	820352	Cummins Rocky Mountain LLC	Public Safety	$ 11.24	1576
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ (79.06)	1543
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 74.13	1542
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 79.06	1541
01/22/2019	820352	Cummins Rocky Mountain LLC	Public Safety	$ 67.90	1416
01/22/2019	820352	Cummins Rocky Mountain LLC	Solid Waste	$ 67.06	1377
01/22/2019	820357	Dixie Petro-Chem	Water	$ 1,856.00	Bulk Chlorine
01/22/2019	820357	Dixie Petro-Chem	Water	$ 1,856.00	Bulk Chlorine
01/22/2019	820359	DOWL	Arterial Streets	$ 6,083.50	24th St W/Central Ave Signal Improvements
01/22/2019	820359	DOWL	Storm Sewer	$ 19,970.00	WO 17-26 62nd and Rimrock Stormwater
01/22/2019	820359	DOWL	Arterial Streets	$ 19,989.35	WO 16-05 Central Ave - Shiloh to 32nd St W
01/22/2019	820359	DOWL	Gas Tax	$ 6,666.75	WO 16-05 Central Ave - Shiloh to 32nd St W

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01/22/2019	820359	DOWL	Water	$ 2,452.25	WO 16-05 Central Ave - Shiloh to 32nd St W
01/22/2019	820359	DOWL	Sidewalk Construction	$ 1,985.60	WO 16-05 Central Ave - Shiloh to 32nd St W
01/22/2019	820359	DOWL	Wastewater	$ 3,029.10	WO 16-05 Central Ave - Shiloh to 32nd St W
01/22/2019	820359	DOWL	Water	$ 14,225.00	WO 18-01 2018 Water & Sewer Sch 1 N 27th Watermain
01/22/2019	820359	DOWL	Storm Sewer	$ 49,128.49	WO 18-30 City County Drain Flood Mitigation/6
01/22/2019	820360	Downtown Billings BID, Inc.	Downtown BID	$ 29,367.62	Internal City Owned Properties Tax Year 2018
01/22/2019	820361	Duncan Parking Technologies	Parking	$ 825.00	DPT033695_Liberty Meter PEMs January 2019
01/22/2019	820361	Duncan Parking Technologies	Parking	$ 2,640.00	Upgrading meter mechanisms
01/22/2019	820361	Duncan Parking Technologies	Parking	$ 1,017.60	Partial Retainage release.
01/22/2019	820361	Duncan Parking Technologies	Parking	$ 105.36	DPT033695_ CC Transaction Fee December 2018
01/22/2019	820362	E-Hazard.Com	Water	$ 3,150.00	OSHA high and low voltage training
01/22/2019	820362	E-Hazard.Com	Wastewater	$ 3,150.00	OSHA high and low voltage training
01/22/2019	820363	Ebms	City Health Ins Fund	$ 1,445.00	February 2019 Fee Breakdown
01/22/2019	820363	Ebms	City Health Ins Fund	$ 27,200.11	February 2019 Fee Breakdown
01/22/2019	820363	Ebms	City Health Ins Fund	$ 53,197.39	February 2019 Fee Breakdown
01/22/2019	820363	Ebms	City Health Ins Fund	$ 990.50	February 2019 Fee Breakdown
01/22/2019	820363	Ebms	City Health Ins Fund	$ 4,624.80	February 2019 Fee Breakdown
01/22/2019	820364	Econo Print Inc.	Parking	$ 2,407.20	288140_ 10 Hour Parking Permits Jan-Dec 2019
01/22/2019	820364	Econo Print Inc.	Public Safety	$ 159.14	PATIENT REFUSAL FORMS [500 SETS] NCR 2-PART
01/22/2019	820367	EWT Holding III Corp	Wastewater	$ 18,713.00	WO 18-19 AFT(Air Flotation Thickner)Equipment at WRF/1
01/22/2019	820367	EWT Holding III Corp	Wastewater	$ 18,713.00	WO 18-19 AFT(Air Flotation Thickner)Equipment at WRF/2
01/22/2019	820371	Fisher Sand & Gravel Co	Solid Waste	$ 35,072.83	4225 tons of gravel for the Landfill.
01/22/2019	820373	Fisher's Technology	Central Services	$ 336.69	Copy Fund - MA8984
01/22/2019	820373	Fisher's Technology	CDBG	$ 285.97	Fisher's Technology - Inv. 650448
01/22/2019	820373	Fisher's Technology	Central Services	$ 181.40	MA9118-01 Police
01/22/2019	820373	Fisher's Technology	Solid Waste	$ 55.37	RRD10421 - Solid Waste
01/22/2019	820373	Fisher's Technology	Solid Waste	$ 33.88	MA9072-01 Solid Waste
01/22/2019	820373	Fisher's Technology	Central Services	$ 64.06	MA9119-01 Court
01/22/2019	820373	Fisher's Technology	Police Programs	$ 0.92	MA8987-01 Davidson Bldg
01/22/2019	820373	Fisher's Technology	Central Services	$ 209.67	MA9118-01 Police
01/22/2019	820373	Fisher's Technology	Central Services	$ 2,255.00	MA8979- Police
01/22/2019	820373	Fisher's Technology	Central Services	$ 375.77	MA8984-01 Copy Fund Account
01/22/2019	820373	Fisher's Technology	Central Services	$ 82.13	MA9119-01 -Court/Bailiff
01/22/2019	820373	Fisher's Technology	Police Programs	$ 2.33	MA8987-01 Davidson Bldg
01/22/2019	820373	Fisher's Technology	Solid Waste	$ 43.12	MA9072-01 Solid Waste
01/22/2019	820373	Fisher's Technology	Central Services	$ 2,480.50	MA8978-01 Police
01/22/2019	820373	Fisher's Technology	Central Services	$ 46.83	MA9119-01 Court / Bailiff
01/22/2019	820373	Fisher's Technology	Central Services	$ 213.38	MA9118-01 Police
01/22/2019	820373	Fisher's Technology	Central Services	$ 181.17	MA8984 Copy Fund Account
01/22/2019	820375	Gillig Corporation	Transit	$ 3,720.36	40534135 PO NUM 307430
01/22/2019	820385	HDR, Inc.	Solid Waste	$ 94,359.02	WO 17-12 Landfill Drop-off Facility/17

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01/22/2019	820390	Iaff	Sidewalk Debt Svc	$ 4,683.09	Payroll Summary
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 9.60	38084543
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 16.52	38103508
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 10.19	38103507
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 321.24	38103506
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 913.64	38103506
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 34.78	38103506
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 46.18	38102201
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 102.96	38092672
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 207.66	38092672
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 117.37	38092672
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 46.47	38092671
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 28.45	38092671
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 22.22	38092671
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 16.57	38092671
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 5.39	38092670
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 54.70	38092670
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 24.75	38084547
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 10.00	380845545
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 26.13	38084546
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 21.39	38084544
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 61.94	38103509
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 29.71	38103509
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 278.36	38103513
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 15.33	38120956
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 23.96	381120957
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 145.56	38169080
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 303.99	38169080
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 5.39	38175261
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 10.20	38175261
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 11.79	38175258
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 2.39	38175259
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 15.34	38175257
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 35.96	38175257
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 9.59	38222120
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 15.93	38175260
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 10.19	38222119
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 15.92	38222117
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 13.54	38222117
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 60.11	38222115
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 15.93	38222115

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01/22/2019	820393	Ingram Library Services Inc.	Library	$ 35.10	38222121
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 15.92	38222122
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 16.52	38222122
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 16.52	38222123
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 113.87	38222124
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 15.63	38222124
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 14.99	38222125
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 10.61	38222125
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 6.59	38222126
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 48.17	38242632
01/22/2019	820393	Ingram Library Services Inc.	Library	$ 42.21	38242632
01/22/2019	820395	J & M Tire LLC	Wastewater	$ 269.58	NONSTOCKING ITEMS-P.U.D.
01/22/2019	820395	J & M Tire LLC	Water	$ 2,440.00	NONSTOCKING ITEMS-P.U.D.
01/22/2019	820395	J & M Tire LLC	Water	$ 34.95	NONSTOCKING ITEMS-P.U.D.
01/22/2019	820395	J & M Tire LLC	Wastewater	$ 100.00	NONSTOCKING ITEMS-P.U.D.
01/22/2019	820397	Jones Construction	Property Ins	$ 5,584.74	Park 3 booth- party hit skybridge.
01/22/2019	820402	Knife River (JTL Group Inc.)	Tax Increment South	$ 76,945.70	Midland Road Improvements
01/22/2019	820402	Knife River (JTL Group Inc.)	Wastewater	$ 2,660.30	Midland Road Improvements
01/22/2019	820402	Knife River (JTL Group Inc.)	Gas Tax	$ 5,754.38	54th St W & Rimrock Rd Signal
01/22/2019	820402	Knife River (JTL Group Inc.)	Wastewater	$ 4,019.40	EBURD 10th to 13th Infrastructure
01/22/2019	820402	Knife River (JTL Group Inc.)	Sidewalk Construction	$ 25,926.62	Midland Road Improvements
01/22/2019	820402	Knife River (JTL Group Inc.)	Tax Increment East	$ 29,645.55	EBURD 10th to 13th Infrastructure
01/22/2019	820402	Knife River (JTL Group Inc.)	Gas Tax	$ 7,191.82	Midland Road Improvements
01/22/2019	820402	Knife River (JTL Group Inc.)	SID Construction	$ 9,801.00	EBURD 10th to 13th Infrastructure
01/22/2019	820402	Knife River (JTL Group Inc.)	Arterial Streets	$ 20,637.77	54th St W & Rimrock Rd Signal
01/22/2019	820402	Knife River (JTL Group Inc.)	Storm Sewer	$ 6,034.05	EBURD 10th to 13th Infrastructure
01/22/2019	820404	Kone Inc	Library	$ 9,735.36	Elevator maintenance & emergency monitoring
01/22/2019	820404	Kone Inc	Facilities Mngmt	$ 1,870.39	Hall Lobby Pass infrared door detector
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 38.63	1105425
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 62.50	1107466
01/22/2019	820406	L P Anderson Tire Co. Inc.	Water	$ 195.00	1107731
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 62.50	1107613
01/22/2019	820406	L P Anderson Tire Co. Inc.	Water	$ 65.00	1107731
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 20.00	1107803
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 62.50	1107817
01/22/2019	820406	L P Anderson Tire Co. Inc.	Public Safety	$ 37.50	1107818
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 37.50	1107820
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ (425.00)	1107824
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 5,654.40	1107870
01/22/2019	820406	L P Anderson Tire Co. Inc.	Street/Traffic Oper	$ 5,416.32	1107867
01/22/2019	820409	Marte Nelson Trust	Storm Sewer	$ 16,747.50	Marty Nelson Trust. Purchase of property for easement

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01/22/2019	820411	MES-NW	Public Safety	$ 38.21	SHIPPING
01/22/2019	820411	MES-NW	Public Safety	$ 2,600.00	HELMETS W/EZ FLIPS BEN LOW RIDER
01/22/2019	820412	Midland West Manufacturing	Solid Waste	$ 3,810.00	17063
01/22/2019	820413	Midwest Heating & Cooling	Solid Waste	$ 5,660.00	Heater units in the Landfill Shop 63578
01/22/2019	820413	Midwest Heating & Cooling	Radio	$ 649.50	SWRDS TWR: SERVICE CALL / NO COOLING
01/22/2019	820415	Miller Trois LLC	General	$ 2,010.00	I19-015067 Miller Trois LLC
01/22/2019	820415	Miller Trois LLC	Building Inspection	$ 6,458.00	I19-015067 Miller Trois LLC
01/22/2019	820415	Miller Trois LLC	City County Planning	$ 4,302.00	I19-015067 Miller Trois LLC
01/22/2019	820415	Miller Trois LLC	CDBG	$ 5,024.00	I19-015067 Miller Trois LLC
01/22/2019	820417	Montana CSED	Sidewalk Debt Svc	$ 3,547.85	Payroll Summary
01/22/2019	820419	Montana Dakota Utilities Co	EOC 911	$ 35.74	911/STANDBY GENERATOR
01/22/2019	820419	Montana Dakota Utilities Co	General	$ 132.87	112 138 9381 8
01/22/2019	820419	Montana Dakota Utilities Co	Public Safety	$ 345.37	307 111 5825 0
01/22/2019	820419	Montana Dakota Utilities Co	Water	$ 170.04	162 660 1000 4
01/22/2019	820419	Montana Dakota Utilities Co	General	$ 466.38	902 360 1000 6
01/22/2019	820419	Montana Dakota Utilities Co	General	$ 35.76	879 660 1000 8
01/22/2019	820419	Montana Dakota Utilities Co	Public Safety	$ 1,499.47	819 360 1000 8
01/22/2019	820419	Montana Dakota Utilities Co	General	$ 183.66	703 760 1000 8
01/22/2019	820419	Montana Dakota Utilities Co	Public Safety	$ 350.04	672 860 1000 3
01/22/2019	820419	Montana Dakota Utilities Co	Public Safety	$ 528.84	668 670 1000 2
01/22/2019	820420	MT Dept Of Environment Quality	Solid Waste	$ 30,790.40	Quarterly Landfill License 3rd Payment #113
01/22/2019	820421	MT Municipal Interlocal Authority	Property Ins	$ 9,373.90	Inv. #1218001 January 2019 Deductible Recovery
01/22/2019	820422	MT Municipal Interlocal Authority	Sidewalk Debt Svc	$ 499,836.54	2018 Workers' Compensation
01/22/2019	820423	Montana State Fireman's Assoc	Sidewalk Debt Svc	$ 4,002.05	Payroll Summary
01/22/2019	820426	Morrison Maierle Inc	Water	$ 19,627.02	WO 17-16 Zone 4 North Fox Pump Station/13
01/22/2019	820426	Morrison Maierle Inc	Airport	$ 219,435.92	Terminal Building Expansion - Final Design Phase
01/22/2019	820426	Morrison Maierle Inc	Airport	$ 38,299.48	Terminal Building Expansion - Final Design Phase
01/22/2019	820426	Morrison Maierle Inc	Wastewater	$ 25,699.86	WO1901 2019 Water/Sewer Replacement Project; 194032/2
01/22/2019	820426	Morrison Maierle Inc	Wastewater	$ 14,281.42	2018 Water & Sewer
01/22/2019	820426	Morrison Maierle Inc	Wastewater	$ 24,839.75	2018 Water & Sewer Replacement
01/22/2019	820428	Moulton Bellingham PC	General	$ 3,247.50	Inv. #128186 Watters et al v. COB
01/22/2019	820428	Moulton Bellingham PC	General	$ 12,259.50	Inv. #128274 Good Stuff Zoning Violations
01/22/2019	820430	MPPA	Sidewalk Debt Svc	$ 3,360.00	Payroll Summary
01/22/2019	820435	NeighborWorks Montana	CDBG	$ 34,218.53	Reimbursement Request #3 for NWMT CHDO project
01/22/2019	820438	Neumann Construction	Sidewalk Debt Svc	$ 87,909.00	BD1245 Stormwater Ponds
01/22/2019	820441	Northwest Industrial Supply	Wastewater	$ 4,717.80	adjustable aluminum gantry crain & push trolley
01/22/2019	820441	Northwest Industrial Supply	Water	$ 84.53	1521702; STRAPS FOR LIFTING
01/22/2019	820441	Northwest Industrial Supply	Wastewater	$ 56.35	1521702; STRAPS FOR LIFTING
01/22/2019	820441	Northwest Industrial Supply	Water	$ 41.20	1521811; PLASTIC REAMER FOR FIXING SERVICES
01/22/2019	820441	Northwest Industrial Supply	Water	$ 34.72	1521828; TIN SNIPS
01/22/2019	820441	Northwest Industrial Supply	Wastewater	$ 34.73	1521828; TIN SNIPS

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01/22/2019	820441	Northwest Industrial Supply	Fleet	$ 254.18	1521843 PO NUM 306880
01/22/2019	820441	Northwest Industrial Supply	Water	$ 34.84	PAILS 10 QT SIZE METAL-SC - HOOL DIST NO-55-01727
01/22/2019	820441	Northwest Industrial Supply	Street/Traffic Oper	$ 33.94	galvanized paint for pole with graffiti
01/22/2019	820441	Northwest Industrial Supply	Street/Traffic Oper	$ 15.53	rubber blow gun tip for compressor
01/22/2019	820441	Northwest Industrial Supply	Street/Traffic Oper	$ 19.71	4ft sling for unit 1122
01/22/2019	820441	Northwest Industrial Supply	Solid Waste	$ 1,090.00	Drill press for the collection shop 1521512
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 32.16	INVENTORY
01/22/2019	820442	Northwest Pipe Fittings	Water	$ (30.60)	Return Parts
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 16,660.00	ENHANCED WALL RR - MIU 13341-200
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 18,564.00	3/4" E-CODER WALL CU/FT METER W/RECPT
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 18,564.00	3/4" E-CODER WALL CU/FT METER W/RECPT
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 7.24	3/4" T-10 BOTTOM CAP LINER P/N: 2032948
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 995.00	173023; CALIBRATION, BATTERIES
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 336.45	173337; BACKFLOW PREVENTER-BOILER WATER LINE
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 184.69	174756; MATERIAL FOR PD BASEMENT DRAIN
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 2.59	175242; FITTING BRUSH
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 173.34	175281; FOR TURBIDITY FLUSH LINES
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 146.82	175498; THREADED FLANGE & BOLT PAK SET
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 107.72	175670; CONDENSATE NEUTRALIZATION KIT
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 71.82	175670; CONDENSATE NEUTRALIZATION KIT
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 65.24	176127; CLOSE BLACK NIPPLE
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 3.87	176213; FITTING BRUSH
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 29.22	177796; MATERIALS FOR TURBIDITY METER
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 31.20	178594; RUBBER GASKET
01/22/2019	820442	Northwest Pipe Fittings	Public Safety	$ 124.24	179268
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 818.92	180211; HEATER FOR MIXER BUILDING
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 421.18	180305; PD BUILDING VENT & DRAIN LINES
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 890.00	180938; SPARE PUMP FOR WRF
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 64.60	181987; FOR # 2 GT
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 72.59	183289; PARTS PD BUILDING VENT/DRAIN LINES
01/22/2019	820442	Northwest Pipe Fittings	Wastewater	$ 85.17	184433; PD BUILDING VENT/DRAIN LINES
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 13.62	2 1/2" HOSE GASKETS SW250 P/N: 2156373
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 13,745.00	5/8 X 3/4 T10 METERS W/AR - B MAG REG-CU FT
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 9,695.56	36" DUCTILE PIPE - (188NS18651) P/N: 333-055-00180
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 640.00	151877; REPAIR CLAMPS FOR WATER PIPE
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 15.75	3/4" T-10 STRAINERS - (9831-001)
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 47.06	3/4" T-10 BOTTOM CAP LINER P/N: 2032948
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 111.50	3/4" T-10 BOTTOM CAP CAST - IRON (9833-010)
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 17.60	1/2" PVC BALL VALVE 2621-005 P/N: 0868020
01/22/2019	820442	Northwest Pipe Fittings	Water	$ 27.24	2 1/2" HOSE GASKETS SW250 P/N: 2156373
01/22/2019	820444	NorthWestern Energy	Transit	$ 338.83	0719225-5

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01/22/2019	820444	NorthWestern Energy	Public Safety	$ 204.73	0720817-6
01/22/2019	820444	NorthWestern Energy	Water	$ 1,645.84	0723040-2
01/22/2019	820444	NorthWestern Energy	Water	$ 19.84	0723059-2
01/22/2019	820444	NorthWestern Energy	General	$ 30.49	0813489-2
01/22/2019	820444	NorthWestern Energy	Water	$ 322.53	1116452-2
01/22/2019	820444	NorthWestern Energy	Water	$ 155.31	1142253-2
01/22/2019	820444	NorthWestern Energy	Public Safety	$ 592.62	0871546-8
01/22/2019	820444	NorthWestern Energy	Wastewater	$ 462.16	0100606-3
01/22/2019	820444	NorthWestern Energy	Water	$ 1,386.50	0100606-3
01/22/2019	820444	NorthWestern Energy	Water	$ 35,124.55	0100606-3
01/22/2019	820444	NorthWestern Energy	Wastewater	$ 43,576.97	0100591-7
01/22/2019	820444	NorthWestern Energy	General	$ 6.06	electrical charges for Pioneer tennis courts
01/22/2019	820444	NorthWestern Energy	Water	$ 560.82	0100485-2
01/22/2019	820444	NorthWestern Energy	Wastewater	$ 116.09	EA Electricity #3243625-5
01/22/2019	820444	NorthWestern Energy	CDBG	$ 30.30	FORECLOSURE ACQUISITION / REHAB PROGRAM
01/22/2019	820444	NorthWestern Energy	CDBG	$ 18.90	FORECLOSURE ACQUISITION / REHAB PROGRAM
01/22/2019	820444	NorthWestern Energy	Street/Traffic Oper	$ 0.14	1740357-7
01/22/2019	820444	NorthWestern Energy	Parks Maintenance	$ 1.02	1265177-4
01/22/2019	820444	NorthWestern Energy	General	$ 15.87	1836666-6
01/22/2019	820444	NorthWestern Energy	Street/Traffic Oper	$ 0.36	1748896-6
01/22/2019	820444	NorthWestern Energy	General	$ 33.06	1849408-8
01/22/2019	820444	NorthWestern Energy	Parks Maintenance	$ 0.63	1948667-9
01/22/2019	820444	NorthWestern Energy	General	$ 29.01	1904944-4
01/22/2019	820444	NorthWestern Energy	Parks Maintenance	$ 9.88	2055817-7
01/22/2019	820444	NorthWestern Energy	Water	$ -	0722264-9
01/22/2019	820444	NorthWestern Energy	General	$ -	0722287-0
01/22/2019	820444	NorthWestern Energy	General	$ -	0723045-1
01/22/2019	820444	NorthWestern Energy	General	$ -	0839280-5
01/22/2019	820444	NorthWestern Energy	General	$ -	1191404-1
01/22/2019	820444	NorthWestern Energy	Parks Maintenance	$ -	1029192-0
01/22/2019	820446	Oakland Homes Builders	Water	$ 2,850.00	REFUND-SHOULD NOT OF BEEN CHARGED
01/22/2019	820453	RDO Equipment Co.	Street/Traffic Oper	$ 5,000.00	rental of excavator to clean Shiloh drain
01/22/2019	820455	Rimrock Foundation	Municipal Court Grants	$ 1,743.13	No Insurance, copays, deductibles, screenings & ancillary
01/22/2019	820455	Rimrock Foundation	Municipal Court Grants	$ 2,790.71	DUI Rimrock Screenings, Other Services, and Ancillary
01/22/2019	820455	Rimrock Foundation	Municipal Court Grants	$ 2,850.71	Dec. 18 Rimrock SAMHSA
01/22/2019	820457	Riverstone Health	General	$ 11,250.00	Air Pollution Control July - September 2018
01/22/2019	820457	Riverstone Health	General	$ 11,250.00	Air Pollution Control October - December 2018
01/22/2019	820459	Sanderson Stewart	Water	$ 56,547.80	WO 19-01 Water/Sewer Replacement Project; 45592/2
01/22/2019	820459	Sanderson Stewart	Tax Increment East	$ 7,062.24	WO 18-06 EBURD N 10TH ST to N 13TH St; 45584/14
01/22/2019	820466	Tire-Rama	Public Safety	$ 1,423.60	1050314441
01/22/2019	820466	Tire-Rama	Public Safety	$ 584.28	1050314945

Check Date	Check#	Name	Fund Name	Amount	Item Desc
01/22/2019	820466	Tire-Rama	Street/Traffic Oper	$ (20.00)	1050314494
01/22/2019	820466	Tire-Rama	Street/Traffic Oper	$ 1,643.90	1050315105
01/22/2019	820466	Tire-Rama	Solid Waste	$ 127.00	Alignment for unit 0061 1050314285
01/22/2019	820466	Tire-Rama	Solid Waste	$ 125.00	Alignment for Unit 0068 1050315102
01/22/2019	820466	Tire-Rama	Street/Traffic Oper	$ 720.00	1050314242
01/22/2019	820466	Tire-Rama	Solid Waste	$ 1,046.50	Recapped tires for the garbage trucks 1050314240
01/22/2019	820466	Tire-Rama	Solid Waste	$ 3,873.50	Recapped tires for the garbage trucks 1050314616
01/22/2019	820466	Tire-Rama	Solid Waste	$ 4,193.50	Recapped tires for the garbage trucks 1050315305
01/22/2019	820466	Tire-Rama	Solid Waste	$ 4,330.00	Tire repairs for garbage trucks 1050314510
01/22/2019	820466	Tire-Rama	Solid Waste	$ 265.00	Tire repairs for the Landfill 1050314536
01/22/2019	820466	Tire-Rama	Solid Waste	$ 207.90	Tires for the Landfill 1050314100
01/22/2019	820466	Tire-Rama	Solid Waste	$ 723.03	Tires for the Landfill 1050314879
01/22/2019	820466	Tire-Rama	Solid Waste	$ 409.62	Tires for Unit 0027
01/22/2019	820466	Tire-Rama	Solid Waste	$ (7.50)	Tires for Unit 0027
01/22/2019	820469	Town & Country Supply	Wastewater	$ 458.13	NONSTOCKING ITEMS-P.U.D.
01/22/2019	820469	Town & Country Supply	Airport	$ 14,846.11	Invoice #314481. QTA Car Rental Fuel
01/22/2019	820469	Town & Country Supply	Fleet	$ 17,591.14	312090 PO NUM 307419
01/22/2019	820469	Town & Country Supply	Fleet	$ 7,378.44	314306 PO NUM 307424
01/22/2019	820469	Town & Country Supply	Public Safety	$ 486.62	FIRE6: BLENDED DIESEL[251 GALLONS TOTAL]
01/22/2019	820469	Town & Country Supply	Fleet	$ 13,019.96	314027 PO NUM 307419
01/22/2019	820469	Town & Country Supply	Fleet	$ 7,199.14	314366 PO NUM 307424
01/22/2019	820472	Tractor & Equipment Co.	Solid Waste	$ 727.96	BLW00186728
01/22/2019	820472	Tractor & Equipment Co.	Water	$ 112,789.80	new model 2019 40,000lb -4 cy wheel loader
01/22/2019	820472	Tractor & Equipment Co.	Wastewater	$ 75,193.20	new model 2019 40,000 lb -4 cy wheel loader
01/22/2019	820472	Tractor & Equipment Co.	Water	$ 251.52	WATER PARTS AND SUPPLIES PO NUM 307386
01/22/2019	820479	Vaisala Inc	Airport	$ 4,410.00	2019 Annual Fee-Runway Pavement Temperature System
01/22/2019	820481	Valmont Industries Inc	Street/Traffic Oper	$ 1,742.00	CD2147616 PO NUM 306669
01/22/2019	820481	Valmont Industries Inc	Street/Traffic Oper	$ 1,416.00	CD2148538 PO NUM 306872
01/22/2019	820484	Wastequip Manufacturing	Solid Waste	$ 32,246.00	Frontload dumpsters for commercial businesses
01/22/2019	820485	WatchGuard Video	Public Safety	$ 9,150.00	Rimage, Catalyst 60000N Disc Publishing System
01/22/2019	820485	WatchGuard Video	Public Safety	$ 347.00	DVD-RIM-Professional Media Kit, Qty 500
01/22/2019	820485	WatchGuard Video	Public Safety	$ 1,000.00	BRK-DV1-MIC-100, Rimage Installation onsite
01/22/2019	820487	Xylem Dewatering Solutions	Water	$ 1,113.00	UNIT 7311
01/22/2019	820487	Xylem Dewatering Solutions	Wastewater	$ 13,085.36	Three(3) replacement impellers @ Briarwood lift station
01/22/2019	820488	Yellowstone County	Public Safety	$ 22,900.00	Yellowstone Co Detention Facility
01/22/2019	820490	Yellowstone County Montana	Street/Traffic Oper	$ 16,666.00	PW's share- MOU w/Yellowstone Co Emergency

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: One Big Sky District Development Plan

PRESENTED BY: Kevin Iffland, Assistant City Administrator

Department: City Hall Administration

Presentation: Yes

PROBLEM/ISSUE STATEMENT

See attached City Administrator Memorandum.

RECOMMENDATION

APPROVED BY CITY ADMINISTRATOR

Attachments

OBSD
Council Memorandum from Chris Kukulski
City/State Contributions
Draft Resolution
Chamber of Commerce



ONE BIG SKY

TRANSFORMING THE ECONOMIC FUTURE OF MONTANA

JANUARY 25, 2019

LANDMARK
DEVELOPMENT

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01

INTRODUCTION

LANDMARK
DEVELOPMENT

January 25, 2019

City of Billings
Big Sky Economic Development Corporation
Billings Chamber of Commerce
Downtown Billings Alliance
Visit Billings

Dear ONE Big Sky Strategy Partners:

In this volume, please find the Development Plan for the ONE Big Sky economic development strategy for downtown Billings, with broad benefits that are projected to positively impact the entire Region and State to best position Montana for the next generation.

This Development Plan is the compilation of a year-long effort – based upon the original Concept Development Plan presented to you by my company – to address historic and current challenges of the City of Billings. What was perhaps most surprising to us during this effort was the identification of the projected future challenges if the City of Billings does not implement a strategy to address major concerns like its aging workforce, downtown real estate market gap, and overall changing economy.

To address these challenges, the Development Plan includes research, planning, design, engineering and financial and strategic analyses and recommendations that, together, comprise a comprehensive plan for how the City can grow and strengthen both the local and statewide economies over the next 20 years – positioning Billings as a leader in the State and the nation for creative economic, workforce and infrastructure development. It is a market-supportable plan that relies on public and private sector cooperation and, if properly implemented, will attract the workforce of tomorrow, create new jobs, and generate billions in new revenues for the City, Yellowstone County, School District and State of Montana.

On behalf of the Landmark team, I would like to thank all of you for your partnership with us and guidance in setting the goals and evolving the concepts incorporated into this Development Plan and identifying key catalytic projects that we know can reshape the future of this City. We also appreciate the value brought by all of the other business and civic institutions and members of the community who assisted our team by providing their time, lending their expertise and offering their own unique perspectives and concerns. The concepts and feedback we received from the public had significant influence on shaping the vision and identifying opportunities and concerns to be addressed.

We look forward to the opportunity to continue to work with you to help redefine the future of the City of Billings.

Sincerely,
Robert P. Dunn
President
Landmark Development Services Company, LLC

DISCLAIMER

This Development Plan is presented for the purpose of providing a summary of the economic development and business strategies and related conceptual planning for a comprehensive urban redevelopment effort in the City of Billings, Montana.

This Development Plan contains summary information from detailed analysis and due diligence materials that have been completed by Landmark Development Services Company, LLC ("Landmark") and other third parties and consultants deemed to be reliable. The information included herein contains various assumptions and estimates of the anticipated operating results for the project, which have been derived from the analyses completed to date. No warranties or representations are made by Landmark, its owners, officers, employees, affiliates, assignees, consultants or any other third parties as to the accuracy or completeness of the information included herein, which necessarily involves known and unknown risks, uncertainties and other factors that may influence the project.

All program areas, conceptual plans, cost estimates, finance assumptions and other data are preliminary estimates and are approximate. Accordingly, actual results may vary materially from the projected results included in this Development Plan. Parties reviewing this document should make their own investigations, projections and conclusions independent of the materials contained herein.

This Development Plan speaks only as the date hereof. Landmark shall have no obligation to update or revise any information to reflect any change in expectations or results, or any change in events.

PURPOSE OF THE DEVELOPMENT PLAN

This Development Plan was prepared as a partnership among Landmark, the City of Billings, Big Sky Economic Development Corporation, Billings Chamber of Commerce, Downtown Billings Alliance, and Visit Billings to formulate a deliberate economic development strategy to overcome the challenges and capitalize on the opportunities of the City, the Region and the State for the next generation of workers, residents, students, and visitors. The Development Plan lays out a comprehensive vision and plan of action to evolve the City of Billings into a more vibrant destination centered on the Montana lifestyle that drives robust growth in the local and statewide economies. This unique plan is fueled by private investment and builds iconic new public assets and civic infrastructure that will secure the State's position as a national leader in creative strategies to drive economic development and workforce development.


City Of
BILLINGS
MONTANA


LANDMARK
DEVELOPMENT


BIG SKY
ECONOMIC
DEVELOPMENT


it's
BILLINGS
Chamber of Commerce


Downtown
Billings
Starts here.


VISIT Billings
MONTANA'S TRAILHEAD

THE VISION & GOALS

The vision behind the Development Plan for "ONE Big Sky" is a large, mixed-use, multi-anchored project in downtown Billings (the "Project") that creates the opportunity to redefine an urban landscape to support major economic development and overcome the massive jobs dilemma facing the City and the State. The vision supports the realization of other key goals that will be imperative for cities to be competitive into the 21st century, including creating lifestyle amenities and capitalizing on the authentic Montana and Billings "experience". This vision is grounded in a destination concept that relies on private investment and anchoring institutions, including health care, education and tourism, to drive visitation and new jobs and, correspondingly, economic growth and a stronger tax base.

The ONE Big Sky goals are centered around 4 core themes, including:

- Tomorrow's Workforce Goals
- Lifestyle Goals
- Civic & Community Goals
- Fiscal & Economic Goals

TOMORROW'S WORKFORCE GOALS

- Help the State of Montana attract the next generation workforce and move beyond its ranking at the bottom of U.S. states for Millennial population (46th according to the U.S. Census Bureau).
- Become a model city nationally to attract and retain a skilled workforce ... from professional to industrial and the trades.

LIFESTYLE GOALS

- Design a city around the emerging development trends that will be important for the coming decades, acknowledging reurbanization and more healthy built and natural environments.
- Develop a series of memorable urban experiences and programmatic offerings that appeal to all of Billings' residents and visitors.
- Embrace the authentic Montana and Billings experience.

CIVIC & COMMUNITY GOALS

- Support a range of housing options and more mixed-use development in a pedestrian-oriented downtown core.
- Establish Billings as one of the Mountain Region's dominant destination cities for visitation driven by anchoring institutions (e.g., health care and education) and an emerging tourism economy to draw meetings, conferences, conventions and a range of dynamic local, regional and national events.

FISCAL & ECONOMIC GOALS

- Drive significant new growth in tax base for the City, the County and the State.
- Strengthen the City's position in the region to become the most attractive market for new private business and investment.
- Create new jobs to drive not only the local, but also the regional and statewide economies beyond national standards for major economic development initiatives.
- Realize a return on public investment at a significant ratio and greater than 5:1.



02

EXECUTIVE SUMMARY

THE DEFINING "FINDINGS" OF THE DEVELOPMENT PLAN

The ONE Big Sky Development Plan is the result of a comprehensive planning effort led by industry experts and local economic development interests, along with input from numerous community groups, business leaders, and members of the public. This Development Plan can best be summarized based on seven important conclusions that must be addressed to define a strategy with the ability to transform the economic future of the City of Billings and all of Montana:

1. The City of Billings and the State of Montana are at a crossroads.

Market research conducted by independent national experts engaged as part of this development planning effort, as well as studies previously undertaken by many local and statewide business, civic and public policy institutions, have found that Billings and the State are at a crossroads. Imminent challenges on the horizon include an aging workforce, a stagnant economy, and related negative impacts on tax revenues. Though Billings has seen slow and steady growth over the years, this has NOT created the momentum needed for the State's largest city to be competitive in attracting and retaining a strong workforce, increasing visitation and growing new and existing businesses – especially as all trends point toward the importance of strong urban cores to support balanced urban and rural economies. Absent a plan to address these challenges, as further detailed below, Billings and the entire State are almost certain to face a loss of major employers, loss of skilled labor, reduced capital investment in communities around the State, lower property values, and declining tax revenues. It is imperative that the State of Montana and City of Billings find a solution to this erosion of tax base – meaning a strategy to drive growth in tax base – or the burden to current taxpayers will only magnify in the years ahead (absent a major reduction in government budgets and services, which is also highly undesirable).

2. The competitive landscape for attracting business and talent is tougher than it has ever been.

Cities across the country have become increasingly more competitive over the past generation, and competition is especially tough in the Mountain States Region. Baby Boomers are retiring at a rapid rate, with nearly 45,000 jobs expected to be left vacant in Yellowstone County alone over the next 10 years. Montana ranks among the lowest states in the nation for growth in the Millennial population – the workforce of the future. This discourages corporate retention, expansion and attraction and creates a dramatic ripple effect that impacts everything from wages to the real estate market. Research proves that successful statewide growth strategies are grounded in urban areas with the greatest concentration of jobs, income, and infrastructure to attract tomorrow's workforce and build the tax base.

3. Billings faces a market "gap" that could hinder its growth for years – and maybe generations – to come.

The absence of an urban strategy for Billings has resulted in a market "gap" that limits the City's ability to attract jobs and private capital investment needed to support economic growth and new development on par with competing cities in the Mountain States Region and nationally. The various real estate market segments in Billings today are generally lacking in quality and diversity of options, and – particularly with a comprehensive strategy for growth like the ONE Big Sky Development Plan – there is and will be a significant amount of unmet demand. The problem today is that rent levels have not matured to a point where they can support new private investment, creating this funding "gap" and a cycle that can be almost impossible to break. Billings needs a financing tool to entice the private development that will result in a market correction and set the economy on the right course for expansion.

4. If this market gap can be closed, Billings has the potential – and vision – to become one of America's next great mid-size cities.

Billings has the potential, based on market and lifestyle demands, to become one of America's next great cities and a dynamic urban destination for the next generation. Because of its size and location, the City already has built a regional destination economy that attracts new dollars into the State. It is home to several core anchoring institutions and industries important to the economies of tomorrow, including health care, education, and tourism. Downtown Billings enjoys an urban infrastructure that can support the demands of a broad, mixed-use redevelopment plan. Most importantly, it boasts unique character and culture, the authentic Montana "lifestyle" experience, and committed economic development and business communities that have articulated a vision and stand ready to capitalize on these strengths to drive change toward positive outcomes.

5. Civic anchors are key to the success of communities across this country, and Billings already has – or can build – impactful civic anchors that will lead to a major transformation.

A big vision for successful re-urbanization requires a transformation that can be catalyzed only by civic anchors. The City's two largest private employers are leading health care institutions with a major regional draw. Billings is also home to Montana State University-Billings and Rocky Mountain college, ranking the City high in educational attainment and, correspondingly, with high income potential to be tapped. Billings has an evolving retail, dining and entertainment scene, and a solid tourism base that is positioned to see massive growth through a convention and events strategy that will bring more visitors and spending into the state and local economies. The Development Plan identifies a number of exciting civic infrastructure projects designed around and as community anchors that will be key to unlocking the potential of the ONE Big Sky vision of a vibrant urban environment in the heart of Billings. The projects include a unique convention and event center concept, a public market, community pavilions, centers of wellness and innovation, and more, which together will spur investment in new residential, retail, hospitality, office and other private development projects downtown.

6. Private investment, not public subsidies, will lead the successful economic development initiatives of tomorrow.

With the proper anchors that drive demand, the private sector can and will invest in building Billings as a city of tomorrow. A comprehensive, private and public plan of finance and coordinated, catalytic development plan – including key elements of civic infrastructure – will attract private capital and address the current market challenges to break the cycle (i.e., close the "gap" described above). Across the country, cities and states are looking at new models of economic development that shift the risk to the private sector and away from up-front public financing. Modeled after these successful initiatives, the ONE Big Sky vision can be privately financed, creating major investment in downtown Billings and the certainty of growth in jobs and tax base that benefit all levels of government, as more fully explained below.

7. The City of Billings has the opportunity to drive massive fiscal growth and the future of Montana.

Private property owners, developers and investors have expressed interest in making significant financial commitments to private and civic development in Billings, including new commercial office space, multi-family housing, hotel rooms, and retail / dining / entertainment venues that complement Billings existing businesses and amenities – estimated at as much as $650 million in capital projects in the first phase, and over $2 billion of development overall in the City's urban core. ONE Big Sky is the opportunity to leverage private investment that can result in nearly $2.4 billion in new revenues to the City, State and other local taxing jurisdictions. However, currently, the State lacks an economic development financing tool to help communities like Billings overcome current market constraints that keep rents low and vacancy rates high and, ultimately, keep the private sector from investing.

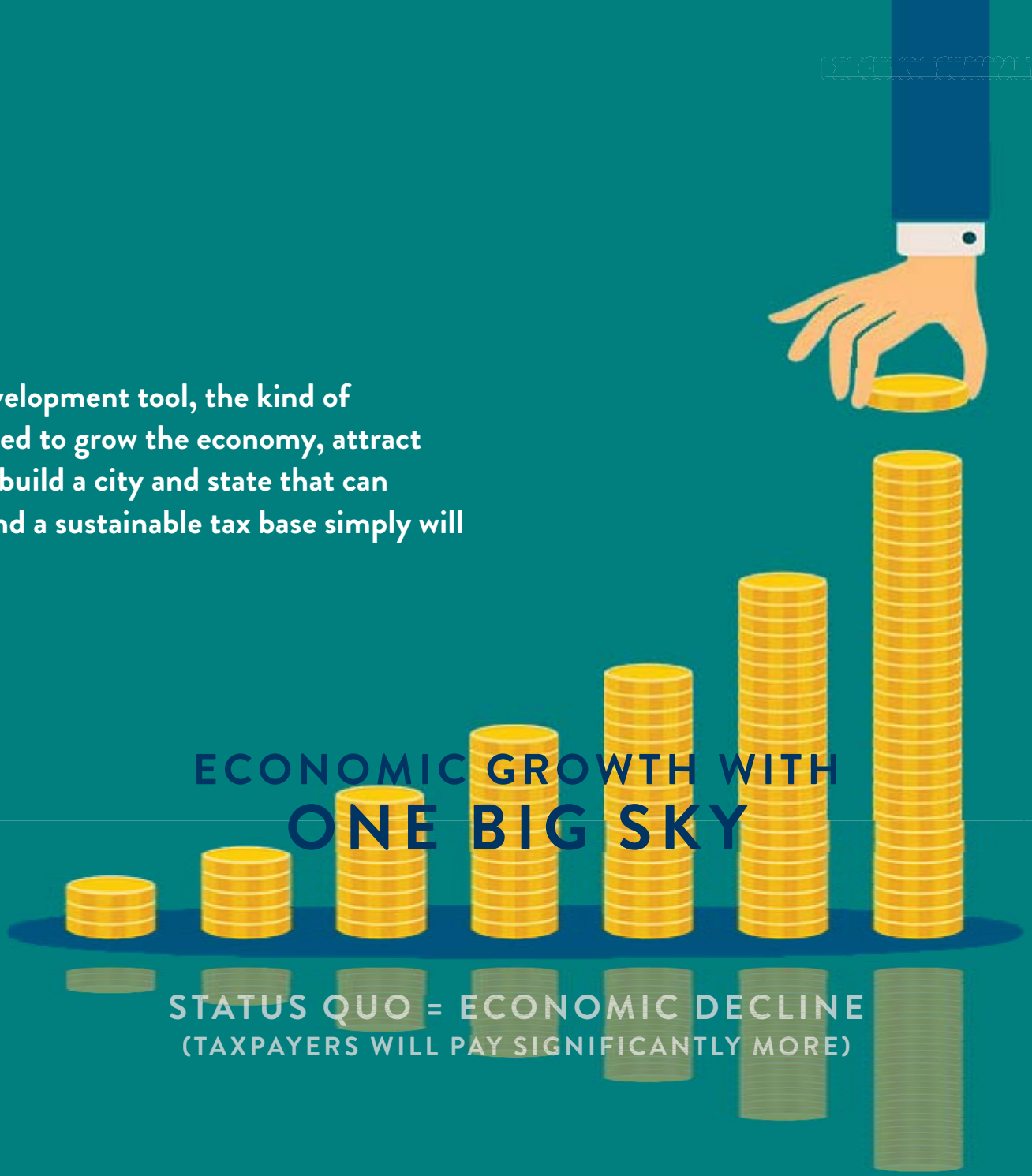
THE STRATEGY TO BUILD THE "ECONOMIC ENGINE" FOR THE FUTURE OF MONTANA

Building anything takes tools. Unfortunately, as noted above, cities in Montana, including the City of Billings, have very few tools at their disposal to build comprehensive economic development strategies to respond to changing demographic, real estate and other market realities and reflect important lifestyle trends, and to attract major private development that can drive robust growth in the Statewide economy.

That's why the ONE Big Sky Development Plan outlines a new tool to be used by Billings and other Montana communities who can formulate a compelling vision and articulate a definitive plan to build an economic engine that fuels more spending, higher earnings, new jobs, and increased visitation for long-term prosperity. The ONE Big Sky plan benefits not only downtown Billings and the broader City and Yellowstone County, but the entire State and its other urban and rural areas – bringing in new revenues at all levels from existing taxes on new private development in the targeted development district. Growth in revenues to the State general fund gives legislators new dollars to address other critical statewide needs, including those in rural Montana. This is a proven model that has had positive impacts in other cities and states across the country similar to those forecasted by independent experts for Billings and Montana.

Absent this tool, the kind of transformation that is needed to grow the economy, attract tomorrow's workforce, and build a city and state that can compete for jobs, visitors and a sustainable tax base simply will not happen. Failure to secure a new tool for the future doesn't mean the status quo will continue in cities like Billings. It means that employment will decline, tax receipts will decrease, and taxpayers of tomorrow – younger, lower-wage earners – will pay significantly more in taxes.

Absent a new economic development tool, the kind of transformation that is needed to grow the economy, attract tomorrow's workforce, and build a city and state that can compete for jobs, visitors and a sustainable tax base simply will not happen.



ECONOMIC GROWTH WITH
ONE BIG SKY

STATUS QUO = ECONOMIC DECLINE
(TAXPAYERS WILL PAY SIGNIFICANTLY MORE)



03

A STRATEGY FOR BILLINGS TOMORROW

3.1 BILLINGS TODAY

A MARKET "GAP" EXISTS

Independent market and financial analysis prepared by Hunden Strategic Partners found that the stagnant downtown Billings real estate market over the past decades has been caused by a meaningful and measurable market gap...

This disparity between value necessary to support development and value based upon current market conditions (rent levels) is quantified as the "gap":

- **$72.7 million in the Entertainment District**
- **$81.7 million in the Lifestyle District**
- **$205.7 million in the Civic & Wellness District**
- **$30.4 million in the Education & Innovation District**

(SEE SECTION 8.3)

Where we've been, where we are, where we need to be ...

Over the last decade, Billings' economy has been defined by slow and steady growth, which is better than many similar-sized economies in the country today; however, "slow and steady" has not created enough momentum to support any meaningful amount of private development – severely impairing the City's ability to attract and retain workers, support more visitation, and drive the growth of new and existing businesses.

The real estate markets today are generally lacking in quality and quantity, however there is a significant amount of unmet demand. Additionally, rent levels have not matured to a point where they can support additional private investment, creating a funding "gap" and a cycle that will be impossible to overcome without a deliberate strategy to drive private investment. Low unemployment rates further exacerbate the market imbalances that exist in Billings today.

In order to create a downtown that CAN support additional private development, Billings needs a tool to fund the gap that exists today and support the development that will catalyze a market correction. Through use of a financing mechanism to support civic infrastructure in downtown Billings, new anchor or catalyst projects can be realized, creating momentum, driving demand, and eventually, achieving rent levels that support the additional new, market-driven private development of tomorrow.



ECONOMIC STRENGTHS

Similar to other mid-sized cities nationwide, Billings faces a set of economic realities that pose challenges for continued growth and prosperity (discussed on the following page). But unique to Billings is a set of strengths and, now, this strategy and comprehensive Development Plan to transform the City for the economies of tomorrow, building on the following pillars of opportunity:

REGIONAL DESTINATION ECONOMY

The large retail trade area and broad health care service markets of two leading medical institutions mean that Billings already has a proven destination economy that attracts commerce and service spending from a trade area greater than 500 miles, both within and outside of the State.

PROVEN TOURISM BASE

Montana attracts over 12 million visitors annually. However, the lost opportunity is the state's ability to compete with regional conference and convention venues outside the State to attract new spending to the economy that would otherwise migrate to markets like Spokane, Boise, Provo, Rapid City, Fargo, Sioux Falls, Omaha and beyond.

MONTANA "LIFESTYLE"

By combining new business, leisure and convention visitation with the opportunity to leverage the Montana lifestyle, Billings and the State can extend the length of stay, support other state tourist destinations, and multiply the impacts of ONE Big Sky.

UNTAINTED URBAN LANDSCAPE & CHARACTER

Unlike many communities, Billings has available land and resources to build upon its existing civic assets and community anchors to foster smart growth and a new, urban-scale density, while also preserving the history and culture of the City.

COMMITTED ECONOMIC DEVELOPMENT COMMUNITY

Most importantly, Billings has a demonstrated commitment by community and business leaders to make positive changes for the future – and private land owners and developers willing to partner and invest.

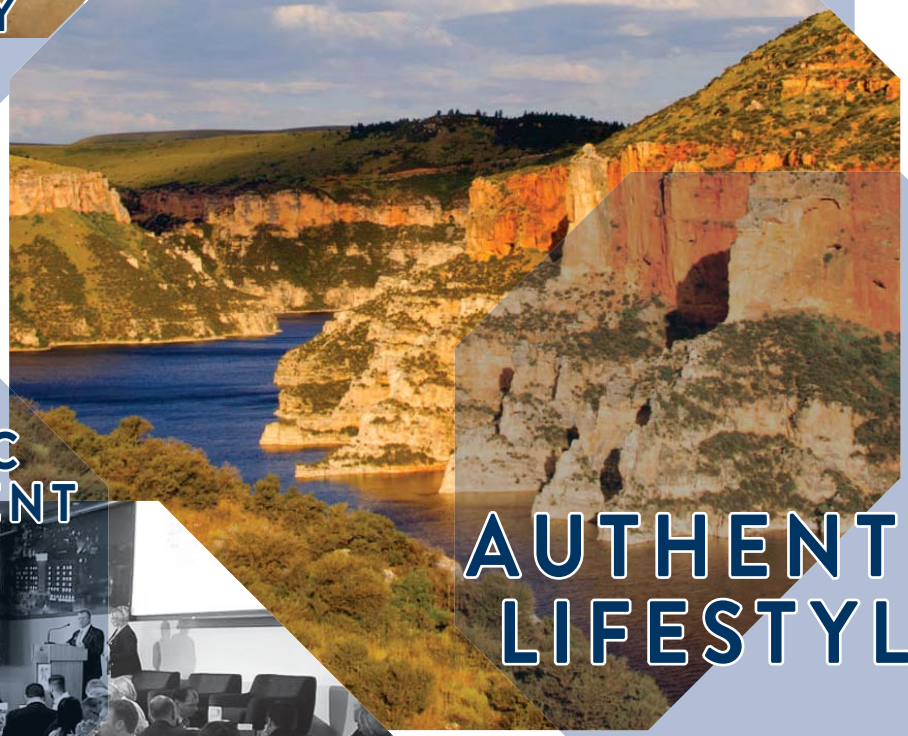


DRIVING GROWTH IN THE ECONOMY



EMERGING URBAN LANDSCAPE

LEVERAGE TOURISM



AUTHENTIC LIFESTYLE



ECONOMIC DEVELOPMENT TOOLS



ECONOMIC CHALLENGES

The opportunities of tomorrow must be seized before it is too late to overcome the most daunting economic challenges that exist today. These include:

SHRINKING EMPLOYMENT BASE / AGING WORKFORCE

The defining economic challenge nationwide is our country's aging workforce… and Montana is no exception. As 46th in the nation for attracting and retaining young talent, Montana needs a deliberate strategy to create a place that is attractive to tomorrow's workforce.

MARKET IMBALANCE CREATES BARRIERS TO NEW DEVELOPMENT

The Billings real estate markets for both commercial and residential development have reached a state of imbalance where the "gap" between construction costs and lease rates can't support the desired new mixed-use product and amenities that businesses, workers and residents demand.

ECONOMIC CLIMATE DISCOURAGES CORPORATE RETENTION / ATTRACTION

The real estate market imbalances noted above, coupled with low unemployment rates statewide, mean that it's difficult for companies to attract and retain workers locally, sending jobs that could be in the State economy to larger "lifestyle" cities like Denver, Portland and Boise.

NOT ATTRACTIVE TO THE INSTITUTIONAL CAPITAL MARKETS

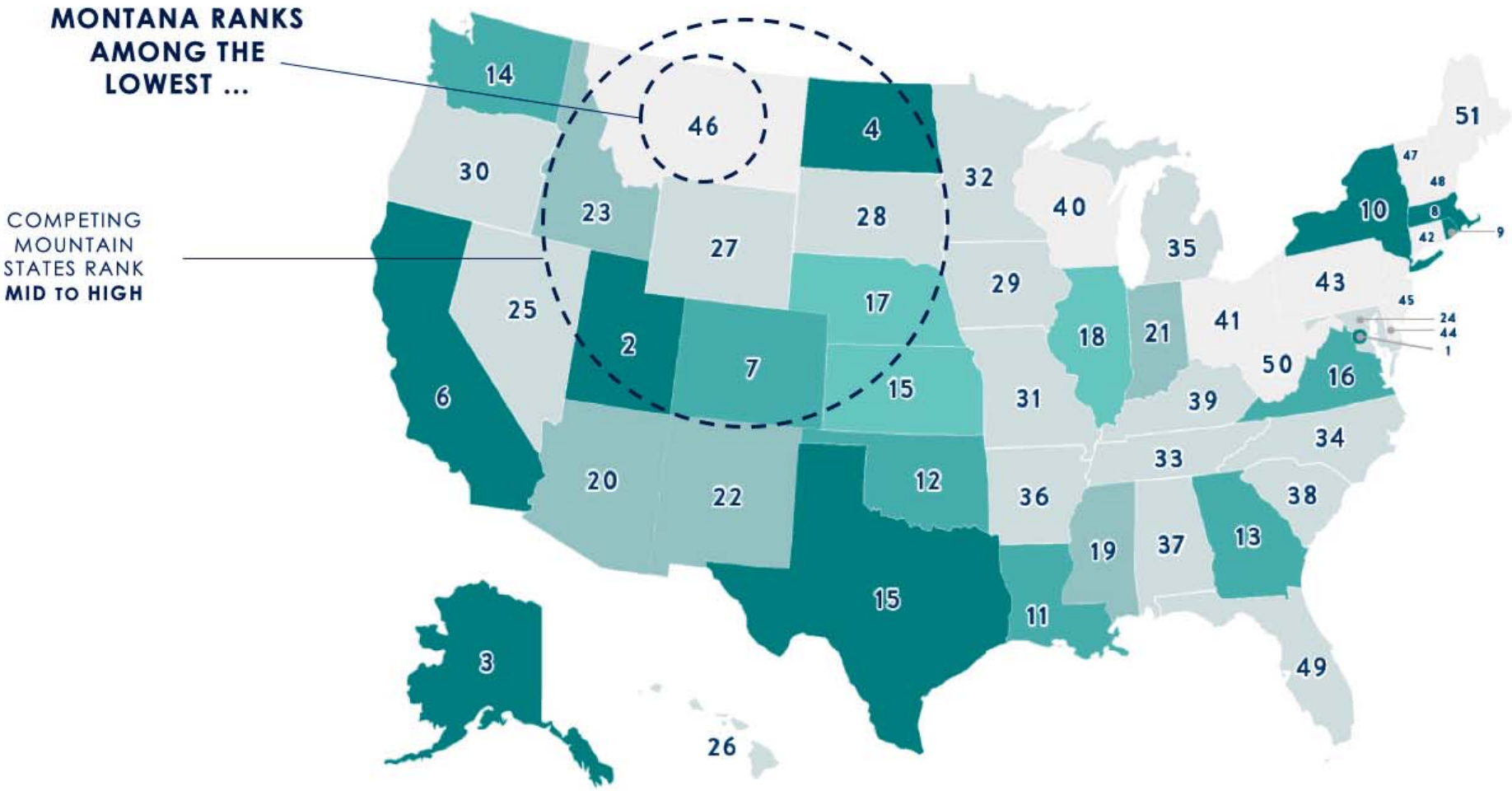
The traditional capital markets that underwrite major private investment in U.S. cities are not typically looking at cities like Billings – unless the community can demonstrate public leadership and long-range plans to ensure long-term success. This means tools like federal Opportunity Zones won't work to attract capital to Billings.

DISPARATE STRATEGIES / LACK OF STATEWIDE ENGINE FOR GROWTH

All of these challenges demonstrate why it is imperative to have a cohesive strategy for statewide economic growth. The ONE Big Sky plan is grounded in Billings, as the State's economic engine, and a private - public partnership and new "value capture" tool (as further discussed in Section 8) that mitigates public risk and provide the ultimate opportunity ... to share reward around the entire State.

U.S. RANKINGS OF HIGHEST MILLENNIAL POPULATION

Montana ranks among the lowest



SOURCE: U.S. BUREAU OF ECONOMICS
2015

"Cities need the right leadership, from both the public and private sector, who are willing to take the risk of re-imagining their cities."

- TOM MURPHY, SR. RESIDENT, URBAN LAND INST.

3.2 THE IMPORTANCE OF BILLINGS TO THE STATEWIDE ECONOMY

An active, thriving economy in Billings will drive statewide economic vitality

Cities with the ability to attract and retain the next generation workforce will be the cities that grow and prosper, and statewide economic growth around the country will evolve from strong city centers as the reurbanizaiton trend further takes hold. As the largest city in Montana, Billings' economy and competitiveness (or lack there of) will define the vitality of the State in the future.

ONE Big Sky provides a strategic, actionable, consensus-built roadmap to build the statewide economy around Billings' key anchors, elevating the City to the greatest downtown of any mid-size city in the country and positioning all of Montana for growth and prosperity well into the future.

By driving private capital investment, new spending, job growth, and increases in regional and statewide taxes attributable to the ONE Big Sky development, Montana will have more resources to support policy goals and complementary economic development strategies in smaller communities and rural areas throughout the State



THE PATH FORWARD:

1. Recognize the Importance of a Balanced Urban and Rural Strategy Consistent with Trends & Montana Lifestyle
2. Attract the Workforce of Tomorrow
3. Build the Anchors to Drive Future Demand
4. Let the Market Naturally Close the Gap

3.3 KEY ECONOMIC DEVELOPMENT DRIVERS

EMERGING DEVELOPMENT TRENDS

In undertaking a comprehensive economic development plan of this scale, it is important to consider contemporary trends in real estate and urban development – as well as anticipate the future needs of residents, tenants, visitors and other "end users."

The following emerging "mega" trends are impacting cities nationwide and define how vibrant, livable downtowns – in communities of all sizes – will look and feel in the coming decades:

- Re-Urbanization
- Mixed-Use Development "Districts"
- Community & Civic Anchors
- 21st Century Workplace
- Urban Lifestyle Residential
- Health / Wellness / Walkability

ONE Big Sky is the unique place that can leverage each of these trends to propel Billings into the next generation ... becoming the most in-demand and "on trend" city in the Mountain Region for years to come. These trends are reflected in the ONE Big Sky Master Plan (Section 4) and have informed the programmatic mix of uses that can transform Billings to become one of America's great cities for the next generation.

RE-URBANIZATION

MIXED-USE DEVELOPMENT DISTRICTS



COMMUNITY & CIVIC ANCHORS

URBAN LIFESTYLE RESIDENTIAL

21ST CENTURY WORKPLACE

HEALTH / WELLNESS / WALKABILITY

Urbanity Attracts - and Retains - Top Talent ...

Strong urban cores are now understood as an economic imperative for successful cities of tomorrow.

RE-URBANIZATION

Millennials and Boomers are driving a resurgence in Downtown living.

According to Urban Land Institute and numerous other industry recognized sources, American cities are urbanizing unlike any other point in our nation's history. The span of time Americans spend living in the suburbs today is much shorter than it was a decade ago – and is compressing even further as both ends of the demographic spectrum shift their preferences toward downtown living and the amenities and attractions afforded by a modern, urban lifestyle. This is evidenced by the trend seen in young adults moving to the suburbs later (if at all), and empty-nesters moving back to the cities sooner.

Today, urban dwellers outnumber rural dwellers worldwide for the first time in history. Companies are increasingly recognizing the importance of being where the talent wants to be – in cities. Shifting sites closer to transit hubs and urban areas brings corporations closer to top talent, universities, and other business partners according to Gensler, one of the country's leading architectural firms and design research institutes.

As this trend continues, and our world generally becomes more urban, cities of all sizes and metropolitan regions will face growing pressure to adapt, plan and invest more strategically. Investment in the core will be the rule going forward as cities and states compete aggressively for talent and tourism – both of which demand urban environments and amenities.

POPULATION GROWTH RATES IN URBAN PLACES ARE APPROACHING SUBURBAN GROWTH RATES FOR THE FIRST TIME IN DECADES

From 2000 through 2015, urban population grew just 1% while suburban population grew 13%. From 2010 through 2015 urban population grew 3.4% compared with 3.7% in the suburbs, which represented an astounding reversal of long-established settlement patterns. During this time, denser urban locations grew significantly faster than more residential neighborhoods, suggesting that new urban residents are demonstrating a preference for mixed-use environments.

- Urban Land Institute | The New Geography of Urban Neighborhoods



Office tenants are willing to pay higher rents in a mixed-use than in a single-use office development.

—JOURNAL OF PROPERTY INVESTMENT & FINANCE

MIXED-USE DEVELOPMENT DISTRICTS

Urbanization drives mixed-use.

As lifestyle preferences today differ significantly from those of the past, so do real estate developments of today. Mixed-use is emerging as the "new normal" and the proven path to create real destinations that draw residents, tenants and visitors. Compared to single-building development of the past, successful mixed-use district development of tomorrow will be designed to reflect people's preferences for walkable, community-focused environments that provide a sense of convenience, as well as a vibrant atmosphere and all-encompassing experience that visitors and residents will demand.

ONE Big Sky achieves this by preserving the authenticity of Billings' urban fabric and building upon the Montana lifestyle while adding modern conveniences, connectivity and multi-generational appeal. By integrating the uses that meet the demands of workers, residents, visitors, educators and students of tomorrow, ONE Big Sky creates the mixed-use, lifestyle city of the next generation that can anchor a broad economic development strategy.



"Even in the suburbs, people are looking for an urban experience. Successful developments will include human-scale, mixed-use places that foster a meaningful sense of community."

- GENSLER

LEADING ARCHITECTURAL FIRM & DESIGN RESEARCH INSTITUTE

"There is no getting around it: Cities and anchor institutions share the same destiny:
A stronger, more vibrant city enables [anchors] to attract and retain talent. Stronger anchor institutions act as talent magnets for the cities in which they are located."

- CITYLAB

CIVIC & COMMUNITY ANCHORS

Anchors drive growth & catalyze economic development.

As some of the main drivers of the recent urban revival, anchoring institutions are obvious partners and catalysts for major mixed-use developments that drive economic development initiatives, particularly in urban infill areas. While typical examples of "anchor institutions" include universities, hospitals, and medical centers – so-called "eds and meds" – that quite literally anchor urban centers, other powerful anchors, including sports and event venues have enormous influence on today's cities.

ONE Big Sky is ideally positioned to capitalize on its important community anchors that live downtown today, including Billings Clinic and St. Vincent Healthcare, Montana State University-Billings, Rocky Mountain College, the YMCA and the civic presence of the City of Billings and Yellowstone County.

In addition, established dining and entertainment businesses anchoring Montana Avenue today provide the opportunity for an impactful *new* civic anchor – the Montana Station Convention and Events Center. Together, these venues generate new demand for hospitality and retail / dining / entertainment programming.

By creating four dynamic districts, each with strong anchors old and new, **ONE Big Sky positions Billings as a vibrant city that will act as a magnet to attract and retain talent to address Billings' workforce dilemma.**


CLINIC

"A younger workforce wants to see itself and its locally based culture in the office. Mixing work with other uses is a growing practice; connecting informally with others in and around the building is a plus. Both make urban mixed-use locations more highly valued."

- GENSLER

21ST CENTURY WORKPLACE

Building for tomorrow's workforce.

Twenty years ago, we saw offices leave the city for the suburbs because it was cheaper there and that's where sprawling housing development continued to land. Correspondingly, downtown office space in many cities like Billings was largely left to grow old and tired, with little left of Class A caliber. However, companies are returning to the city because it's where people want to live. **Employers are following employees today, *not vice versa*.** New office developments must focus on their tenants' need to recruit the next generation workforce – a younger, more creative and collaborative generation that puts a premium on active urban environments, wellness, loft-like spaces, and locations that are convenient and walkable.

The biggest corporate "merger" of tomorrow will be that of our professional and personal lives, and that means the 21st century office will look very different than the workplaces of yesterday. As a result of these shifting priorities, office buildings are becoming less of a stand-alone real estate product and more a part of mixed-use, dynamic, downtown environment.

ONE Big Sky is a plan that lays the framework for Billings, as the largest city and economic center of the State, to provide new Class A commercial spaces that simply aren't being built in Montana yet. Spaces that will attract Millennials who might otherwise choose Boise or Portland or Denver. It's natural that blending commercial office uses with the diverse ONE Big Sky program, all in a walkable footprint, promotes the kind of informal interaction that workers of tomorrow will desire.


google

"Livability is a strategy for creating a place where people want to live, and they thrive as a result of living in this place."

- GENSLER

URBAN LIFESTYLE RESIDENTIAL

Tomorrow's residents want livability.

As re-urbanization takes hold and more and more people turn to city living, one of the biggest trends shaping the housing industry is a surge in urban residential units, primarily rental units. According to the National Multifamily Housing Council, apartment construction is at a 20-year high, but the nation will still need 4.6 million new units by 2030 to meet demand and keep prices in check.

Consistent employment growth and Millennials entering their prime renting years are factors driving the housing boom in urban areas. But it's not just young people that rent anymore. As the next-largest generational cohort after Millennials, Baby Boomers offer new market possibilities. While flexibility and convenience are often thought of as being synonymous with Millennials, Boomers are choosing to rent as they simplify by "down-sizing" and trading property upkeep for more amenities.

Renters of all ages tomorrow will devote more gross monthly income to rent, but they'll expect a wider array of unit choices and amenities in return. The ONE Big Sky residential program meets demographic and lifestyle changes for the future, including a variety of apartment sizes, more social spaces, tech-savvy units with the latest security features, state-of-the-art fitness / wellness facilities, flexible configurations for entertaining, and more. Most important will be a mixed-use district environment that offers lifestyle amenities like pedestrian greenways, restaurants and boutiques, coffee shops, entertainment options, cultural and sporting venues – all within immediate proximity.


WHOLE FOODS MARKET
WHOLE FOODS MARKET
WHOLE FOODS

"Many people want to and will pay more to live in more walkable neighborhoods where they can stroll to work, shops and restaurants from home. It's a rare luxury in most metropolitan areas and one worth thousands of dollars on average, according to new research."

- LOS ANGELES TIMES

WALKABLE CITY WITH TOURISM AT ITS CORE

Urban tourism and walkability help cities thrive.

Tomorrow will bring a new focus on "walkable urbanism," with residents, visitors and businesses placing a premium on cities that promote and embody healthy, active lifestyles. This trend is reflective of the preferences among generations – young and old – to bike and walk or take transit, be adjacent to green and open spaces and the water, and have healthy dining and grocery options.

The concept of walkability has substantial health, social, economic and environmental dimensions for permanent residents. Smart Growth America says that metros with the highest levels of health and wellness-oriented development are also the most educated and wealthy (as measured by GDP per capita), as well as the most socially equitable. Beyond the benefits to residents, research also shows that a walkable tourist district acts as a magnet that encourages tourists to stay longer – thus, spending more.

A few key elements related to the built environment have been proven to have a significant impact on walkability: density, diversity, design, connectivity, and proximity. **ONE Big Sky builds upon Billings' already walkable downtown by creating four, overlapping development "districts" that complement the existing Medical Corridor and blend uses and promote pedestrian movement throughout the entire urban core. These districts together provide the ultimate walkable community for both residents and tourists.**


at&t
PARKING
N-5th Ave-S
Opry Pl
HOMKATS
The District
JACKS
BAR-B-QUE
STAGE

3.4 CASE STUDIES

PROVEN TOOLS FOR ECONOMIC DEVELOPMENT

One of the most impactful economic development strategies for tomorrow will be the "value capture" tool, which has been successfully implemented in several cities across the country over the last several years.

Key elements include:

- ✓ **Up Front Private Investment**
- ✓ **Shifts Risk from Public to Private Sector**
- ✓ **Private Financing of Civic Infrastructure**
- ✓ **Targeted, Catalytic Project Focus**
- ✓ **Overcomes Market Imbalances**
- ✓ **"Capture" of Value (New Revenues) Generated by Private Development**

These mega-trends that will shape the future of our urban landscape will require a transformation of cities from coast to coast. Cities that embrace what employers, consumers, residents and tourists of tomorrow demand will pace well ahead of their peers in realizing the economic gain that can be achieved through effective economic development.

As other communities develop aggressive strategies to grow and retain their workforce during this period of unprecedented demand and competition for talent, these realities are undeniable. Billings must have a plan that speaks to these important trends. ONE Big Sky provides a comprehensive plan and financial structure based on proven economic development tools used in other communities to drive the type of transformation that is vital to the future of Billings and the State of Montana.

Following are examples of economic development tools that have been structured by state and municipal governments for the specific purpose of driving private investment to transform important urban centers and measurably grow statewide and local tax base. Strategies like these are the foundation of the approach to ONE Big Sky as described in the Finance Plan (Section 8). Some of the most notable examples of the type of economic development structure being considered for ONE Big Sky include:

- Destination Medical Center, Rochester, Minnesota
- Branson Landing, Branson, Missouri
- Neighborhood Improvement Zone, Allentown, Pennsylvania



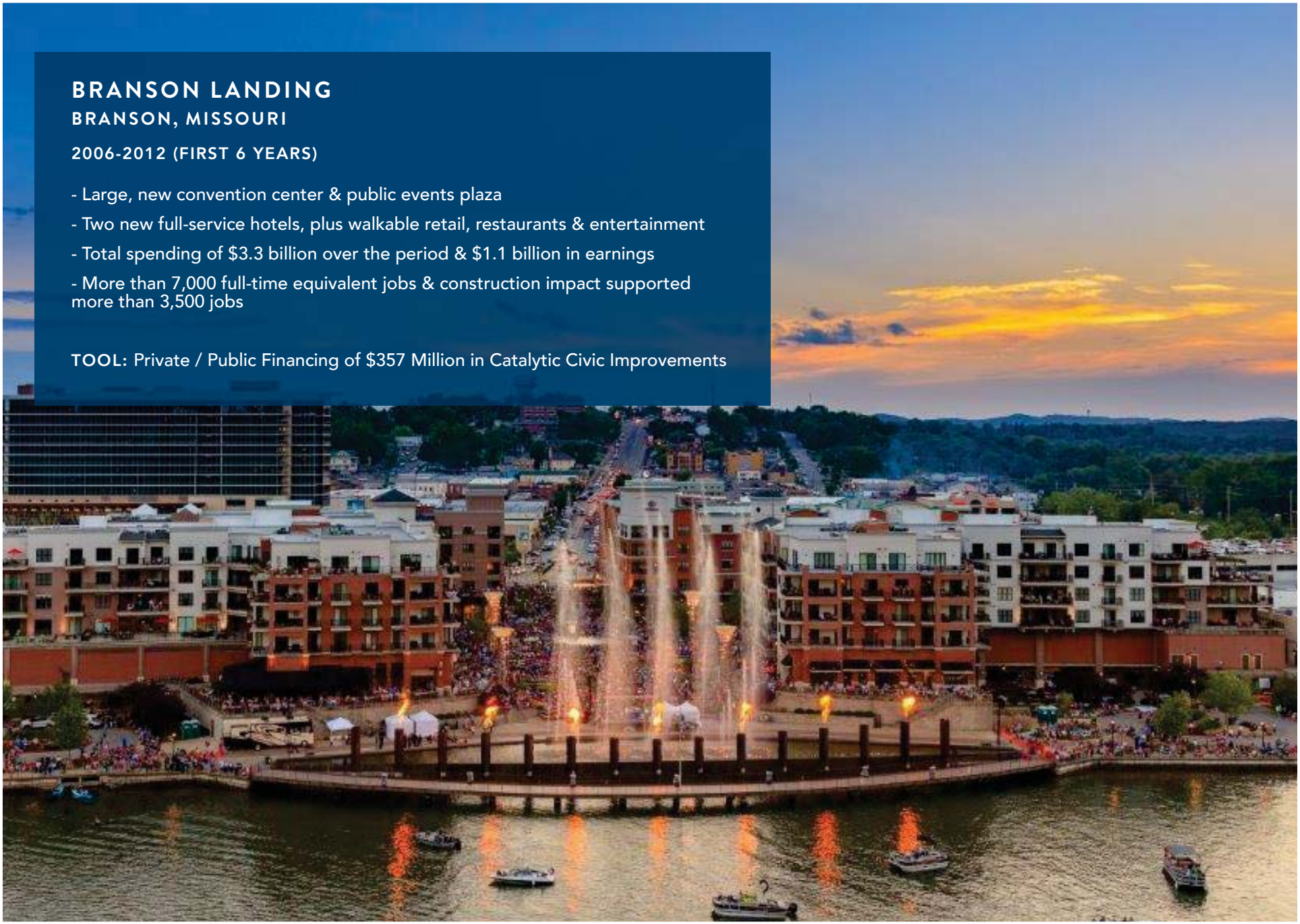
DESTINATION MEDICAL CENTER

ROCHESTER, MINNESOTA

2013 - 2018 (FIRST 5 YEARS)

- Over 3,300 new jobs created & private investment of nearly $800 million
- 23 projects completed or underway in downtown Rochester DMC district
- Over 1,100 new apartment units & 600 new hotel rooms
- Major convention center improvements

TOOL: Value "Capture" of $585 M of $7.5 Billion in New Tax Revenues



BRANSON LANDING

BRANSON, MISSOURI

2006-2012 (FIRST 6 YEARS)

- Large, new convention center & public events plaza
- Two new full-service hotels, plus walkable retail, restaurants & entertainment
- Total spending of $3.3 billion over the period & $1.1 billion in earnings
- More than 7,000 full-time equivalent jobs & construction impact supported more than 3,500 jobs

TOOL: Private / Public Financing of $357 Million in Catalytic Civic Improvements



ALLENTOWN ENTERTAINMENT DISTRICT

ALLENTOWN, PENNSYLVANIA

2012 - 2018 (FIRST 6 YEARS)

- Over 2,300 new jobs created, private investment of nearly $1 billion & nearly $400 million in net new taxes
- Over 2.3 million annual visitors to the PPL Center
- Nearly 2 million square feet of entertainment, commercial, retail, residential, hospitality, conference and exhibition projects

TOOL: Direct, Limited Tax Abatements in Targeted Neighborhood Improvement Zones



04

MASTER PLAN

Master Plan Vision & Strategy

Site Context

Urban Planning & Design Principles

ONE Big Sky Framework

Entertainment District

Lifestyle District

Civic & Wellness District

Education & Innovation District

Land Use & Entitlements

4.1

MASTER PLAN VISION & STRATEGY

Planning Goals

Urban Core Plan

4.1 VISION & STRATEGY

PLANNING GOALS

Billings aspires to be Montana's – and America's – next best city. This document provides a vision of urban development and the mechanism to see this aspiration become reality: *transforming the economic future of Montana.*

The vision for this comprehensive and cohesive reimagining of Billings' Downtown and surrounding subdistricts that comprise the overall ONE Big Sky sees an economic driver that improves access, circulation, and aesthetics, while capitalizing on all that makes Billings unique.

The following planning goals provide the Master Plan's guiding principles:

- Tomorrow's Workforce Goals: attract and retain a skilled workforce
- Lifestyle Goals: develop urban experiences embracing the authentic Montana and Billings experience
- Civic & Community Goals: establish Billings as a city anchored with tourism, convention, and residential options
- Fiscal & Economic Goals: drive significant new growth in tax base for the City of Billings, Yellowstone County, and the State of Montana

DOWNTOWN BILLINGS, MONTANA >



URBAN CORE PLAN

OUTER URBAN / SUBURBAN ZONES

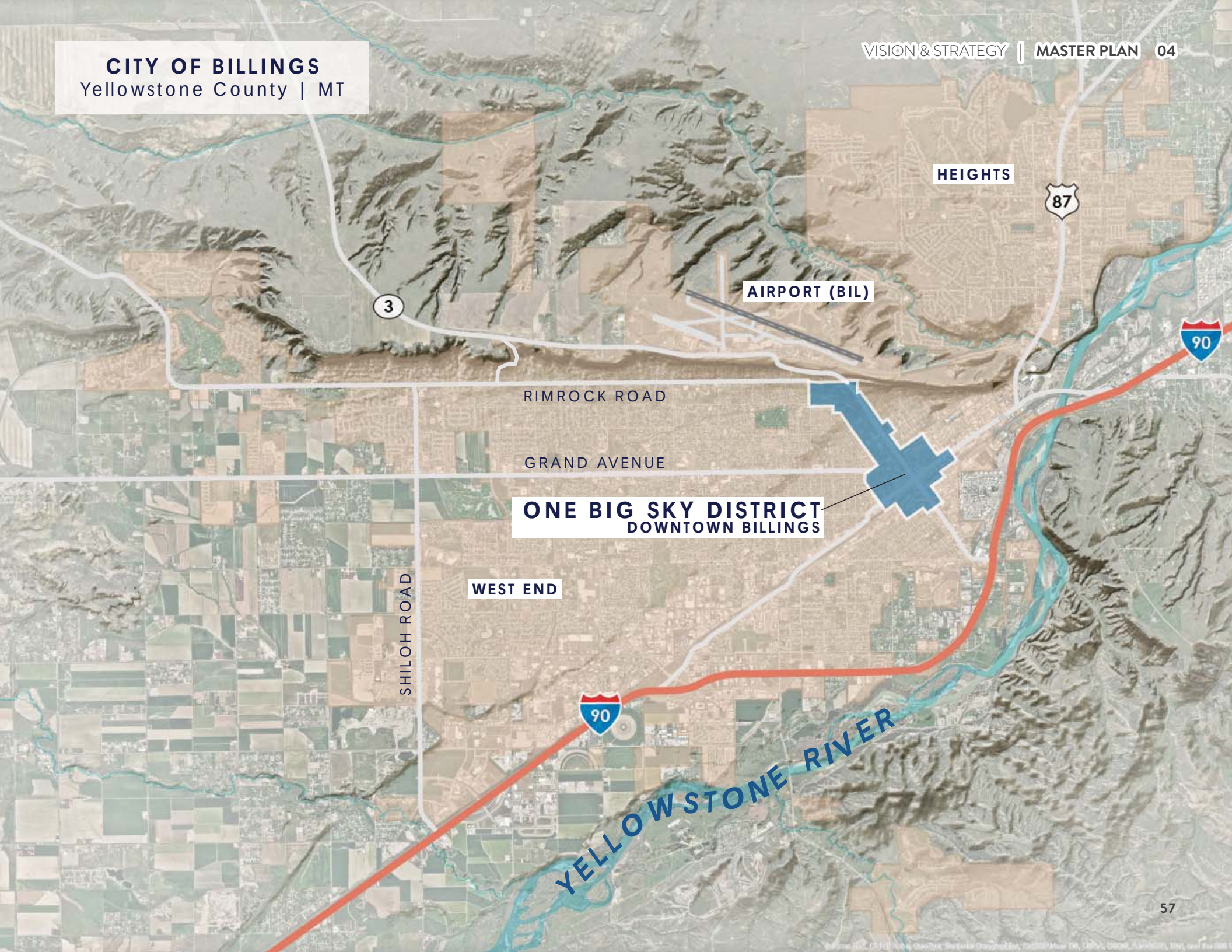
Defined by the geographical features of the Yellowstone River and its Rimrocks, downtown is a positive pinch point for development.

Investment in Downtown Billings creates maximum impact per dollar spent. Tax revenue is 2-10 times more per square foot than in the West End or Heights.

ONE Big Sky sits downtown within optimal proximity to the airport, interstate system, the Yellowstone River, rail, educational opportunities, business center, healthcare institutions, cultural amenities, and has the infrastructure and taxable value to pursue growth.

The impacts proposed in the urban core of Downtown Billings affect development to the east, the East Billings Urban Renewal District (EBURD), and also across the railroad tracks to the south, and eventually connecting to Coulson Park, even into the suburbs, and ultimately the entire state. The benefits of this Urban Core Plan can be seen in three areas:

- MICRO: investment in strategic anchors affects the core downtown by directly improving public infrastructure and building catalytic private development projects.
- MACRO: investment in Billings affects the peripheral suburban areas of Billings by creating jobs.
- REGIONAL: Investing in Montana's largest and most urban city benefits the state by creating a center hub for next-generation employment, knowledge and commerce.


CITY OF BILLINGS
Yellowstone County | MT
HEIGHTS
87
AIRPORT (BIL)
3
90
RIMROCK ROAD
GRAND AVENUE
ONE BIG SKY DISTRICT
DOWNTOWN BILLINGS
WEST END
SHILOH ROAD
90
YELLOWSTONE RIVER

4.2

SITE CONTEXT

Mountain States Region

Montana Regional Context

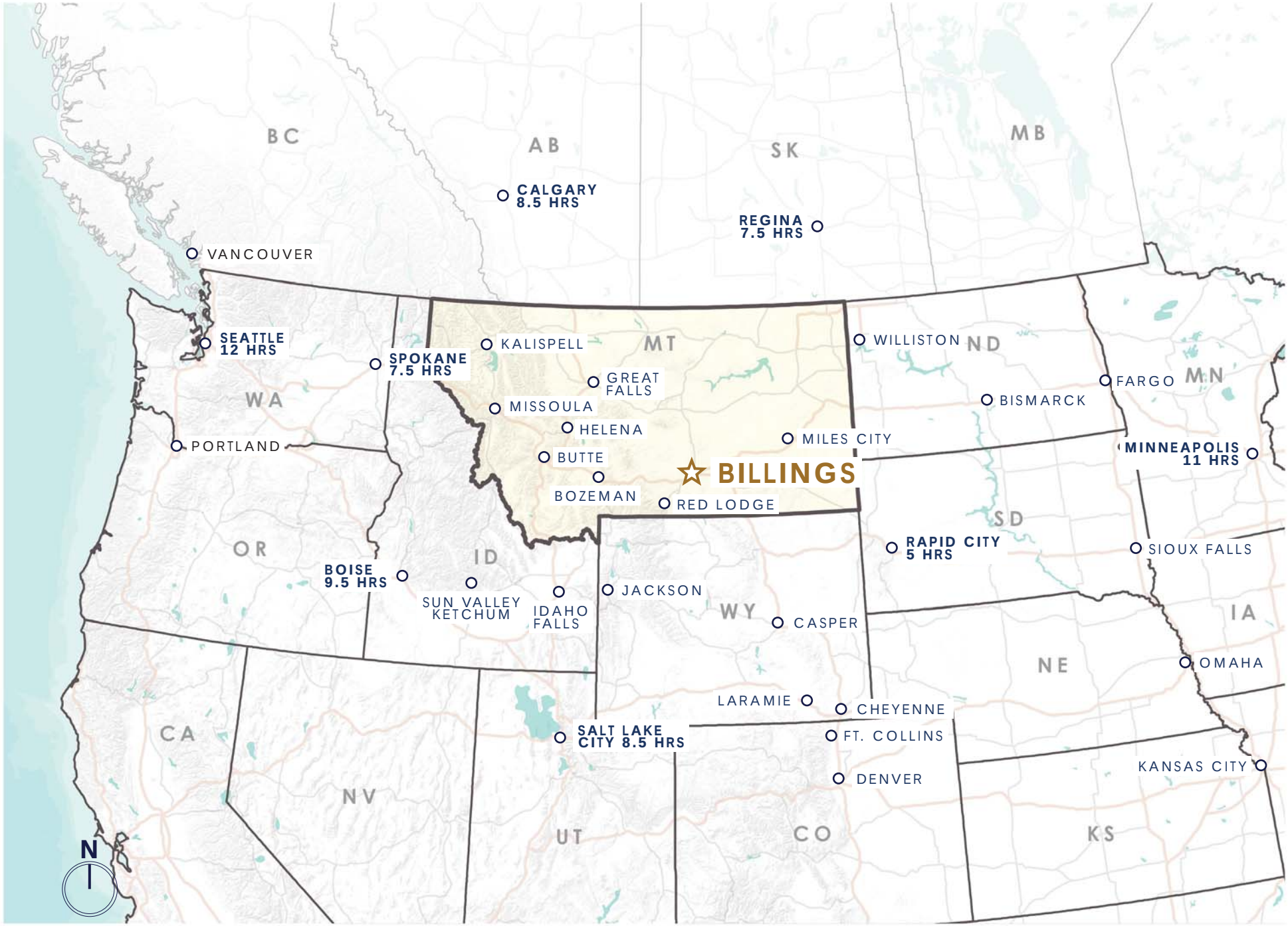
City Context

4.2 SITE CONTEXT

MOUNTAIN STATES REGION

As described in the previous section, the fundamental objective of the Project is to drive a dynamic transformation of Billings' urban core to meet the demands of tomorrow's employers, residents, and community interests. Billings is a hub for services and amenities within the state and region, which includes a wide trade area that is home to many rural communities in Montana and neighboring states.

Many regional hubs are within 12 hours of Billings including Bozeman and Missoula, Montana (2 hours and 5 hours respectfully). Interstate 90 continues on to Spokane and Seattle, Washington (12 hours driving time). Traveling eastbound, Interstate 94 extends through western North Dakota and the Bakken oil field, eventually connecting Billings to Minneapolis, Minnesota.

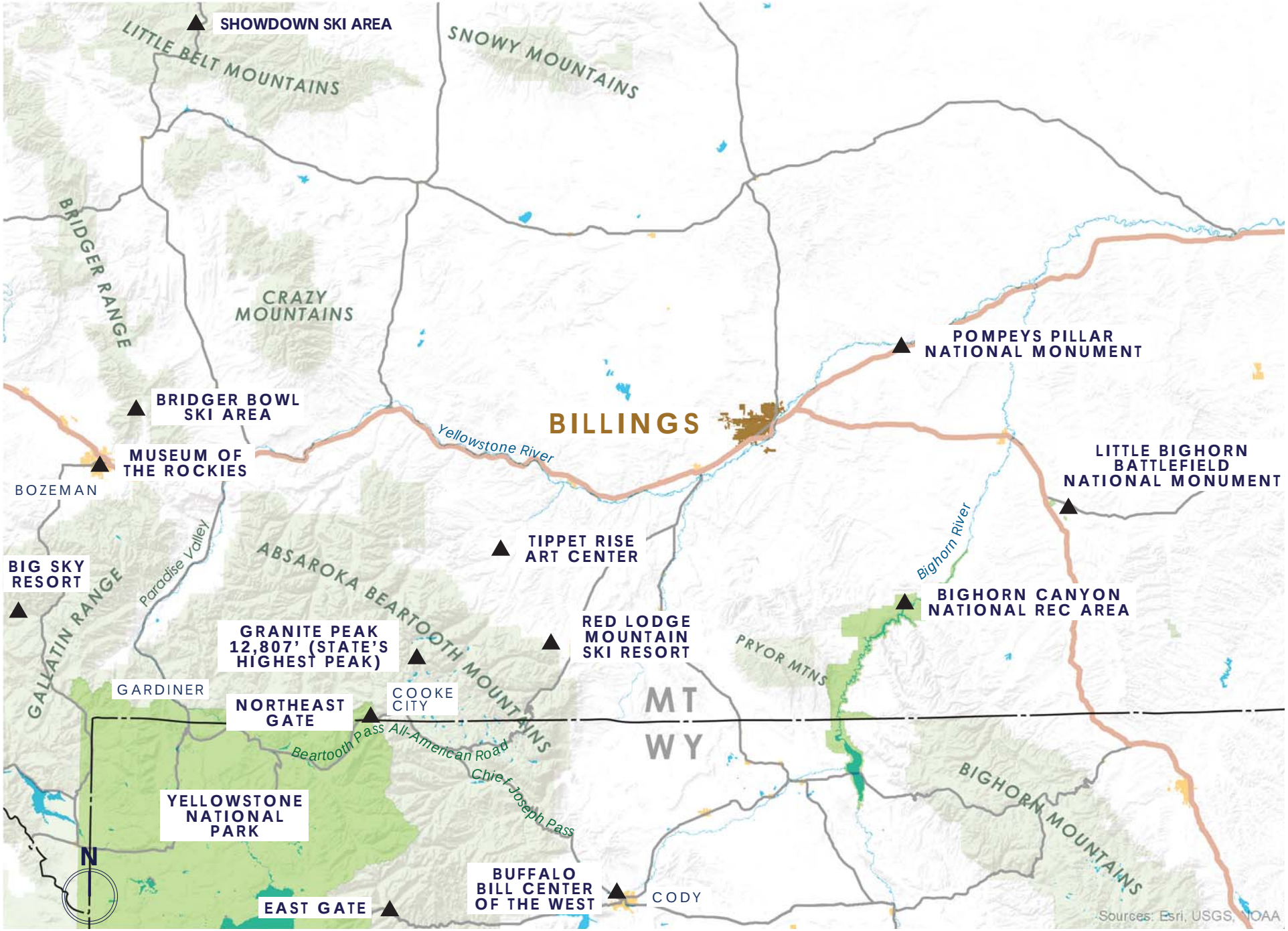

BC
AB
SK
MB
CALGARY
8.5 HRS
REGINA
7.5 HRS
VANCOUVER
SEATTLE
12 HRS
SPOKANE
7.5 HRS
KALISPELL
MT
WILLISTON
ND
GREAT
FALLS
FARGO
MN
WA
MISSOULA
BISMARCK
HELENA
MILES CITY
PORTLAND
MINNEAPOLIS
11 HRS
BUTTE
BILLINGS
BOZEMAN
RED LODGE
SD
OR
RAPID CITY
5 HRS
SIOUX FALLS
ID
BOISE
9.5 HRS
JACKSON
SUN VALLEY
KETCHUM
IDAHO
FALLS
WY
CASPER
IA
NE
OMAHA
LARAMIE
CHEYENNE
CA
SALT LAKE
CITY 8.5 HRS
FT. COLLINS
KANSAS CITY
DENVER
NV
UT
CO
KS
N

MONTANA REGIONAL CONTEXT

Within a few hour's driving time from Billings and ONE Big Sky are numerous summer and winter recreation and tourist attractions or points of interest. Billings is truly a gateway to the outdoors, with five ski or winter sports areas within a three hour drive. The wilderness of the Northern Rocky Mountains is accessible and abundant as all 1,000,000 acres of the Absaroka-Beartooth Wilderness, home to Montana's highest peaks, is accessible by the Beartooth Highway All-American Road via the resort town of Red Lodge. Billings is the only large city with access to three gateways into Yellowstone National Park, each within a three hour drive, and each with uniquely beautiful mountain passageways.

In addition to the immediately nearby natural resources, the area is surrounded by unique cultural and archaeological destinations including the world-renowned Tippet Rise Art Center—a 10,000 acre arts and music venue—about a one hour drive away. The Museum of the Rockies is the home of several groundbreaking archaeological discoveries. Just across the Wyoming State line, the Buffalo Bill Center of the West shares with visitors the legacy of the region's celebrated showman, while displaying a vast collection of Native American and early frontier artifacts, as it is the oldest museum in the American West.

The region's deep connection to early Native American tribes is visible at the many archaeological sites near Billings where petroglyphs and cave pictographs can be intimately viewed in preserved or primitive locations. Connections to the Lewis and Clark Expedition can be made at Pompeys Pillar just outside of the City. While also the location of several Native American pictographs, the sandstone outcropping displays William Clark's inscription, the last surviving physical evidence of the expedition.


SHOWDOWN SKI AREA
LITTLE BELT MOUNTAINS
SNOWY MOUNTAINS
BRIDGER RANGE
CRAZY MOUNTAINS
POMPEYS PILLAR NATIONAL MONUMENT
BRIDGER BOWL SKI AREA
BILLINGS
Yellowstone River
MUSEUM OF THE ROCKIES
BOZEMAN
LITTLE BIGHORN BATTLEFIELD NATIONAL MONUMENT
Bighorn River
TIPPET RISE ART CENTER
BIG SKY RESORT
Paradise Valley
ABSAROKA BEARTOOTH MOUNTAINS
GALLATIN RANGE
BIGHORN CANYON NATIONAL REC AREA
RED LODGE MOUNTAIN SKI RESORT
GRANITE PEAK 12,807' (STATE'S HIGHEST PEAK)
PRYOR MTNS
GARDINER
COOKE CITY
NORTHEAST GATE
MT
WY
Beartooth Pass All-American Road
Chief Joseph Pass
BIGHORN MOUNTAINS
YELLOWSTONE NATIONAL PARK
N
BUFFALO BILL CENTER OF THE WEST
CODY
EAST GATE
Sources: Esri, USGS, NOAA

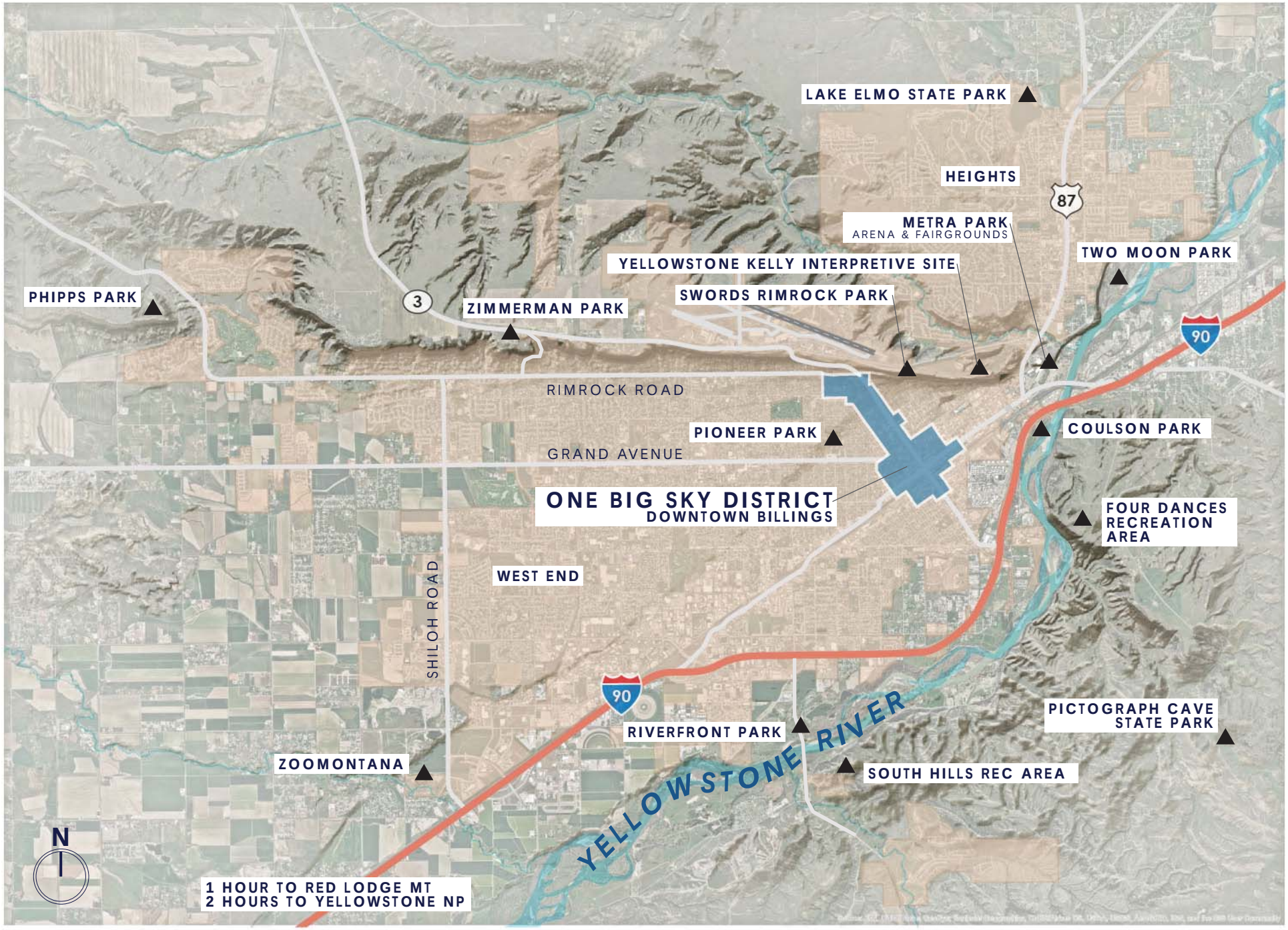
CITY CONTEXT

A place where trails, roads, trains, rivers and people gather and meet, ONE Big Sky is a collection of urban areas that cover approximately 525 acres of Downtown Billings. Located at the center of the City and on the crossroads of two major thoroughfares, the ONE Big Sky serves all the purposes of a downtown business core and destination for commerce. Currently, the downtown lacks a strong residential or neighborhood context. However, just outside the ONE Big Sky boundaries are established residential neighborhoods.

Remnants of Billings' commercial past exist along the railroad tracks, where older industrial buildings purposed for handling train cargo still stand. In addition to the railyards, the Yellowstone River, located about one mile from the downtown core, has historically been a critical corridor and lifeline for the City.

Nearby area attractions in the immediate vicinity of ONE Big Sky (illustrated in the following area destination map) reflect the lifestyle and livability that current Billings residents enjoy every day. The City's dramatic geography, while determining growth patterns and framing picturesque views in all directions, also provide a playground for its people.

The prominent Rimrocks to the north, Sacrifice Cliffs, Four Dances recreation area to the southeast, and South Hills opposite the Yellowstone River offer distinguished venues for hiking, mountain biking and rock climbing for those who wish to pursue topographically challenging activities. While Billings prides itself on being a community where one can mountain bike to high-class trails from one's own neighborhood, it is also known for quality passive activities such as golfing, and for its abundant public parks and open spaces.


LAKE ELMO STATE PARK
HEIGHTS
87
METRA PARK
ARENA & FAIRGROUNDS
TWO MOON PARK
YELLOWSTONE KELLY INTERPRETIVE SITE
SWORDS RIMROCK PARK
PHIPPS PARK
3
ZIMMERMAN PARK
90
RIMROCK ROAD
PIONEER PARK
COULSON PARK
GRAND AVENUE
ONE BIG SKY DISTRICT
DOWNTOWN BILLINGS
FOUR DANCES RECREATION AREA
WEST END
SHILOH ROAD
90
RIVERFRONT PARK
PICTOGRAPH CAVE STATE PARK
YELLOWSTONE RIVER
ZOOMONTANA
SOUTH HILLS REC AREA
N
1 HOUR TO RED LODGE MT
2 HOURS TO YELLOWSTONE NP

4.3

URBAN PLANNING & DESIGN PRINCIPLES

Urban Planning Principles

Design Principles

Street Typologies

4.3 URBAN PLANNING PRINCIPLES

ACTIVITY NODES

The distinct site conditions, existing infrastructure, and amenities within ONE Big Sky taken in conjunction with the proven urban planning principles described in this section, a tangible and attainable evolution of a reimagined Billings downtown and community unfolds.

ONE Big Sky hosts a high concentration of attractions, destinations, and services on which to build upon. As seen in the following District Plan map, there are about 14 major activity nodes located along major vehicle and pedestrian transportation corridors. In addition, there are about 70 food and beverage establishments that currently generate day and nighttime activity. Most of these restaurants, bars, and lunch counters are clustered along the two major retail corridors of Broadway and Montana Avenue. Hotels are generally dispersed across ONE Big Sky, accommodating business, medical lodging, and tourism demands.

Other activity nodes currently within ONE Big Sky include over a dozen entertainment and event venues, nine hotels, three healthcare establishments, three educational institutions and three public parks or facilities.


RIMROCKS / SWORDS PARK
WEST BILLINGS
10 MINUTES
AIRPORT
2 MIN
Poly Dr
N. 27th St / AIRPORT ROAD
North Park
<< 6th Ave
METRA PARK / HEIGHTS
3 MINUTES
EBURD
METRA PARK / HEIGHTS
3 MINUTES
11th Ave
Pioneer
Park
9th Ave
23rd St
24th St
25th St
26th St
20th St
P
Broadway
29th St
30th St
31st St
32nd St
<< Grand Ave
RAILROAD
4th Ave >>
<< 3rd Ave
2nd Ave >>
<< 1st Ave
Montana Ave >>
Division St
Minnesota Ave
1st Ave S
INTERSTATE 90
2 MIN
REFINERY
A
B
C
D
E
F
G
H
I
J
K
L
DISTRICT PLAN
A. Montana State University Billings
B. Rocky Mountain College
C. St. Vincent Healthcare
D. Billings Clinic
E. Dehler Park
F. Billings Public Library
G. First Interstate Bank
H. Alberta Bair Theater
I. Skypoint
J. Wells Fargo
K. RiverStone Health Clinic
L. Stockman Bank
N

CIVIC & CULTURAL INSTITUTIONS

A concentration of cultural institutions in a downtown area can catalyze private sector investment and attract tourists to nearby areas, particularly if they are iconic, flagship institutions. Cultural institutions generally include museums, libraries, theaters, places of learning, or historic artifacts or districts. This Master Plan intends to position new development around these in a well-designed and connected cultural/civic district promoting visitation that will impact development nearby. Major institutions that exist in Downtown Billings include:

- Yellowstone Art Museum
- Alberta Bair Theatre
- Babcock Theatre
- Lincoln Center
- Western Heritage Center
- Billings Public Library
- Pub Station
- NOVA Center for Performing Arts

Research has demonstrated that the orientation and design of these institutions and the area around them can positively or negatively affect the ability to attract visitors that generate commercial activity.

In addition to cultural destinations and amenities, housing is an integral piece of an active, vibrant downtown. Adding to the amount, diversity, and affordability of housing is a vital action in the cultural planning framework.



CULTURAL AMENITIES

A. Petro Theater
B. Cisel Hall
C. Billings Studio Theatre (RMC Campus)
D. Losekamp Hall (RMC Campus)
E. Dehler Park
F. Billings Public Library
G. Lincoln Center
H. Alberta Bair Theatre
I. Yellowstone Art Museum
J. Art House Cinema
K. Wise Wonders Children's Museum
L. Western Heritage Center
M. Babcock Theatre
N. Pub Station
O. NOVA Center for Performing Arts

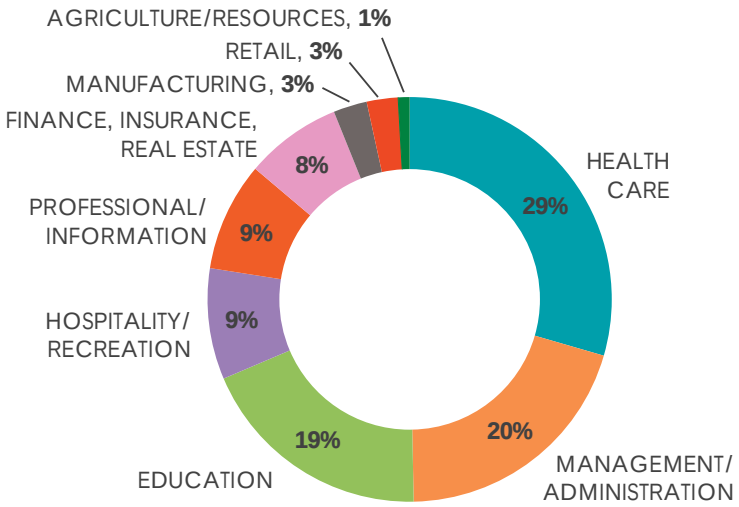
One Big Sky District

Railroad Tracks

N

EMPLOYMENT

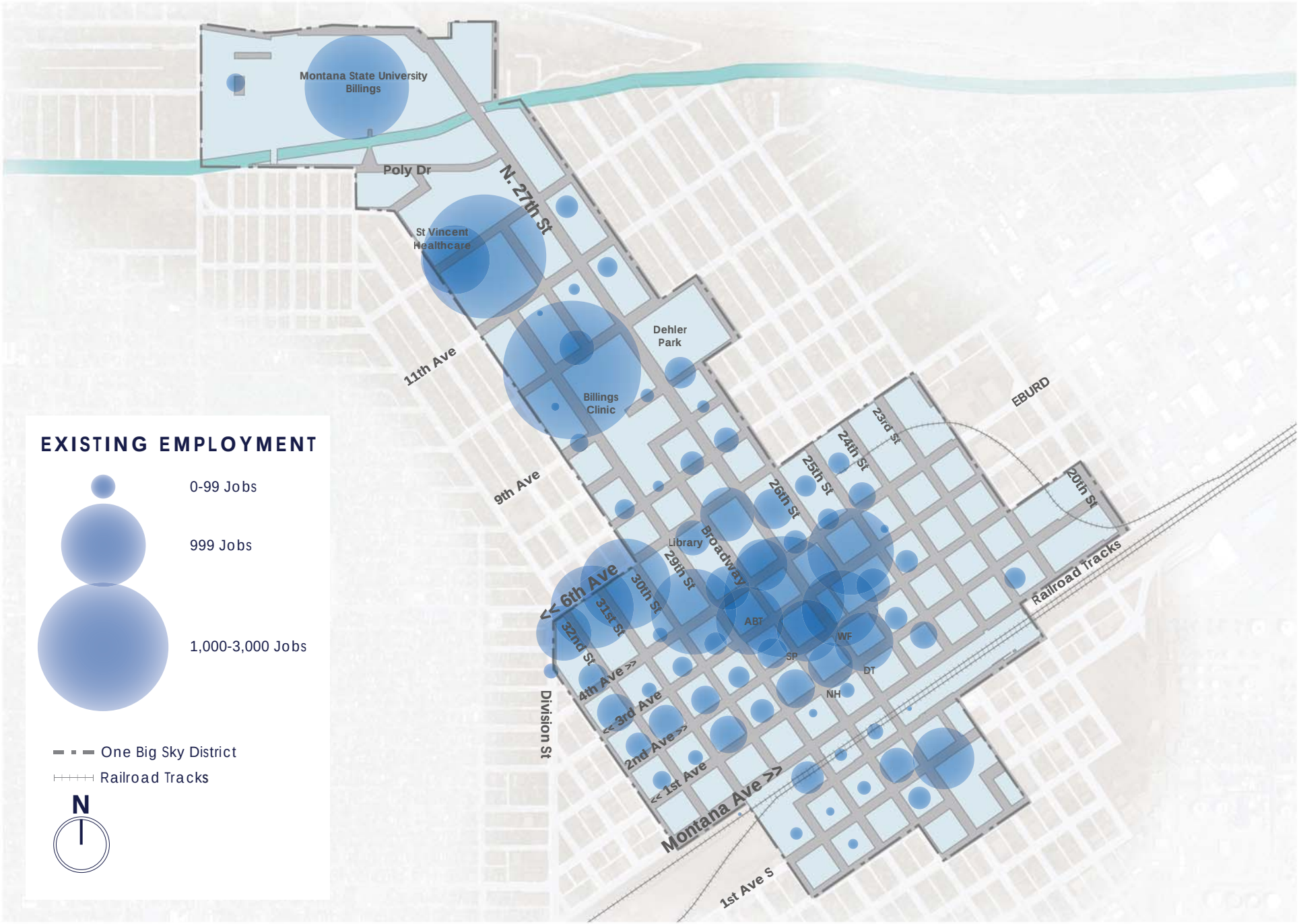
Employment Sectors within One Big Sky District (US Census Bureau)



Employment centers are currently located in several hubs downtown. St. Vincent Healthcare, Billings Clinic, and Montana State University Billings (MSUB) create three northern nodes, while other large employers are spread throughout the Central Business District (CBD). Creating a concentration of employment changes the pedestrian dynamic of the downtown as workers seek immediately adjacent amenities such as restaurants or convenience grocers.

The US Census Bureau Longitudinal Housing and Employment Dynamics database provides estimates for the number of employed people working in a selected area. Based on most recent US Census estimates (2015) roughly 18,520 people were employed within the Project area. Of those, about 11,480 worked in the Civic & Wellness and the Education & Innovation District while 7,040 worked in the Lifestyle District.

Healthcare was the largest job sector with almost 30% of all workers, followed by Management and Administration (20%), and Education (19%) (US Census LEHD 2015).


Montana State University Billings
Poly Dr
N. 27th St
St Vincent Healthcare
Dehler Park
11th Ave
Billings Clinic
9th Ave
EBURD
23rd St
24th St
25th St
26th St
20th St
Library
Broadway
29th St
30th St
31st St
32nd St
6th Ave >>
4th Ave >>
3rd Ave
2nd Ave >>
1st Ave
Division St
ABT
WF
SP
DT
NH
Railroad Tracks
Montana Ave >>
1st Ave S
EXISTING EMPLOYMENT
0-99 Jobs
999 Jobs
1,000-3,000 Jobs
One Big Sky District
Railroad Tracks
N

DESIGN PRINCIPLES

AUTHENTIC MONTANA CHARACTER

Design within ONE Big Sky will build on the unique character, materiality, scale, and forms that exist in Downtown Billings to promote an authentic "Of Billings" aesthetic.

The design and architecture will reflect the people and place of Billings focusing on the authentic. To achieve this, local materials and local fabrication techniques will be incorporated. Details and cultural elements will be locally referenced and sourced but not imitated. Plantings will be native to the region. Opportunities to expand this design language will be actively sought and exemplified.

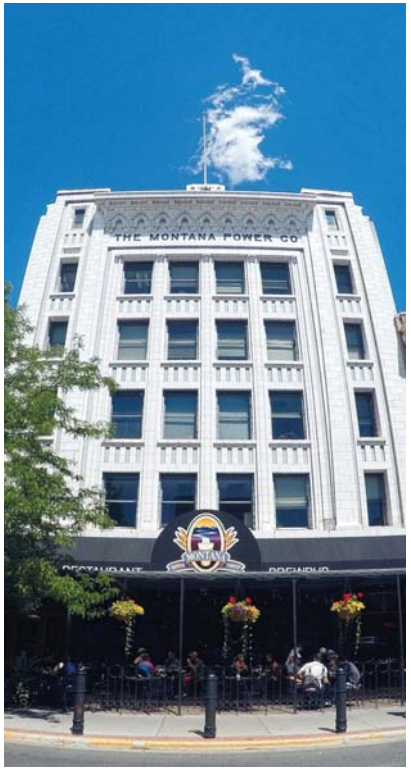
Anchor projects along the Montana Avenue and the 1st Avenue corridor will be fully integrated into their contexts and have strong reference to the historic nature of Montana Avenue. Going north up the hill and toward the iconic Rimrocks, anchor projects may loosen from the historical referencing of Montana Avenue but will still be inspired by the design techniques referenced above.

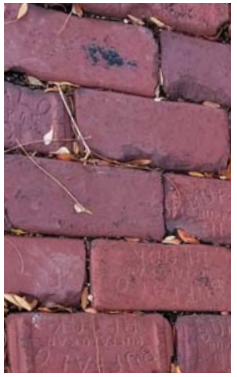

Falco
GOOD


Stockman Ba






THE MONTANA POWER CO




art walk




yam
art muse



LIFESTYLE

ONE Big Sky is designed to be a livable collection of connected districts by promoting diversity and prosperity for a high quality of life.

A diversity in housing options (ranging from first time renters, to home owners, to senior living) will make downtown living accessible for all. Accompanying housing will be a variety of services essential for a high quality of life including access to locally sourced and healthy food markets, cultural resources, entertainment venues, athletic and recreational opportunities, and healthcare facilities.

Elements of a Livable Place include:

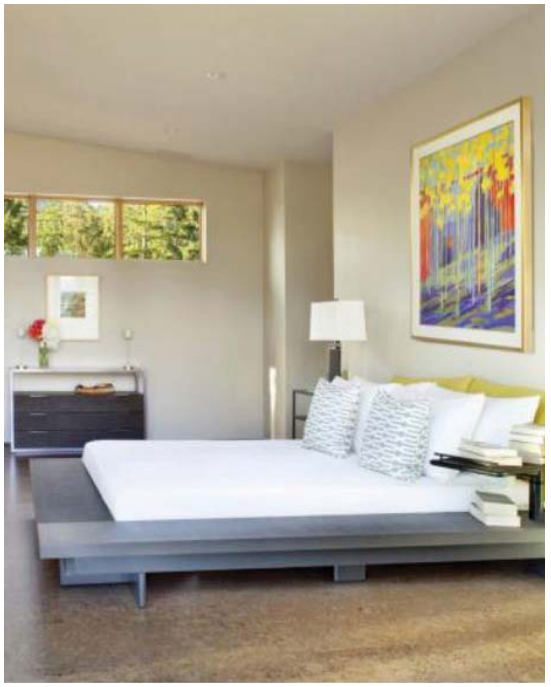
- Comfortable means of travel, whether on foot, bike, or bus
- High accessibility to employment, housing, or social events
- Plentiful recreational opportunities
- Safe and healthy public spaces and facilities for people of all ages

A livable downtown vision includes the design of places for public safety, beginning with crime prevention through environmental design (CPTED) concepts. Designing the built environment in a manner that controls visibility, reduces access to places where criminal acts may occur, and increasing maintenance and activity.

ONE Big Sky development will provide economic opportunity for individuals of all backgrounds by providing locations for businesses to grow and increased opportunity for entrepreneurs. ONE Big Sky will be the region's economic hub for global conventions and innovation that will provide jobs and economic growth for a prosperous region.

















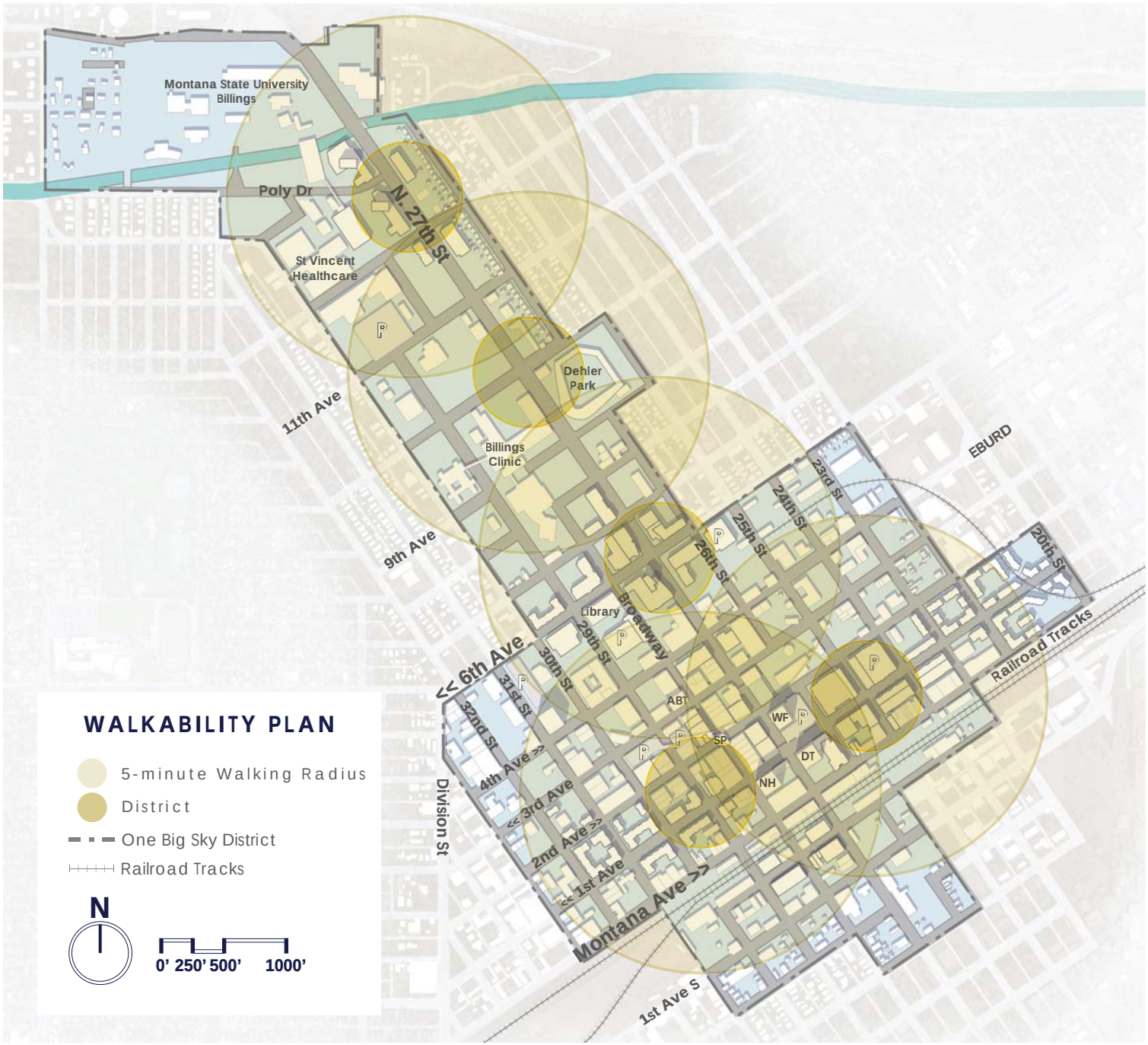

barbican
This is Rattle:
Opening Concert
Live Relay
#ThisIsRattle

PEDESTRIAN-ORIENTED

Living in a well-connected place means the two primary aspects of the built environment must work in harmony: 1) Places where people live, work, seek amenities, and recreate are in close proximity; and 2) Mobility between these places is made safe and simple through well-designed and convenient pathways. The former is achieved through building mixed-use structures at urban densities. The latter is accomplished by a mixture of sharing improvements to public infrastructure and sensible urban planning that foresees where and when improvements need to occur alongside new growth.

Elements of Connectivity include:

- Stress-free means of traveling across short or long distances on foot, bicycle, or public transportation, including wide sidewalks, designated bike lanes, and reliable public transit.
- Concentrations of commerce and amenities that residents require in their daily, monthly or yearly lives.
- "Eyes on the street" - meaning there is high enough ground-level activity so as to discourage unlawful doings and promote a vigilant and supportive community.
- Active building frontages where people can gather, disperse, socialize, or do business.


Montana State University Billings
Poly Dr
N. 27th St
St Vincent Healthcare
Dehler Park
11th Ave
Billings Clinic
9th Ave
EBURD
23rd St
24th St
25th St
26th St
20th St
Library
Broadway
29th St
30th St
<< 6th Ave
31st St
32nd St
4th Ave >>
<< 3rd Ave
2nd Ave >>
<< 1st Ave
Montana Ave >>
1st Ave S
Division St
Railroad Tracks
ABT
WF
SP
DT
NH
WALKABILITY PLAN
5-minute Walking Radius
District
One Big Sky District
Railroad Tracks
N
0' 250' 500' 1000'









CREATIVE CULTURE

Culture, arts, history, and craft -- when skillfully embodied in the urban fabric -- enrich the course of life for a city's residents. Iconic architecture can provide a catalyst and landmark to a district, while a concentration of museums and civic uses invoke feelings of exploration and inquisition to the city experience. Much of this builds upon the existing cultural institutions in the downtown. Implementing this principle, a National Endowment for the Arts grant application has been submitted by Billings Cultural Partners (BCP) to meet the city's two driving goals:

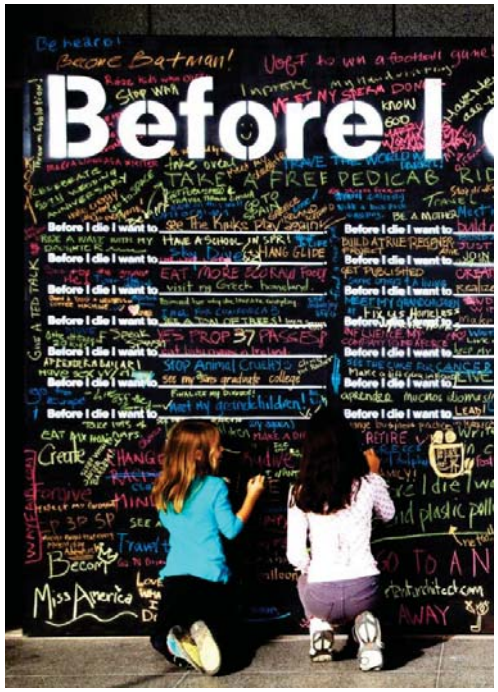
1. Complete an asset map of the current artistic and cultural amenities in the ONE Big Sky footprint.

2. Create a plan to facilitate incorporation of arts and culture into the overall development of ONE Big Sky.

The plan is for the asset map to be completed by the City and BCP as part of an in-kind match for the grant. The grant funds, if received, will be used to hire a consultant to develop an "Arts and Culture Master Plan" for the ONE Big Sky area.

Cultural elements include:

- Art installations in public places
- High-quality urban spaces of public gathering
- High density of cultural activities and/or buildings


Before I
Before I die I want to
Before I die I want to
Before I die I want to

SUSTAINABILITY

Billings has always been shaped and influenced by nature due to its location between the Rimrocks and Yellowstone River. Nature inspires the built environment. Sustainability is founded in the disciplines of architecture, land use planning, public policy, real estate development, engineering, and biology, and is implemented in an urban environment through design. With more people living in and moving into cities, sustainability becomes paramount.

Elements of Sustainability in Design and Urbanism include:

- Utilization of Building Performance Simulation to inform the design process and reduce resource consumption.
- Construction materials and techniques that reduce environmental impacts by saving space, energy, and material use or time.
- Life-cycle Assessments to evaluate the long term environmental impact of construction.
- Life-Cycle Cost Analysis of systems and materials.
- Resiliency in transportation systems so as to reuse space dedicated to vehicles (parking garages, vehicle travel or on-street parking lanes) for other uses as demands change.
- A basis of policy-making that supports and promotes sustainability.
- Stormwater management is a key element of sustainable urban design. Capture contaminated surface runoff flowing to the Yellowstone River and put it to beneficial use in streetscaping elements. These strategies both beautify the pedestrian realm and improve the health of the river.
- Billings is a national leader in the number of LEED certified buildings, including Platinum housing and Transportation Hub, and Gold certified Library and banks, among others. ONE Big Sky will advocate for and promote sustainable design and construction.















STREET TYPOLOGIES

PRINCIPAL STREET

INTENT

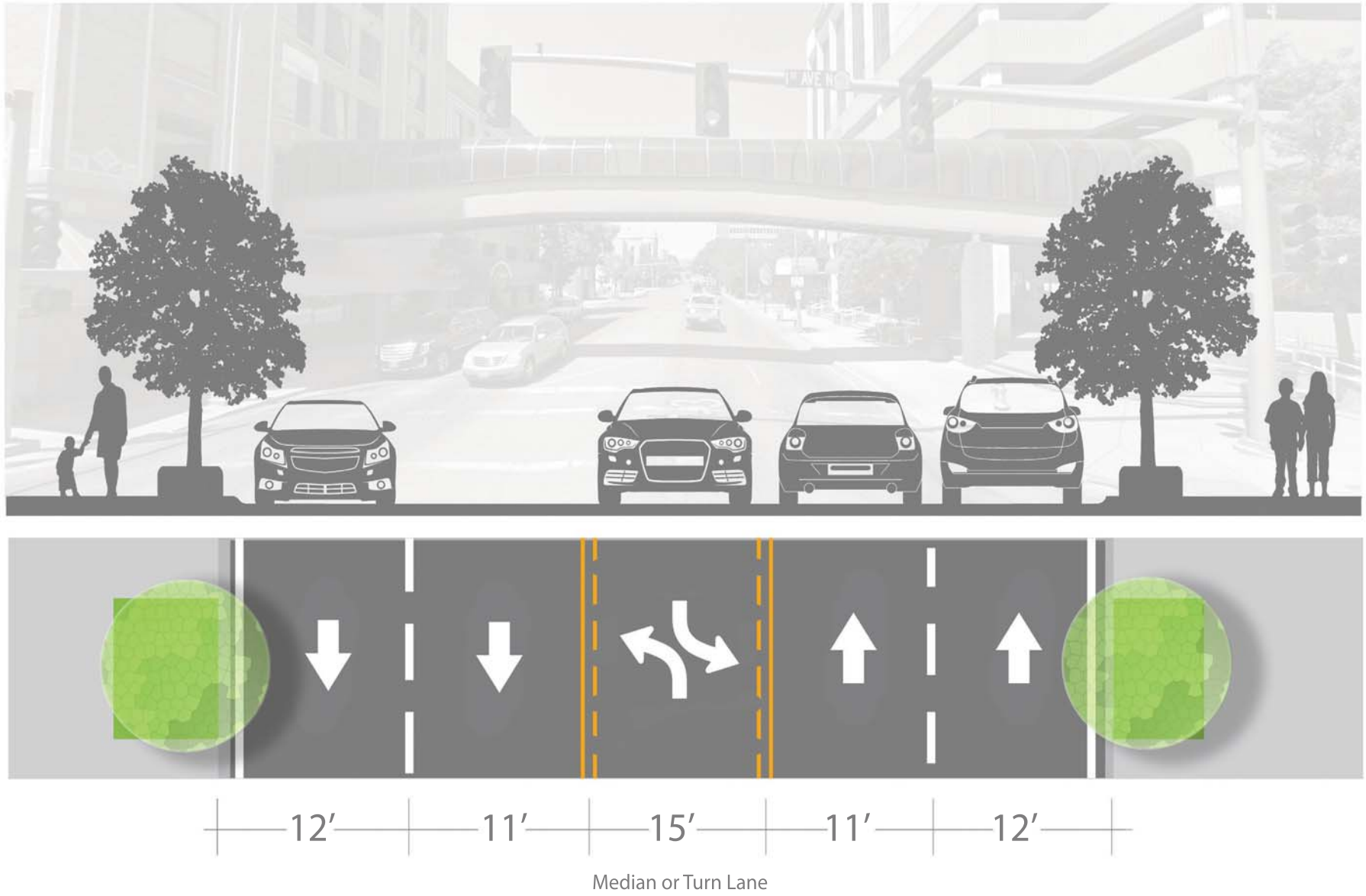
- To encourage streetscapes that distinguish and support various modes of transit, vehicular traffic, cycling, and walking.
- To provide adequate and logical connections of streets and sidewalks within the downtown and between adjacent neighborhoods.
- To provide sidewalks of adequate width to support pedestrian uses.
- To encourage pedestrian activities on the sidewalk such as walking, eating and browsing retail storefronts.
- To encourage streetscapes with tree rows that create a continuous canopy at maturity.
- Special paving systems should be appropriate for heavy urban traffic. Colored concrete, brick, concrete unit pavers, and unpolished stone are recommended.

TYPICAL CHARACTERISTICS

- High volumes of vehicle traffic particularly at peak travel times
- Often serve as key commuter routes running through downtown
- Usually have multiple travel lanes
- On-street parking is often restricted
- Characterized by wide streets and large intersections

OPPORTUNITIES

- If bicycle travel is encouraged, protected cycle tracks provide for cyclists' comfort and convenience by taking advantage of direct travel routes and buffering from traffic.
- Make principal streets more pedestrian friendly.
- Sidewalk design should exceed minimum width requirements for pedestrian walks and Public Amenity Zones where appropriate.
- Private Amenity Zones, which include building-related functions such as sidewalk seating, are encouraged.
- Bulb-outs and central medians to reduce overall crossing width.
- Narrowing lanes can calm traffic speeds.
- Enhance street-level activity and interest by providing a high degree of transparency, particularly at the ground floor of buildings.


12′
11′
15′
11′
12′
Median or Turn Lane

GREEN STREET

INTENT

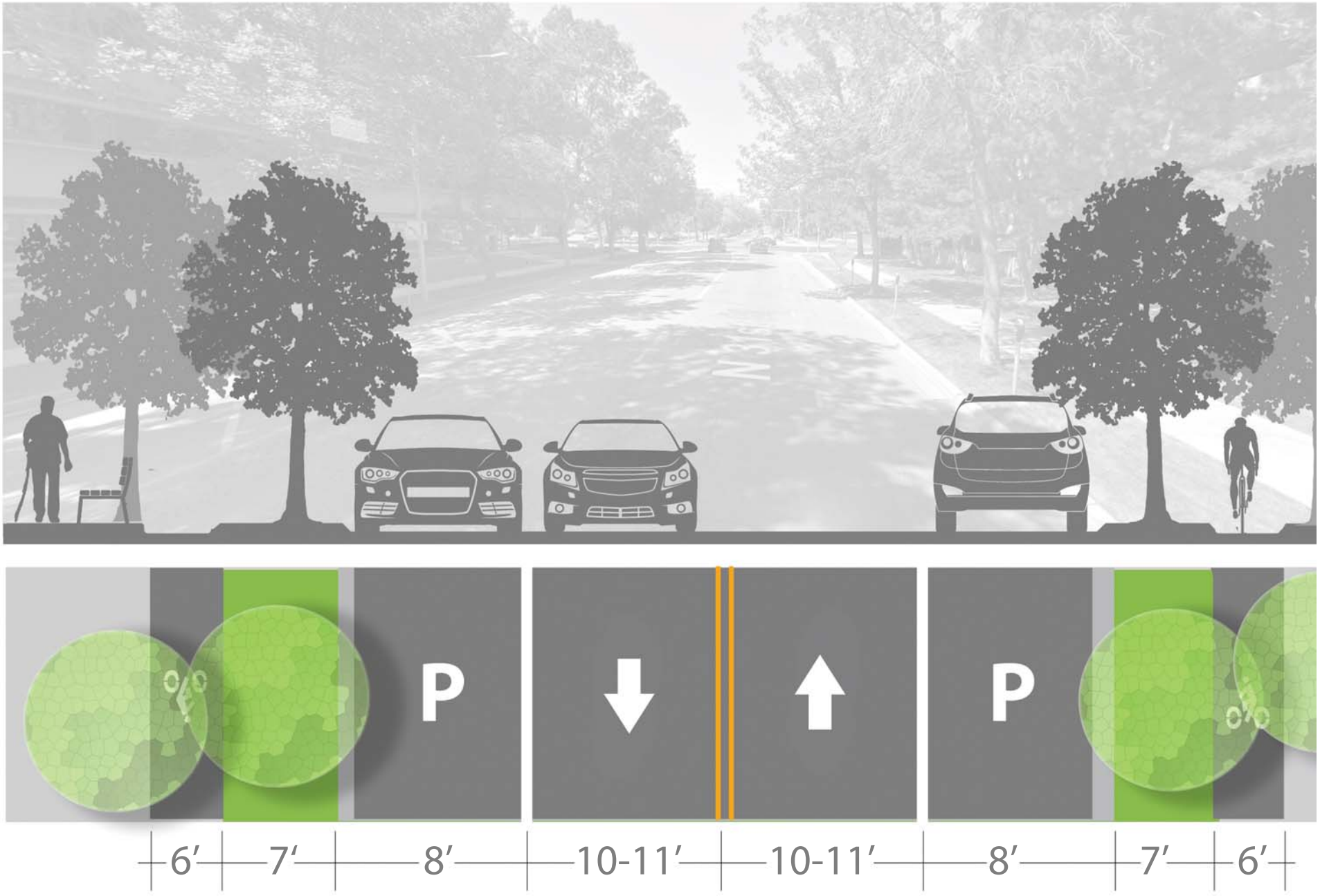
- To provide corridors within the downtown and between adjacent neighborhoods that are designed to encourage and give priority to non-motorized travel modes.
- To create green corridors that connect and provide open space.
- To encourage streetscapes with tree rows and significant landscaping.

TYPICAL CHARACTERISTICS

- Moderate volumes of vehicle traffic
- Can have multiple or limited travel lanes
- On-street parking can be provided, but is buffered from bike lanes
- Characterized by multi-modal and multi-function ROW usage
- Can be an urban respite for pedestrians and cyclists

OPPORTUNITIES

- The use of permeable pavement systems and other "green" storm water infrastructure such as rain gardens and bioswales is encouraged.
- To slow traffic and create areas of urban respite consider the use of shared space design tactics including, but not limited to, low curb lines, the ability to close the street to traffic, land shifts / chicanes, and other green street elements.
- Street reconstruction projects that incorporate green infrastructure should be aligned with city-wide traffic safety and mobility efforts, especially where opportunities arise to move curbs and reallocate street space to people walking and biking.
- Green stormwater infrastructure should be implemented at a network scale, but must be tailored to the specifics of its site. Green street elements that are properly designed, operated, and maintained extend the useful life of other infrastructure, especially gray water systems and pavement surface.


P
P
6′
7′
8′
10-11′
10-11′
8′
7′
6′

STOREFRONT STREET

INTENT

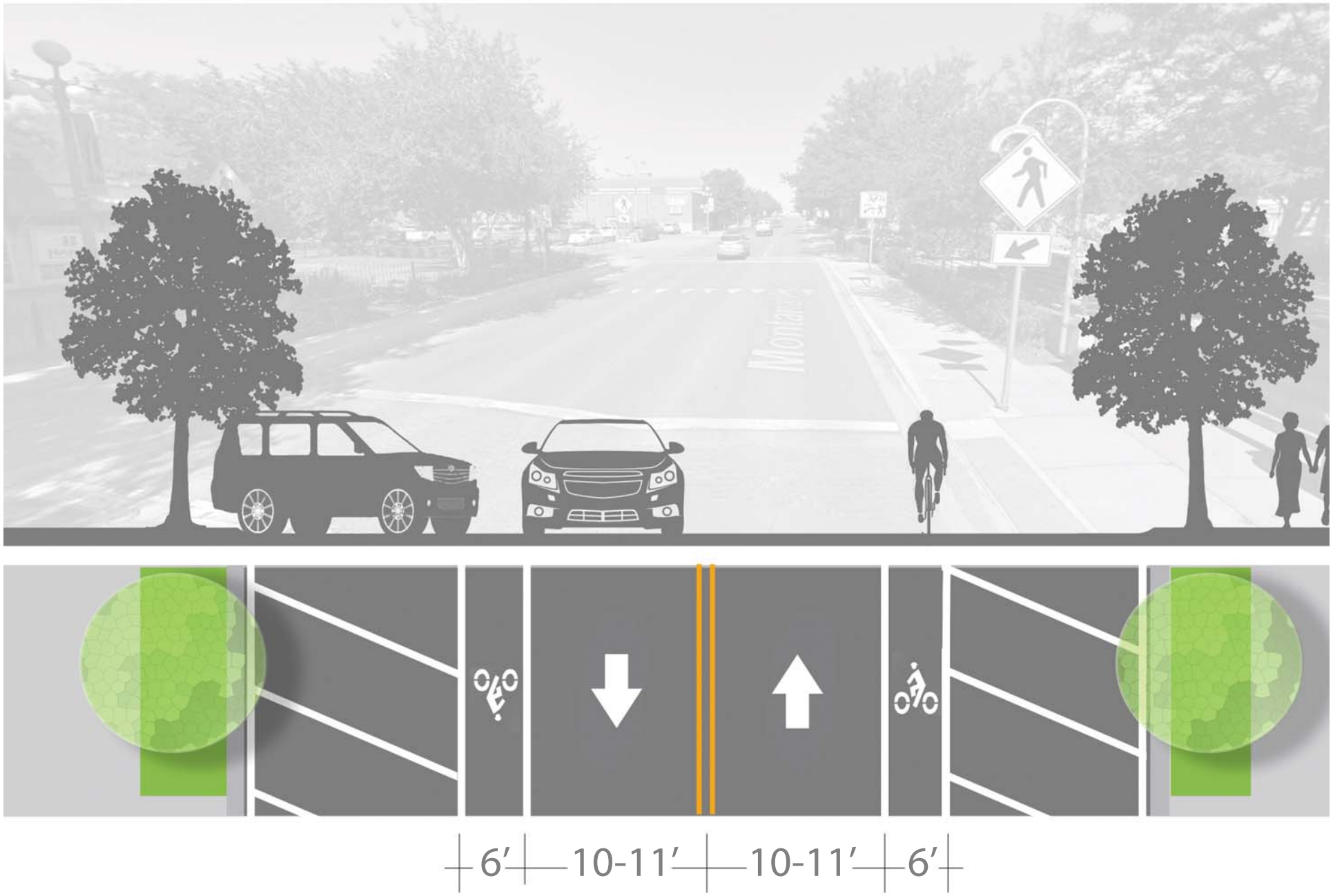
- To encourage streetscapes that distinguish and support various modes of transit, including but not limited to vehicular traffic, cycling, and walking.
- To provide adequate and logical connections of streets and sidewalks within the development and between the development and adjacent neighborhoods.
- To provide sidewalks of adequate width to contain, define, and concentrate pedestrian uses.
- To encourage pedestrian activities on the sidewalk such as walking, eating and browsing retail storefronts.
- To encourage streetscapes with tree rows that create a continuous canopy.

TYPICAL CHARACTERISTICS

- Moderate volumes of vehicle traffic
- Can have multiple or limited travel lanes
- On-street parking is encouraged
- Characterized by multi-modal and multi-function ROW usage
- Can be an urban respite for pedestrians and cyclists

OPPORTUNITIES

- Sidewalk design should exceed minimum width requirements for pedestrian walks and Public Amenity Zones where appropriate.
- Private Amenity Zones, which include building-related functions such as sidewalk seating, are encouraged on enhanced pedestrian streets.
- On-street parking should be provided on both sides of all primary streets.
- Enhance street-level activity and interest by providing a high degree of transparency, particularly at the ground floor of buildings.


6′
10-11′
10-11′
6′

LOCAL STREET

INTENT

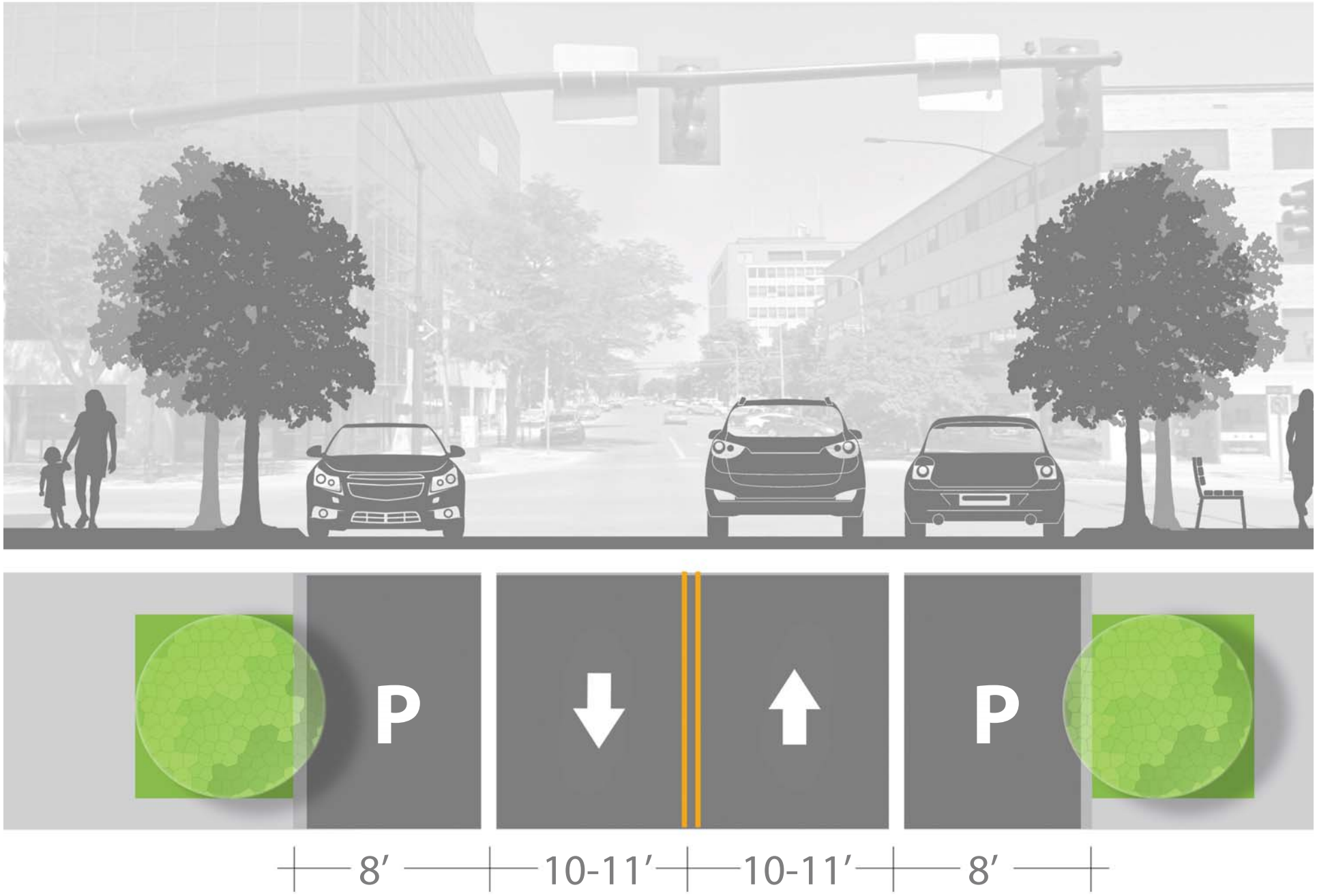
- To provide adequate and logical connections of streets and sidewalks within the development and between the development and adjacent neighborhoods.
- To encourage streetscapes with tree rows that create a continuous canopy at maturity.
- To provide sidewalks of adequate width to contain, define, and concentrate pedestrian uses.
- The majority of local streets should accommodate parallel or diagonal parking on at least one side as a traffic-calming measure.

TYPICAL CHARACTERISTICS

- Lower volumes of vehicle traffic
- Can have limited travel lanes
- On-street parking is encouraged
- Characterized by multi-modal and multi-function ROW usage
- Can be an urban respite for pedestrians and cyclists

OPPORTUNITIES

- Sidewalk design should exceed minimum width requirements for pedestrian walks and Public Amenity Zones where appropriate.
- Many back-of-building functions may be oriented towards local streets, therefore loading, garage entrances, etc. should be designed to minimize impacts to the pedestrian zone.
- On-street parking should be provided on both sides of all local streets.


P
P
8′
10-11′
10-11′
8′

4.4

ONE BIG SKY FRAMEWORK

District Framework

Program & Phasing

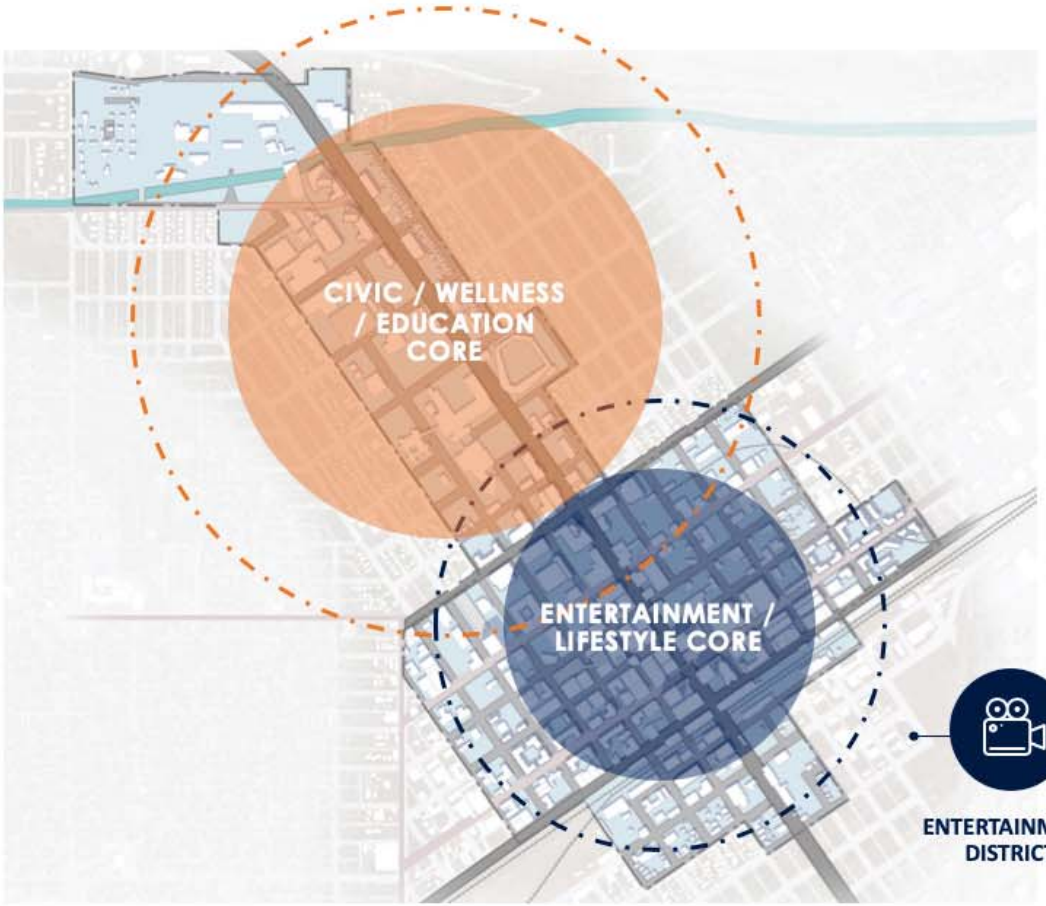
DISTRICT FRAMEWORK

ONE BIG SKY DISTRICTS

The proven urban planning and design principles employed throughout the in-depth planning process has led the overall ONE Big Sky project area to be divided into four smaller districts:

1. Entertainment District
2. Lifestyle District
3. Civic & Wellness District
4. Education & Innovation District

This framework creates places to live and work within walkable distances to services and amenities. Building upon this, development in each district leverages its unique character to attract activities that complement the existing urbanism and character of those districts. In the Entertainment District, a new center of activity creates a venue for people to attend a diversity of events including live music concerts or sports tournaments, while markets and festivals occur on surrounding streets. The Lifestyle District represents a vision of a compact urban village with a mix of activities and uses within new and existing buildings. Capitalizing on the existing Medical Corridor along North 27th Street, the Civic & Wellness District provides services and activities catering to professionals, or visitors to the region's largest medical providers. Finally the Education & Innovation District provides the urban setting and technologically-advanced facilities to create a hub of knowledge and professional growth.



The Master Plan for One Big Sky contemplates a broad economic development strategy centered on **4 anchoring districts** that will become **catalysts to the revitalization** of downtown Billings ...

ENTERTAINMENT DISTRICT

LIFESTYLE DISTRICT

CIVIC & WELLNESS DISTRICT

EDUCATION & INNOVATION DISTRICT

PROGRAM & PHASING

MASTER PLAN PROGRAM

Based on the real estate market and economic realities, the ONE Big Sky Master Plan focuses on a first phase that includes direct investment in catalyst projects. Later phases depicted in this Master Plan may occur at varying levels and may be driven by investment from a variety of sources.

The goal of this phasing plan is to support the long-term development process which envisions a twenty-year timeline with an emphasis on an initial three-to-five-year investment in short-term catalyst projects. The phasing plan upholds the design and development philosophy by organizing private and public development in a chronology that maximizes every investment made. Public infrastructure projects that coincide with initial phases of private development will strengthen and reinforce later phases of investment.

	PHASE 1									
	ENTERTAINMENT DISTRICT		CIVIC & WELLNESS DISTRICT		EDUCATION & INNOVATION DISTRICT		LIFESTYLE DISTRICT		**PHASE 1 TOTAL**	
USE	**TOTAL GROSS SF**	**UNITS**	**TOTAL GROSS SF**	**UNITS**	**TOTAL GROSS SF**	**UNITS**	**TOTAL GROSS SF**	**UNITS**	**TOTAL GROSS SF**	**UNITS**
Convention / Event Center	150,000	-	-	-	-	-	-	-	150,000	-
Hotel	175,000	175	95,000	95	-	-	-	-	270,000	270
Commercial / Office	40,000	-	230,000	-	-	-	-	-	270,000	-
Residential	65,000	50	520,000	356	200,000	133	519,000	415	1,304,000	954
Retail	136,000	-	203,000	-	40,000	-	61,000	-	440,000	-
Education / Innovation	-	-	-	-	50,000	-	-	-	50,000	-
Health / Wellness	-	-	390,000	-	-	-	-	-	390,000	-
Parking	315,000	788	1,142,000	2,856	-	-	-	-	1,457,000	3,644
TOTAL	**566,000**		**1,438,000**		**290,000**		**580,000**		**2,874,000**	

	FUTURE PHASE(S)									
	ENTERTAINMENT DISTRICT		CIVIC & WELLNESS DISTRICT		EDUCATION & INNOVATION DISTRICT		LIFESTYLE DISTRICT		**FUTURE PHASE TOTAL**	
USE										
Convention / Event Center	-	-	-	-	-	-	-	-	-	-
Hotel	165,000	150	-	-	-	-	-	-	165,000	150
Commercial / Office	64,000	-	-	-	-	-	70,500	-	134,500	-
Residential	167,500	134	285,000	203	400,000	266	440,500	352	1,293,000	955
Retail	72,800	-	175,000	-	-	-	90,000	-	337,800	-
Education / Innovation	-	-	50,000	-	885,000	-	-	-	935,000	-
Health / Wellness	-	-	675,000	-	-	-	-	-	675,000	-
Parking	-	-	153,200	383	200,000	500	100,000	275	453,200	1,158
TOTAL	**469,300**		**1,185,000**		**1,285,000**		**601,000**		**3,540,300**	

4.5
ENTERTAINMENT DISTRICT

The Vision

Convention & Events Center Siting Analysis

Convention & Events Center Plans

Hotel Plans

Entertainment District Design

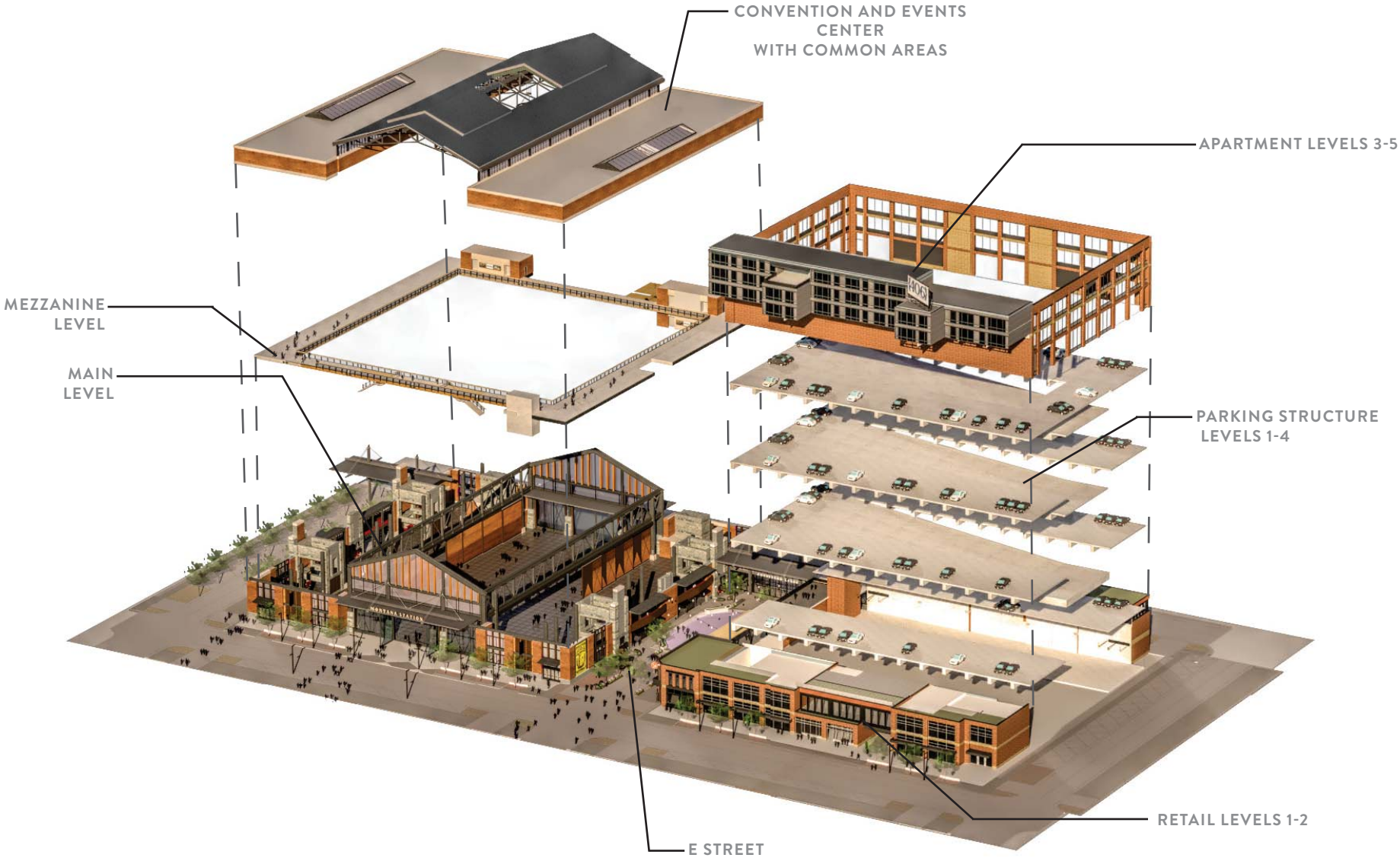
THE VISION

THE CATALYST TO THE DISTRICT

Of the four districts that compose the larger ONE Big Sky framework, the Entertainment District in Downtown Billings will be the spark that ignites the economic transformation, enthusiasm, and support for the entirety of the Project.

The success of any downtown revolves around the gathering of people. Enticing events, exciting activities, and diverse destinations energize community members and spur investment. Similarly, the Entertainment District is the center of this Master Plan. The Billings Entertainment District will be home to the Montana Station, a proposed central hub for exhibitions, tournaments, fairs, concerts, and public gatherings never before accommodated in Montana.

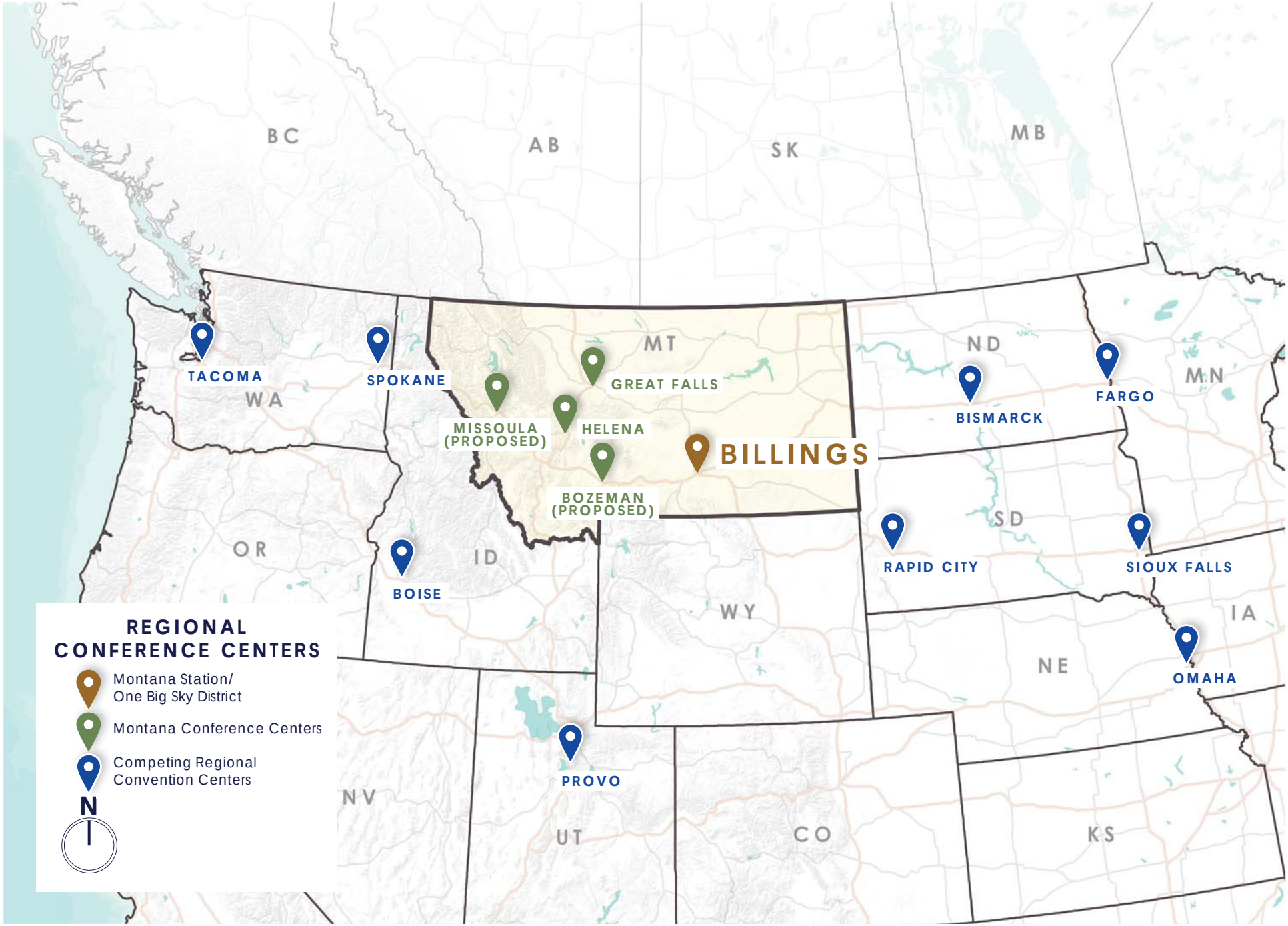
Unprecedented in the region, the Montana Station will accommodate both small intimate events such as weddings as well as large conferences and conventions. Accompanying and supportive uses disperse into the surrounding city fabric. Offices, retailers, and food and beverage establishments required to support events held at the venue are located nearby, making the Montana Station, a 365-day-a-year destination.


CONVENTION AND EVENTS CENTER WITH COMMON AREAS
APARTMENT LEVELS 3-5
MEZZANINE LEVEL
MAIN LEVEL
PARKING STRUCTURE LEVELS 1-4
RETAIL LEVELS 1-2
E STREET

REGIONAL CONVENTION ENVIRONMENT

The Montana Station will be described as innovative, enticing, and unconventional' – in the best way. The traditional convention center offers one large open space to facilitate attendee meals and receptions along with multiple and separate classroom-like spaces to host break-out sessions and small group presentations. These spaces typically lack access to daylight, any variety in food offerings or a dynamic atmosphere to match the presentations being offered. This paradigm describes the existing conference center on Billings' west end as well as the smaller venues across the state (located in Bozeman, Helena, Great Falls, and Bozeman). The Montana Station/ONE Big Sky reimagines the traditional conference center.

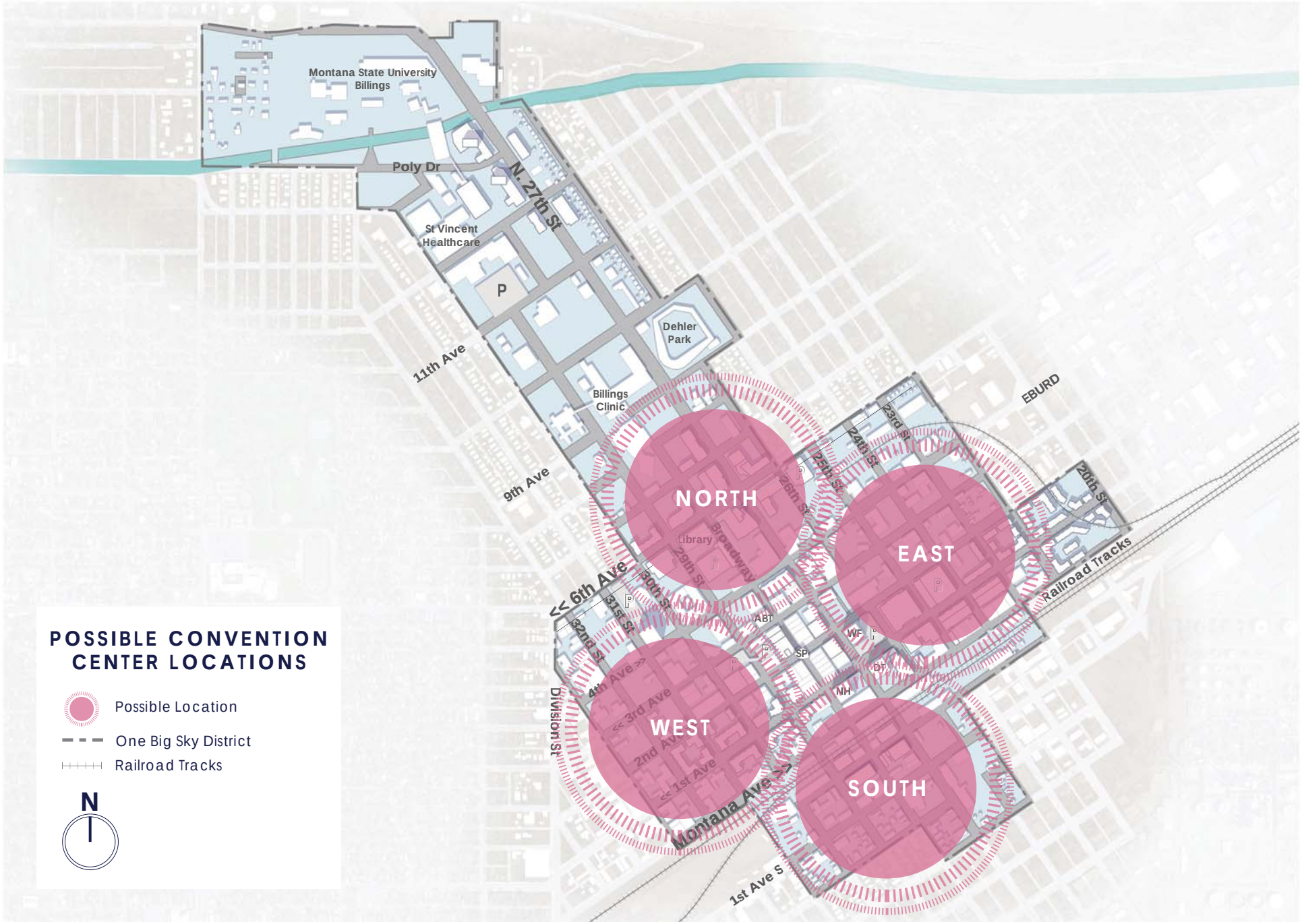
Regionally, there are nine convention centers across six states that are competitive in size to the envisioned Montana Station/ONE Big Sky. These are also similarly located within population hubs, and most are centrally located within their states and regions. Yet, this is where their competitive nature ends, as each of these are also designed within the traditional framework; one that restricts these spaces from being used efficiently for anything other than the 'conventional'. While these regional venues and those across Montana will continue to draw groups and organizations for conferences or conventions, there will be multiple periods of time when the spaces are unoccupied and not earning revenue. The results are a facility typically subsidized by the local community. This is where the Montana Station/ONE Big Sky sets itself apart.


BC
AB
SK
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MT
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MN
WA
OR
ID
WY
SD
NE
IA
NV
UT
CO
KS
TACOMA
SPOKANE
MISSOULA (PROPOSED)
GREAT FALLS
HELENA
BOZEMAN (PROPOSED)
BILLINGS
BISMARCK
FARGO
RAPID CITY
SIOUX FALLS
OMAHA
BOISE
PROVO
REGIONAL CONFERENCE CENTERS
Montana Station/ One Big Sky District
Montana Conference Centers
Competing Regional Convention Centers
N

CONVENTION & EVENTS CENTER SITING ANALYSIS

OVERVIEW

A multitude of sites for a convention center and associated development in Downtown Billings were analyzed based on many parameters including physical constraints, adjacent/existing land uses, market conditions, mobility, and overall compatibility for the intended program. The potential for site-control through partnerships or acquisition informed this analysis and ultimately, final design and master planning decisions. Based on all parameters, a convention center and affiliated uses are best suited on a minimum of two city blocks, each block being approximately 300 feet by 300 feet. A minimum of thirteen sites are highly capable of meeting the parameters of this Master Plan.

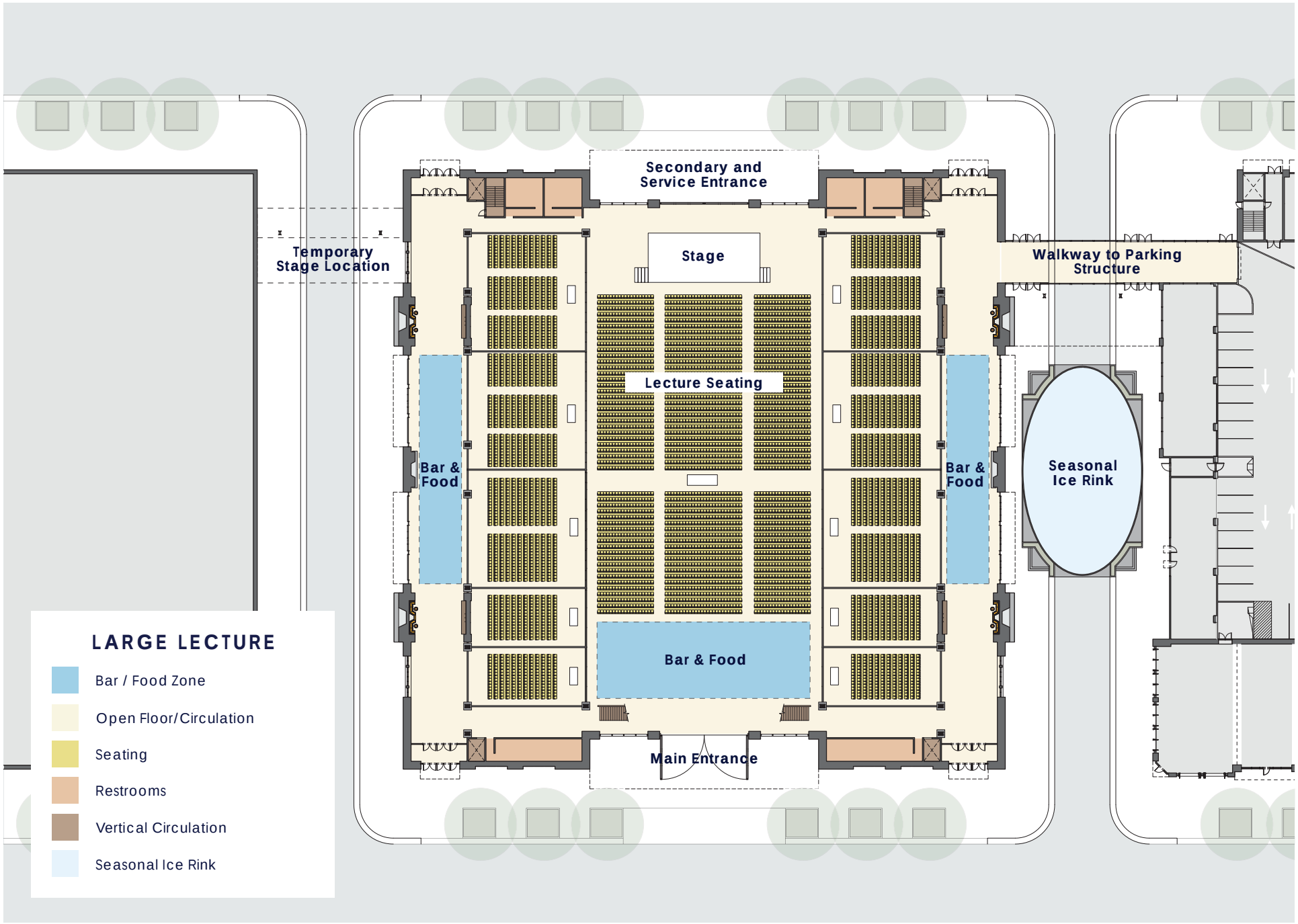

Montana State University Billings
Poly Dr
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NORTH
Library
Broadway
29th St
EAST
Railroad Tracks
<< 6th Ave
30th St
31st St
32nd St
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4th Ave >>
<< 3rd Ave
2nd Ave
<< 1st Ave
WEST
SOUTH
Division St
Montana Ave
1st Ave S
POSSIBLE CONVENTION CENTER LOCATIONS
Possible Location
One Big Sky District
Railroad Tracks
N

CONVENTION & EVENT CENTER PLANS

LARGE LECTURE LAYOUT

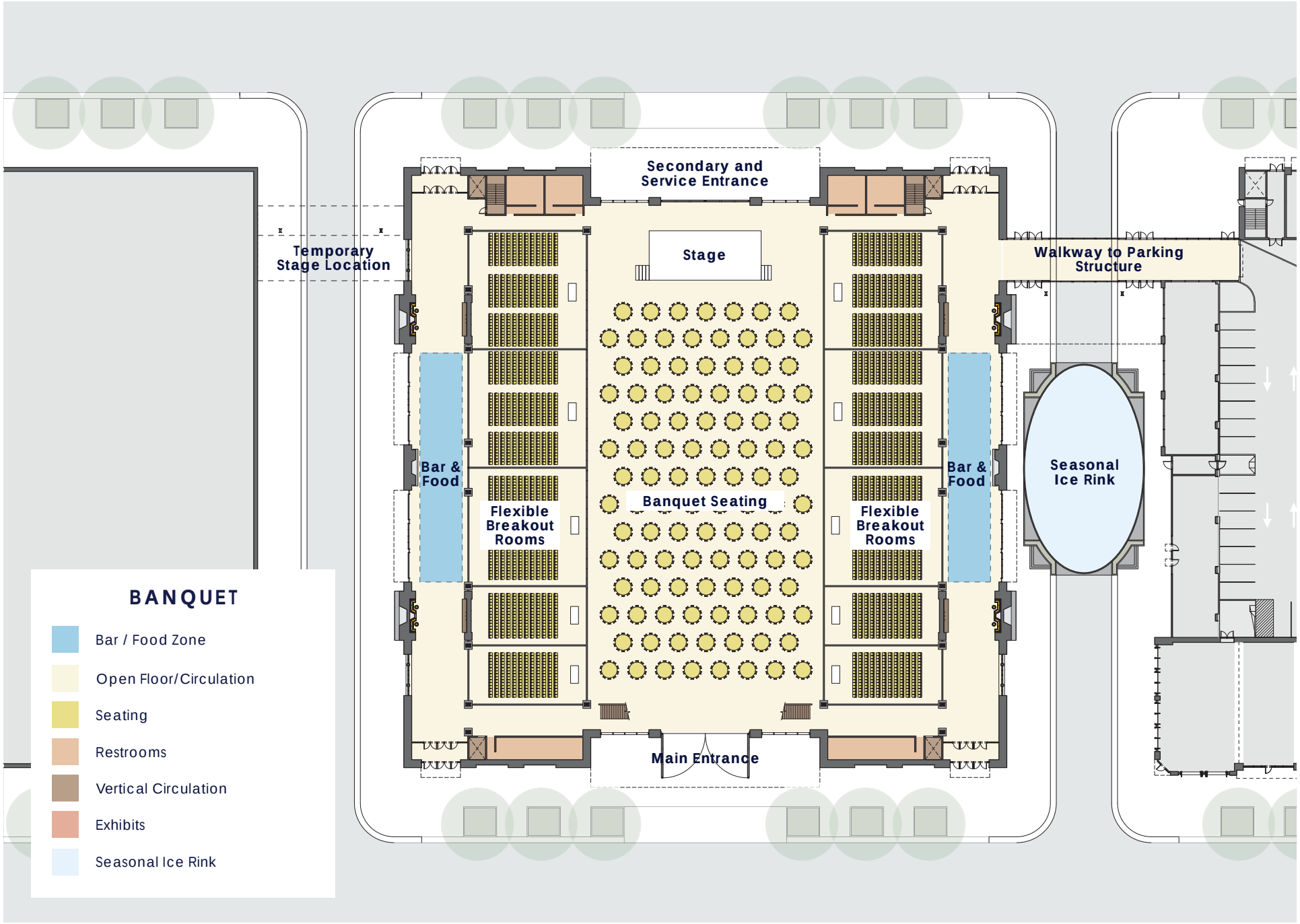
This floor plan illustrates how the convention floor can host a large assembly lecture.

The Convention and Events Center interior focuses on the daylight through a skylight or operable roof located in the center of the building. Large barn doors hang from heavy detailed steel trusses and are designed to adjust the scale of the space to the user. The structural spacing is designed around the sizing of multiple functional uses. The interior fixtures have a detailed level of finish rich in the character of Montana.


Secondary and Service Entrance
Stage
Temporary Stage Location
Walkway to Parking Structure
Lecture Seating
Bar & Food
Bar & Food
Seasonal Ice Rink
Bar & Food
Main Entrance
LARGE LECTURE
Bar / Food Zone
Open Floor/Circulation
Seating
Restrooms
Vertical Circulation
Seasonal Ice Rink

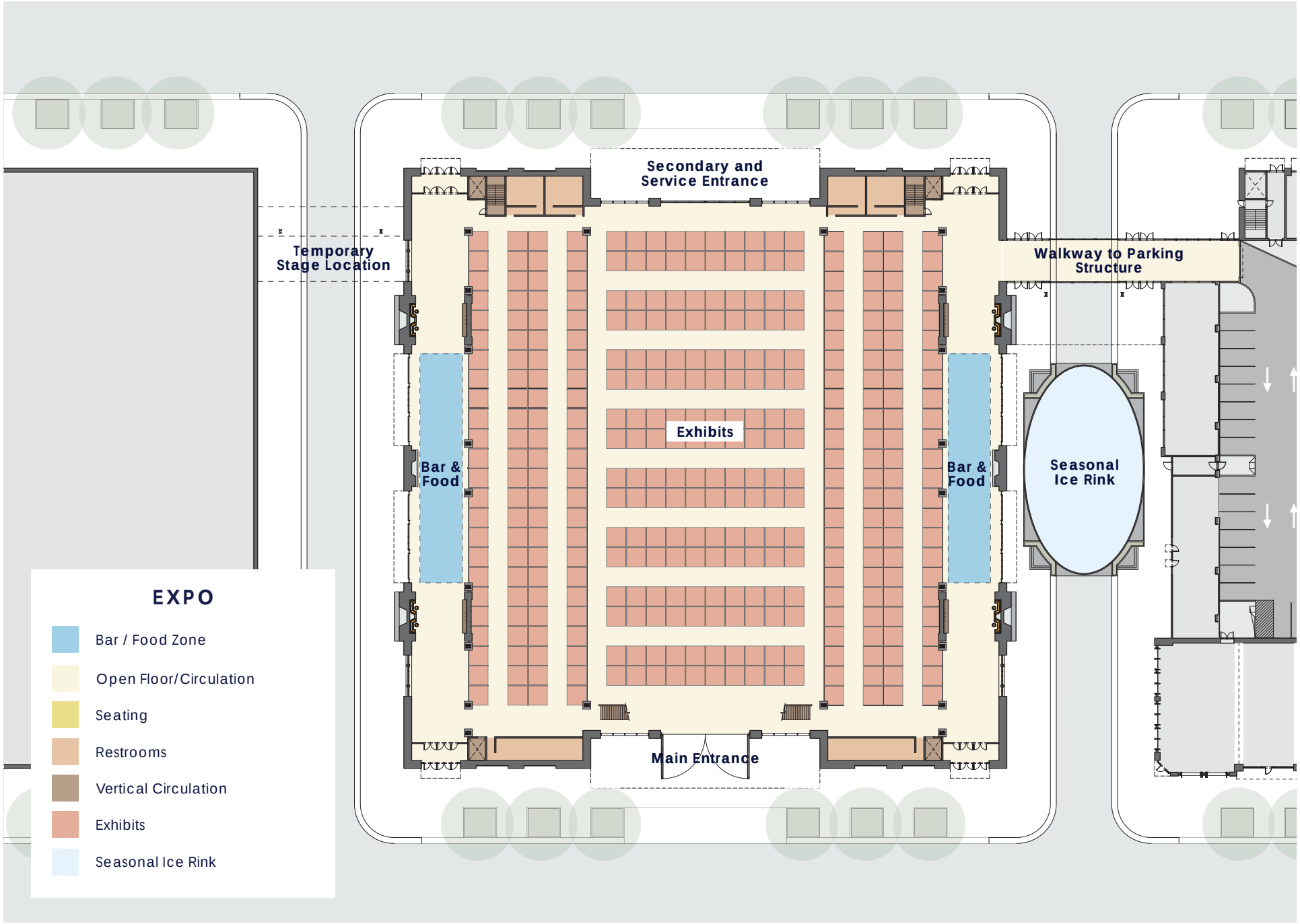
BANQUET LAYOUT

This floor plan illustrates a banquet event inside the full convention space.


Secondary and Service Entrance
Stage
Temporary Stage Location
Walkway to Parking Structure
Bar & Food
Bar & Food
Flexible Breakout Rooms
Flexible Breakout Rooms
Banquet Seating
Seasonal Ice Rink
Main Entrance
BANQUET
Bar / Food Zone
Open Floor/Circulation
Seating
Restrooms
Vertical Circulation
Exhibits
Seasonal Ice Rink

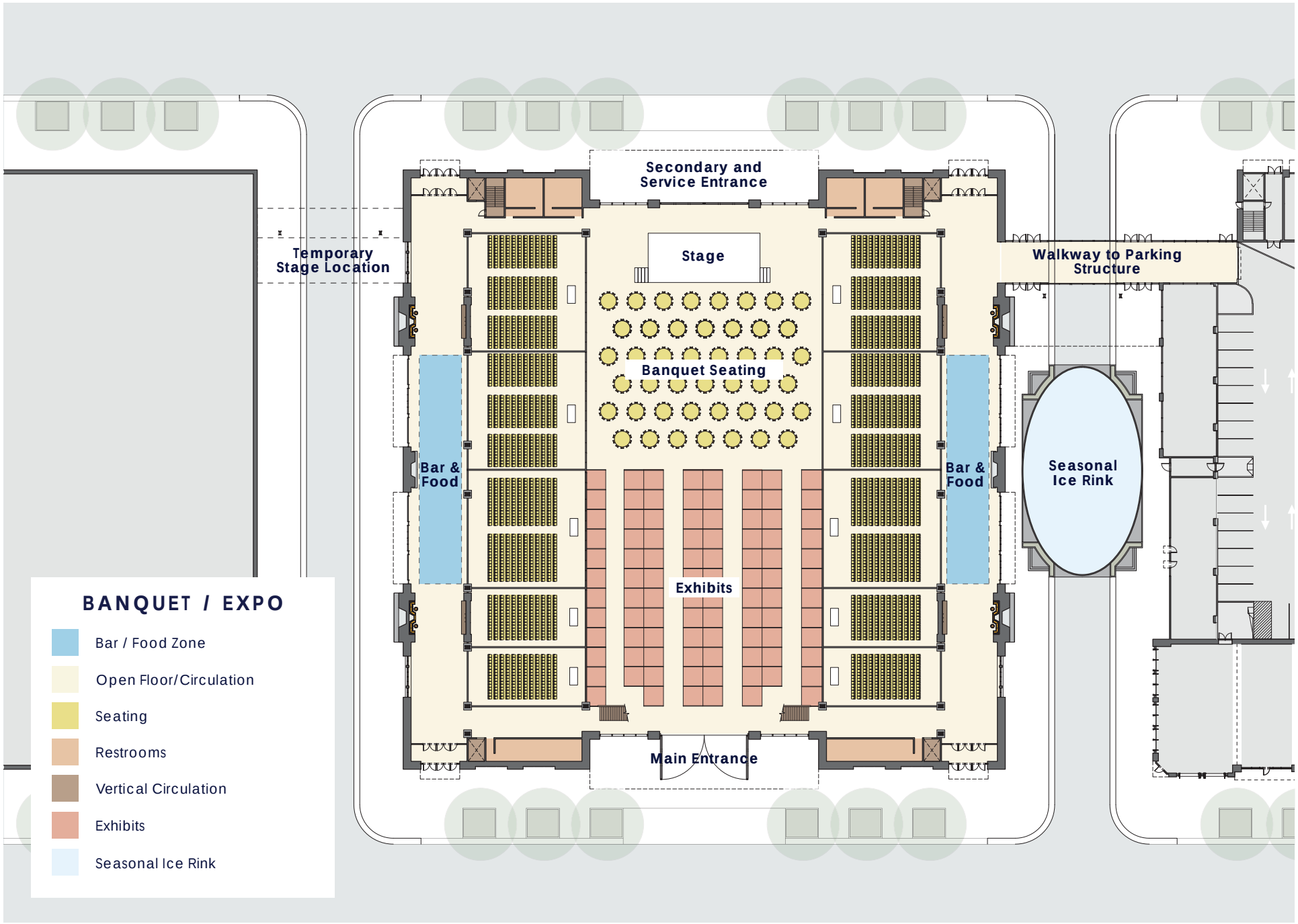
EXPOSITION LAYOUT

This floor plan illustrates how an exhibition event may be planned.


Secondary and Service Entrance
Temporary Stage Location
Walkway to Parking Structure
Exhibits
Bar & Food
Bar & Food
Seasonal Ice Rink
Main Entrance
EXPO
Bar / Food Zone
Open Floor/Circulation
Seating
Restrooms
Vertical Circulation
Exhibits
Seasonal Ice Rink

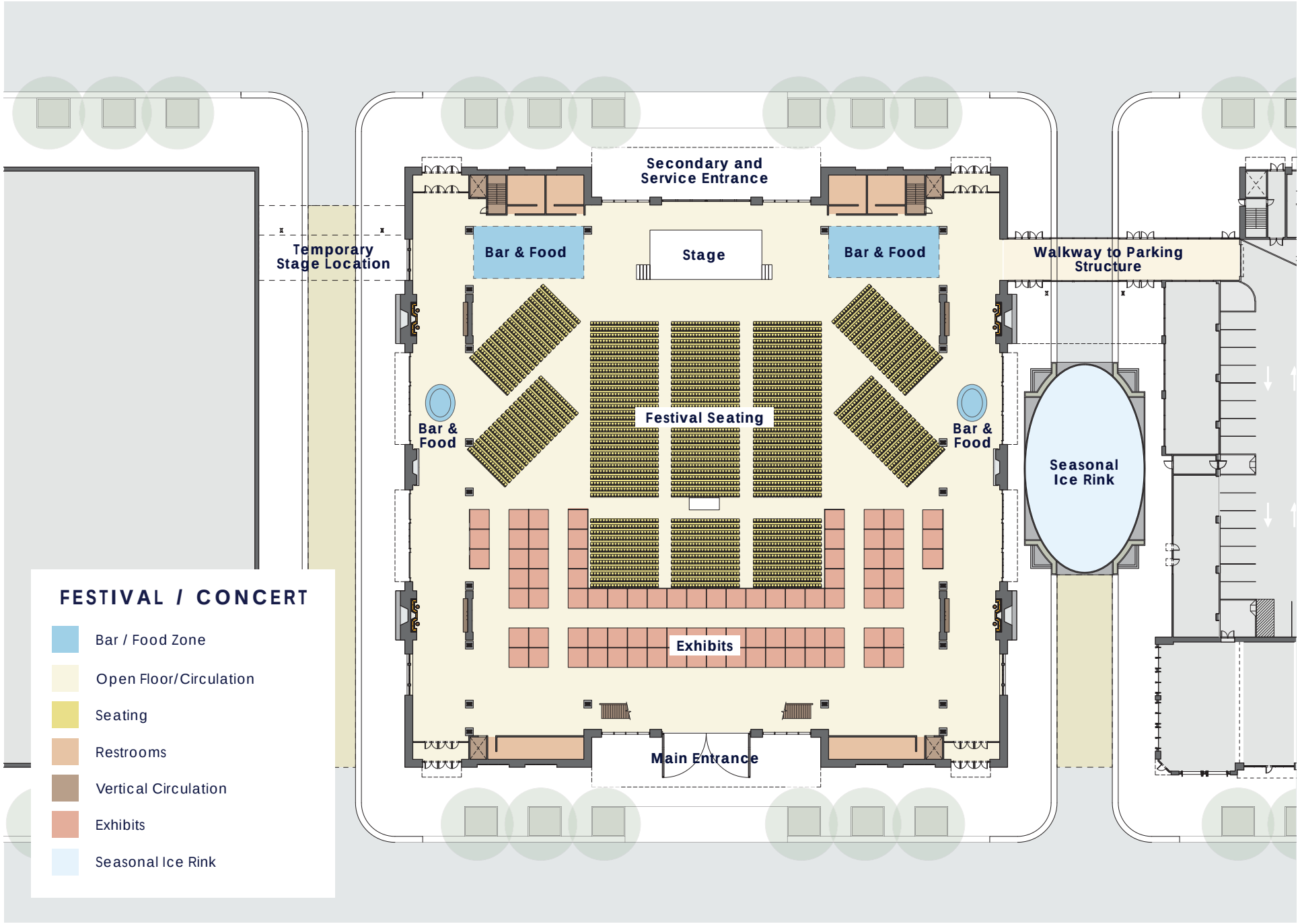
BANQUET / EXPO LAYOUT

This floor plan illustrates how the convention floor can host a mixture of banquet seating and exhibition space.


Secondary and Service Entrance
Stage
Temporary Stage Location
Walkway to Parking Structure
Banquet Seating
Bar & Food
Bar & Food
Seasonal Ice Rink
Exhibits
Main Entrance
BANQUET / EXPO
Bar / Food Zone
Open Floor/Circulation
Seating
Restrooms
Vertical Circulation
Exhibits
Seasonal Ice Rink

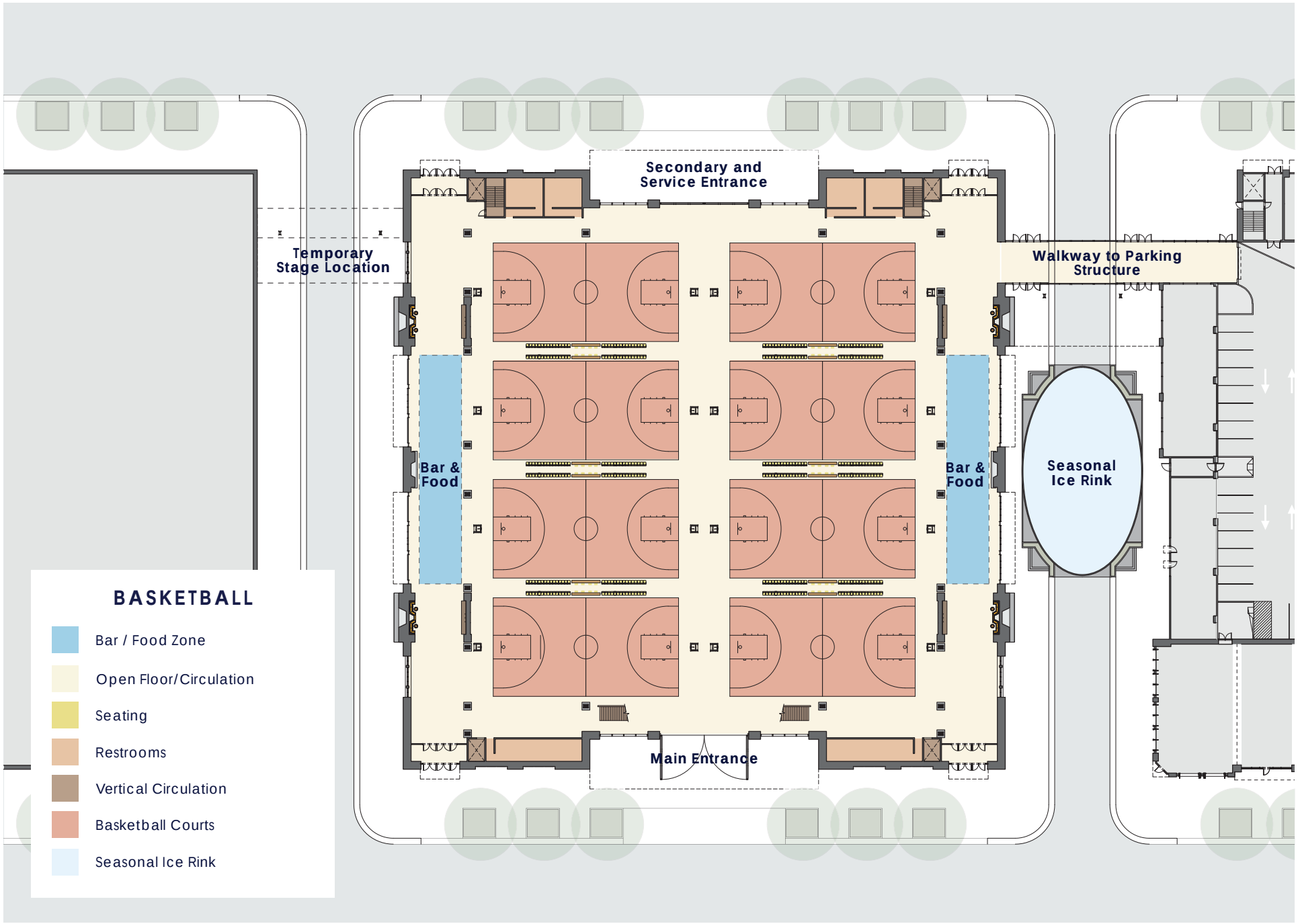
FESTIVAL / CONCERT LAYOUT

This floor plan illustrates a concert located in the north center of the building surrounded by spectator and exhibition space.


Secondary and Service Entrance
Temporary Stage Location
Bar & Food
Stage
Bar & Food
Walkway to Parking Structure
Bar & Food
Festival Seating
Bar & Food
Seasonal Ice Rink
Exhibits
Main Entrance
FESTIVAL / CONCERT
Bar / Food Zone
Open Floor/Circulation
Seating
Restrooms
Vertical Circulation
Exhibits
Seasonal Ice Rink

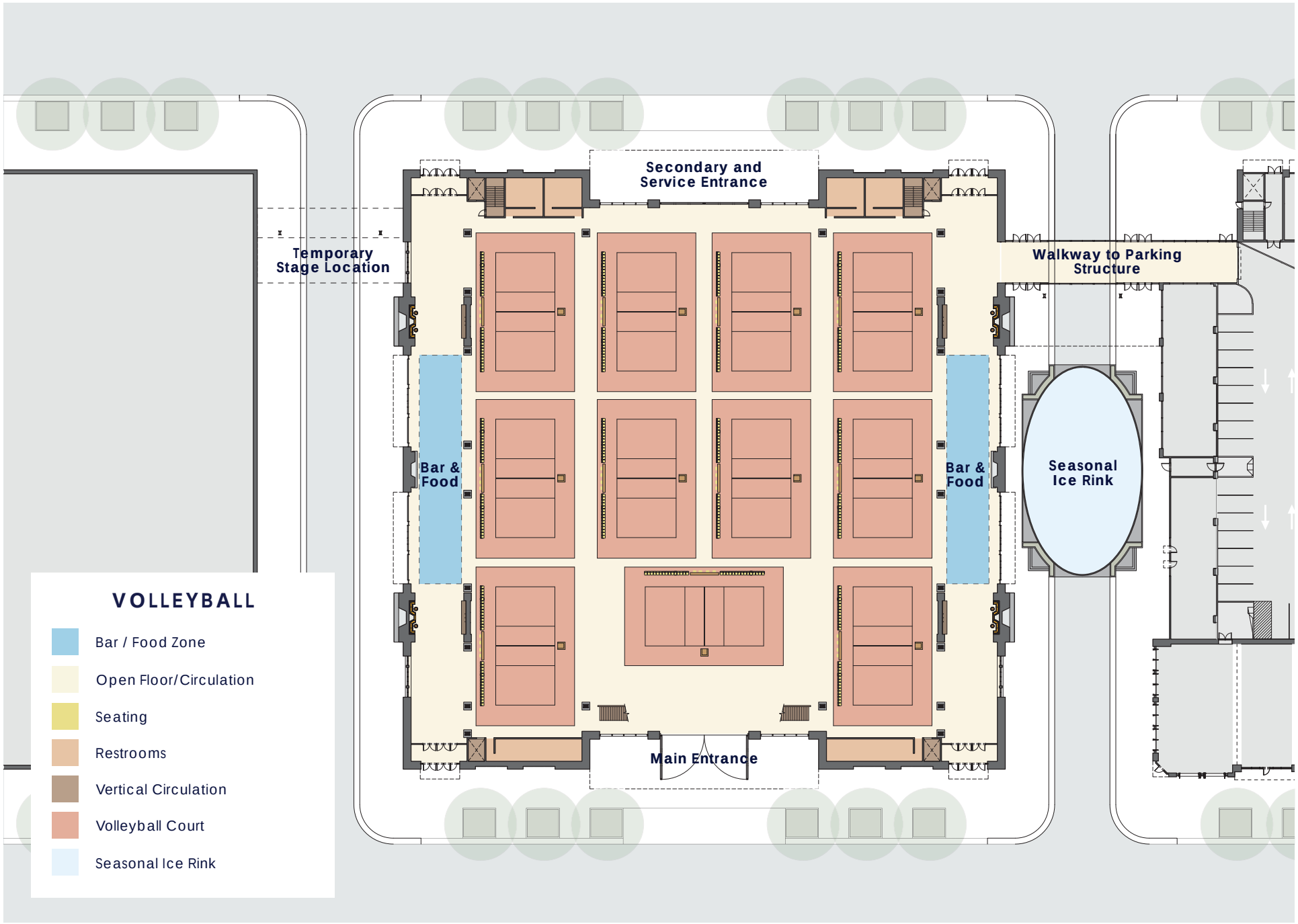
BASKETBALL LAYOUT

This floor plan illustrates how the convention floor can become a participant venue for basketball events.


Secondary and Service Entrance
Temporary Stage Location
Walkway to Parking Structure
Bar & Food
Bar & Food
Seasonal Ice Rink
Main Entrance
BASKETBALL
Bar / Food Zone
Open Floor/Circulation
Seating
Restrooms
Vertical Circulation
Basketball Courts
Seasonal Ice Rink

VOLLEYBALL LAYOUT

This floor plan illustrates how the convention floor can become a participant venue for volleyball events.


Secondary and Service Entrance
Temporary Stage Location
Walkway to Parking Structure
Bar & Food
Bar & Food
Seasonal Ice Rink
Main Entrance
VOLLEYBALL
Bar / Food Zone
Open Floor/Circulation
Seating
Restrooms
Vertical Circulation
Volleyball Court
Seasonal Ice Rink

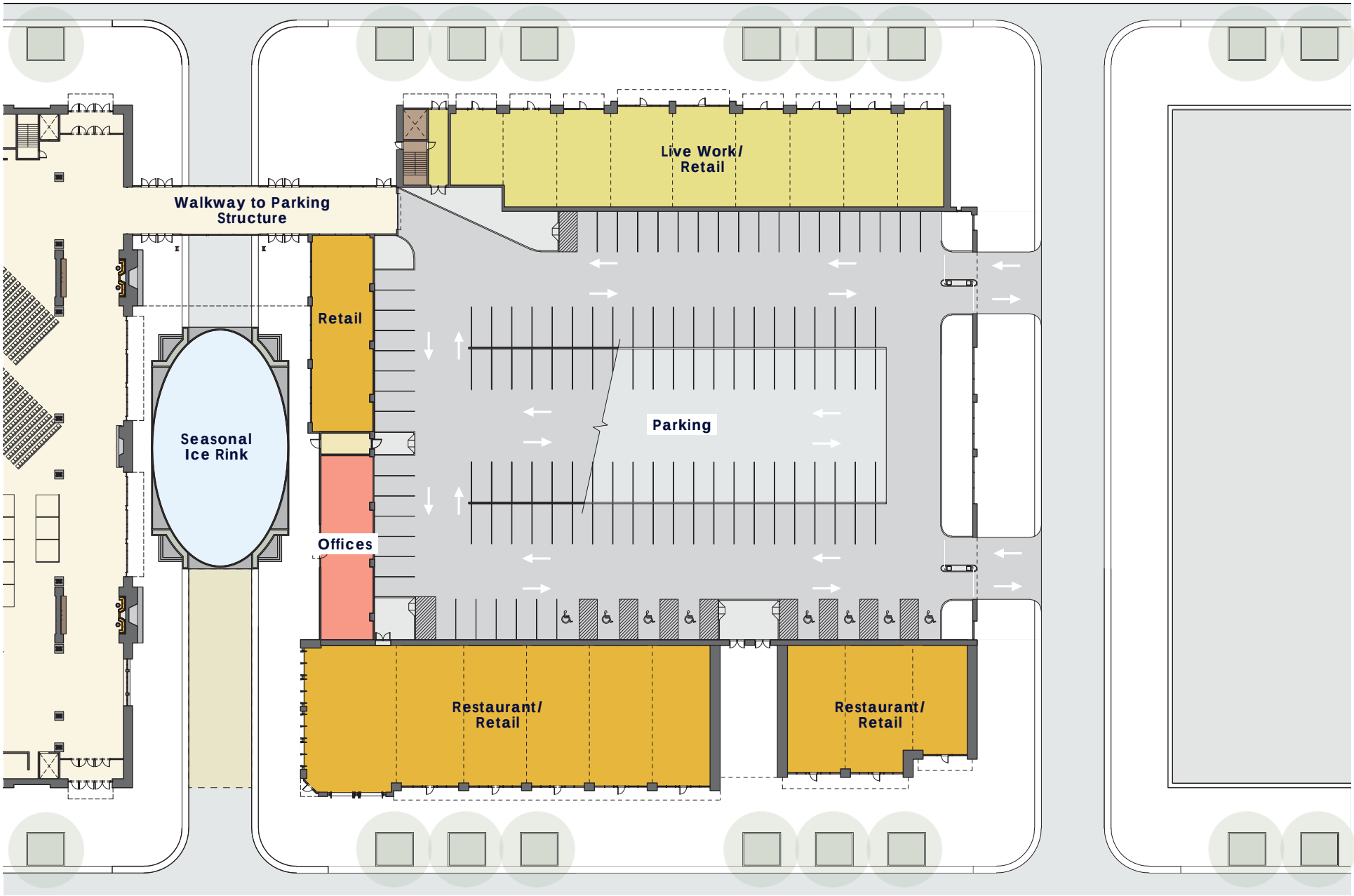
PARKING GARAGE LAYOUT

A parking garage is proposed to sit adjacent to the Montana Station. The garage is designed to support convention center events parking in combination with other downtown parking garages within walking distance.

The garage design places the parking in the center of the typical Billings 300' x 300' block and wraps the perimeter with space for convention center administration, mixed use space, and kitchen spaces for businesses that can assist in food and beverage support for convention center events.

PARKING - LEVEL 1

- Parking
- Offices
- Retail
- Open Floor/Circulation
- Vertical Circulation

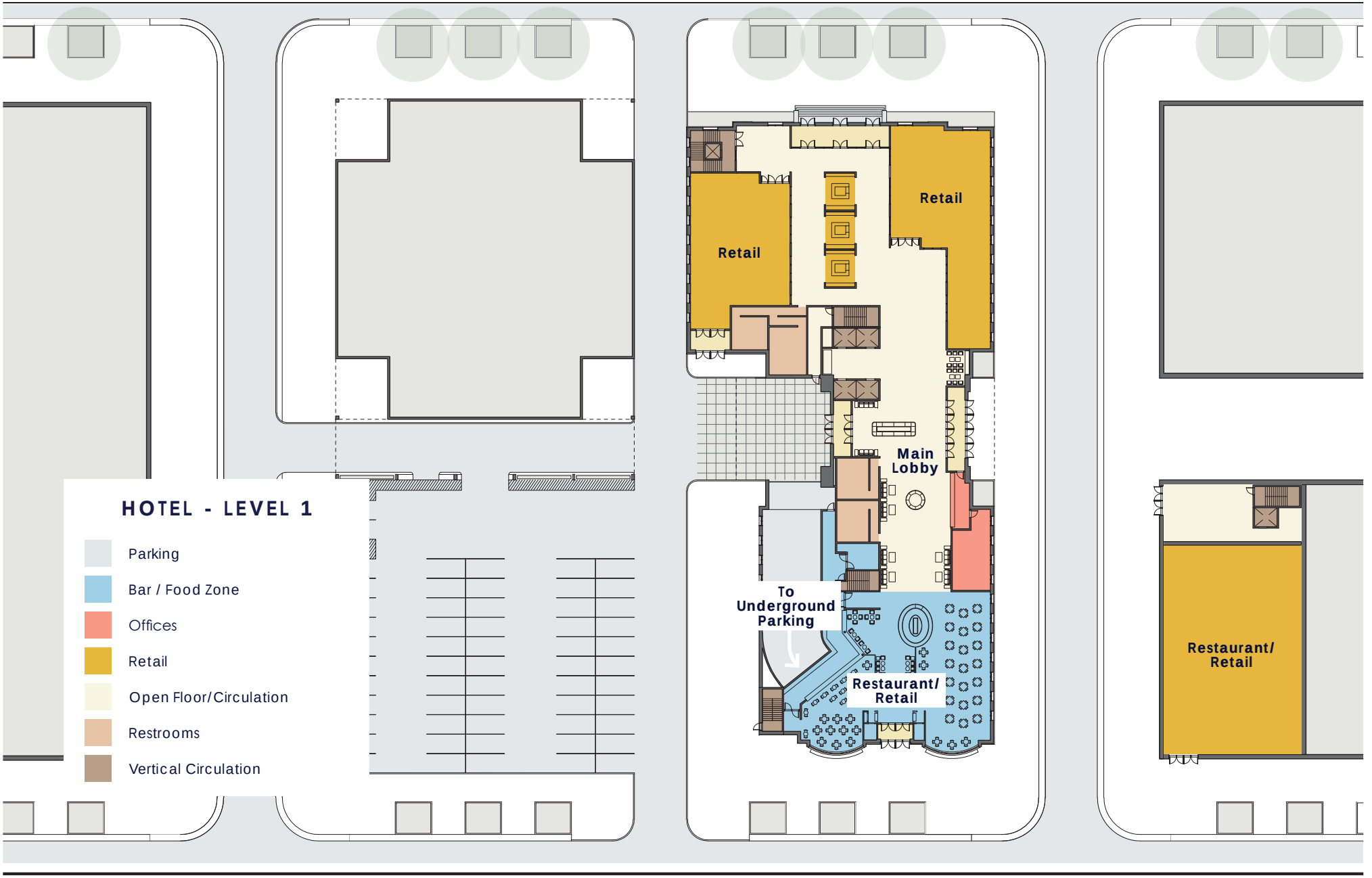

Live Work/
Retail
Walkway to Parking
Structure
Retail
Seasonal
Ice Rink
Parking
Offices
Restaurant/
Retail
Restaurant/
Retail

HOTEL PLANS

LEVEL 1

The proposed hotel facility is located in the nearby vicinity of the Montana Station development and is intended to provide full service accommodations for visitors to Billings as well as Montana Station event attendees.

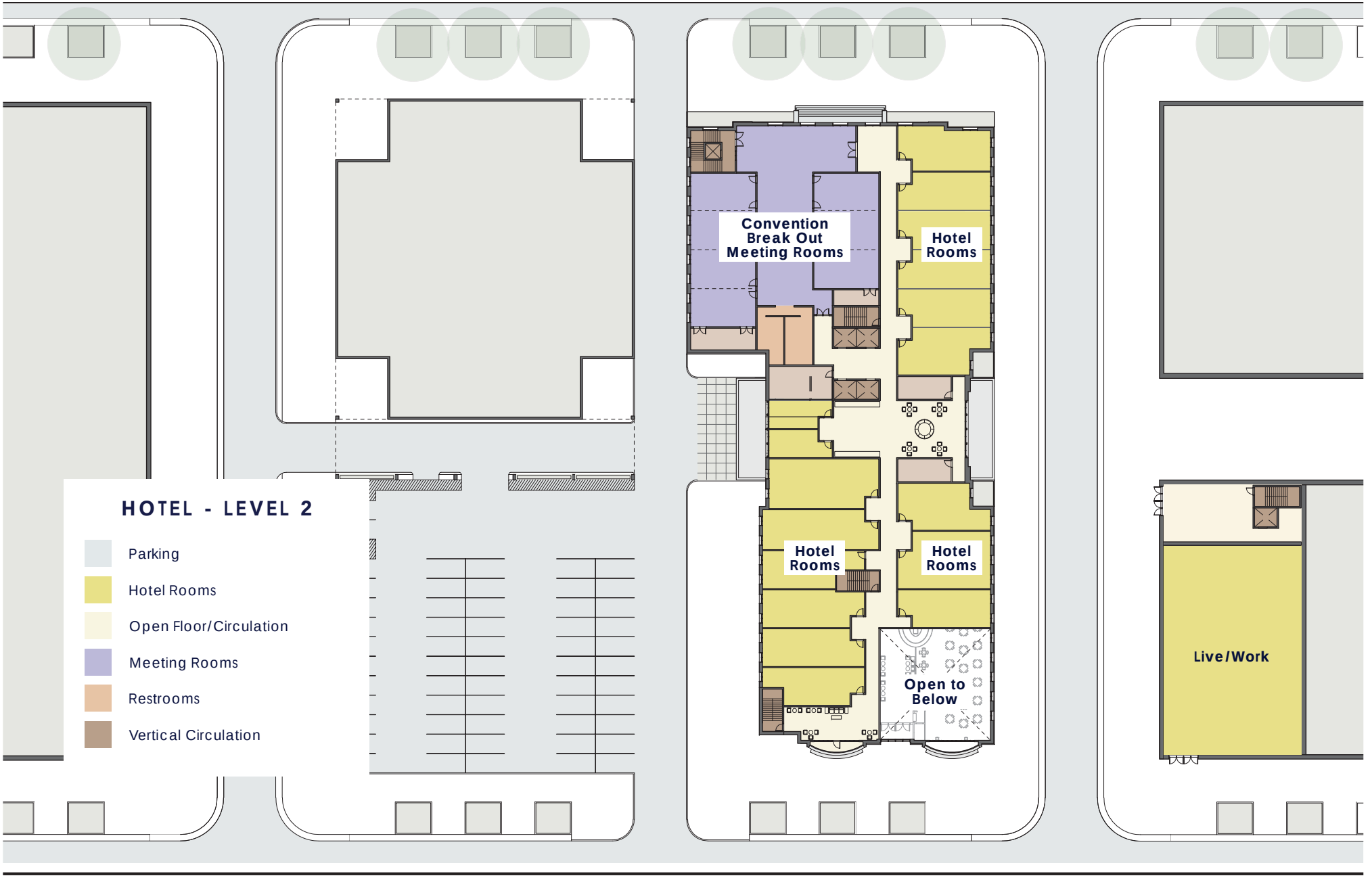
The first floor would contain the main lobby with entries facing the east and west to provide an easy drop off point as well as a check in area with temporary off-street parking available. Off the lobby would be the full service restaurant catering to the hotel guests as well as the local diners. The main floor would accommodate large conferences and meetings as a supplement to the Montana Station events. This would provide a dedicated space for those half-day break-out sessions.


HOTEL - LEVEL 1
Parking
Bar / Food Zone
Offices
Retail
Open Floor/Circulation
Restrooms
Vertical Circulation
Retail
Retail
Main Lobby
To Underground Parking
Restaurant/ Retail
Restaurant/ Retail

LEVEL 2

The second floor includes more of the conference and meeting room functions that help supplement the Montana Station function. These spaces can also be used by the hotel guests and other local organizations providing a much needed capacity in the city.

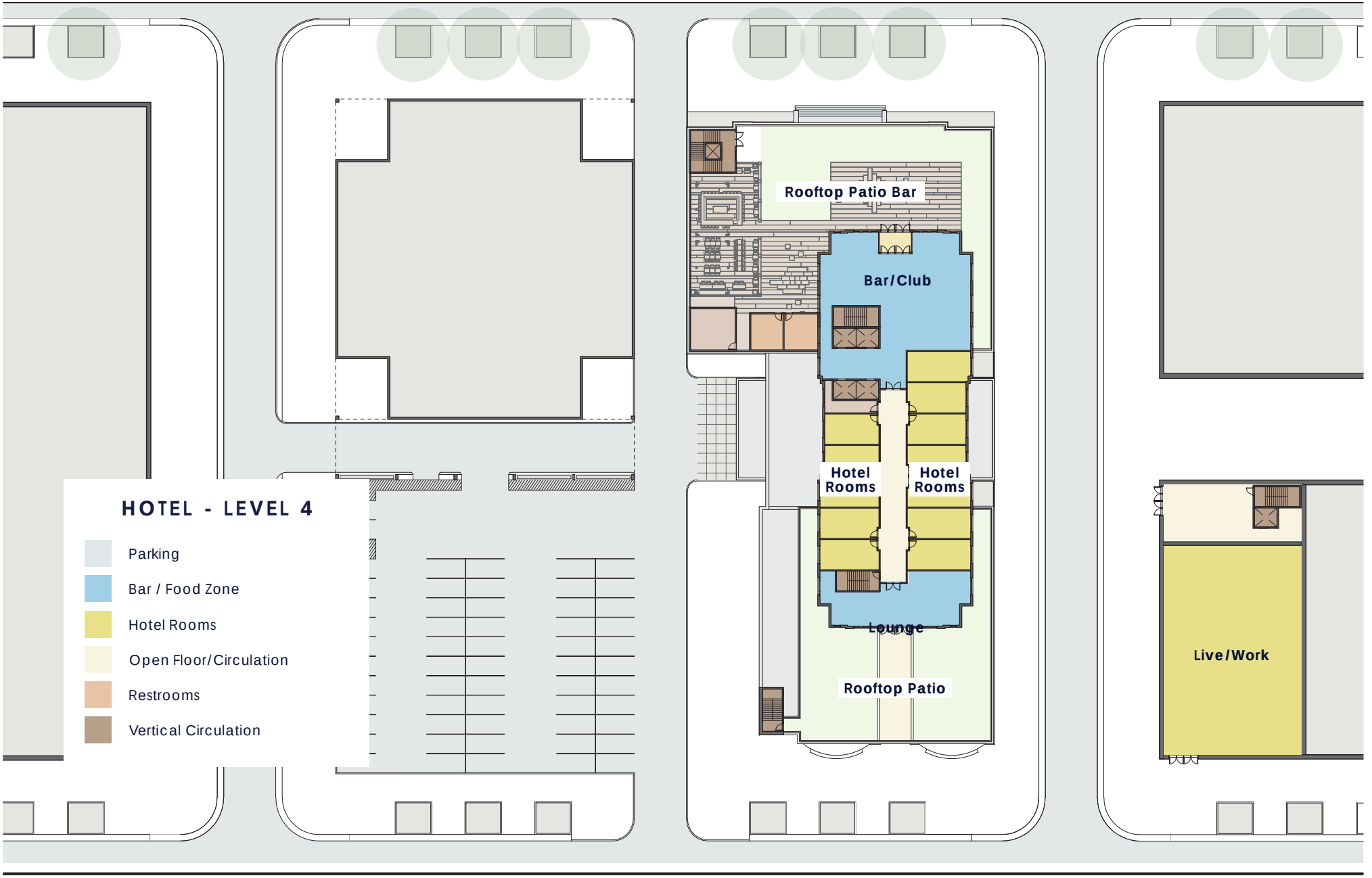
This floor is also the start of the hotel room accommodations and the second story volume over the first floor dining area.


HOTEL - LEVEL 2
Parking
Hotel Rooms
Open Floor/Circulation
Meeting Rooms
Restrooms
Vertical Circulation
Convention Break Out Meeting Rooms
Hotel Rooms
Hotel Rooms
Hotel Rooms
Open to Below
Live/Work

LEVEL 4

The fourth floor is the start of a typical hotel room floor footprint. It includes a lounge which opens up to a rooftop patio with a view over to the Montana Station and the street level activity.

The remaining floors are similar to this one including the typical hotel room keys. The uppermost level is proposed to be the location of the hotel suites which provide a great bird's eye view over the Entertainment District and the surrounding natural attractions.


HOTEL - LEVEL 4
Parking
Bar / Food Zone
Hotel Rooms
Open Floor/Circulation
Restrooms
Vertical Circulation
Rooftop Patio Bar
Bar/Club
Hotel Rooms
Hotel Rooms
Lounge
Rooftop Patio
Live/Work

ENTERTAINMENT DISTRICT DESIGN

MONTANA STATION - EXTERIOR

This image is looking northeast across 1st Avenue. The exterior brick and masonry references the historical exteriors of Montana Avenue.


MONTANA STATION

MONTANA STATION - EXTERIOR

This image looks over the pedestrian mall adjacent to the Convention and Events Center. The Convention and Events Center exterior (left) will feature large glass operable doors connecting the interior to the pedestrian way. Large Montana stone fireplaces face the pedestrian mall which is designed to host a multitude of events.

The building on the right hosts parking, administrative support spaces, and lease space designed for food and beverage businesses capable of supporting events at the Convention and Events Center.


COURTYARD STAGE
BILLINGS CHAMBER OF COMMERCE PRESENTS
NEW YEAR'S EVE SKATING

MONTANA STATION - COMMUNITY EVENT

This image looks over the Convention and Events Center floor during the Great Montana Brewfest.


GREAT MONTANA BREW FEST 2020
CONFLUX
BIG SKY BREWING CO.
TAMARACK BREWING COMPANY
CARTER'S BREWING
WILDWOOD BREWING
MONTANA MELT
Sandee's
Big Guys BBQ
WAGON

MONTANA STATION - CONCERT

This image looks over the Convention and Events Center floor during an evening concert. The second floor mezzanine is functioning as a VIP lounge and beverage stations are shown on the Convention and Events Center floor in the foreground.


MONTANA STATION STAGE
MAGIC CITY WINTER BLUES
MAGIC CITY WINTER BLUES
Maker's Mark

MONTANA STATION - REGIONAL CONVENTION

This image looks over the Convention and Events Center floor during a conference event. The large barn doors are pulled shut for this size of event.


MONTANA
National Governors Convention

MONTANA STATION - YOUTH & AMATEUR SPORTS

This image looks over the Convention and Events Center floor during the finish of the Montana Marathon.


MONTANA MARATHON
2021
2021
ebms
Billings Clinic
St. Vincent
First Interstate
2021 • MONTANA MARATHON • 2021
RUNNERS

4.6
LIFESTYLE DISTRICT

The Vision

Residential Plans

Lifestyle District Design

THE VISION

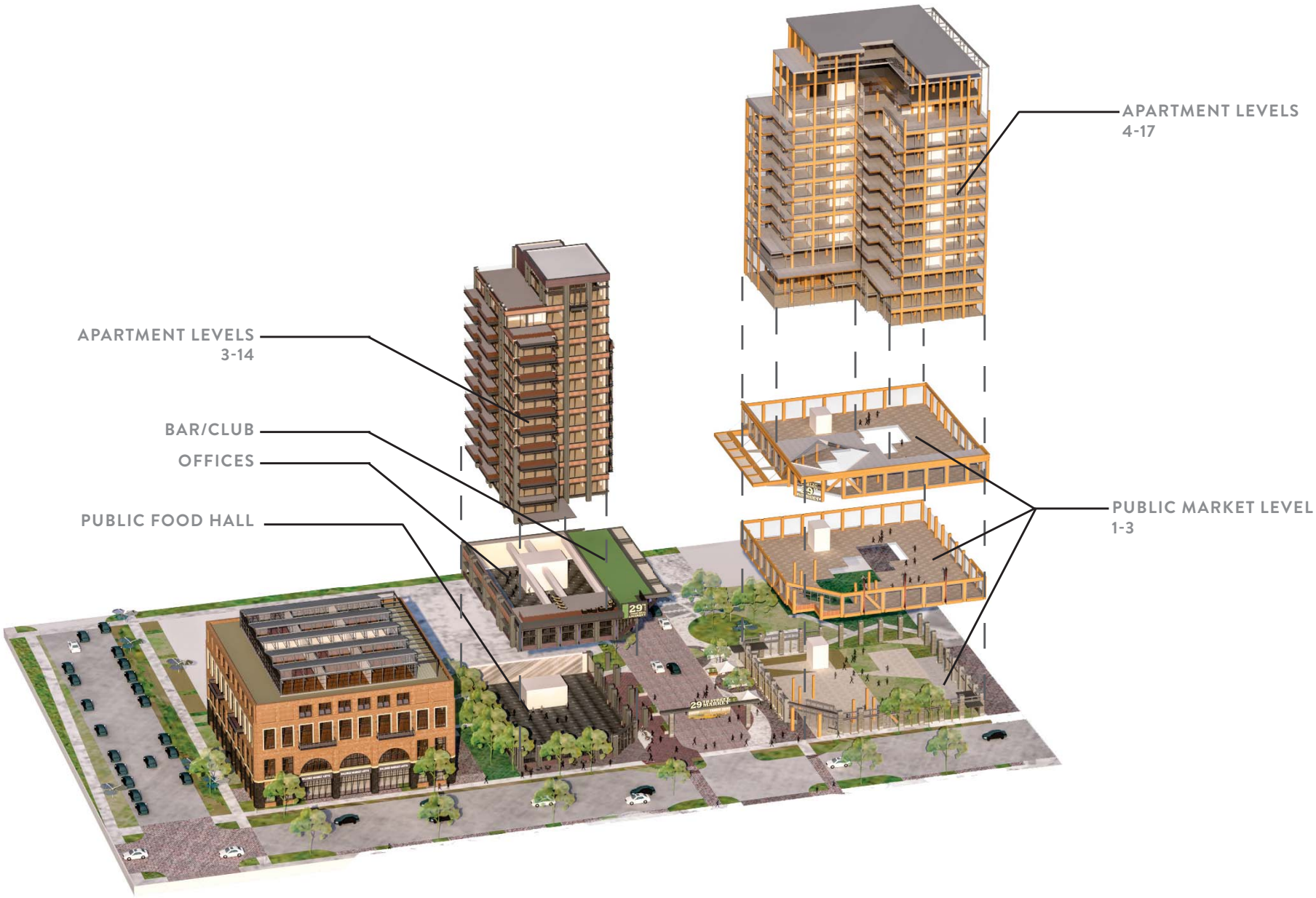
THE CATALYST TO THE DISTRICT

If the Entertainment District is the spark, then the Lifestyle District is the fuel that will feed the economic growth to ensure the stability and prosperity that this project promises.

People across America are favoring life in urban centers rather than suburban areas, and the lifestyle-centered neighborhood known as the "Lifestyle District" will provide a living room and workplace for new and existing residents. The Lifestyle District is intended to promote local activities through a community-scaled, mixed commercial and residential activity node.

Land use consists of retailers (serving the specialty and leisurely shopping needs of the greater community) integrated with residential areas, creating a strong community- and civic-oriented environment based on access and convenience. Creating places to work is critical in this district as well. These spaces are characterized as the workplace of the future, designed as flexible co-working and informal work space.

Although a high-density urban environment is envisioned, the Lifestyle District maintains a pedestrian-scaled "Main Street" character at the street level. An enhanced public realm strongly contributes to the Lifestyle District. This begins with activated, pedestrian-oriented building frontages that include largely transparent retail storefronts or walk-up style multifamily housing. The level of interaction between people and buildings is high at the ground level; people are accessing and moving in between front doors of their houses, shops, and offices 18 hours a day.

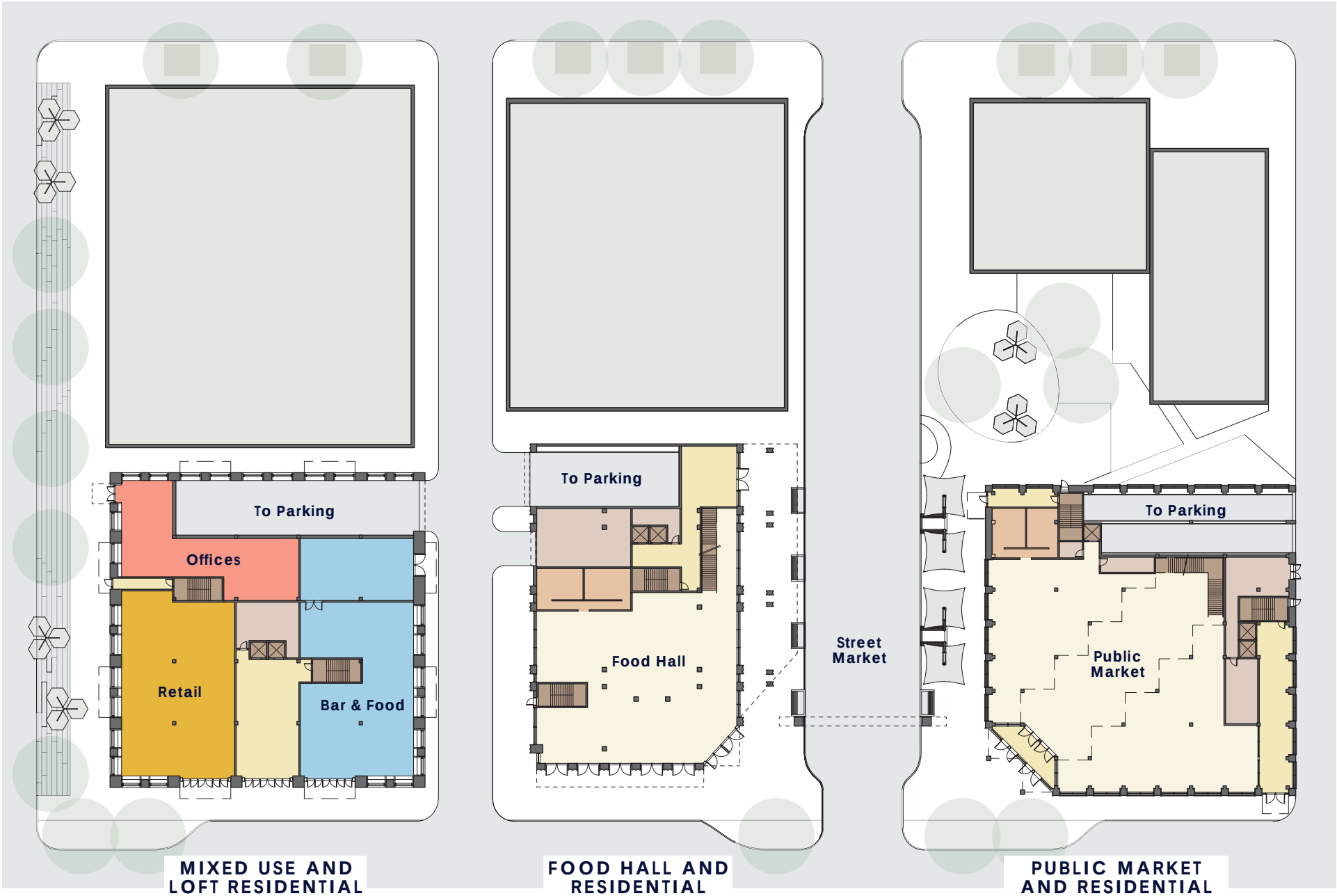

APARTMENT LEVELS
4-17
APARTMENT LEVELS
3-14
BAR/CLUB
OFFICES
PUBLIC FOOD HALL
PUBLIC MARKET LEVEL
1-3

RESIDENTIAL PLANS

LEVEL 1

The residential unit plans vary per building. The 1st floor of the west building consists of mixed use space while the center and east buildings' 1st floor focus on community market spaces that interact with the 29th Street Market along the pedestrian way. Separate private entries with support and storage space are provided on the ground floor of all three buildings.



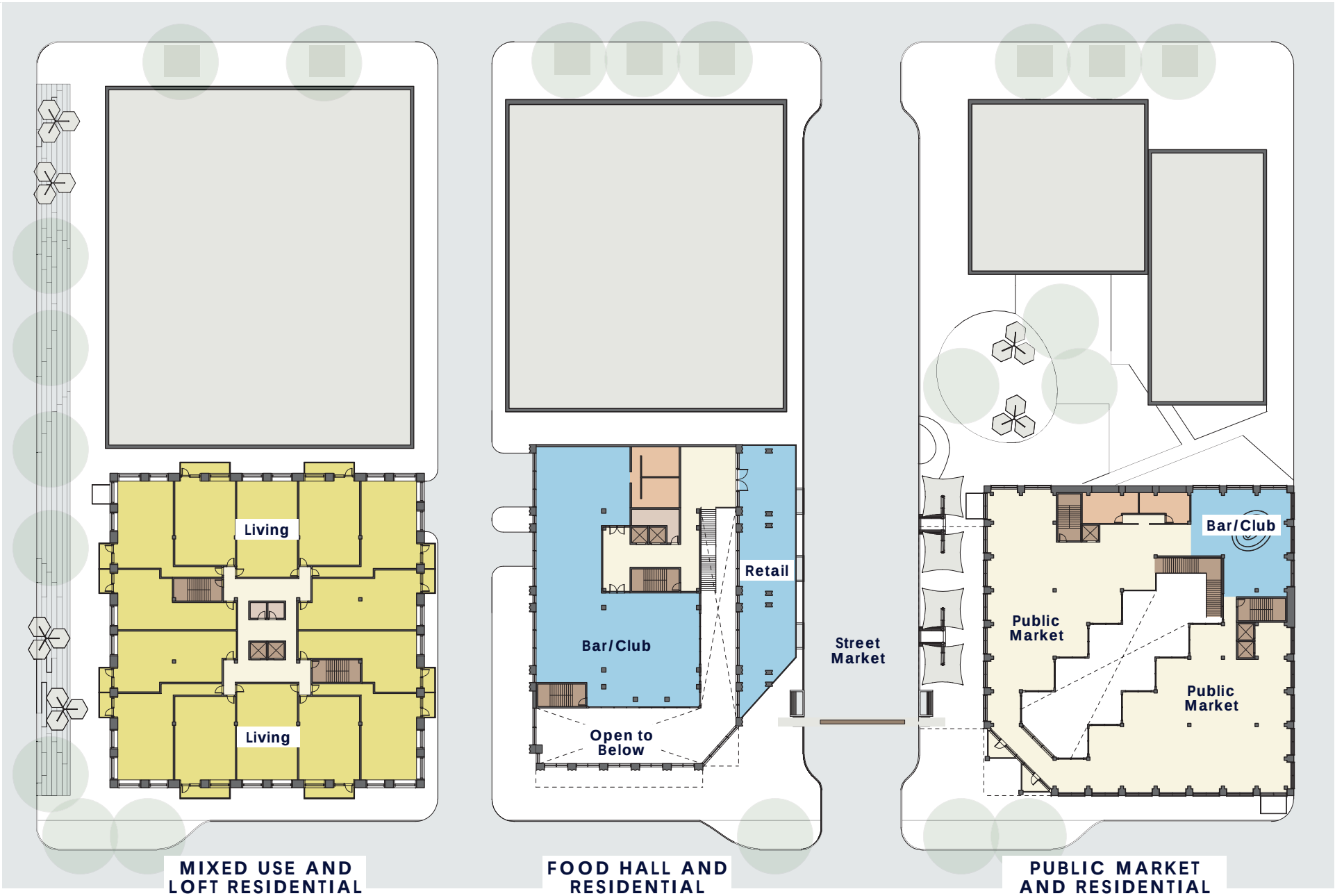

To Parking
Offices
Retail
Bar & Food
MIXED USE AND LOFT RESIDENTIAL
To Parking
Food Hall
FOOD HALL AND RESIDENTIAL
Street Market
To Parking
Public Market
PUBLIC MARKET AND RESIDENTIAL

LEVEL 2

The 2nd floor plans vary per building. The 2nd floor of the west building consists of residential units. The center and east buildings' 2nd floor consists of support and community spaces that interact with the 29th Street Market below. All three buildings reference the variety of downtown loft like spaces found across Billings and Montana by using materials of brick, stone, timber, and steel, with rich structural detailing.

RESIDENTIAL - LEVEL 2

- Bar / Food
- Live / Work
- Open Floor/Circulation
- Restrooms
- Vertical Circulation

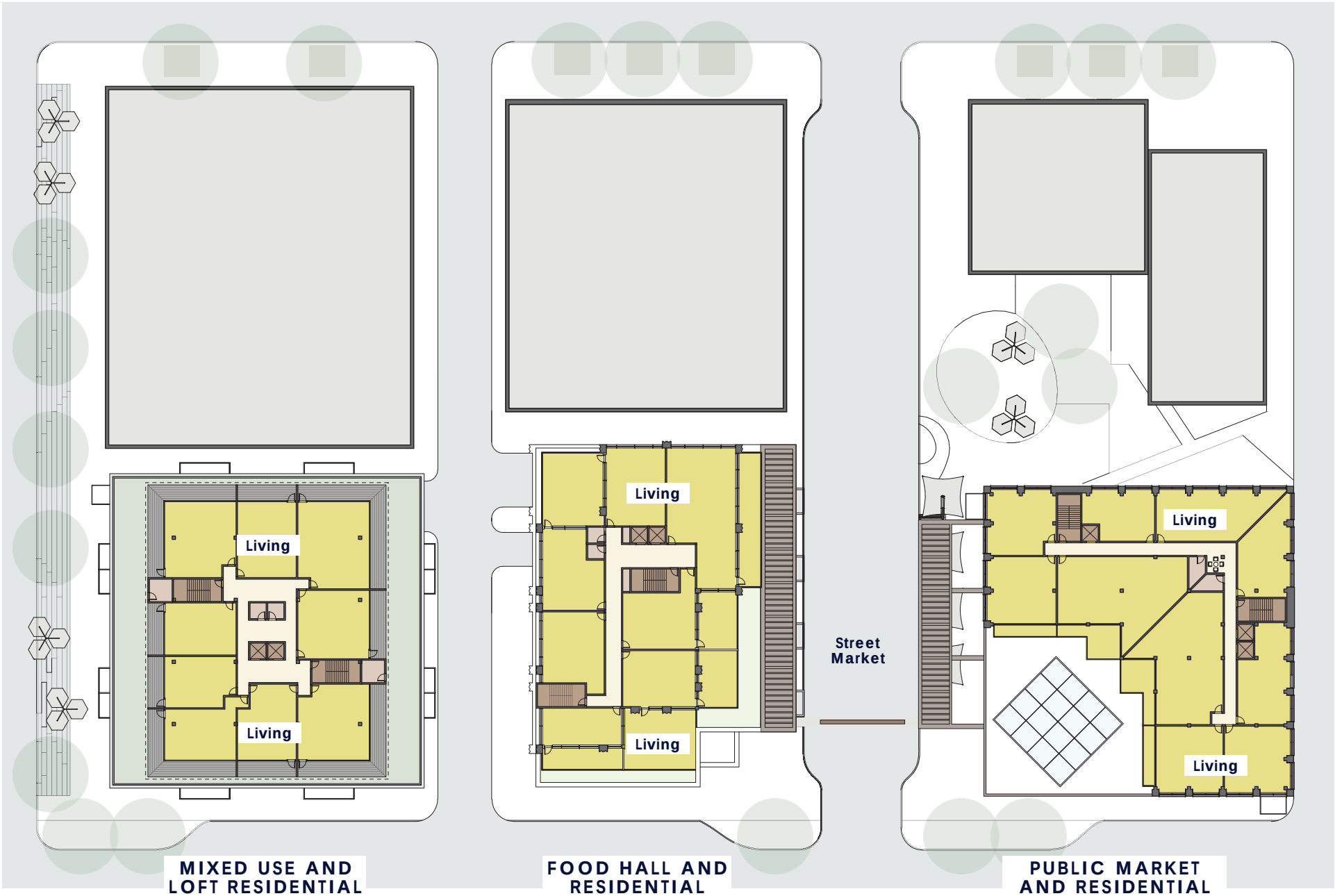

Living
Living
Bar/Club
Retail
Open to Below
Street Market
Bar/Club
Public Market
Public Market
MIXED USE AND LOFT RESIDENTIAL
FOOD HALL AND RESIDENTIAL
PUBLIC MARKET AND RESIDENTIAL

LEVEL 3 & ABOVE

The residential unit plans vary per building. Units and balconies are designed to maximize the experience of living in the heart of the Yellowstone Valley. All three buildings reference the variety of downtown loft like spaces found across Billings and Montana by using materials of brick, stone, timber, and steel, with rich structural detailing.

RESIDENTIAL - LEVEL 3

- Live / Work
- Open Floor/Circulation
- Restrooms
- Vertical Circulation



MIXED USE AND LOFT RESIDENTIAL

FOOD HALL AND RESIDENTIAL

PUBLIC MARKET AND RESIDENTIAL

LIFESTYLE DISTRICT DESIGN

RESIDENTIAL TOWERS

The right two residential towers sit over a community market and pedestrian friendly street. Residential units and balconies are designed to maximize the experience of living in the heart of the Yellowstone Valley. All three buildings reference the variety of downtown loft like spaces found across Billings and Montana by using materials of brick, stone, timber, and steel, with rich structural detailing.


BILLINGS MARKET LOFTS
PUBLIC
29TH
MARKET

PUBLIC MARKET

The two residential towers sit over a community market and pedestrian friendly street. Residential units and balconies are designed to maximize the experience of living in the heart of the Yellowstone Valley. The buildings reference the variety of downtown loft like spaces found across Billings and Montana by using materials of brick, stone, timber, and steel, with rich structural detailing.


FOOD HALL
FINE REGIONAL FOODS
29TH ST
WEEKLY FARMERS MARKET
MONTANA
MM
MARKET
29TH PUBLIC MARKET
29TH PUBLIC MARKET
29TH PUBLIC MARKET

4.7

CIVIC & WELLNESS DISTRICT

The Vision

Office Plans

Civic & Wellness District Design

THE VISION

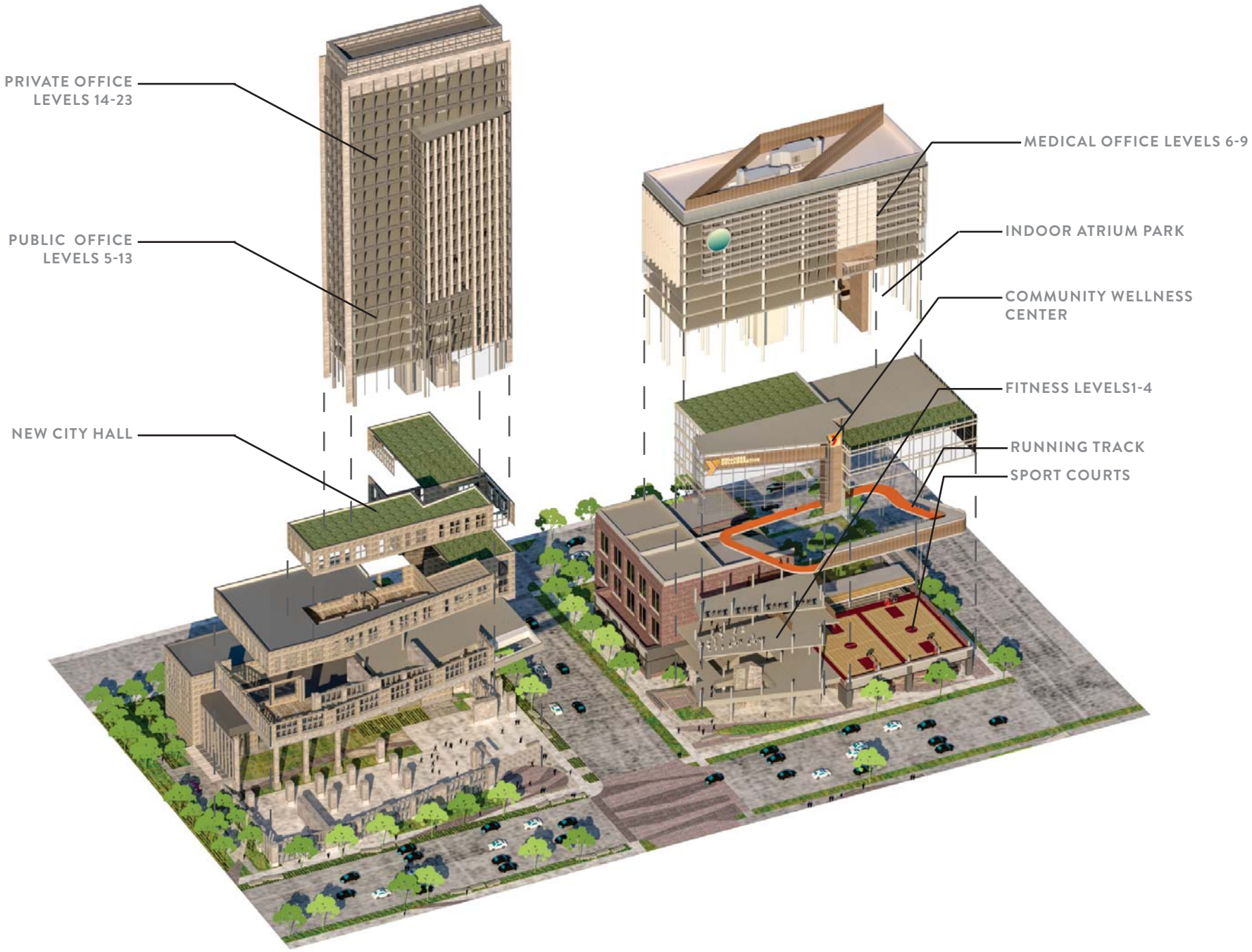
THE CATALYST TO THE DISTRICT

The Civic & Wellness District is also essential to ONE Big Sky and its success, as the existing healthcare industry in Billings is a key employer attracting more visitors from neighboring states and communities than any other.

This district is envisioned as the future urbanism where Billings' regional healthcare providers can anchor a wellness-focused, mixed-use village connecting facilities at Billings Clinic and St. Vincent Healthcare to the downtown core. This district is focused on bridging the planning, design and operations of state-of-the-art healthcare facilities with their surrounding environments, with a focus on integrating these facilities into the fabric of the community and creating a vibrant urban atmosphere that supports workforce recruitment for Billings Clinic and St. Vincent Healthcare in the future.

Having a collection of compatible educational, professional and technological uses makes this the center of knowledge for the state. Proposed civic uses such as the YMCA and expanded city offices are companions to an educational training center and offices for medical professionals. Dense senior housing will also benefit from proximity to healthcare providers. These uses are complemented by a new urban grocer and retailer in close proximity making for cosmopolitan shopping where one can find virtually anything they need in a lively, walkable, amenity-rich environment. Residential units on upper floors look down on a bustling hub of activity on the street level, which still maintains a human-scaled pedestrian streetscape.

Strong mobility connections are important to bridge the gap between educational institutions in the Education & Innovation District to the north, with healthcare providers and other proposed uses in the south.


PRIVATE OFFICE
LEVELS 14-23
PUBLIC OFFICE
LEVELS 5-13
NEW CITY HALL
MEDICAL OFFICE LEVELS 6-9
INDOOR ATRIUM PARK
COMMUNITY WELLNESS
CENTER
FITNESS LEVELS1-4
RUNNING TRACK
SPORT COURTS

OFFICE PLANS

LEVEL 1

SENIOR LIVING

The ground floor of the Senior Living Facility is designed for communal use, administrative use, and living units. The building footprint and landscape is designed to buffer from the traffic on 6th Avenue while encouraging connection to the Health and Wellness building to the east.

HEALTH & WELLNESS

The street level of the Health & Wellness building is designed to complement the medical corridor. Wellness activities like free weights, rock climbing, and nutritional training intersect with public circulation space. Space is also allocated for facility operations and healthcare offices.

URBAN GROCERY & LIVING

Most of the level 1 space for the Urban Grocery & Living is allocated to grocery retail, customer pickup, and operations. Space is also allocated for management offices and a smaller separate retail unit.

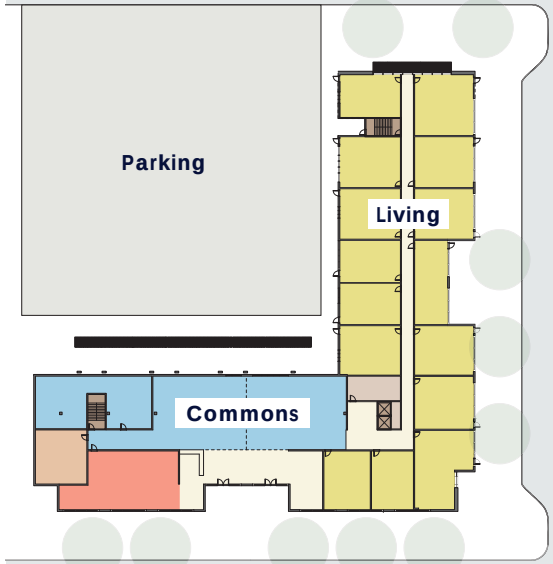
URBAN RETAIL STORE & HOTEL

Most of the level 1 space for the Urban Retail Store & Hotel is allocated to retail, customer pickup, and operations. Space is also allocated for management offices and a smaller separate retail units.

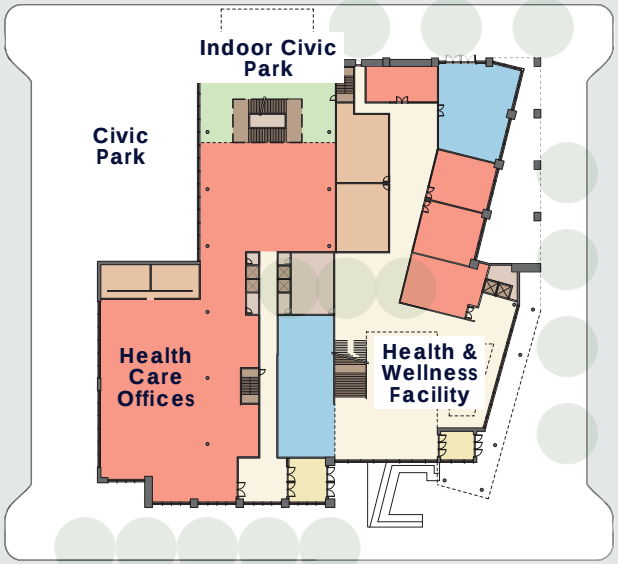
CITY HALL & OFFICE TOWER

The street level of the mixed use is designed to connect to the hub of activity. A central public circulation core connects people to city offices and the office tower above. Space is also allocated for a small retail unit.





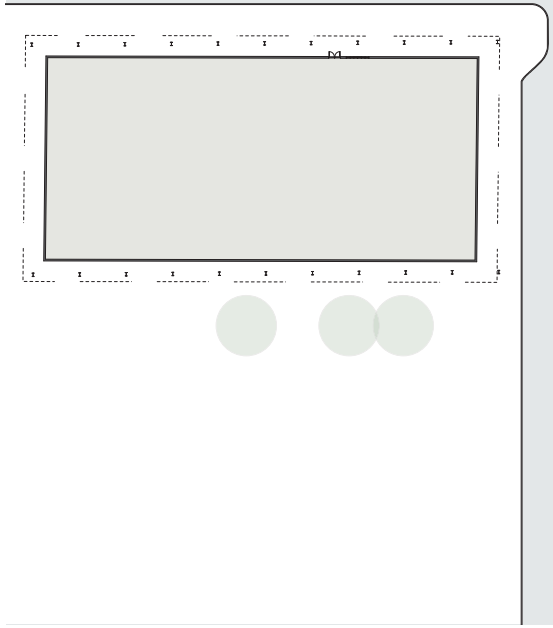
SENIOR LIVING FACILITY

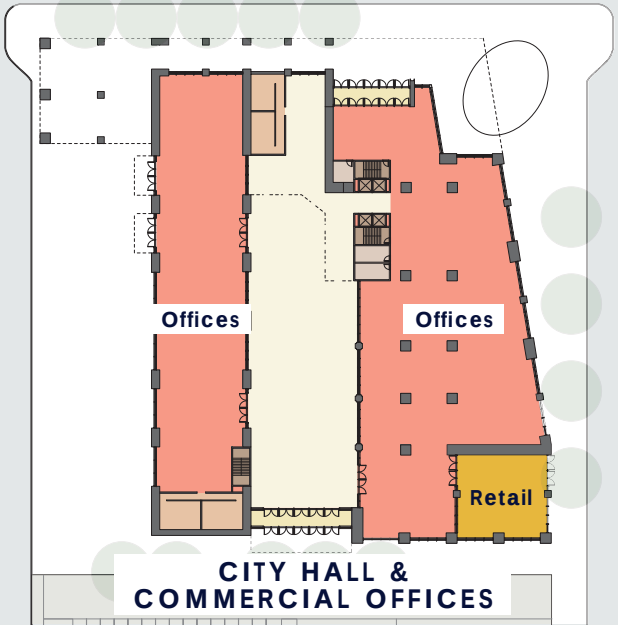


HEALTH & WELLNESS AND MEDICAL OFFICE

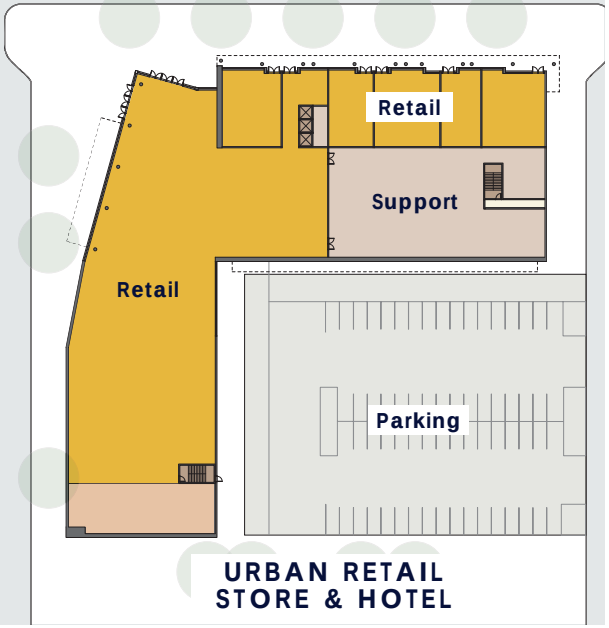


URBAN GROCERY & DOWNTOWN LIVING





CITY HALL & COMMERCIAL OFFICES



URBAN RETAIL STORE & HOTEL

LEVELS 3 & ABOVE

SENIOR LIVING

Above the ground floor, senior living units are arranged around daylight, views, and circulation cores.

HEALTH & WELLNESS

Level 3 hosts an elevated multi-use sports floor and running track with views looking over the street scape and Rimrocks. Healthcare support spaces are adjacently located on level 3 and extend into the upper levels on the west side of the building.

URBAN GROCERY & LIVING

Above the ground floor, living units are arranged around daylight, views, and circulation cores.

URBAN RETAIL STORE & HOTEL

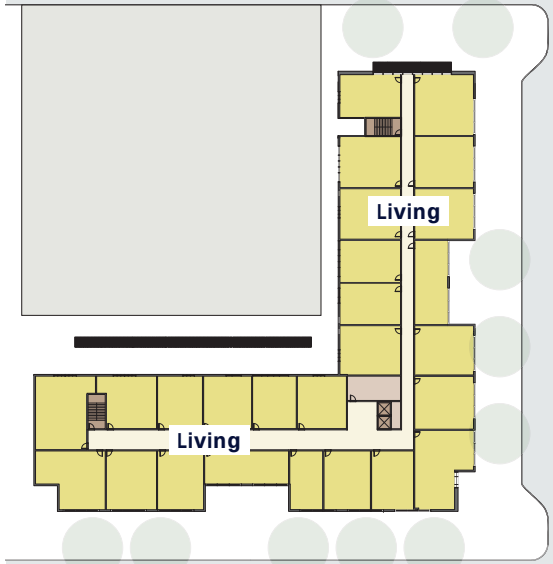
Above the ground floor, hotel units are arranged around daylight, views, and circulation cores.

CITY HALL & OFFICE TOWER

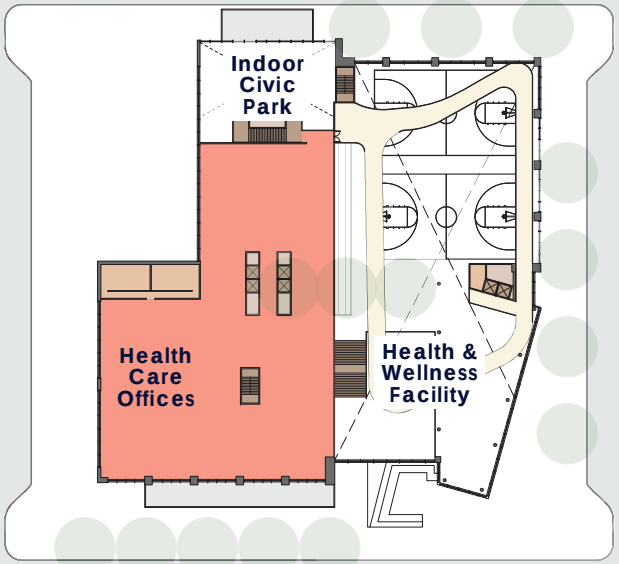
Above the ground floor, a smaller central public circulation core connects people to city offices and the office tower above. Most of the space at level 3 and above is allocated to office workspace.

OFFICE - LEVEL 3

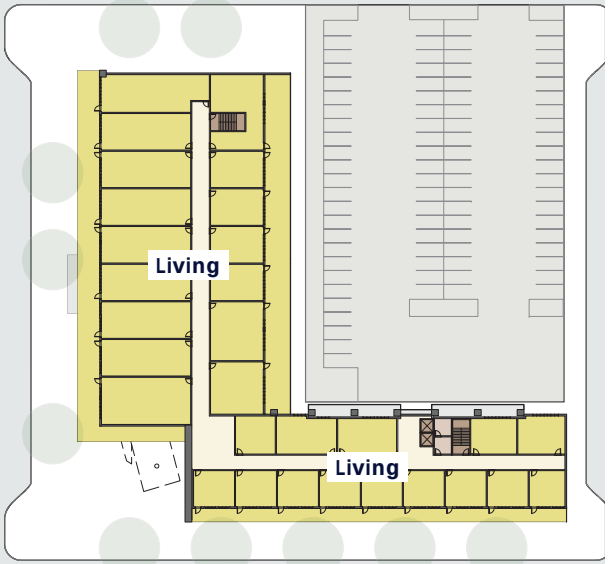
- Parking
- Live / Work
- Offices
- Open Floor/Circulation
- Restrooms
- Vertical Circulation



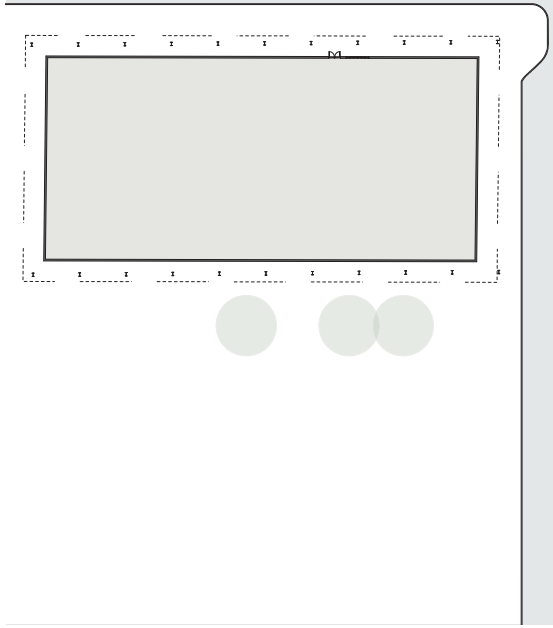
SENIOR LIVING FACILITY

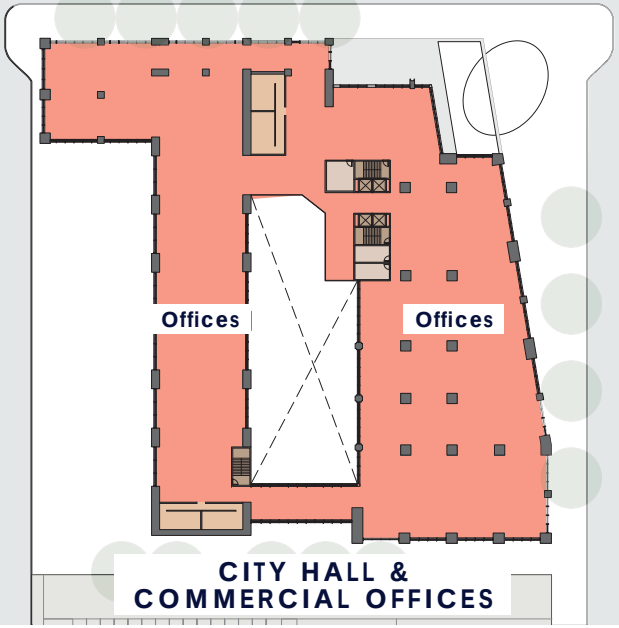


HEALTH & WELLNESS AND MEDICAL OFFICE

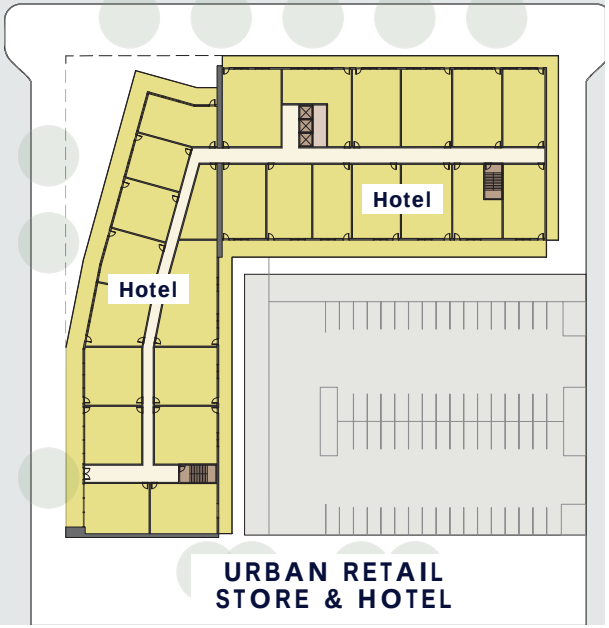


URBAN GROCERY & DOWNTOWN LIVING





CITY HALL & COMMERCIAL OFFICES



URBAN RETAIL STORE & HOTEL

CIVIC & WELLNESS DISTRICT DESIGN

DISTRICT AERIAL

This image depicts a complete revisioning of civic Billings, with buildings set back from main intersections to make appropriate space for pedestrians. Anchoring this district, ONE Big Sky envisions an office tower, a medical / wellness building, an urban grocery store with apartments above and a retail anchor.


WELLNESS
COLLABORATIVE

STREET VIEW

This image depicts a complete revisioning of civic Billings, with buildings set back from main intersections to make appropriate space for pedestrians. Anchoring this district, ONE Big Sky envisions an office tower, a medical / wellness building, an urban grocery store with apartments above and a retail anchor.


GROCERY

PEDESTRIAN VIEW

Walkability and pedestian focused streetscapes will be a priority for this new hub of civic and retail activity in.


GROCERY

4.8

EDUCATION & INNOVATION DISTRICT

The Vision

Education & Innovation District Master Plan

Residence Hall Plans

Innovation Center Plans

Education & Innovation District Design

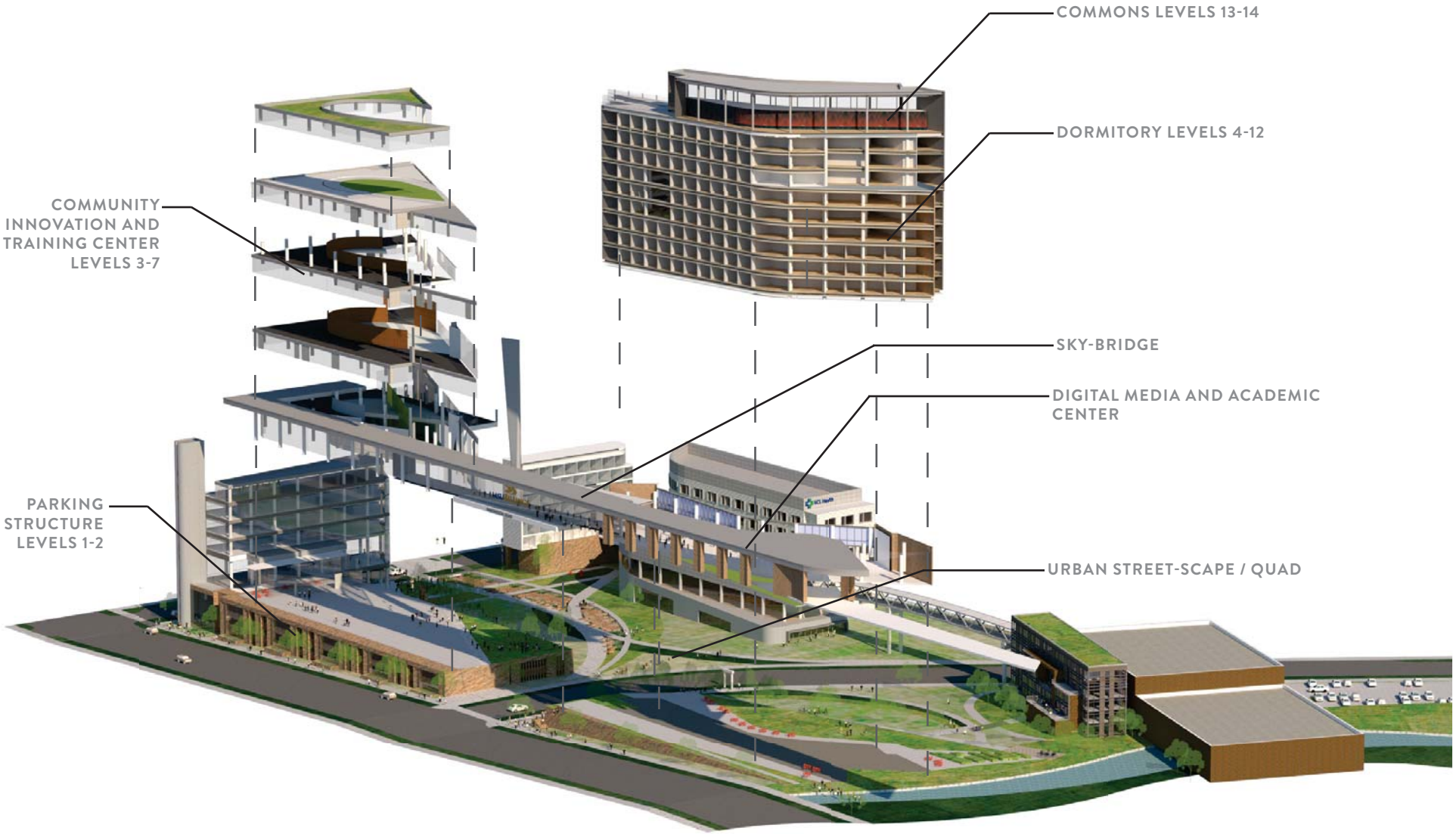
THE VISION

THE CATALYST TO THE DISTRICT

A burgeoning knowledge and medical technology district requires the direct collaboration, partnership, and proximity between institutions of healthcare practice and medical education. The Education & Innovation District exemplifies this by incorporating the opportunity to build Montana's first medical school adjacent to the established healthcare institutions.

The environment of the Education & Innovation District is designed to leverage the presence of the existing healthcare institutions and their regional draw to Billings to transform the northern end of downtown into the medical campus of the future. The environment of the Education & Innovation District is designed to leverage the presence of the existing education institutions and their regional draw to Billings to transform the northern end of ONE Big Sky into the learning and innovation campus of the future.

The Education & Innovation will be an evolving concept of "place" where investments will be targeted to improve campus infrastructure and life, along with building connection, collaboration and innovation to our existing healthcare industry. With a focus on connectivity, the Education & Innovation District will bridge to the Civic & Wellness District building the full ONE Big Sky walkability structure from Downtown to Campus.

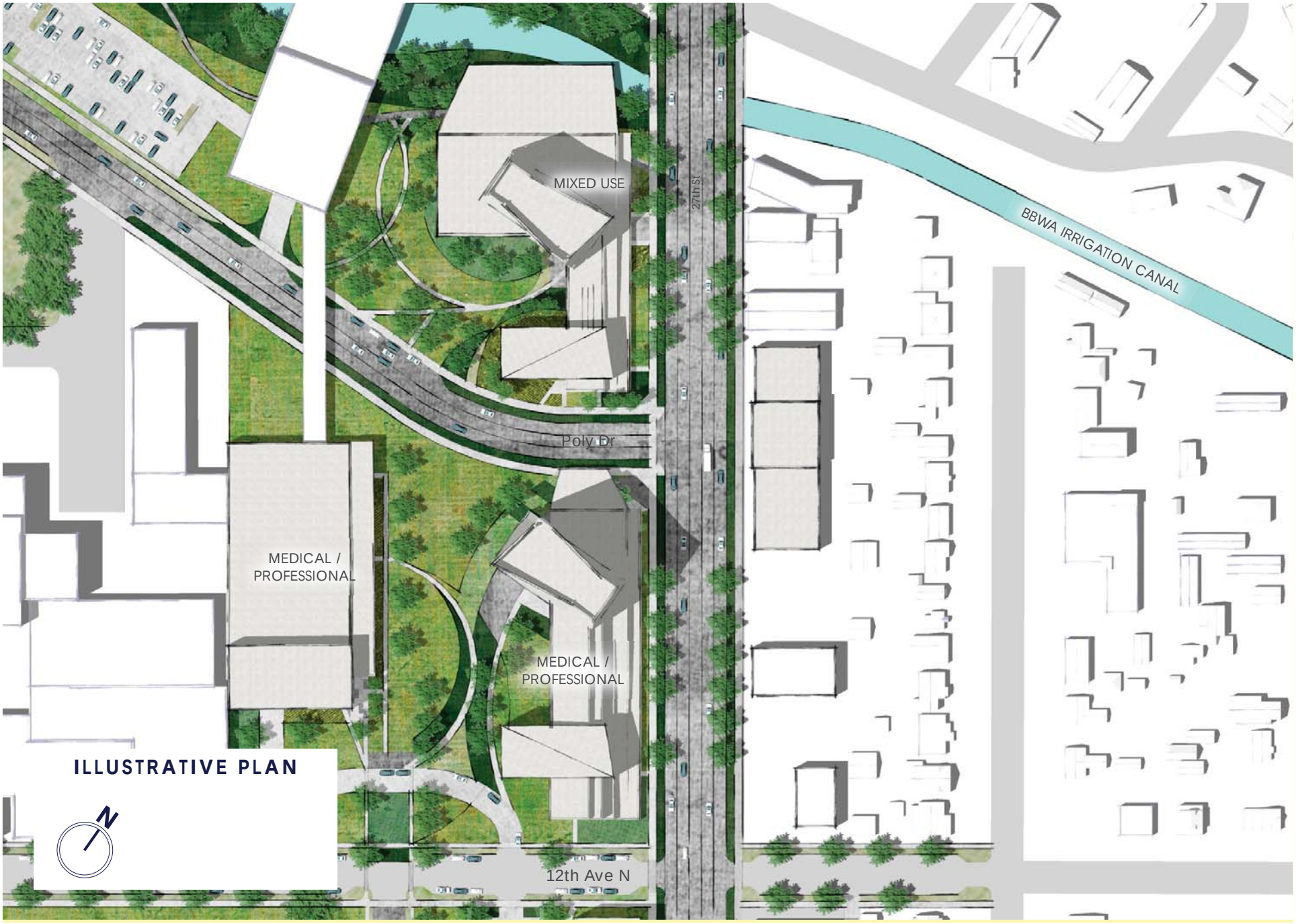

COMMONS LEVELS 13-14
DORMITORY LEVELS 4-12
COMMUNITY INNOVATION AND TRAINING CENTER LEVELS 3-7
SKY-BRIDGE
DIGITAL MEDIA AND ACADEMIC CENTER
PARKING STRUCTURE LEVELS 1-2
URBAN STREET-SCAPE / QUAD

EDUCATION & INNOVATION DISTRICT MASTER PLAN

ILLUSTRATIVE PLAN

The Education & Innovation District connects the existing medical and education campuses both visually and physically. The synergy of education, innovation, medical technology, and wellness will be facilitated and strengthened by this new anchor.

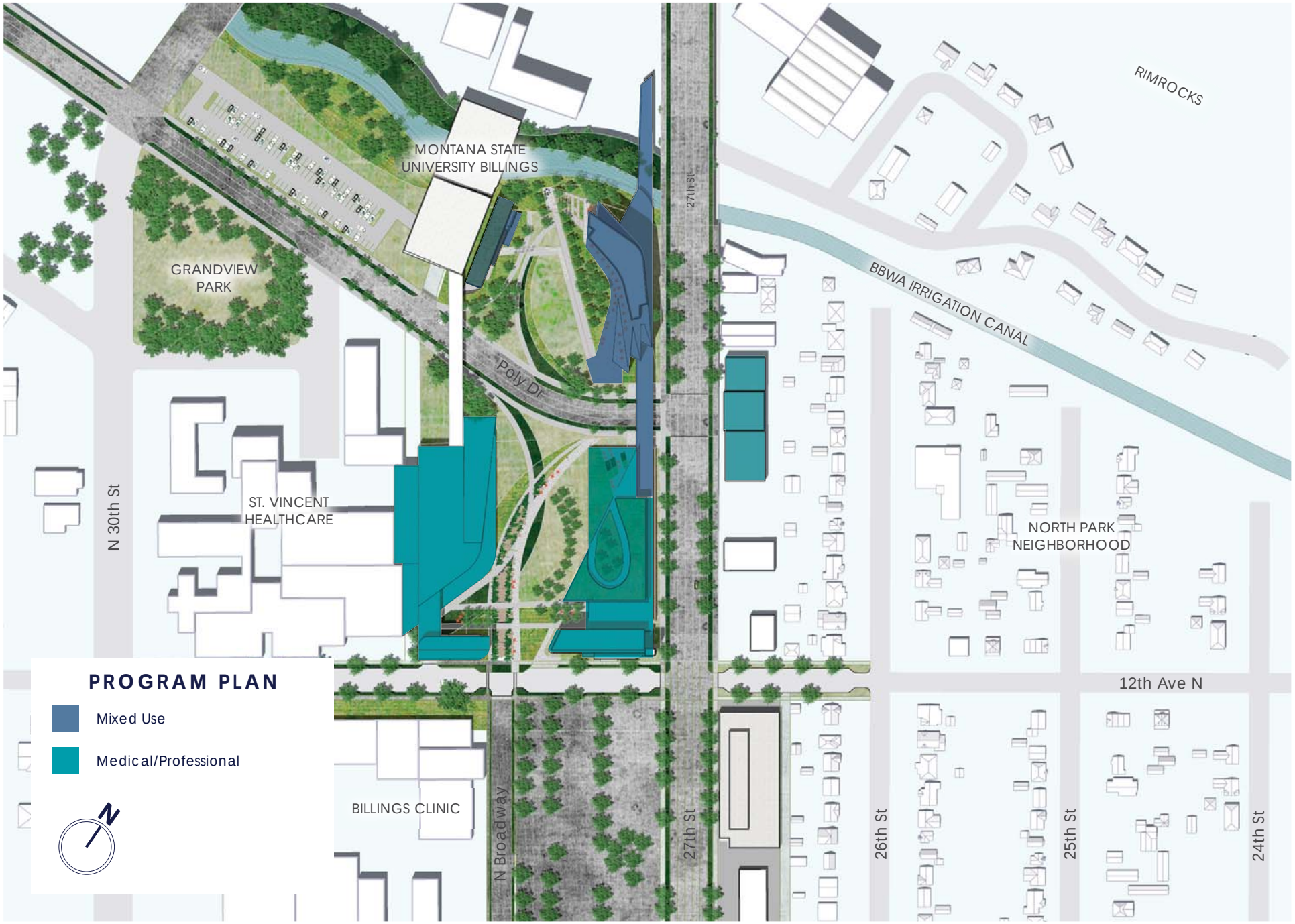
The Education & Innovation District takes inspiration from the existing surroundings and helps to define a language of the "Urban Campus". Taller buildings allow for more of the ground plane to be left over to greenery, which will be experienced by long curving walkways.



ILLUSTRATIVE PLAN

PROGRAM PLAN

The Education & Innovation anchor will help to define an entrance into both medical and education campuses. The buildings are sited on an underutilized corner. Their design will help reinforce the language of the "Urban Campus".


MONTANA STATE UNIVERSITY BILLINGS
GRANDVIEW PARK
RIMROCKS
BBWA IRRIGATION CANAL
Poly Dr
27th St
N 30th St
ST. VINCENT HEALTHCARE
NORTH PARK NEIGHBORHOOD
12th Ave N
BILLINGS CLINIC
N Broadway
27th St
26th St
25th St
24th St
PROGRAM PLAN
Mixed Use
Medical/Professional
N

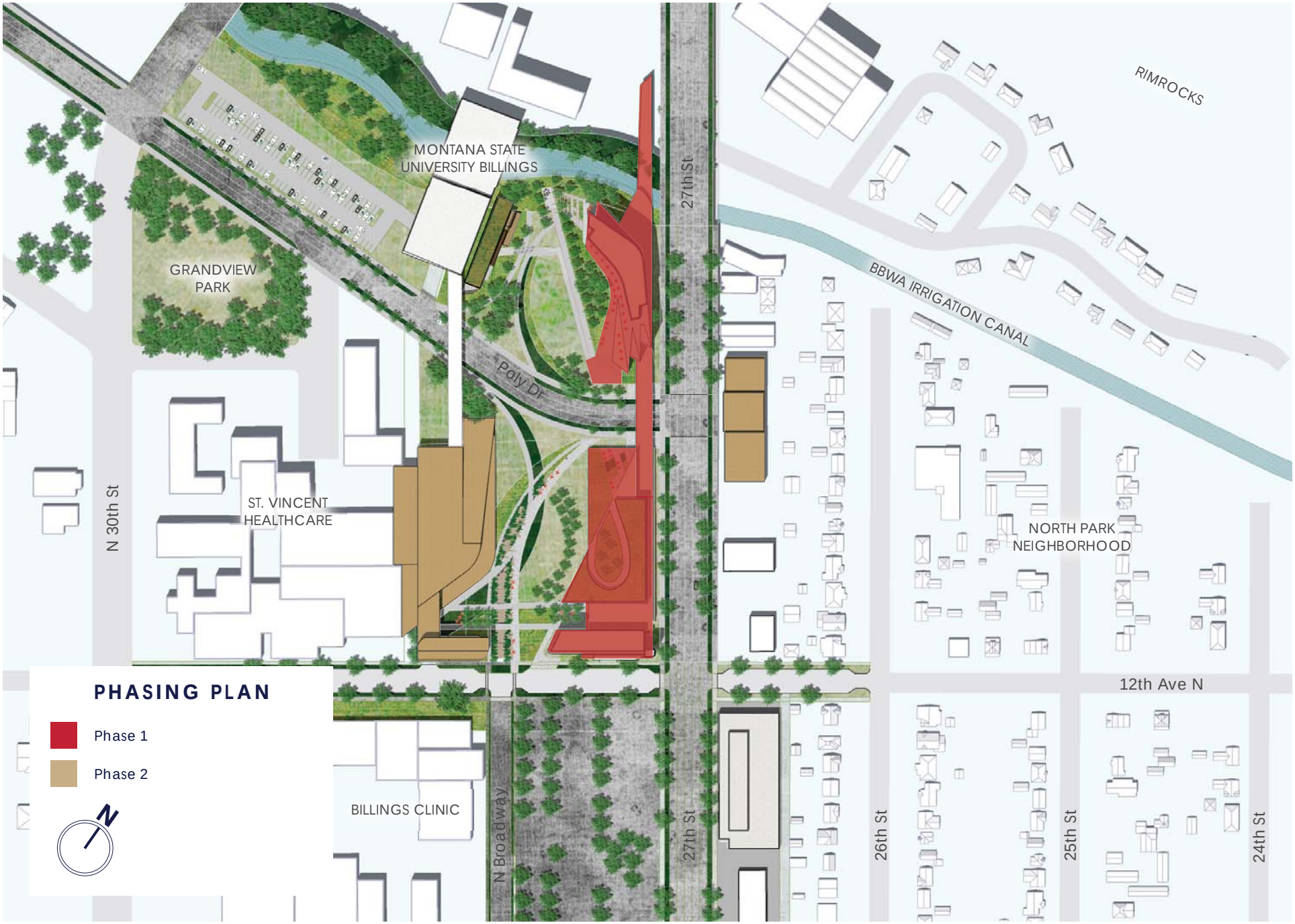
PHASING PLAN

ANCHOR

The mixed use education and medical office buildings act as the public face of both campuses and represent a gateway. Walkways though verdant lawns reinforce the campus-like feeling of these anchor buildings.

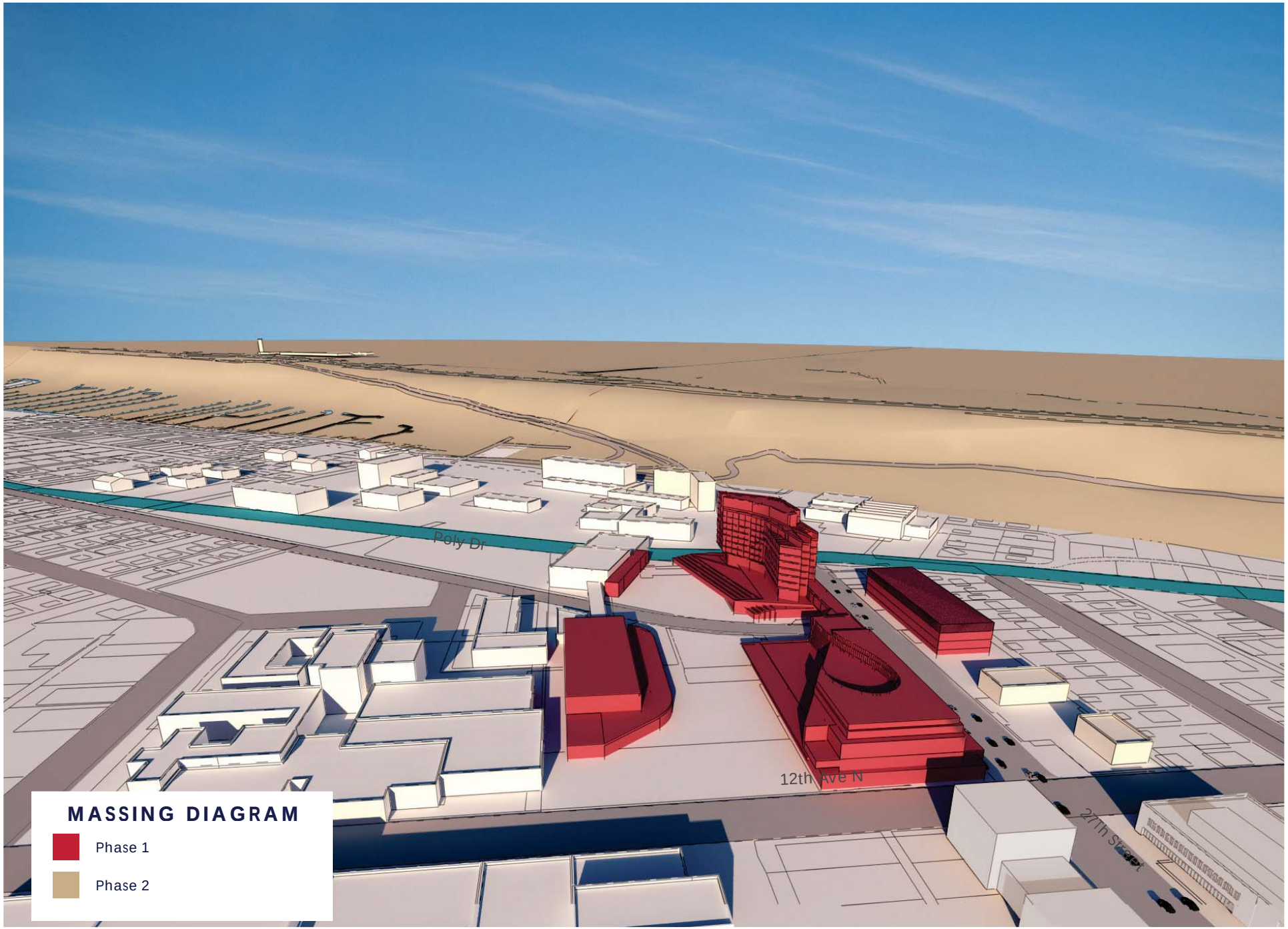
PERIPHERAL / TRANSITIONAL

Pathways and lawn surround the anchor.


MONTANA STATE UNIVERSITY BILLINGS
GRANDVIEW PARK
ST. VINCENT HEALTHCARE
BILLINGS CLINIC
RIMROCKS
BBWA IRRIGATION CANAL
Poly Dr
N 30th St
N Broadway
27th St
27th St
NORTH PARK NEIGHBORHOOD
12th Ave N
26th St
25th St
24th St
PHASING PLAN
Phase 1
Phase 2
N

MASSING PLAN

This image illustrates the scale of possible development if the connection to MSUB and the healthcare community is strengthened.

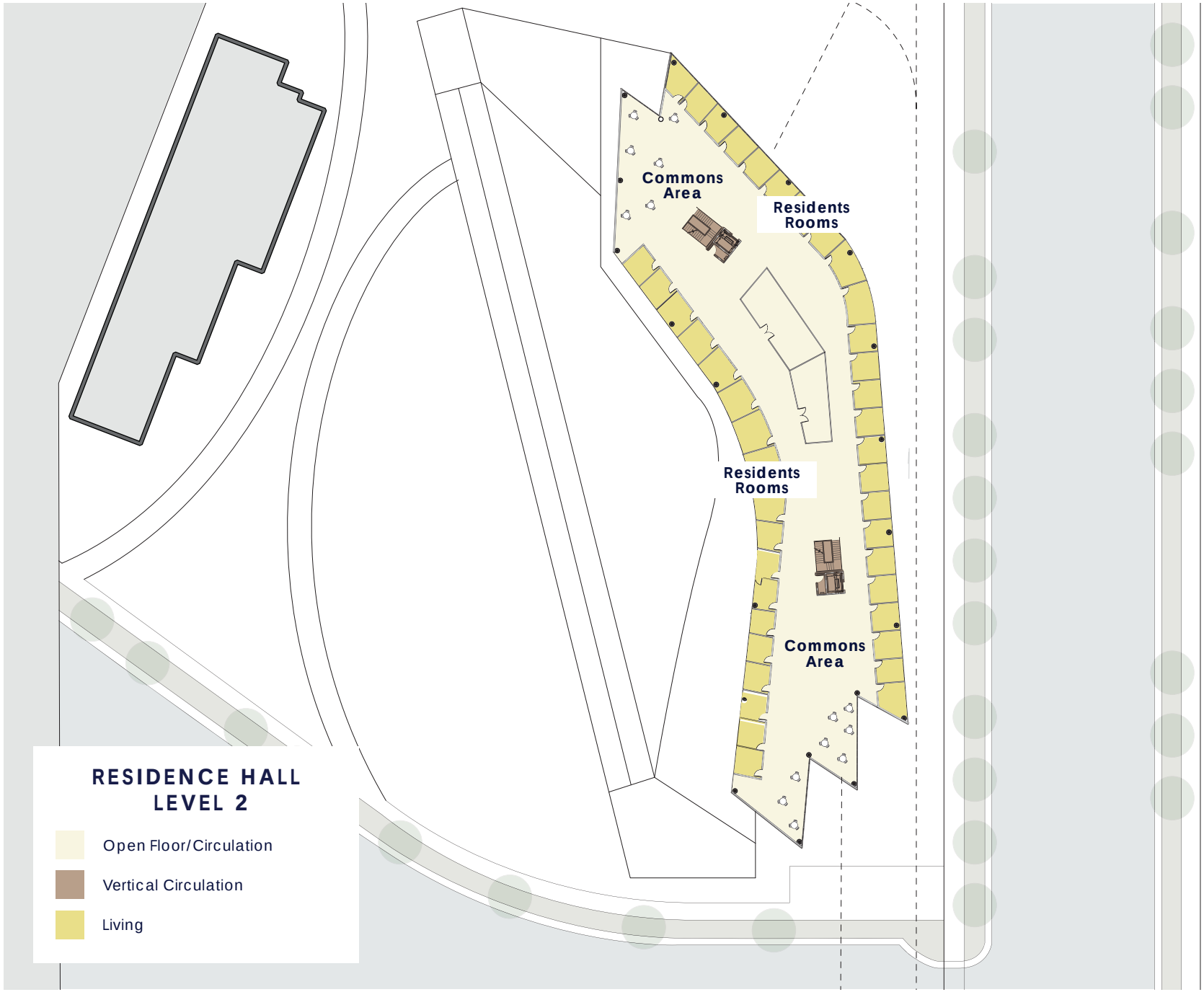

Poly Dr
12th Ave N
27th Street
MASSING DIAGRAM
Phase 1
Phase 2

RESIDENCE HALL PLANS

LEVEL 2

The main floor of the Residence Hall will be an extension of the Community & Innovation Center to the south (connected by a cable-suspended pedestrian bridge over Poly Drive). This western gateway to the MSUB campus will create a space for MSUB students to interact with professionals from across the city of Billings and throughout the State of Montana – using collaboration to spur the next level of innovative thinking. The typical floorplan of the Residence Hall will contain flexibly sized, suite-style living areas and bedrooms along the perimeters to provide daylit living spaces that offer great views of the geographic features of the surrounding Billings area. These suites will feature both private and shared rooms, kitchenettes, restroom and shower rooms, and private study areas. Additional amenities will be offered throughout the facility such as student workrooms, fitness rooms, a theater room, laundry, music practice rooms, and flexible common lounge spaces throughout the cores of each floor. The lower levels will provide parking for the student residents.

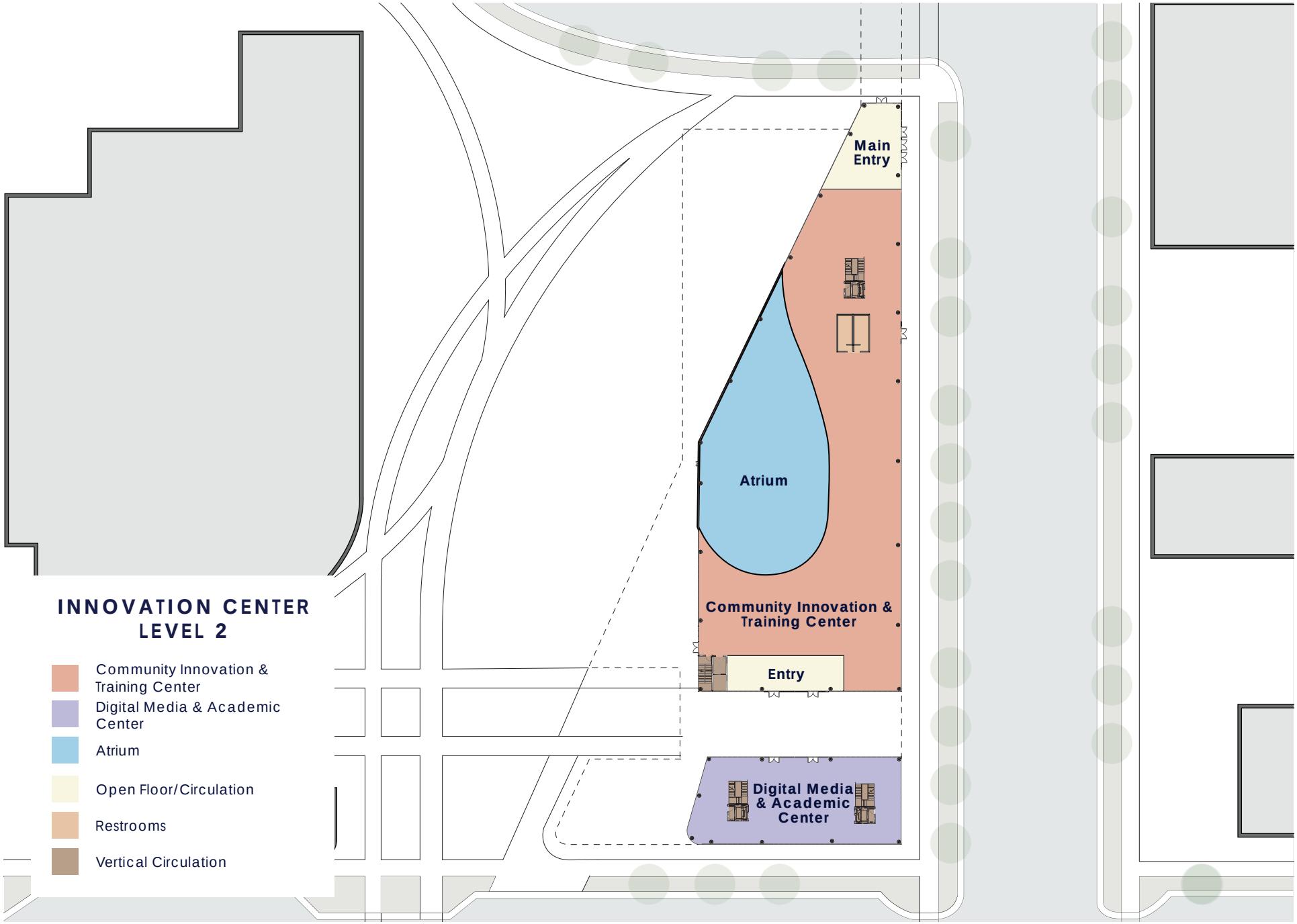
The north terminus to the walkability corridor lies just outside of the Residence Hall on the MSUB campus and connects with the downtown core through the healthcare corridor. The Quad will be a new public space and an outdoor extension of the Community Innovation Center. This will be furnished with Wi-Fi connectivity throughout as well as opportunities for power - allowing discussions inside to continue outside.


Commons Area
Residents Rooms
Residents Rooms
Commons Area
RESIDENCE HALL
LEVEL 2
Open Floor/Circulation
Vertical Circulation
Living

INNOVATION CENTER PLANS

LEVEL 2

The Innovation Center will cater to a mixture of several functions throughout the facility. This will be the epicenter for collaboration and innovation between many of the leading entities within the Billings Community and from around the state of Montana. The lower levels will be characterized by welcoming, open collaboration spaces featuring such amenities as a coffee and refreshments shop, a cafeteria, and multiple flexible breakout spaces. Typical floors of the north building provide custom spaces for community innovation and training. These makerspaces and co-working spaces will surround an open, bright atrium space, and will be where college and high school students have opportunities to learn from local entrepreneurs outside the classroom. The typical floors of the south building will encompass the Digital Media & Academic Center. Within this facility, the digital connectivity necessary for academic and healthcare innovation will continuously evolve with technology advances, supporting community professionals and MSUB students' ability to collaborate around the world.


Main Entry
Atrium
Community Innovation & Training Center
Entry
Digital Media & Academic Center
INNOVATION CENTER
LEVEL 2
Community Innovation & Training Center
Digital Media & Academic Center
Atrium
Open Floor/Circulation
Restrooms
Vertical Circulation

EDUCATION & INNOVATION DISTRICT DESIGN

VIEW LOOKING NORTH

The Education & Innovation district creates a new environment for innovation and learning. Students live in the middle of it all, with access to workshops, networking events, innovation programs, community outreach and more.



VIEW LOOKING SOUTH

The Education & Innovation district creates a new environment for innovation and learning. Students live in the middle of it all, with access to workshops, networking events, innovation programs, community outreach and more.


SCL Health



05

MONTANA STATION CONVENTION CENTER ANALYSIS

INTRODUCTION

"Billings is a place of forever views and forever memories with the adventure of the untamed wilderness and history right out your front door."

- VISIT BILLINGS

In 2015, HVS completed a feasibility study for a traditional convention center project in downtown Billings. While the economics of this particular venue were challenged, only meeting baseline growth and financial expectations, this is not to say that a convention and events center cannot be successful, and extremely impactful, in Billings, Montana, with the right type of design, programming and vision.

The following Convention and Events Center Analysis takes a different approach to the traditional convention center model – tailoring its physical design and functionality to trends and analyzing the local and regional competitive set to imagine a venue that is larger and more impactful than any other venue in the State. Hunden Strategic Partners projects that this new model for a convention and events venue of the future can be an overnight success, allowing Billings to "punch above its weight class" and compete with much larger cities in the Mountain States region and even nationally.

This Section 5 covers the following:

- **Convention, Entertainment, Events & Sports Market Analysis.** An assessment of the convention, entertainment and sports market in Billings and the Mountain States Region to determine gaps in the market in and around Billings and to understand the market opportunity for Montana Station. (Independently conducted by Hunden Strategic Partners)
- **Convention Center Trends.** Current trends in the convention and events industry.
- **Competitive Overview**. An overview of convention and events venues in the State and broader region, establishing the lack of adequate and diverse venues in the Mountain States Region.
- **Convention Center of Tomorrow.** A vision for the "Montana Station" convention and events center that will meet tomorrow's trends and break the traditional "box with docks" model to redefine the industry.
- **Market Demand & Financial Projections.** An analysis of demand and financial projections for a traditional convention center model (studied by HVS) versus the destination convention model (studied by HSP) envisioned for Montana Station, which serves as the anchor of a larger economic development strategy.



CONVENTION, ENTERTAINMENT, EVENT & SPORT MARKET ANALYSIS



CONVENTION CENTER TRENDS



COMPETITIVE OVERVIEW



CONVENTION CENTER OF TOMORROW

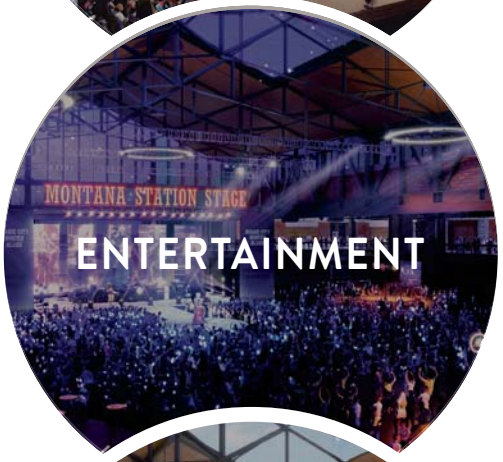


MARKET DEMAND & FINANCIAL PROJECTIONS

5.1

CONVENTION, ENTERTAINMENT & SPORTS MARKET ANALYSIS







5.1 CONVENTION, ENTERTAINMENT, EVENTS & SPORTS MARKET ANALYSIS

OVERVIEW

This market analysis provides implications regarding the viability of a new multipurpose Convention and Event Center as part of ONE Big Sky.

The multipurpose venue contemplated in this Development Plan, Montana Station, is proposed to feature a multipurpose Convention and Event Center that will be able to host a diverse program of uses including traditional conventions and exhibitions, meetings and lectures, community events, sporting events, concerts and more. Due to its design, size, and functionality, the proposed event venue is being categorized as a modern, "unconventional convention center."

The project encompasses a diverse business model that will aim to draw approximately 50 percent of its visitors from traditional convention function and 50 percent from local and regional use, including sports, festival and urban entertainment events. The design and flexibility of the venue is distinctly different from traditional convention centers which typically only offers exhibit space, ballrooms and meeting rooms. The design of the venue aims to allow for significantly greater operational flexibility to host events of all kinds. The event venue is the anchor development of the Phase I in the Events and Entertainment District of ONE Big Sky.

Based on the following analysis of the existing venues, quality, location and reputation, as well as historic demand analysis and conversations with entertainment professionals in the market, HSP's analysis suggests that a flexible multipurpose event center with appropriate walkable and adjacent support amenities, including hotels, will establish Billings as a regional destination for sports, entertainment, conventions, and other events.


MONTANA
National Governors Convention

CONVENTION & EVENTS MARKET

Analysis of the meetings and event market indicated that there are no large-scale, high-quality meeting and event facilities available in Billings or in the state of Montana. The largest facilities in the market are located outside of the urban core and are generally perceived to be low quality. The new convention and meeting facility development in Billings would be the newest and highest quality in the region, and would allow Billings to attract state associations, in-state conferences, and conventions that, currently, do not consider Billings. With walkable amenities, including hotels, restaurants, and nightlife, the proposed development will provide regional meeting and event planners the venue that meets the unmet demand in the Mountain States Region.

LOCAL CONVENTION & EVENTS ENVIRONMENT

BILLINGS, MONTANA

VENUE	LOCATION	YEAR OPENED	DISTANCE FROM DOWNTOWN	SQUARE FEET
Missoula Conference Center	Missoula	Proposed	343 Miles	33,705
University of Montana University Center	Missoula	1969	344 Miles	30,449
Butte Civic Center	Butte	1952	225 Miles	29,500
Great Falls Civic Center	Great Falls	1939	219 Miles	23,938
Montana State University Strand Union Building	Bozeman	1940	142 Miles	19,348
Bozeman Conference Center	Bozeman	Proposed	144 Miles	20,000
Helena Civc Center	Helena	1920	239 Miles	15,140
AVERAGE			**236.6 Miles**	**24,583**

Source: Hunden Strategic Partners

REGIONAL CONVENTION & EVENTS ENVIRONMENT

MONTANA

VENUE	LOCATION	YEAR OPENED	DISTANCE FROM DOWNTOWN	SQUARE FEET
Chi Health Center	Omaha, NE	2003	838 Miles	296,426
Spokane Convention Center	Spokane, WA	2007	541 Miles	274,042
Greater Tacoma Convention Center	Tacoma, WA	2004	831 Miles	158,500
Bismarck Event Center	Bismarck, ND	1969	415 Miles	149,911
Fargodome	Fargo, ND	1992	611 Miles	129,902
Rushmore Plaza Civic Center	Rapid City, SD	1977	318 Miles	106,136
Utah Valley Convention Center	Provo, UT	2012	591 Miles	83,878
Boise Centre	Boise, ID	1990	612 Miles	81,424
Denny Sanford Premier Center	Sioux Falls, SD	2014	659 Miles	59,100
Meydenbauer Center	Belleve, WA	1993	812 Miles	53,310
Yakima Convention Center	Yakima, WA	1976	746 Miles	43,367
Wentatchee Convention Center	Wentachee, WA	2017	709 Miles	40,067
Three Rivers Convention Center	Kenewick, WA	2004	683 Miles	33,074
Casper Events Center	Casper, WY	1982	276 Miles	30,896
Marian H. Rochelle Gateway Center	Laramie, WY	2014	424 Miles	12,095
AVERAGE			**594.6 Miles**	**103,475**

Source: Hunden Strategic Partners

Venue size measured in square feet of usable space

ENTERTAINMENT MARKET

In addition to hosting traditional conferences and conventions, the proposed Convention and Events Center will be flexible enough to be utilized for entertainment events.

As shown, the local entertainment venue supply in Billings is limited and is primarily comprised of small and dated facilities. The largest facility in the local market is the RimRock Auto Arena at MetraPark, which is able to accommodate 12,000 attendees. The Shrine Auditorium is the second largest facility in the market, but the aging facility is unable to host upscale events due to limited technology infrastructure and can accommodate various events only on a hard wood floor.

Although there is regional competition for entertainment facilities, almost all of the competition is located more than 300 miles from Billings. A flexible convention and event facility will allow Billings to compete in this regional market by offering a mid-sized entertainment option that is not currently available in the market.

LOCAL ENTERTAINMENT ENVIRONMENT

BILLINGS, MONTANA

VENUE	ADDRESS	DISTINCTION	LOCATION	YEAR OPENED	DISTANCE FROM DOWNTOWN	CAPACITY / SEATING
RimRock Auto Arena at MetraPark	308 6th Avenue North	Arena	Billings	1975	2.0	12,000
Shrine Auditorium	1125 Broadwater Avenue	Theatre / Auditorium	Billings	1950	2.2	2,300
Alberta Bair Theatre	2801 3rd Avenue North	Theatre / Auditorium	Billings	1987	0.5	1,400
The Pub Station	2502 1st Avenue North	Club	Billings	--	0.2	1,000
Babcock Theater	2812 2nd Avenue North	Theater	Billings	2008	0.2	750
AVERAGE					1.0	3,490

Source: Pollstar, Various Facilities, Hunden Strategic Partners

REGIONAL ENTERTAINMENT ENVIRONMENT

MOUNTAIN STATES REGION

VENUE	ADDRESS	DISTINCTION	LOCATION	YEAR OPENED	DISTANCE FROM DOWNTOWN	CAPACITY / SEATING
The Wilma	131 S. Higgins Avenue	Club	Missoula, MT	--	343	1,500
Big Sky Brewing Amphitheatre	5417 Trumpeter Way	Amphitheatre	Missoula, MT	--	349	6,000
Casper Events Center	1 Events Drive	Arena	Casper, WY	1985	276	9,700
Bismarck Event Center	315 S 5th Street	Arena	Bismarck, ND	1995	416	10,000
Knitting Factory Concert House	919 W Sprague Avenue	Club	Spokane, WA	--	540	1,500
Northern Quest Casino Amphitheatre	100 N Hayford Road	Amphitheatre	Spokane, WA	2011	548	1,244
Union Event Center	235 N 500 West	Auditorium / Theatre	Salt Lake City, UT	--	547	3,500
The Complex	536 W 100 South	Auditorium / Theatre	Salt Lake City, UT	--	548	2,500
The District	521 W Empire Place	Club	Sioux Falls, SD	--	551	1,500
AVERAGE					458	4,160

Source: Pollstar, Various Facilities, Hunden Strategic Partners

SPORTS MARKET

The Convention and Events Center is also proposed to be utilized for indoor sporting events and tournaments. HSP analyzed both the local and the regional indoor sports facility supply to better understand the opportunity for indoor sports programming in Billings.

The current supply of athletic complexes in Billings is very limited as can be seen in the table to the right. The Expo Building at MetraPark has the largest capacity space, however it is difficult for this venue to independently host tournaments and events as the flooring is not ideally suited for sporting events. The regional competition is also extremely limited, with only four indoor sports facilities capable of hosting larger scale tournaments within 700 miles.

With limited local and regional supply, HSP believes Billings has a unique opportunity to leverage Montana Station to pursue city-wide sporting events that Billings cannot currently attract.

Additionally, the South Billings Urban Renewal Association (SBURA), in collaboration with the City of Billings, is in initial planning stages for a Recreation and Aquatic Center in South Billings. This new center will also complement Montana Station, offering a range of sports amenities, including indoor courts, ice, aquatics, and other family recreation activities.

LOCAL INDOOR ATHLETIC SUPPLY
BILLINGS, MONTANA

VENUE	LOCATION	INDOOR BASKETBALL	VOLLEYBALL COURTS	INDOOR FIELD	SOCCER / MULTI-PURPOSE FIELDS	SOFTBALL	BASEBALL	TENNIS	ICE HOCKEY	OUTDOOR TRACK AND FIELD
Amend Park	Billings	--	--	--	9+	--	--	--	--	--
Avitas Group Stadium	Billings	--	--	--	2	1	--	--	--	--
Billings Senior High School	Billings	2	3	--	--	--	--	--	--	--
Billings Sports Plex	Billings	--	--	1	--	--	--	--	--	--
Castle Rock Park	Billings	--	--	--	3	--	--	4	--	--
Centennial Ice Arena	Billings	--	--	--	--	--	--	--	1	--
Daylis Stadium	Billings	--	--	--	1	--	--	--	--	1
Dehler Park	Billings	--	--	--	--	--	1	--	--	1
Expo Building at MetraPark	Billings	6	11	--	--	--	--	--	--	--
Laurel High School Gym, Stadium & Fields	Laurel	1	2	--	1	--	--	--	--	1
MSUB Alterowitz Gym	Billings	1	--	--	--	--	--	--	--	--
Open Court Sports & Event Center	Billings	1	--	--	--	--	--	--	--	--
Pioneer Park	Billings	--	--	--	1	1	1	9	--	--
Rimrock Auto Arena at MetraPark	Billings	1	2	--	--	--	--	--	--	--
RMC Fortin Center Gym	Billings	1	2	--	--	--	--	--	--	--
Rose Park	Billings	--	--	--	3	1	--	2	--	--
Shrine Auditorium	Billings	1	3	--	--	--	--	--	--	--
Skyview High School Gym	Billings	2	3	--	--	--	--	--	--	--
Stewart Park	Billings	--	--	--	7	9	--	--	--	--
Thomsom Park	Laurel	--	--	--	--	2	1	--	--	--
Veterans Park	Billings	--	--	--	3	2	--	--	--	--
West High School Gym	Billings	1	2	--	--	--	--	--	--	--

Source: Various Facilities

REGIONAL INDOOR ATHLETIC SUPPLY
MOUNTAIN STATES REGION

VENUE	LOCATION	DISTANCE FROM DOWNTOWN BILLINGS	BASKETBALL	VOLLEYBALL	CONCESSION	MULTI-PURPOSE MEETING ROOMS	LOCKER ROOMS	OTHER
Paul Stock Aquatics & Rec Center	Cody, WY	105 miles	3	6	✓	✓	✓	8-lane, 25-yard lap pool; leisure pool; enclosed courts for handball / racketball / etc.
Riley Arena	Cody, WY	105 miles	1	2	✓	1	✓	Primarily hockey arena with open meeting space that can be used for sports
Montana Indoor Sports	Bozeman, MT	142 miles	✓	✓	✓	--	✓	Scheduled to open in winter 2018/2019 - minimal information available - primarily outdoor with some indoor space
Sanford Pentagon	Sioux Falls, SD	663 miles	8	16	3	6	8	--
TOTAL / AVERAGE		254 miles	4	8	3	3.5	--	

Source: Various Facilities

5.2

CONVENTION CENTER TRENDS

Introduction

Destination

Multi-Experience

Urban-Centered

Authentic / Cultural Influences

Adaptable / Flexible

Health / Wellness

Interactive

5.2 CONVENTION CENTER TRENDS

INTRODUCTION

"Sports venues and convention centers can activate communities, generate revenue, and reposition urban areas as regional destinations. Demands for new technology, better service, and more amenities are constant drivers for venue owners and operators."

- GENSLER

A new generation of event attendees that look at space differently is creating an industry-wide shift in how venues will look and operate in the future, driven by a demand for more modern aesthetics and amenities, optimized functionality and efficiency, and an authentic, cultural experience that builds on the unique character of the host city.

In order for Montana Station to be successful, it is imperative to understand these changes and the corresponding areas of opportunity to create a venue that will meet the needs of meeting planners and attendees - as well as local businesses and residents. This Section 5.2 includes a discussion of the conference, convention, meeting and event industry trends and how they relate to a new Convention and Events Center in Billings.

Montana Station is at the forefront of these trends, redefining the convention center into a more desirable, flexible, and profitable model for the future.



"Bookings will be higher for convention centers that can offer an authentic experience of their cities."

- LAWRENCE SPECK, SENIOR PRINCIPAL, PAGE ARCHITECTURE AND ENGINEERING, LEAD ARCHITECT FOR THE AUSTIN CONVENTION CENTER

AUTHENTIC DESTINATIONS

Research shows that travelers and meeting attendees of all ages want to visit unique destinations and experience them from an authentic, local perspective.

A study commissioned by the International Association of Exhibitions & Events found that destination is the No. 2 driver in attendees' decision to register for a meeting.

The study also found that attendees are likely to turn into leisure travelers, with over half indicating they will extend their stay, turn their trip into a vacation and / or bring someone along with them. Three quarters of meeting goers say they will take advantage of what destinations offer by getting out and about during, before and after meetings. Remarkably, there is no significant variation between attendance frequency and generation. This shows that today's attendees are consumers and should be valued in a new light, because they're fueling additional room nights and doubling (or tripling) spending.

Few places - and none in the competitive set for Billings - offer the diversity of experiences that Montana does. For this reason, Billings is uniquely positioned to provide an authentic destination and capitalize on the corresponding "multiplier effects" by creating a convention and meeting venue that not only provides convention and event space, but does so in a way that reflects the City's character and culture and provides meeting attendees with an authentic Montana experience.

DESTINATION CONVENTION CENTERS DRIVE MORE DOLLARS TO THE ECONOMY WITHOUT ADDITIONAL INVESTMENT:

TRADITIONAL CONVENTION CENTER



x 2 NIGHTS

= $1,000 SPENDING

Convention Attendee for Convention Event

DESTINATION CONVENTION CENTER

"MULTIPLIER" EFFECT



x 2 NIGHTS

= $1,800 SPENDING

Convention Attendee + Guest for Convention Event



x 4 NIGHTS

= $3,350 SPENDING

Convention Attendee + Guests for Convention Event + Additional Nights



x 6 NIGHTS

= $7,300 SPENDING

Convention Attendee + Guests for Convention Event + Additional Nights

"The box with docks model will not support this new direction. The model will be flipped. It may increasingly start to look like a part of the city instead of standing apart from its host city."

- WOODS BAGGOT ARCHITECTURE

MULTI-EXPERIENCE

We know that tomorrow's generation of convention and event goers expect a more interactive conference experience based on their educational background, grasp of technology and social media. As a result, the new multi-experience venue is the new convention typology. The Convention and Events Center user experience has flipped from passive "lecture-style" presentation toward more collaborative, critical thinking and dynamic, interactive exchanges among participants.

Multi-experience venues will include more open spaces where events reflect festival typologies. They will include hybrid meeting spaces integrating the physical and digital; plenary and flat floor spaces designed for concerts and entertainment events; pre-function spaces that can double as galleries; and incubator and interactive spaces, which promote a platform for participatory learning and knowledge-sharing experiences.

By creating a multi-experience venue, where the convention center can be an entertainment venue, social venue, art gallery, performance space, public market, education or workspace, Montana Station will be programmed with year-round activity, creating additional revenue opportunities and spurring hospitality and retail development.


BOWL SOCIAL








YAMAHA

"When evaluating a region's economy, the first question to ask is, 'Do people want to live there?' If people want to live there, then something is working.

If people do NOT want to live there, then something may be wrong."

- BRYCE WARD, BUREAU OF BUSINESS & ECONOMIC RESEARCH AT THE UNIVERSITY OF MONTANA

URBAN-CENTRIC

Just as we have seen sporting venues move from the exurbs to the urban core, convention centers are capitalizing on the trend by integrating themselves into these urban cores and acting as community accelerators. More and more, event goers and planners are gravitating to urban-centric venues in hopes of amping up the experiential nature of the meeting or event with the added perk of exciting urban amenities all in a walkable setting.

Beyond providing a better experience for event and convention goers, thoughtfully planned urban convention centers offer brand connection to the city, acting as a catalyst and anchor to revitalize urban neighborhoods.


RESIDENCES
FELIX
GOLDBERG
BREAKFAST LUNCH

"I am seeing **more and more companies and brands seeking unexpected venues** to host meetings in. Many companies strive to keep their employees engaged and offer a surprise and delight when it comes to venues, and let's face it, **we can only get so excited over another ballroom with no windows.**"

- SARAH SEBASTIAN, ROSE GOLD COLLECTIVE

NON-TRADITIONAL SPACES

Suppliers named flexible, "nontraditional" meeting rooms as one of the biggest trends in meeting space development and design over the past three years. Rather than using the usual lecture format, many conferences are experimenting with more collaborative settings which require flexible space that can be configured in different ways. Venue operators and suppliers report that break out rooms are used more now than they were three years ago; with suppliers citing an increased demand for smaller rooms with capacity of approximately 90 people or less. In conjunction with these results, more venues are offering collaborative/networking spaces outside of meeting rooms including activating under-used or third spaces, such foyers and atriums into work cafes and networking lounges.


Learning Lounge
Working
Active Learning
Space

"Wellness breaks in the conference and meetings world are going to become a much higher priority, as the millennial generation are far more conscious of their health and well-being. The trend towards looking after yourself is also extending to choice of location for events, as organizers take into account every aspect of the experience for delegates."

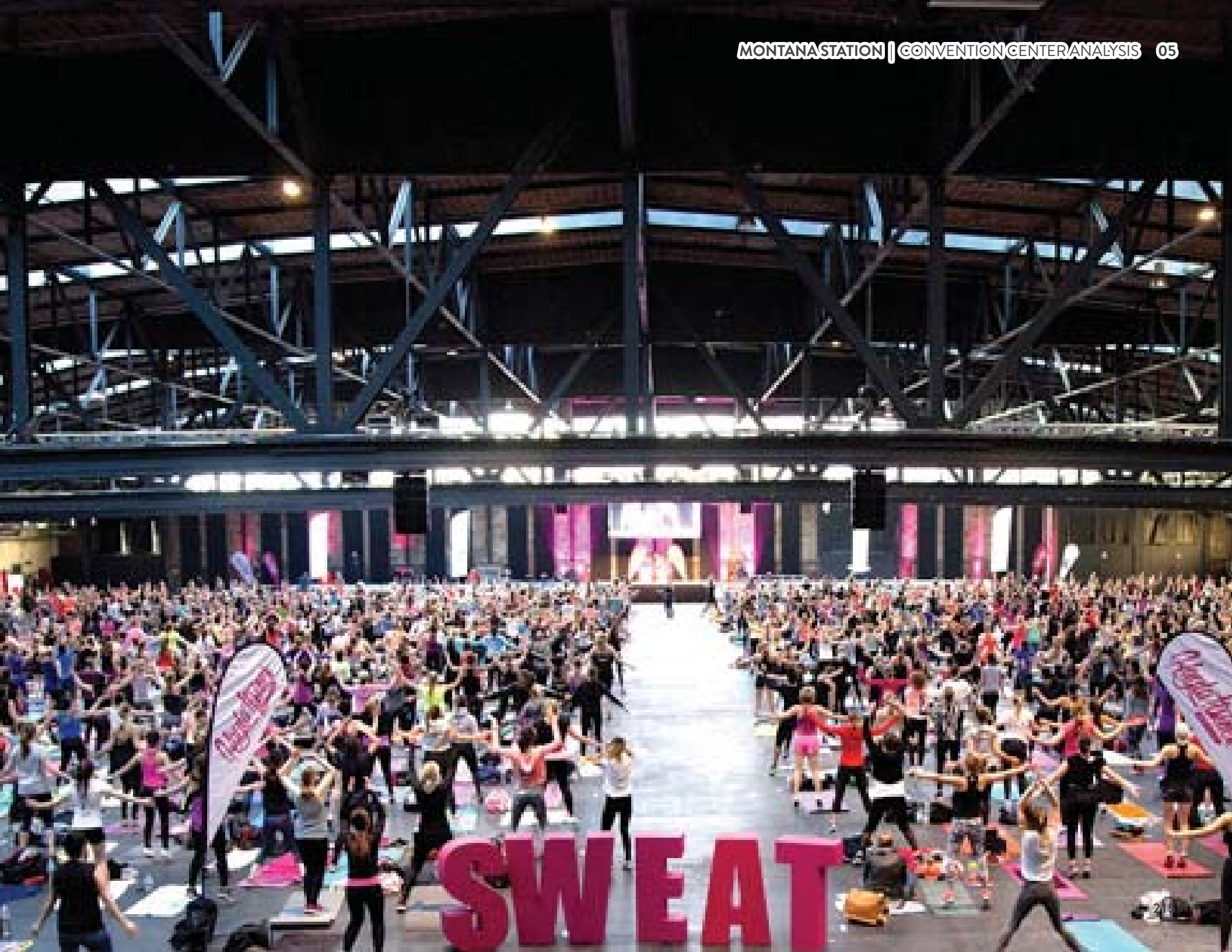
- DIANE WALDRON, DIRECTOR OF SALES AND MARKETING AT THE QEII CENTRE

HEALTH / WELLNESS

As the amount of time we spend indoors peaks (it's at 90 percent today), the demand for "wellness architecture" is rising. The wellness real estate boom worldwide started with commercial buildings and the introduction of the WELL Building Standard in 2014 as workers sought healthier office environment. This trend is now poised to explode into other real estate markets – including the convention and events industry.

The number of wellness-oriented properties (including residential, mixed-use and commercial) has grown 6.4% annually since 2015 and is expected to continue growing at that pace through 2022, to reach $180 billion—half the size of the global "green" building industry.

As this trend gains momentum, venues will increasingly incorporate wellness-related design into their facilities, and meeting and event planners will include wellness programming into their schedules. Physical spaces designed for wellness usually start with energy-efficient and sustainable construction. Indoor components like natural lighting, air quality, acoustics, proximity to green spaces and exercise facilities take it to the next level. Convention and meeting spaces will also have to be designed to facilitate wellness programming, including offering healthier food options during breaks and mid-day energy sessions.


SWEAT

5.3

COMPETITIVE OVERVIEW

Purpose & Objectives

Montana Conference Venues

Regional Convention Venues

5.3 COMPETITIVE OVERVIEW

PURPOSE & OBJECTIVES

Montana Station is a purposeful strategy to put Montana "on the map" in the convention world and to create a wholly new segment of event-based tourism and visitation for the City of Billings and entire State of Montana.

This Competitive Overview identifies gaps in the market in and around Billings to understand the market opportunity for the new Convention and Events Center facility. Based upon these market gaps, this Section 5.3 defines opportunities for programming, design and operational parameters for a new Convention and Events Center in Billings, Montana. It informs the establishment of a distinct program for a new venue in Billings that positions Montana to compete in the convention sector beyond what is possible with current and planned facilities across the State.

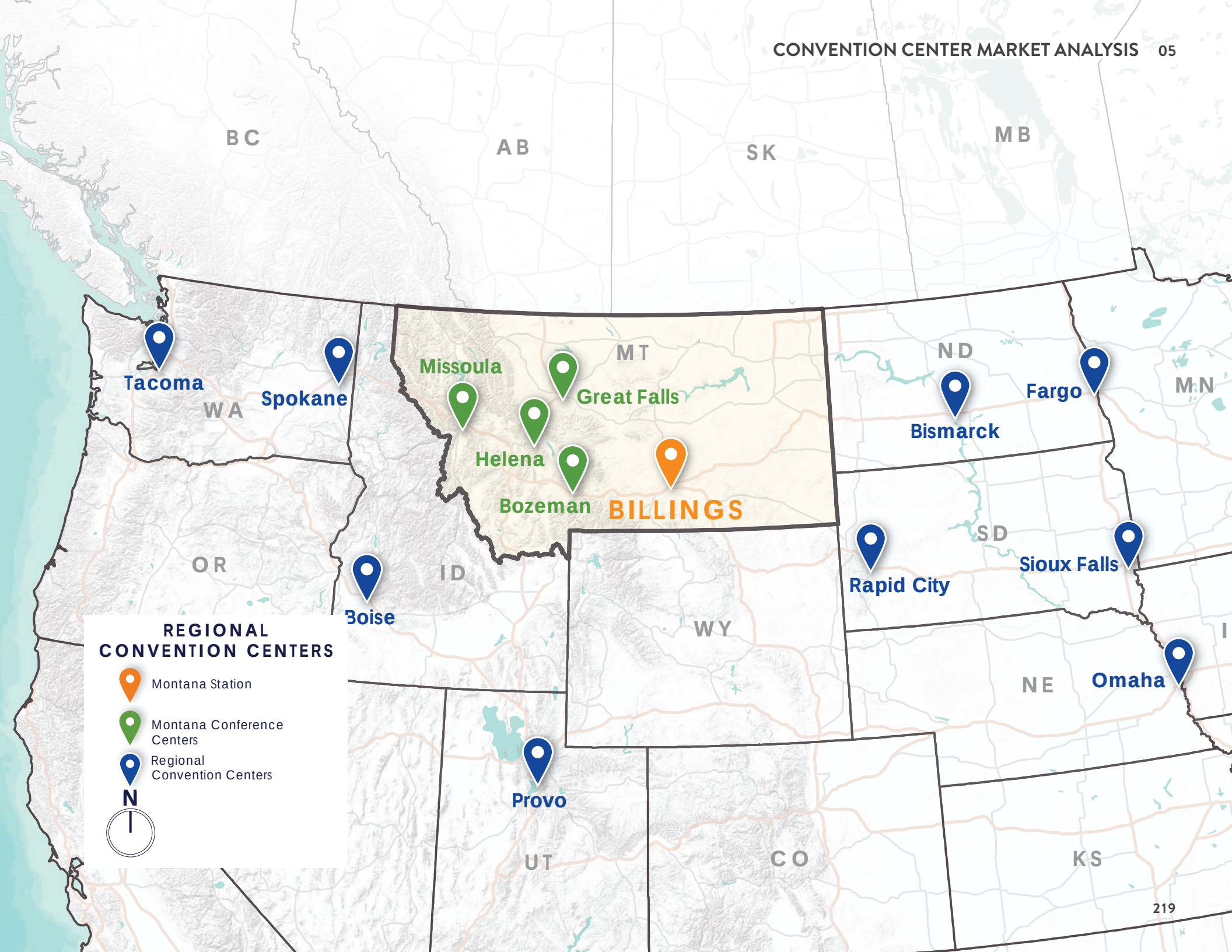
The specific objectives of this analysis, include:

#1 ANALYZE MONTANA MEETING & CONFERENCE CENTERS

- Identify meeting and conference venues in the state of Montana
- Evaluate the age and quality of these venues
- Evaluate the relative size and programmatic breadth of these venues
- Evaluate the breadth of users and primary bookings among these venues

#2 ANALYZE REGIONAL MEETING & CONVENTION CENTERS

- Identify a competitive set of meeting and convention centers in the Mountain States Region
- Evaluate the age and quality of these venues
- Evaluate the relative size and programmatic breadth of these venues
- Evaluate the breadth of users and primary bookings among these venues
- Establish competitive strengths and weaknesses of these venues


BC
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SD
WY
NE
CO
UT
KS
Tacoma
Spokane
Missoula
Great Falls
Helena
Bozeman
BILLINGS
Bismarck
Fargo
Rapid City
Sioux Falls
Omaha
Boise
Provo
REGIONAL CONVENTION CENTERS
Montana Station
Montana Conference Centers
Regional Convention Centers
N

MONTANA CONFERENCE VENUES

The meetings and conference industry in Montana today is defined by small (15,000 to 30,000 square foot) community venues that draw from a local, not regional or national, market. **The State today lacks a venue that can accommodate mid-sized to large convention events – an enormous lost opportunity for the State to keep or attract new convention spending in the local community.**

Existing venues in the State are characterized generally by functional obsolescence and lack the physical space and modern amenities to attract the types of events that make will make the convention venues of tomorrow successful – and financially impactful – in a community.

The Convention and Events Center concept contemplated as part of the ONE Big Sky, known as "Montana Station," is a uniquely sized, designed and programmed venue that is unlike any building in the State today. Therefore, it will not cannibalize the smaller local conferences and meetings that these surrounding venues currently attract.

The table to the right presents a summary of the Montana venues, organized by largest contiguous space.

Montana doesn't currently have a venue that can compete at the scale / level of experience that is envisioned for "Montana Station":

VENUE	MONTANA STATION	MISSOULA CONFERENCE CENTER	UNIVERSITY OF MONTANA UNIVERSITY CENTER	BUTTE CIVIC CENTER	GREAT FALLS CIVIC CENTER	MONTANA STATE UNIVERSITY STRAND UNION BUILDING	BOZEMAN CONFERENCE CENTER	HELENA CIVIC CENTER
LOCATION	Billings, MT	Missoula, MT	Missoula, MT	Butte, MT	Great Falls, MT	Bozeman, MT	Bozeman, MT	Helena, MT
YEAR OPENED	Proposed	Proposed	1969	1952	1939	1940	Proposed	1920
DISTANCE FROM BILLINGS	N/A	343 Miles	344 Miles	225 Miles	219 Miles	142 Miles	144 Miles	239 Miles
PRIMARY USE								
CONVENTION / EXHIBITION	●		●	●	●			
MEETINGS / CONFERENCE	●	●	●	●	●	●	●	●
EXPOSITIONS	●							
SPORTING EVENTS	●			●				
CONCERTS	●			●		●		●
PERFORMING ARTS	●				●			●
TRADE SHOWS	●		●	●				●
SPECIAL EVENTS	●	●	●	●	●		●	●
PROGRAM								
EXHIBIT HALL	90,000	**	9,424	20,000	15,300	**	**	**
BALLROOM	SEE ABOVE	17,735	10,437	9,500	4,160	14,500	20,000	14,465
MEETING / CONFERENCE	30,000	2,820	8,788	**	4,478	4,848	**	**
PRE-FUNCTION SPACE	SEE ABOVE	13,150	1,800	**	**	**	**	675
PLAZA	50,000	**	**	**	**	**	**	**
THEATER / ARENA	NA	**	2,835 Seats	7,500 Seats	1,750 Seats	190 Seats	**	1,925 Seats
TOTAL USABLE SPACE	**170,000**	**33,705**	**30,449**	**29,500**	**23,938**	**19,348**	**20,000**	**15,140**

MetraPark, located in Billings, has <u>not</u> been included in this competitive analysis as it is unlikely that a new downtown facility will directly compete with MetraPark for flat-floor events, but rather complement MetraPark's event mix.

REGIONAL CONVENTION VENUES

Looking beyond Montana, the broader regional and national convention and events industry is typical of what we find in mid-sized markets nationwide. These venues are larger than the local venues, ranging in size from 40,000 to 300,000 square feet; however, each of them operates under the traditional "box with docks" model that has defined the industry for decades. A number of these regional facilities have invested in technology upgrades and physical expansions, but still lack the characteristics that tomorrow's event-goers will demand. Montana Station will be at the forefront of the convention industry of tomorrow. Based on the analysis completed by HSP, there is demand for a convention and events center of this caliber in the Mountain States Region and it is believed that the vision and strategy for Montana Station will position Billings to out-compete any venue in the competitive set.

The exhibit to the right presents a summary of 15 regional convention center facilities and markets organized by largest contiguous space.

ONE Big Sky and Montana Station positions the City of Billings and State of Montana to compete regionally, punching above our weight class:

VENUE	MONTANA STATION	CHI HEALTH CENTER	SPOKANE CONVENTION CENTER	GREATER TACOMA CONVENTION CENTER	BISMARCK EVENT CENTER	FARGODOME	RUSHMORE PLAZA CIVIC CENTER	UTAH VALLEY CONVENTION CENTER	BOISE CENTRE
LOCATION	Billings, MT	Omaha, NE	Spokane, WA	Tacoma, WA	Bismarck, ND	Fargo, ND	Rapid City, SD	Provo, UT	Boise, ID
URBAN?	YES	YES	YES	YES	YES	YES	YES	YES	YES
YEAR OPENED	Proposed	2003	2007 (renovated)	2004	1969	1992	1977	2012	1990
DISTANCE FROM BILLINGS	0 Miles	838 Miles	541 Miles	831 Miles	415 Miles	611 Miles	318 Miles	591 Miles	612 Miles
PRIMARY USE									
CONVENTION / EXHIBIT	●	●	●	●		●	●	●	●
MEETINGS / CONFERENCE	●	●	●	●	●	●	●	●	●
EXPOSITIONS	●		●		●			●	
SPORTING EVENTS	●	●		●	●	●	●		
CONCERTS	●	●	●	●	●	●	●	●	
PERFORMING ARTS	●	●	●		●			●	
TRADE SHOWS	●		●	●	●	●		●	●
SPECIAL EVENTS	●			●				●	
PROGRAM									
EXHIBIT HALL	90,000	194,300	120,000	99,500	100,000	115,000	65,212	19,620	**
BALLROOM	SEE ABOVE	41,876	50,530	13,650	**	**	15,158	16,894	42,161
MEETING / CONFERENCE	30,000	22,050	24,983	18,550	15,911	14,902	13,388	10,331	21,612
PRE-FUNCTION SPACE	SEE ABOVE	29,200	53,926	26,800	34,000	**	12,378	31,480	17,651
PLAZA	50,000	9,000	24,603	**	**	**	**	5,553	
THEATER / ARENA	NA	18,300 Seats	3,153 Seats	**	10,100 Seats	25,000 Seats	7,000 Seats	**	**
TOTAL USABLE SPACE	**170,000**	**296,426**	**274,042**	**158,500**	**149,911**	**129,902**	**106,136**	**83,878**	**81,424**

REGIONAL CONVENTION VENUES

(REGIONAL VENUES CONTINUED)

VENUE	MONTANA STATION	DENNY SANFORD PREMIER CENTER	MEYDENBAUER CENTER	YAKIMA CONVENTION CENTER	WENTATCHEE CONVENTION CENTER	THREE RIVERS CONVENTION CENTER	CASPER EVENTS CENTER	MARIAN H. ROCHELLE GATEWAY CENTER
LOCATION	Billings, MT	Sioux Falls, SD	Bellevue, WA	Yakima, WA	Wenatchee, WA	Kennewick, WA	Casper, WY	Laramie, WY
URBAN?	YES	NO	NO	NO	NO	NO	NO	NO
YEAR OPENED	Proposed	2014	1993	1976	2017 (renovated)	2004	1982	2014
DISTANCE FROM BILLINGS	0 Miles	659 Miles	812 Miles	746 Miles	709 Miles	683 Miles	276 Miles	424 Miles
PRIMARY USE								
CONVENTION / EXHIBIT	●	●	●	●	●	●	●	●
MEETINGS / CONFERENCE	●	●	●	●	●	●	●	●
EXPOSITIONS	●		●		●	●	●	
SPORTING EVENTS	●	●						
CONCERTS	●	●					●	
PERFORMING ARTS	●		●					
TRADE SHOWS	●	●			●		●	
SPECIAL EVENTS	●		●		●	●		●
PROGRAM								
EXHIBIT HALL	90,000	33,600	36,000	**	7,560	**	24,064	1,826
BALLROOM	SEE ABOVE	16,800	**	29,568	10,080	21,600	3,820	8,000
MEETING / CONFERENCE	30,000	8,700	10,390	799	7,212	11,474	3,012	1,500
PRE-FUNCTION SPACE	SEE ABOVE	**	6,920	6,000	7,712	**	**	769
PLAZA	50,000	**	**	7,000	7,500	**	**	**
THEATER / ARENA	NA	12,000 Seats	410 Seats	**	**	**	**	**
TOTAL USABLE SPACE	**170,000**	**59,100**	**53,310**	**43,367**	**40,064**	**33,074**	**30,896**	**12,095**

5.4

THE CONVENTION AND EVENTS CENTER OF TOMORROW

A Vision for the Venue of Tomorrow

5.4 THE CONVENTION & EVENTS CENTER OF TOMORROW

What is Montana Station? How is it different?

Things become outdated in today's high-tech world faster than ever before, and the convention and meetings industry is no exception. As an industry stuck in "yesterday," this dynamic of rapid change prompts important questions about the future: How can we design and build a convention and events center that will repay our investment? How can Montana be a leader in this industry and stay competitive well into the future?

By anticipating what the future will hold and then developing a strategy to capitalize on opportunities and mitigate future risks, Montana Station implements three strategic objectives to create a new model of convention and events centers of the future:

- **Build a Destination**
- **Diversify Operations**
- **Leverage the Authentic Montana Lifestyle**

With this new model, Montana Station puts Billings "on the map" in the convention and events market and gives Montana a competitive advantage over other venues in the Mountain States Region.


GREAT MONTANA BREW FEST 2020
CONFLUX
BIG SKY BREWING CO.
TAMARACK
BREWING COMPANY
CARTER'S
BREWING
WILDWOOD
BREWING
Montana Melt
Saddlee's
Big Guy's BBQ

Attendees turn into leisure travelers. They are likely to extend their stay, turn it into a vacation, and bring others.

- INTERNATIONAL ASSOCIATION OF EXHIBITIONS & EVENTS

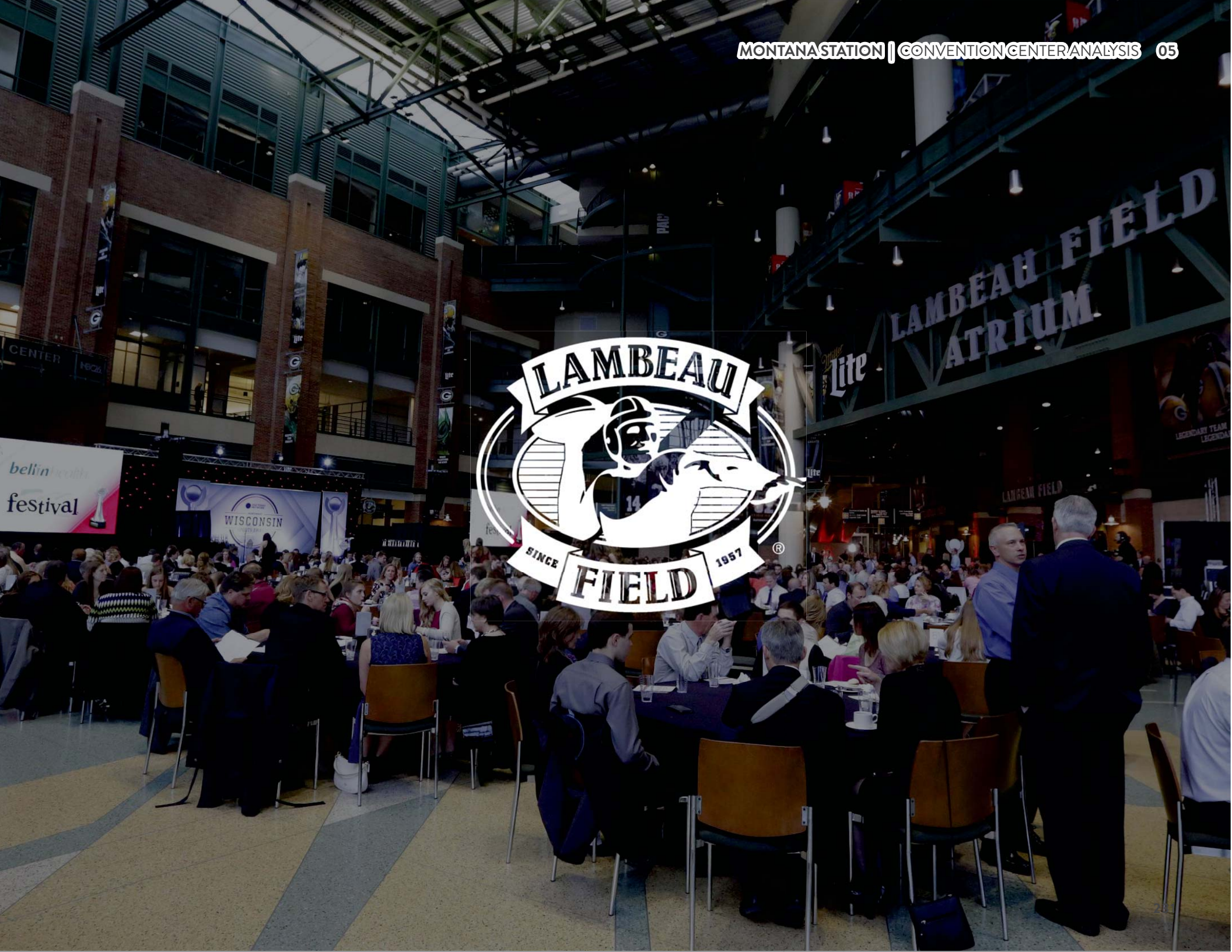
BUILD A DESTINATION

One of the keys to any economic development strategy is to create new jobs and new spending – bringing growth to the economy by building on its strengths. In Billings, this means capitalizing on the area's status as a destination – for tourists, for those coming to the health care providers and to the University, and for those coming to experience Montana's largest city and business hub, as well as the great outdoors.

Billings can dramatically boost its tourism draw by making the Convention and Events Center itself a unique destination. Instead of a "box with docks" that could be located in any city in the State, the region or the country, **Montana Station can revolutionize the convention experience by building a venue that is a destination in its own right … a building that reflects the local culture, character, history and flavors.**

This has been done with other major civic assets and attractions like sports stadiums, other health care campuses and entertainment districts. For example, a few savvy public stadium owners have designed and built their facilities to be a draw for well beyond the handful of home game days each year. They're designed to attract events and draw visitation 365-days a year – with the ability to host everything from concerts to weddings and with features like retail shops, restaurants and museums.

Following this model, this transformational Montana Station project will enable Billings to compete for regional tourism and convention business (from outside the State), while creating a community asset that can anchor and catalyze other development and attract private capital.


LAMBEAU FIELD
ATRIUM
Miller Lite
LAMBEAU FIELD
CENTER
festival
WISCONSIN
LAMBEAU
SINCE 1957
FIELD

DIVERSIFY OPERATIONS

As an iconic, destination venue, Montana Station will be operated in a unique way to accommodate a variety of events, appeal to a broad range of interests and, importantly, drive fiscal gain and increase profitability. The operation of the venue will be diversified in a way that is uncommon to convention centers nationwide – redefining how the convention-goer and community members experience the venue.

Smart businesses know that diversification of operations can lead to major profitability. Today grocery stores are more than just food, with banks, flower shops and "minute clinics" on site. Uber recently realized its drivers could not only deliver passengers, but dinners too. Like Topgolf has changed its sport by creating an operational model for a new, more social environment centering the game of golf around food and beverage, targeting all age and skill levels, and offering a different price point and time commitment, Montana Station will redefine the convention and events industry. It will establish a more balanced business model that is geared toward both local and regional population bases, with a mix of conferences and conventions events as well as civic events and programming.

Imagine a Convention and Events Center that is activated 365-days a year. An asset not only for tourists and convention-goers, but an asset that equally benefits the community. This is place to attend a keynote speech, an educational program, a concert performed by a national act, a brew festival, or a family movie night. Montana Station will be a dynamic community asset that embodies everything that is "Billings," for the local community and for conference attendees lucky enough to visit and experience it.


EVERY SEASON
TOPGOLF

LEVERAGE THE AUTHENTIC MONTANA LIFESTYLE

Montana boasts a unique "lifestyle" factor that is very appealing to every generation. Billings and the surrounding environs offer authentic character, western culture, historical context, and a breathtaking landscape that should be reflected in every element of the venue. Montana Station will provide a backdrop that reflects Montana in every way, from materials to artwork to the food served.

Montana Station will get them here – and Montana's authentic lifestyle should keep them here; hopefully, for days beyond the convention ends. Those who will experience the best of the State at Montana Station will no doubt bring companions along, whether a spouse or partner, children and even grandparents, to explore more of the State of Montana.

This includes everything from the excitement of Montana Avenue, to the natural beauty of Bighorn Canyon, to the majestic heights of Glacier Country. With no additional marketing dollars or effort, the value of this unique project expands exponentially by capitalizing on all that the State has to offer.


MONTANA

5.5

MARKET DEMAND & FINANCIAL PROJECTIONS

5.5 MARKET DEMAND & FINANCIAL PROJECTIONS

OVERVIEW

A series of analyses have been conducted to estimate potential demand / utilization and financial projections associated with a convention and events center in Billings. These analyses was performed on two different models: first, a traditional convention center (as defined in the original HVS study) and second, a new destination convention and events center model as envisioned for Montana Station (as detailed in the HSP study).

Performance estimates for a potential convention center have been presented over a 10-year projection period, with all dollar figures represented in terms of 2018 dollars.

Projections for the traditional convention center model are based on the 66,000 square foot convention center comprised primarily of multi-purpose ballroom space and meeting rooms, as contemplated in the HVS study.

Projections for Montana Station assume a destination-caliber venue of over 150,000-square feet of usable space that has a more robust operating model and is programmed year-round with a multitude of convention and community events. By creating a new physical plan and operating model for the convention and events center, Montana Station is able to realize superior financial performance and has the ability to drive tourism growth for the City and State.


BILLINGS CHAMBER OF COMMERCE PRESENTS
NEW YEAR'S EVE SKATING

DEMAND PROJECTIONS

As discussed in the Competitive Overview, Montana does not have a convention center today that can accommodate medium to large, high-impact events. While there may not be the venue to host this type of activity today, there is certainly demand for a larger convention product in the market.

Under the traditional convention center model contemplated in the HVS study, demand is constrained by the size and functionality of the proposed venue, with demand for 119 events in year 1, increasing to 270 by stabilization (Year 5). It is important to note that of these 270 events, 229 (or 84%) are non-exhibit (local) events which have little to no impact beyond the convention center since these primarily draw Billings area residents and workers, versus regional visitors staying in hotels and spending new dollars in the local economy.

By comparison, projections for Montana Station achieve demand for 176 events in year 1, increasing to 340 by stabilization (Year 5). The larger footprint, unique space and flexible programming of Montana Station accommodates a mix of larger, high-impact events that will drive regional demand and profitability for a convention and events center in downtown Billings.

DEMAND PROJECTION
TRADITIONAL CONVENTION CENTER

EVENT TYPE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Exhibit Events										
Conventions and Trade Shows	7	8	10	12	12	12	12	12	12	12
Consumer Shows	9	11	14	15	15	15	15	15	15	15
Sports / Entertainment Events	8	9	11	13	14	4	4	4	4	4
SUBTOTAL EXHIBIT HALL	24	28	35	40	41	31	31	31	31	31
Non-Exhibit										
Corporate Events and Conferences	18	19	22	25	26	26	26	26	26	26
Banquets & Meetings	22	26	36	42	44	44	44	44	44	44
Meeting Room Events	55	81	107	133	159	159	159	159	159	159
SUBTOTAL NON-EXHIBIT	95	126	165	200	229	229	229	229	229	229
TOTAL	119	154	200	240	270	260	260	260	260	260

Source: Hunden Strategic Partners

DEMAND PROJECTION
MONTANA STATION

EVENT TYPE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Exhibit Events										
Conventions and Trade Shows	11	13	14	15	15	15	15	15	15	15
Consumer Shows	12	13	17	18	19	19	19	19	19	19
Sports / Entertainment Events	12	15	16	18	20	20	20	20	20	20
SUBTOTAL EXHIBIT HALL	35	41	47	51	54	54	54	54	54	54
Non-Exhibit										
Corporate Events and Conferences	29	33	36	40	44	44	44	44	44	44
Banquets & Meetings	32	40	46	53	58	58	58	58	58	58
Meeting Room Events	80	106	132	158	184	184	184	184	184	184
SUBTOTAL NON-EXHIBIT	141	179	214	251	286	286	286	286	286	286
TOTAL	176	220	261	302	340	340	340	340	340	340

Source: Hunden Strategic Partners

ATTENDANCE PROJECTIONS

In accordance with demand projections, attendance projections for a traditional convention center in downtown Billings anticipates attendance of 2,300 in the first year, declining to 2,200 in year 10. The reason for the decline in average attendance is due to the size of events that a venue of this size and scale can attract, with the majority of events being generated by meetings and small events.

Attendance projections for Montana Station are estimated at 127,700 attendees in the first year, ramping up to more than 225,600 by stabilization. The majority of this attendance is anticipated to be generated by flat-floor consumer shows, sports and entertainment events. The largest events are projected to be consumer shows, which is normal for convention facilities. The average size of conventions, conferences and trade shows is projected to be 200 to 500, although many will be smaller, while some will be much larger. Banquet events and meeting room events are projected to generate approximately 300 attendees per event. Importantly, the economic factors for Montana Station provide considerable growth in non-local attendance which has an enormous positive impact on the local economy.

PROJECTED AVG. ATTENDANCE
TRADITIONAL CONVENTION CENTER

EVENT TYPE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Exhibit Events										
Conventions and Trade Shows	500	600	500	500	500	500	500	500	500	500
Consumer Shows	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Corporate Events and Conferences	200	200	200	200	200	200	200	200	200	200
Sports / Entertainment Events	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
SUBTOTAL EXHIBIT HALL	5,700	5,800	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700
Non-Exhibit										
Banquets & Meetings	300	300	300	300	300	300	300	300	300	300
Meeting Room Events	300	300	300	300	300	300	300	300	300	300
SUBTOTAL NON-EXHIBIT	600	600	600	600	600	600	600	600	600	600
TOTAL	**6,300**	**6,400**	**6,300**	**6,300**	**6,300**	**6,300**	**6,300**	**6,300**	**6,300**	**6,300**

Source: Hunden Strategic Partners

PROJECTED AVG. ATTENDANCE
MONTANA STATION

EVENT TYPE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Exhibit Events										
Conventions and Trade Shows	7,700	9,300	9,900	10,700	10,700	10,700	10,700	10,700	10,700	10,700
Consumer Shows	42,000	45,500	59,500	63,000	66,500	66,500	66,500	66,500	66,500	66,500
Sports / Entertainment Events	31,200	39,000	41,600	46,800	52,000	52,000	52,000	52,000	52,000	52,000
SUBTOTAL EXHIBIT HALL	80,900	93,800	111,000	120,500	129,200	129,200	129,200	129,200	129,200	129,200
Non-Exhibit										
Corporate Events and Conferences	5,000	6,000	6,500	7,100	8,000	8,000	8,000	8,000	8,000	8,000
Banquets & Meetings	10,700	12,700	14,600	16,600	18,500	18,500	18,500	18,500	18,500	18,500
Meeting Room Events	31,100	40,700	50,800	60,300	69,900	69,900	69,900	69,900	69,900	69,900
SUBTOTAL NON-EXHIBIT	46,800	59,400	71,900	84,000	96,400	96,400	96,400	96,400	96,400	96,400
TOTAL	**127,700**	**153,200**	**182,900**	**204,500**	**225,600**	**225,600**	**225,600**	**225,600**	**225,600**	**225,600**

Source: Hunden Strategic Partners

TRADITIONAL CONVENTION CENTER OPERATING PROJECTIONS

The table to the right presents the projected operating statement (as per HVS) for a traditional convention center following yesterday's model. The projection uses inflated dollars and accrual-based accounting, wherein revenues are recognized when they are earned, and expenses are recognized when they are incurred. Revenues include all revenues of the facility that can be used for operations. All revenues and expenses are inflated at a three percent annual rate.

It is projected that in the first year of operation, a traditional convention center would generate revenues of $1.12 million and incur approximately $1.96 million in operating expenses, leaving a deficit of $839,000. Under this model, the convention center would reach $2.35 million in revenue and $2.31 million in expense after stabilization, decreasing the deficit to a breakeven status by Year 5.

OPERATING STATEMENT OF REVENUE & EXPENSES ($000'S INFLATED)
TRADITIONAL CONVENTION CENTER

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
REVENUE										
Event Revenue										
Space Rental	$425	$528	$657	$775	$829	$849	$870	$892	$915	$937
Equipment Rental	$74	$92	$115	$136	$145	$149	$152	$156	$160	$164
Net Food and Beverage	$299	$403	$532	$647	$730	$748	$766	$786	$805	$825
Event Services Income	$300	$391	$493	$582	$623	$538	$654	$671	$687	$704
SUBTOTAL	$1,098	$1,414	$1,797	$2,140	$2,327	$2,284	$2,442	$2,505	$2,567	$2,630
Other Revenue										
Advertising and Sponsorships	$25	$26	$26	$27	$28	$28	$29	$30	$30	$31
SUBTOTAL	$25	$26	$26	$27	$28	$28	$29	$30	$30	$31
TOTAL OPERATING REVENUE	$1,123	$1,440	$1,823	$2,167	$2,355	$2,312	$2,471	$2,535	$2,597	$2,661
EXPENSES										
Salaries & Wages	$643	$659	$676	$692	$710	$727	$746	$764	$783	$803
Employee Benefits	$180	$185	$189	$194	$199	$204	$209	$214	$219	$225
Passthrough Labor	$102	$129	$161	$187	$193	$197	$202	$207	$213	$218
Maintenance & Repairs	$8	$12	$23	$27	$30	$30	$31	$32	$33	$34
Cleaning	$37	$44	$55	$66	$70	$71	$73	$75	$77	$79
Utilities	$317	$327	$341	$354	$359	$362	$364	$366	$369	$371
Sales & Marketing	$75	$77	$53	$54	$55	$57	$58	$59	$61	$62
General & Administrative	$270	$277	$284	$291	$298	$305	$313	$321	$329	$337
Insurance	$180	$185	$189	$194	$199	$204	$209	$214	$219	$225
Other Operating Expenses	$37	$39	$40	$42	$43	$44	$45	$46	$47	$48
Management Fee	$90	$93	$95	$98	$101	$104	$107	$111	$114	$117
Reserve for Replacement	$25	$31	$39	$46	$49	$50	$51	$52	$54	$55
TOTAL EXPENSES	$1,964	$2,058	$2,145	$2,245	$2,306	$2,355	$2,408	$2,461	$2,518	$2,574
NET OPERATING INCOME	-$839	-$618	-$322	-$78	$49	$56	$64	$72	$80	$88

Source: Hunden Strategic Partners

MONTANA STATION OPERATING PROJECTIONS

The following table presents the projected operating statement for Montana Station following a more diversified, destination convention and events center model. The projection uses inflated dollars and accrual-based accounting, wherein revenues are recognized when they are earned, and expenses are recognized when they are incurred. Revenues include all revenues of the facility that can be used for operations. All revenues and expenses are inflated at a three percent annual rate.

It is projected that in the first year of operation, Montana Station would generate revenues of $1.8 million and incur approximately $2.07 million in operating expenses, leaving a deficit of $268,000.

By building bigger, more diverse venue that can compete to compete regionally, it is expected that Montana Station will reach breakeven by Year 2 and be profitable by Year 5.

OPERATING STATEMENT OF REVENUE & EXPENSES ($000'S INFLATED)
MONTANA STATION

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
REVENUE										
Event Revenue										
Space Rental	$636	$758	$901	$1,017	$1,129	$1,157	$1,186	$1,215	$1,246	$1,277
Equipment Rental	$111	$133	$158	$178	$197	$202	$207	$213	$218	$223
Net Food & Beverage	$526	$660	$806	$941	$1,079	$1,106	$1,133	$1,161	$1,191	$1,220
Gross Food and Beverage	*$1,502*	*$1,886*	*$2,302*	*$2,689*	*$3,082*	*$3,159*	*$3,238*	*$3,319*	*$3,402*	*$3,487*
Less Costs @ 65%	*($977)*	*($1,226)*	*($1,496)*	*($1,748)*	*($2,003)*	*($2,053)*	*($2,104)*	*($2,157)*	*($2,211)*	*($2,266)*
Event Services Income	$435	$525	$634	$714	$779	$799	$819	$839	$860	$882
SUBTOTAL	$1,709	$2,076	$2,499	$2,850	$3,184	$3,263	$3,345	$3,429	$3,514	$3,602
Other Revenue										
Advertising and Sponsorships										
SUBTOTAL	$90	$92	$95	$97	$99	$102	$104	$107	$110	$112
TOTAL OPERATING REVENUE	**$1,799**	**$2,168**	**$2,594**	**$2,947**	**$3,283**	**$3,365**	**$3,449**	**$3,536**	**$3,624**	**$3,714**
EXPENSES										
Salaries & Wages	$643	$568	$676	$692	$710	$727	$746	$764	$783	$803
Employee Benefits	$180	$185	$189	$194	$199	$204	$209	$214	$219	$225
Passthrough Labor	$148	$175	$209	$231	$247	$253	$259	$266	$72	$279
Maintenance & Repairs	$11	$18	$32	$35	$40	$41	$42	$43	$44	$45
Cleaning	$54	$66	$76	$85	$94	$97	$99	$102	$104	$107
Utilities	$339	$354	$368	$380	$391	$394	$397	$401	$404	$407
Sales & Marketing	$75	$77	$53	$54	$55	$57	$58	$59	$61	$62
General & Administrative	$270	$277	$284	$291	$298	$305	$313	$321	$329	$337
Insurance	$180	$185	$189	$194	$199	$204	$209	$214	$219	$225
Other Operating Expenses	$39	$41	$42	$44	$46	$47	$48	$49	$50	$51
Management Fee	$90	$93	$95	$98	$101	$104	$107	$111	$114	$117
Reserve for Replacement	$38	$45	$54	$60	$66	$68	$69	$71	$73	$75
TOTAL EXPENSES	**$2,067**	**$2,084**	**$2,267**	**$2,358**	**$2,446**	**$2,501**	**$2,556**	**$2,615**	**$2,472**	**$2,733**
NET OPERATING INCOME	**-$268**	**-$6**	**$328**	**$588**	**$838**	**$865**	**$893**	**$922**	**$951**	**$981**

Source: Hunden Strategic Partners



06

“CIVIC BUILD” PLAN

6.1 THE CATALYTIC “CIVIC BUILD”

OVERVIEW

To effectively execute an economic development strategy and drive the level of new private development outlined in the Master Plan, a number of catalytic civic infrastructure components must be constructed, mostly as part of Phase I and, to a lesser extent, as part of Phase II (the “Civic Build”) to support the overall Master Plan. This Civic Build will also enable the City to adequately meet the future demands of increased visitation, job growth and population growth projected as a result of the ONE Big Sky initiative.

The Civic Build, as further described in this Section 6, includes extraordinary elements of infrastructure to support the ONE Big Sky vision of a vibrant, urban environment and to spur economic growth, including the Convention and Events Center, complementary conference and meeting pavilions, public market and food hall, new community spaces, public plazas, pedestrian ways and urban streetscapes, parking structures, and certain limited utility and transportation improvements that make it all possible.






NAME CONVENTION CENTER


PUBLIC
MARKET
CENTER
FARMERS MARKET
LA SALLE HO
INFORMATION






LASSONDE
STUDIOS
ØVÖK

CIVIC BUILD V. ORDINARY CIVIL INFRASTRUCTURE

The Civic Build includes catalytic projects that can anchor development in the urban core of Billings and make the transformation of the City possible. It is distinguishable from basic "civil infrastructure" – the ordinary infrastructure that every community builds to support growth, such as streets and sewer and water utilities. Downtown Billings is an area, unlike others in the farther reaches of the City, that is already supported by a significant amount of ordinary civil infrastructure investment, including a base level of public parking and sufficient utility and roadway capacity. The downtown area is well-positioned given the current level of ordinary civil infrastructure to support the density of the ONE Big Sky Vision, as further outlined in Appendix C.

Downtown Billings is, of course, also the center of the community's anchoring civic, cultural and business institutions (health care, education, financial and other business anchors). Finding a way to creatively finance the **catalytic Civic Build projects** will leverage capital investment in and from these anchoring institutions and from other private development interests who have otherwise been discouraged from investing in downtown Billings due to the existing market "gap."

ORDINARY **CIVIL** INFRASTRUCTURE

- Typical City Street / Road Improvements
- Standard Sanitary Sewer Upgrades / Repairs
- Standard Storm Sewer Upgrades / Repairs
- Typical Water Utility Improvements
- Transit Improvements
- Lighting, Wayfinding Updates / Upgrades

EXTRAORDINARY **CIVIC BUILD**

The Anchoring Catalyst Projects

- Convention & Events Center
- Conference & Meeting Pavilion
- "E Street" Exterior Plazas & Sky Terrace
- Public Market & Food Hall
- Farmers Market Pavilion
- Community Wellness Center
- Plaza and Public Town Square
- New City Hall
- Community Innovation & Training Center
- Digital Media & Academic Center

Plus Supportive Infrastructure

- Common Areas
- Urban Streetscaping
- Parking Structures
- Smart Building Technology
- Site Acquisition & Related Improvements

6.2 CIVIC BUILD REQUIREMENTS

To overcome the market gap and unlock the potential of the Master Plan, a number of project components of civic importance are proposed to be built as part of the comprehensive ONE Big Sky economic development strategy and to drive additional private, anchoring development in each district. An independent analysis conducted by Hunden Strategic Partners found that this “Civic Build” is key to the overall transformation of Billings, Montana’s largest city, and a major driver of growth for the region and the entire State. A total inventory and district-by-district breakdown of this required Civic Build is included on the pages that follow. A preliminary Cost Model for the Civic Build along with a more detailed Utility and Transportation Civil Infrastructure Analysis for the downtown development districts.

WHY IS THE "CIVIC BUILD" SO IMPORTANT?

"There is market demand for high quality downtown office, residential, retail, restaurant and various types of housing, not to mention a desire and demand from regional users for a convention and events center, as well as a higher quality hotel package, [but] the financial viability of certain elements is challenging due to the existing conditions in the downtown market.

... However, long-term, the program elements are financially feasible provided the appropriate transformation strategy is advanced and key elements of civic infrastructure are developed."

- HUNDEN STRATEGIC PARTNERS



ENTERTAINMENT DISTRICT

The downtown Entertainment District will be the centralized hub of activity for the City, including exhibitions, tournaments, fairs, concerts, conventions, cultural activities and public gatherings never before accommodated in Montana. It will contain exciting new retail, dining and entertainment options that complement the City's existing restaurant and entertainment establishments. The Civic Build for the Entertainment District includes:

CONVENTION & EVENTS CENTER – Montana Station, a multi-experience venue unlike any other conference or convention facility in the State, region or even the country, will be programmed year-round for event-based tourism and visitation.

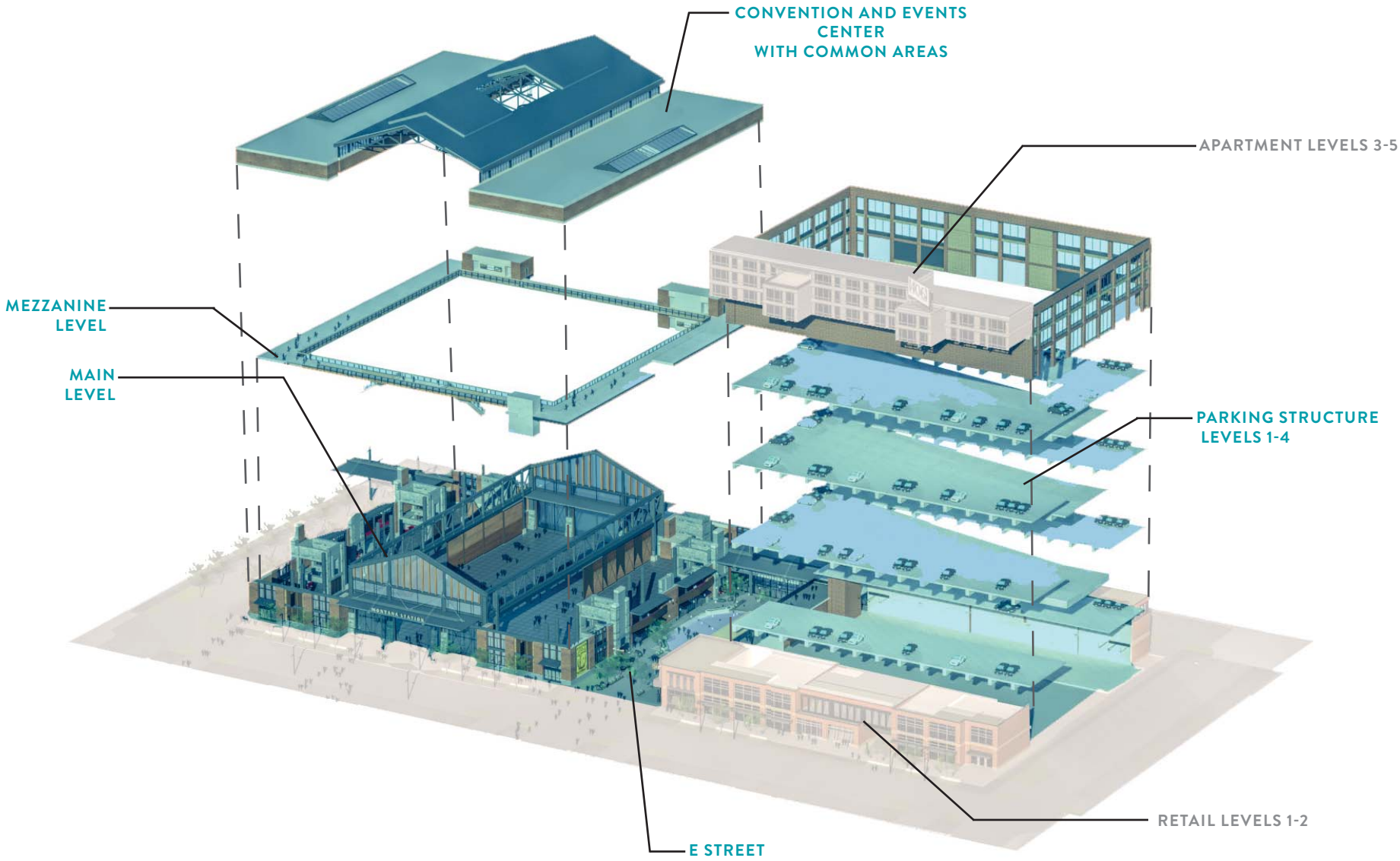
CONFERENCE & MEETING PAVILION – A complement to Montana Station, these additional breakout and social spaces (indoor and outdoor) serve the convention-goer and the community.

COMMON AREAS – The convention and convention facilities will be thoughtfully designed to share infrastructure, and create operational efficiencies in everything from the physical plant, to the food and beverage facilities, and beyond.

"E STREET" – The uniquely landscaped, authentically-designed and themed exterior plazas and sky terraces that create the dynamic, walkable entertainment experience sure to become known as the "Best of the West."

PARKING STRUCTURE – Convenient additional parking will accommodate visitors and residents.

SITE ACQUISITION AND RELATED IMPROVEMENTS – Underutilized parcels will be repurposed to generate new tax revenues and drive the economic growth that defines the ONE Big Sky initiative.

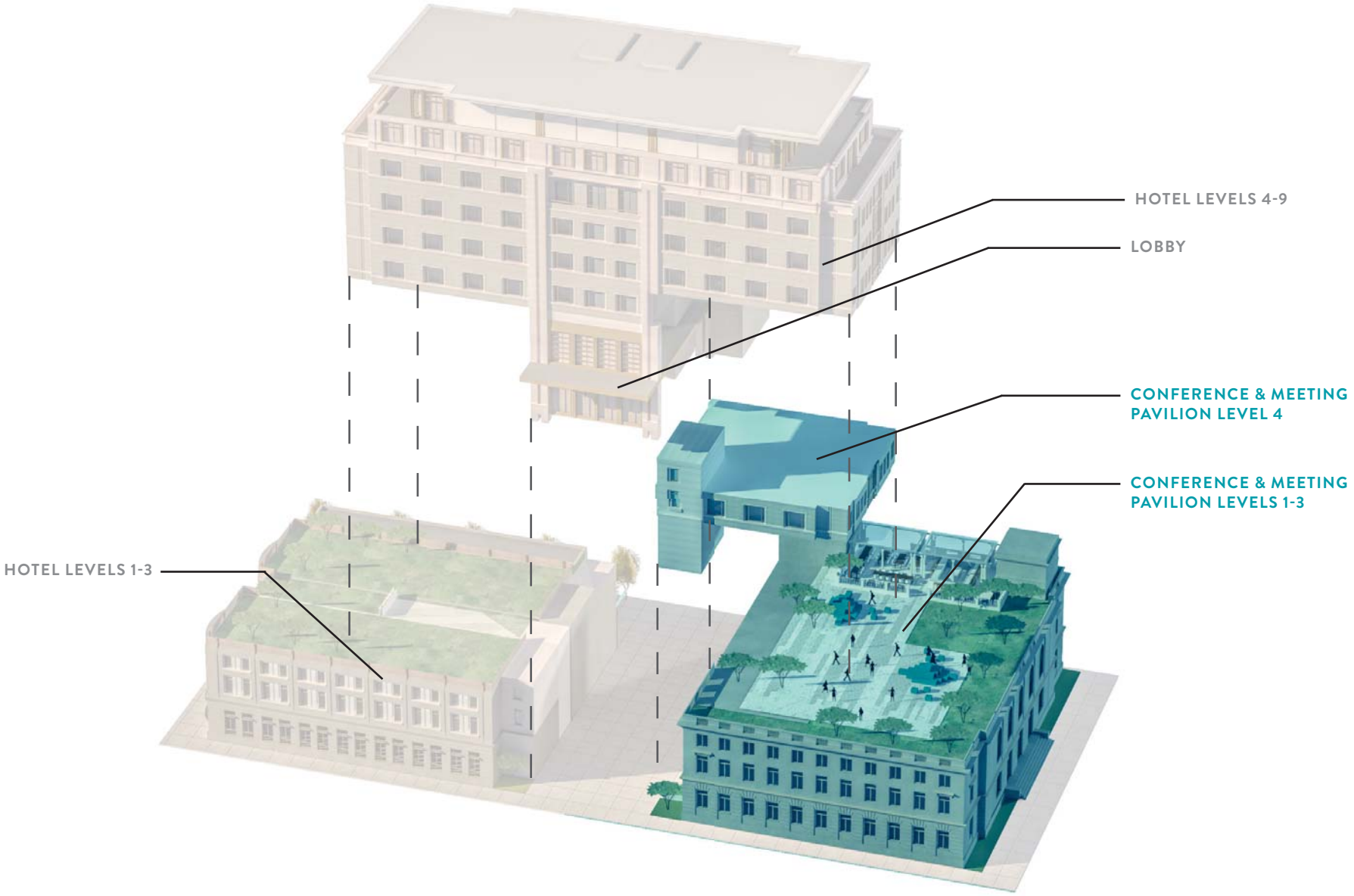


"CIVIC BUILD"

PRIVATE DEVELOPMENT

ENTERTAINMENT DISTRICT

In addition to the catalytic Montana Station venue, an integral component of the Entertainment District includes an adjacent convention hotel that includes additional indoor and outdoor breakout and social spaces.



“CIVIC BUILD”

PRIVATE DEVELOPMENT

LIFESTYLE DISTRICT

People across America of all ages are demanding a more lifestyle-centered neighborhood right in the urban core. The Lifestyle District is intended to promote livability and walkability through a new community-scaled, mixed-use commercial and residential zone in downtown Billings, surrounded by its great architecture, character and culture. The Civic Build for the Lifestyle District includes:

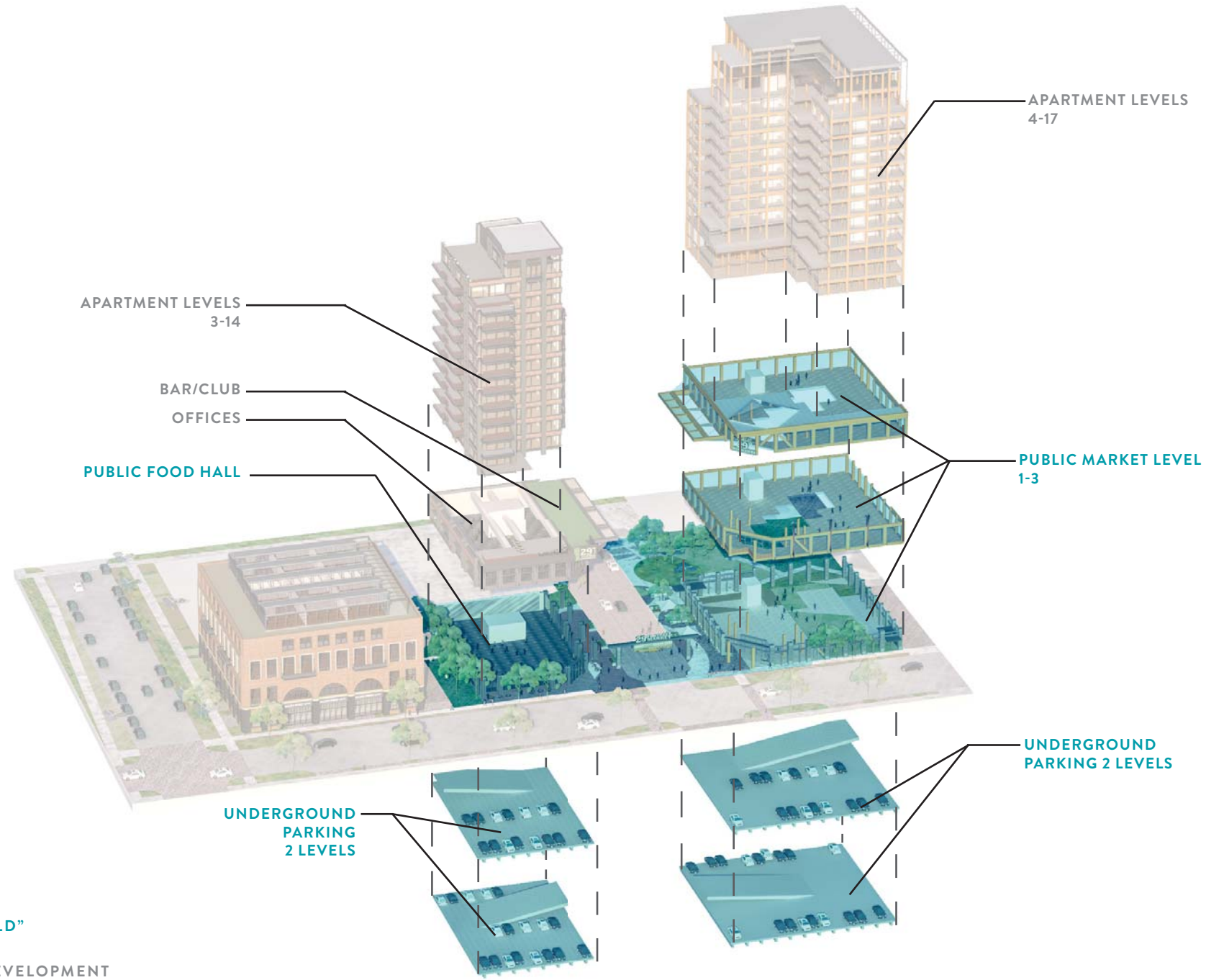
PUBLIC MARKET & FOOD HALL - These public realm elements, at the base of the new urban residential buildings, will offer a true urban experience, but familiar “Main Street” character that will appeal to everyone from Millennials to Baby Boomers.

FARMERS MARKET PAVILION – This Western farmers market and outdoor pavilion greets visitors, serves residents and workers, and supports existing downtown retail and dining.

PARKING STRUCTURE(S) – Parking will be provided at the appropriate scale to supplement existing parking infrastructure in the City.

SMART BUILDING TECHNOLOGY – Residential units of the next generation in busy, urban environments will need to offer cutting-edge security and high-tech features that will also set the bar for energy efficiency and sustainability.

SITE ACQUISITIONS & RELATED IMPROVEMENTS – This will support basic infrastructure, site improvements and remediation.



"CIVIC BUILD"

PRIVATE DEVELOPMENT

CIVIC & WELLNESS DISTRICT

A unique city center where civic institutions anchor a wellness-focused, mixed-use village connecting the existing "Medical Corridor" to the downtown core. This Civic & Wellness District will integrate state-of-the-art healthcare facilities into the fabric of the community, creating a vibrant urban atmosphere that supports health care workforce recruitment and retention, attracts health & wellness-related business and enterprise, and supports / sustains the regional medical draw that Billings currently enjoys. The Civic Build for the Civic & Wellness District includes:

COMMUNITY WELLNESS CENTER – Health and wellness-oriented providers, businesses and community organizations will make this unique new address their home ... for fitness, nutrition, orthopedics, healthy lifestyle products and restaurants, and more.

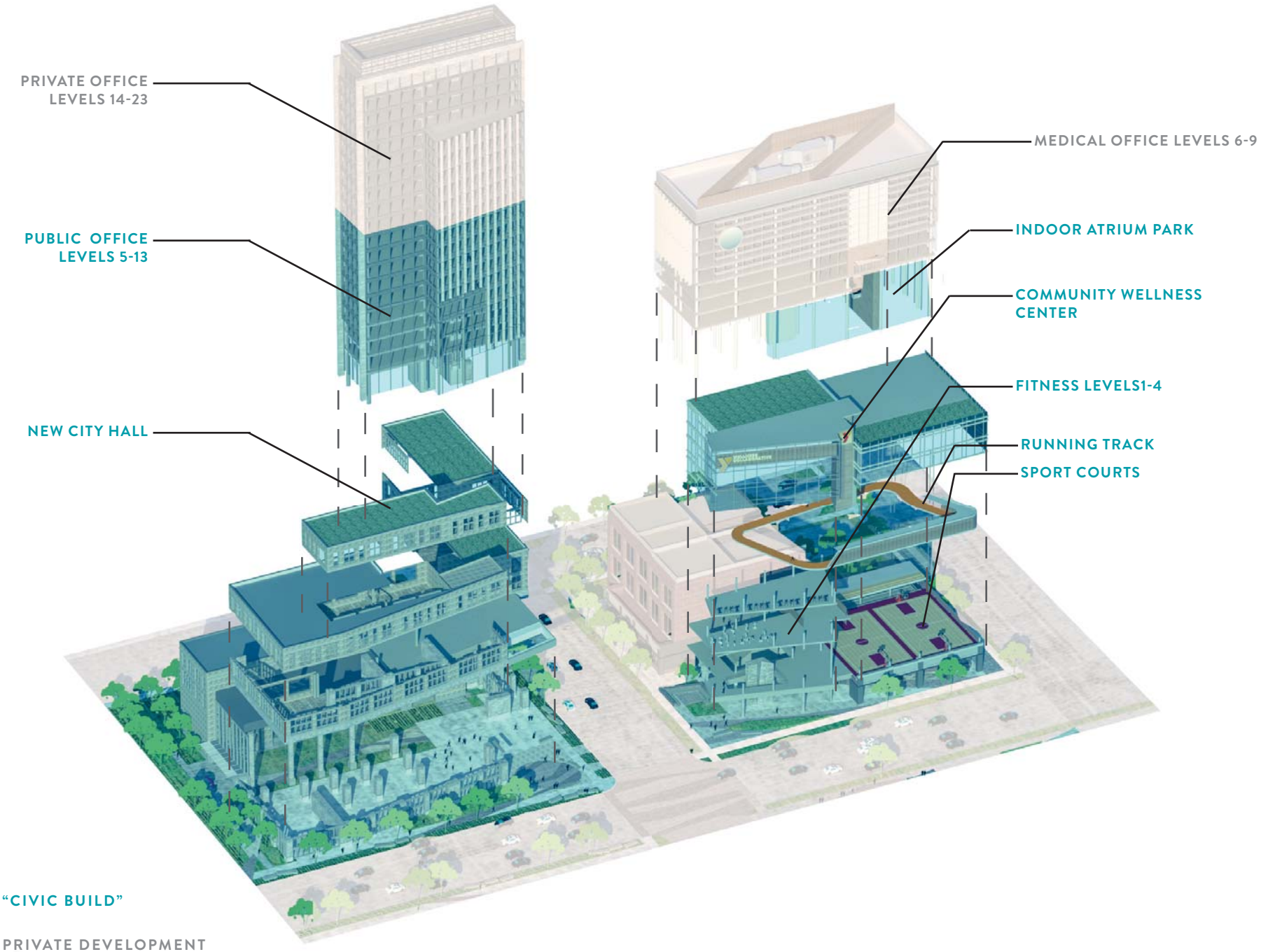
PLAZA, ATRIUM & PUBLIC TOWN SQUARE – Indoor and outdoor modern-day "town square"-type facilities will serve residents in nearby multi-generational housing developments, as well as workers, patients, shoppers and visitors from around the region.

NEW CITY HALL – The City of Billings has a unique opportunity to leverage its potential investment in new civic office / administrative space by becoming an "anchor tenant" and co-locating with other civic and business interests, creating economies of scales and jump-starting the new commercial office market in downtown Billings, which has been stagnant for over 30 years.

CENTRAL PLANT & SMART BUILDING TECHNOLOGY – As noted above related to City Hall, sharing central plant and other building and civil infrastructure will create cost-savings for all users – public and private. Next-generation smart building technology will save on long-term operational and maintenance costs and become a model for smart city sustainability and eco-friendly design in a State that values the outdoors and its natural resources.

PARKING STRUCTURE(S) – Supplemental parking will be provided at the appropriate scale to meet district-wide needs.

SITE ACQUISITIONS & RELATED IMPROVEMENTS – These improvements will support basic infrastructure and necessary site work.



"CIVIC BUILD"

PRIVATE DEVELOPMENT

EDUCATION & INNOVATION DISTRICT

A burgeoning innovation and technology corridor that capitalizes on proximity between educational institutions and the State’s preeminent healthcare providers and other leading businesses, leveraging the unique opportunity to create the place where innovation meets education and the industries of tomorrow. It will complement any future expansion of the MSU Billings campus, and have space to accommodate academic areas of emphasis for both MSU Billings and Rocky Mountain college and their programs geared toward the next generation, including medicine and aviation. The Civic Build for the Education & Innovation District includes:

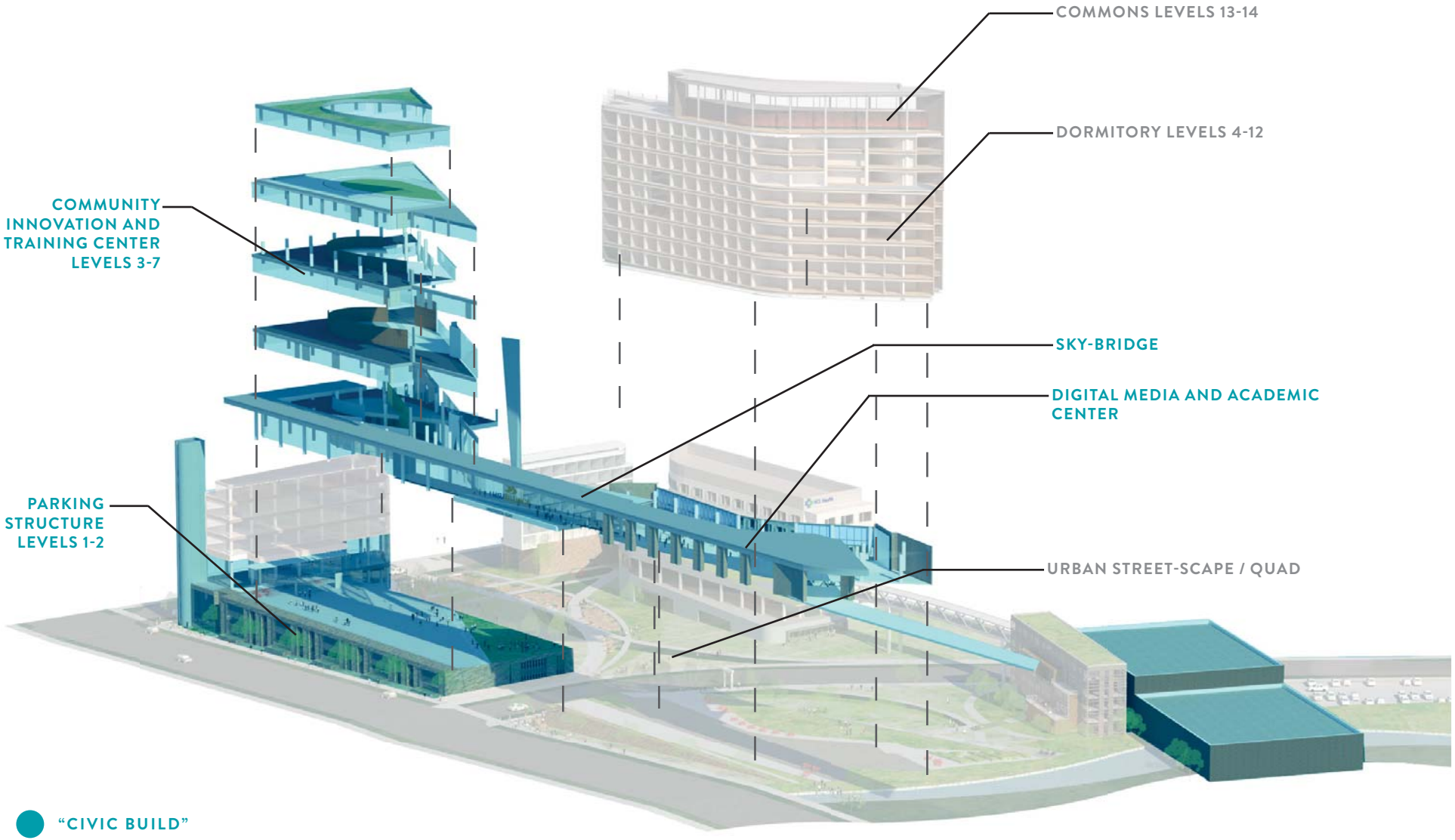
COMMUNITY INNOVATION & TRAINING CENTER – This will be the Mountain State Region’s integration of technology, innovation and academic pursuits, and a place for the intersection of creativity and collaboration among students, educators, innovators, entrepreneurs, and business leaders, along with a unique environment for workforce development that will build Montana’s employee base of the future.

DIGITAL MEDIA & ACADEMIC CENTER – High-tech, digital and distance learning concepts for public educators, executive education, tele-medicine and other technical training programs that support business throughout the State of Montana.

PARKING STRUCTURE – This will be supplemental public parking to district-wide parking needs.

URBAN STREETSCAPE / “QUAD” – Streetscape, pedestrian-way and other urban green and open space improvements will promote walkability to and connectivity with the rest of the ONE Big Sky synergistic development districts, creating an attractive urban environment from the Rim Rocks to the South.

SITE ACQUISITIONS & RELATED IMPROVEMENTS – Repurposing underutilized land and covering extraordinary civil infrastructure costs to make the ONE Big Sky vision a reality.



"CIVIC BUILD"

PRIVATE DEVELOPMENT

6.3 CIVIC BUILD COST MODEL

The Cost Model for the Civic Build identified for the combined ONE Big Sky districts is based upon capital construction cost estimates performed by independent parties experienced in civic and civil infrastructure delivery, design and construction and consistent with industry standards. A discussion of the complete Master Project Budget (for the Civic Build and private master-planned development projects) is included in Section 8 (Finance Plan).

CIVIC BUILD ONE BIG SKY		
CIVIC USES		
ENTERTAINMENT DISTRICT		
Convention & Events Center	$	75,000,000
Conference & Meeting Pavilion	$	12,500,000
Common Areas - Physical Plant / F&B Operations / Etc.	$	11,000,000
E Street - Exterior Plazas and Sky Terrace	$	6,000,000
Parking Structure	$	15,500,000
Site Acquisition & Improvements	$	6,000,000
SUBTOTAL	**$**	**126,000,000**
LIFESTYLE DISTRICT		
Public Market	$	8,000,000
Farmers Market Pavilion	$	5,000,000
Parking Structure(s)	$	10,750,000
Smart Building Technology (e.g., Security / Utilities / Etc.)	$	3,250,000
Site Acquisition & Improvements	$	2,000,000
SUBTOTAL	**$**	**29,000,000**
CIVIC & WELLNESS DISTRICT		
Community Wellness Center	$	10,000,000
Plaza and Public Town Square (Indoor + Outdoor)	$	7,000,000
New City Hall	$	43,500,000
Central Plant & Smart Building Technology	$	4,500,000
Parking Structure - Civic	$	21,500,000
Parking Structure - Mixed-Use	$	29,500,000
Site Acquisition & Improvements	$	4,000,000
SUBTOTAL	**$**	**120,000,000**
INNOVATION & EDUCATION DISTRICT		
Community Innovation & Training Center	$	5,000,000
Digital Media & Academic Center	$	4,000,000
Parking Structure	$	13,500,000
Urban Streetscape / Quad	$	2,500,000
Site Acquisition & Improvements	$	2,000,000
SUBTOTAL	**$**	**27,000,000**
GENERAL PUBLIC IMPROVEMENTS		
Streetscape and Public Right-of-Way Improvements	$	16,000,000
SUBTOTAL	**$**	**16,000,000**
TOTAL CIVIC BUILD	**$**	**318,000,000**
CIVIC SOURCES		
New Markets Tax Credits (NMTC) / EB-5 / Opportunity Zone Benefits	$	68,000,000
State of Montana - Value Capture Structure	$	125,000,000
City of Billings - TIF / Other	$	60,000,000
City of Billings - City Hall	$	65,000,000
SUBTOTAL	**$**	**318,000,000**

07

ECONOMIC & FISCAL IMPACT ANALYSIS

7.1 THE VALUE OF MASTER PLAN + CIVIC BUILD

MEASURING ECONOMIC & FISCAL IMPACTS

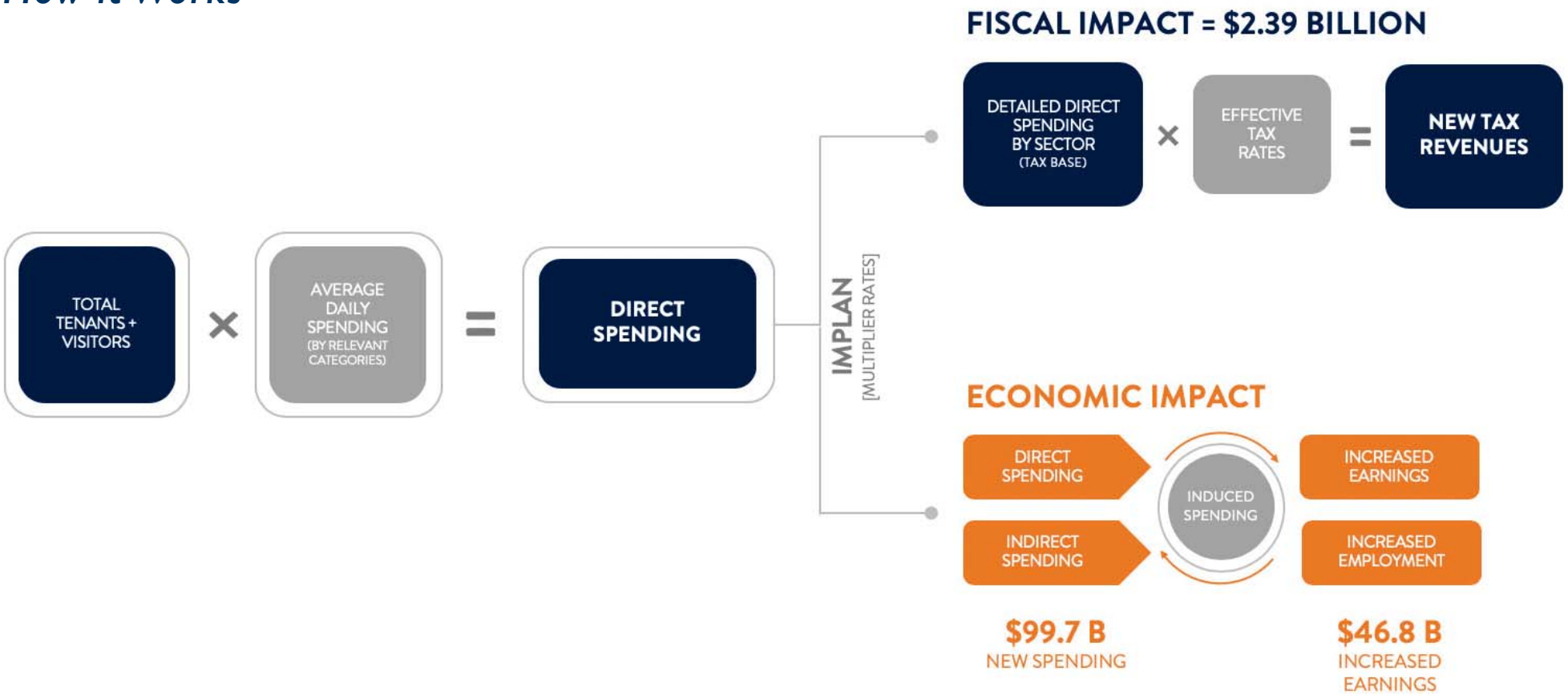
The success of the ONE Big Sky economic development initiative is dependent upon future economic and fiscal impacts that strengthen and diversify the economies of the City, Region and State. Independent analyses conducted by C.H. Johnson, Inc., and Baker Tilly measure the value of the ONE Big Sky Master Plan and Civic Build program by quantifying the impacts (or public "return") of this unique project.

Economic impact refers to the incremental new spending in an economy that is the direct result of certain activities, like new construction projects catalyzed as part of an economic development initiative. In the case of ONE Big Sky, increased visitation from the convention / event facilities, multiplier effects from companion travel and increases in length of stay, construction spending in the four development districts, and new business operations in Billings and the State create new direct spending, indirect spending, induced spending, and increased earnings, plus new jobs – both construction jobs and permanent jobs.

Fiscal impact is the calculation of the resulting net new tax revenues that will be received by the City, County, State and other taxing jurisdictions as a direct result of the economic impact. This includes increases in corporate and personal income taxes, hotel taxes, property taxes, auto rental taxes, and more. It results in a stronger tax base and economy overall. These are taxes that would not be generated without (or "but for") the ONE Big Sky Project, which means the Project creates new revenues for State and local governments to spend on priority public policy and other infrastructure needs around the City, the region and the State.

ECONOMIC & FISCAL IMPACT:

How it Works



7.2 TOTAL ECONOMIC & FISCAL IMPACTS

The fiscal impact of the ONE Big Sky project components within the district are projected to total approximately $2.39 billion in net new City, County, State and other local tax revenues over 30 years, $99.7 billion in new spending, and 31,866 new permanent jobs, all as further described in the table to the right. This is a very high public return on investment when compared to other economic development models around the country, and certainly well-beyond what can be achieved in the old "public subsidy" model, as discussed in Section 8 (Finance Plan). Many times when a government entity considers contributing toward an initiative that lures private business and enterprise, it is with the hope that the public will simply see a return of its investment. Based on independent analyses, Billings and the State are forecasted to receive 10:1 return on public investment over the life of this economic development initiative.

In addition to these "baseline" impacts generated within the boundaries of the district, the analysts have projected broader ancillary impacts directly attributable to ONE Big Sky. These additional tax revenue projections reflect the benefits of the Project that will extend beyond the physical boundaries of the ONE Big Sky District. As has occurred as a result of similar projects in other cities around the country, ONE Big Sky will serve to provide new employment opportunities and wages for nearby workers, drive demand and increase rents throughout the City, and increase occupancies and average daily rates at all local hotels (not just the hotels downtown).

The analysts have also conservatively assumed that the State will reinvest a portion of the nearly $1.8 billion in State tax revenues generated by ONE Big Sky into local infrastructure, public services, facilities and amenities all around the State, which will generate additional tax revenues for the State beyond what is measured by the ONE Big Sky limited project area.

ESTIMATED SPENDING & IMPACT

SUMMARY: ONE BIG SKY

ECONOMIC IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Direct Spending	$122	$754	$1,499	$2,468	$2,904	$3,357	$3,879	$66,518
Indirect Spending	33	203	403	663	781	902	1,043	17,878
Induced Spending	28	174	345	568	669	773	893	15,315
TOTAL SPENDING	**$183**	**$1,130**	**$2,248**	**$3,699**	**$4,354**	**$5,033**	**$5,815**	**$99,710**
Increased Earnings	$114	$573	$1,077	$1,730	$2,026	$2,335	$2,688	$46,802
Employment (FTE Jobs)	1,866	10,290	18,575	27,068	28,747	30,201	31,886	31,866

FISCAL IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Use Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Hotel/ Motel Tax	1.4	3.4	6.2	8.2	9.5	11.0	12.8	231
Auto Rental Tax	0.1	0.3	0.6	0.8	0.9	1.0	1.2	22
State Personal Income Tax	2.2	15.3	33.1	45.4	53.4	61.8	71.5	1,251
State Corporate Income Tax	0.1	2.0	4.2	7.0	8.3	9.7	11.2	188
Property Tax**	1.4	9.1	15.6	25.2	29.2	33.8	39.2	678
SUBTOTAL	**$5.2**	**$30.2**	**$59.7**	**$86.6**	**$101.3**	**$117.3**	**$135.8**	**$2,370**
One-Time Impact of Construction	3.8	1.0	1.1	0.7	0.0	0.0	0.0	$20
SUBTOTAL	**$9.0**	**$31.2**	**$60.8**	**$87.3**	**$101.3**	**$117.3**	**$135.8**	**$2,389**
Ancillary Benefits***	1.0	6.0	11.9	17.3	20.3	23.5	27.2	$474
State Reinvestment****	2.2	6.8	13.8	19.2	22.3	25.8	29.8	$527
TOTAL TAX REVENUES	**$12.3**	**$44.1**	**$86.6**	**$123.8**	**$143.8**	**$166.5**	**$192.8**	**$3,390**

Notes:

***Reflecting an effective tax rate and referencing 2018 Baker Tilly report; Convention/ Event Center and Education are tax exempt.*

**** Assumes 20% additional fiscal impact.*

***** Assumes State reinvests 30% of tax revenues from OBSD into infrastructure.*

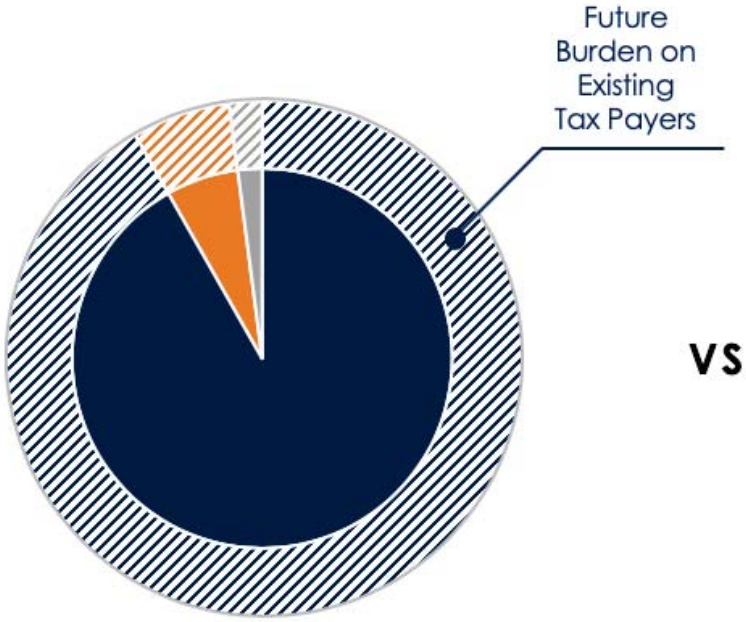
Source: Johnson Consulting

THE "DO-NOTHING" ALTERNATIVE

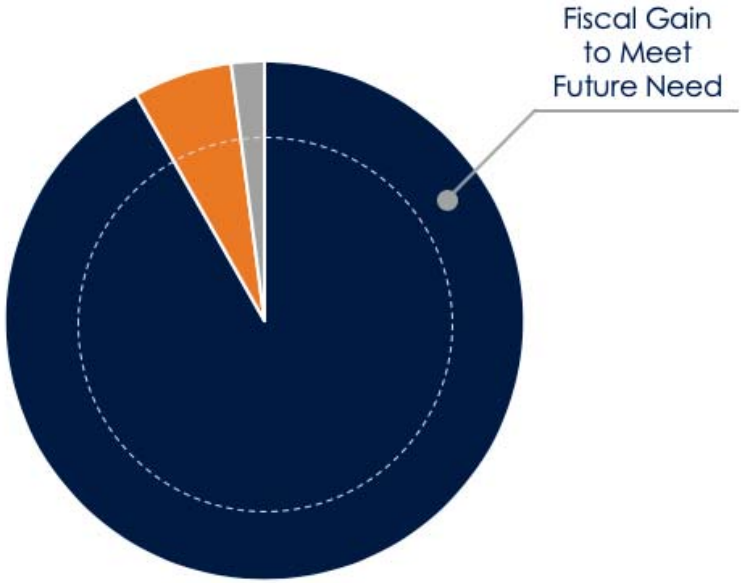
It's important to recognize that these new City, County, State and other local tax revenues (the combined fiscal impacts) would not be available without – or "but for" – the comprehensive economic development strategy known as ONE Big Sky. **The City of Billings has $214 million to gain and the State of Montana has nearly $1.8 billion to gain in new revenues as part of this comprehensive and synergistic downtown economic development strategy** ... $2.39 billion to all taxing jurisdictions in combined revenues over 30 years as shown on the previous page.

While Billings, the region and the State as a whole have a lot to gain by implementing the ONE Big Sky strategy, unfortunately, the alternative "do nothing" approach is not just the status quo. There is actually much to lose without a definitive plan to grow the local and statewide economies.

Today, unmet needs exist at all levels of government. Estimates at the end of the 2015 Montana legislative session pegged unfunded capital infrastructure needs alone at $150 million, not including school projects.



VS.



BILLINGS & MONTANA CURRENT PATH
GREATER BURDEN ON CURRENT TAXPAYERS

- STATE BUDGET
- CITY BUDGET
- COUNTY BUDGET
- UNMET STATE NEED
- UNMET LOCAL NEED
- UNMET COUNTY NEED

BILLINGS & MONTANA WITH ONE BIG SKY
"GROWS THE PIE"

- STATE BUDGET
- CITY BUDGET
- COUNTY BUDGET

By not implementing an economic development strategy, Montana is in serious jeopardy:

Montana's per capita income tax revenues will decline by 3 - 4 % by 2030 - much higher than the national average.

- FEDERAL RESERVE BANK OF KANSAS CITY

DO-NOTHING = DECLINE

Failure to implement a strategic plan that will drive economic growth will mean that employment will decline, tax receipts will decrease, and taxpayers of tomorrow – younger, lower-wage earners – will pay significantly more. Across the country, an aging population will lead to rising per capita expenditures and falling per capita revenue as the Baby Boom generation retires.

According to an independent analysis by Baker Tilly and Federal Reserve Bank projections, since Montana does not have a sales tax, the per capita income tax impact to its residents will likely be even greater.

Baker Tilly projects that the loss of workers due to retirements in Yellowstone County alone by 2027 means that annual tax receipts there will decline by over $4.8 million. These Yellowstone County retirements will reduce State and local tax receipts by over $37 million by 2027. **This is a ripple effect with significant negative Statewide induced impacts, including a decline in employment of 6,161 jobs, reduction in labor income by $275,019,445, and lost output of $787,786,916.**

DECLINE IN YELLOWSTONE COUNTY TAX RECEIPTS DUE TO RETIREMENTS (YEAR 2027)

ANNUAL TAX RECEIPTS FOR YEAR 2027
YELLOWSTONE COUNTY

	PRODUCTION & IMPORTS TAX	HOUSEHOLDS									TOTAL
		LT15K	15-30K	30-40K	40-50K	50-70K	70-100K	100-150K	150-200K	GT200K	
TOPI: Property Tax	($4,457,790)										
TOPI: Motor Vehicle License	(101,947)										(101,947)
TOPI: Special Assessments	(79,467)										($79,467)
Personal Transfers		(60)	(18,662)	(711)	(17,579)	(2,338)	(2,808)	(1,670)	(6,849)	(5,564)	(56,241)
Personal Tax: Motor Vehicle License		(423)	(2,850)	(5,748)	(6,991)	(18,412)	(25,126)	(22,829)	(8,940)	(9,905)	(101,224)
Personal Tax: Property Tax		(140)	(1,073)	(1,922)	(1,481)	(5,630)	(6,856)	(7,955)	(2,765)	(2,995)	(30,817)
TAX DEFICIT	**($4,639,204)**	**($623)**	**($22,585)**	**($8,381)**	**($26,051)**	**($26,380)**	**($34,790)**	**($32,454)**	**($18,554)**	**($18,464)**	**($4,827,486)**

Source: Baker Tilly

$4.8 M DEFICIT FOR THE COUNTY DUE TO RETIREMENTS ALONE ...
STATEWIDE RETIREMENTS = **$151.3 M** DEFICIT FOR THE STATE

7.3 FISCAL IMPACTS BY DISTRICT

ENTERTAINMENT DISTRICT

The fiscal impact of the combined ONE Big Sky programmatic elements to be constructed in the Entertainment District is projected to total over $278 million in net new City, County, State and other local tax revenues over 30 years. Developmet in the Entertainment District will also result in growth in the economy of over $5.6 billion in increased earnings, approximately $12.6 billion in total new spending over 30 years,

ESTIMATED SPENDING & IMPACT

ENTERTAINMENT DISTRICT

ECONOMIC IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Direct Spending	$37	$105	$170	$314	$366	$423	$489	$8,448
Indirect Spending	10	28	46	84	98	114	132	2,270
Induced Spending	9	24	39	72	84	97	113	1,945
TOTAL SPENDING	**$56**	**$157**	**$255**	**$470**	**$548**	**$634**	**$734**	**$12,663**
Increased Earnings	$25	$71	$114	$211	$246	$285	$329	$5,681
Employment (FTE Jobs)	550	1,381	1,929	3,072	3,092	3,084	3,077	3,077

FISCAL IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Use Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Hotel/ Motel Tax	1.1	2.1	2.7	3.2	3.7	4.3	5.0	96
Auto Rental Tax	0.1	0.1	0.2	0.2	0.2	0.2	0.2	4
State Personal Income Tax	0.2	0.9	1.7	2.5	3.0	3.5	4.0	69
State Corporate Income Tax	0.0	0.2	0.4	0.6	0.8	0.9	1.0	17
Property Tax***	0.4	1.3	2.4	3.3	3.9	4.5	5.2	91
TOTAL	**$1.8**	**$4.5**	**$7.3**	**$9.9**	**$11.5**	**$13.3**	**$15.4**	**$278**
One-Time Impact of Constuction	0.3	0.2	0.2	0.1	0.0	0.0	0.0	$3
TOTAL TAX REVENUES	**$2.1**	**$4.7**	**$7.5**	**$10.0**	**$11.5**	**$13.3**	**$15.4**	**$280**

Notes:

****Reflecting an effective tax rate and referencing 2018 Baker Tilly report; Convention/ Event Center and Education are tax exempt.*

Source: Johnson Consulting

LIFESTYLE DISTRICT

The fiscal impact of the combined ONE Big Sky programmatic elements to be constructed in the Lifestyle District is projected to total over $140 million in net new City, County, State and other local tax revenues over 30 years. Developmet in the Lifestyle District will also result in growth in the economy of nearly $2.2 billion in increased earnings, approximately $4.8 billion in total new spending over 30 years,

ESTIMATED SPENDING & IMPACT

LIFESTYLE DISTRICT

ECONOMIC IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Direct Spending	$8	$30	$58	$124	$145	$168	$194	$3,235
Indirect Spending	2	8	16	33	39	45	52	870
Induced Spending	2	7	13	28	33	39	45	745
TOTAL SPENDING	**$11**	**$45**	**$87**	**$185**	**$217**	**$251**	**$291**	**$4,850**
Increased Earnings	$5	$20	$39	$83	$97	$113	$131	$2,176
Employment (FTE Jobs)	113	396	661	1,211	1,221	1,221	1,221	1,221

FISCAL IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Use Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Hotel/ Motel Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Auto Rental Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
State Personal Income Tax	0.1	0.2	0.4	0.6	0.7	0.8	0.9	15
State Corporate Income Tax	0.0	0.1	0.1	0.2	0.2	0.2	0.3	5
Property Tax***	0.5	1.7	2.8	4.4	5.1	5.9	6.9	120
TOTAL	**$0.6**	**$1.9**	**$3.3**	**$5.1**	**$6.0**	**$6.9**	**$8.0**	**$140**
One-Time Impact of Constuction	0.3	0.2	0.2	0.1	0.0	0.0	0.0	$3
TOTAL TAX REVENUES	**$0.9**	**$2.1**	**$3.5**	**$5.3**	**$6.0**	**$6.9**	**$8.0**	**$143**

Notes:

****Reflecting an effective tax rate and referencing 2018 Baker Tilly report; Convention/ Event Center and Education are tax exempt.*

Source: Johnson Consulting

CIVIC & WELLNESS DISTRICT

The fiscal impact of the combined ONE Big Sky programmatic elements to be constructed in the Civic & Wellness District is projected to total nearly $1.78 billion in net new City, County, State and other local tax revenues over 30 years. Developmet in the Civic & Wellness District will also result in growth in the economy of approximately $35.4 billion in increased earnings, approximately $74.3 billion in total new spending over 30 years.

ESTIMATED SPENDING & IMPACT

CIVIC & WELLNESS DISTRICT

ECONOMIC IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Direct Spending	$75	$602	$1,181	$1,818	$2,148	$2,482	$2,865	$49,595
Indirect Spending	20	162	317	489	577	667	770	13,329
Induced Spending	17	139	272	419	495	571	660	11,419
TOTAL SPENDING	**$112**	**$902**	**$1,770**	**$2,726**	**$3,220**	**$3,720**	**$4,295**	**$74,343**
Increased Earnings	$82	$471	$862	$1,293	$1,517	$1,746	$2,006	$35,421
Employment (FTE Jobs)	1,167	8,281	14,708	19,921	21,202	22,235	23,430	23,430

FISCAL IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Use Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Hotel/ Motel Tax	0.3	1.3	2.7	3.2	3.7	4.3	5.0	90
Auto Rental Tax	0.0	0.2	0.3	0.4	0.5	0.5	0.6	11
State Personal Income Tax	1.9	14.0	29.8	39.9	46.9	54.3	62.8	1,106
State Corporate Income Tax	0.0	1.7	3.6	6.1	7.3	8.5	9.8	164
Property Tax***	0.4	5.6	9.6	15.2	17.6	20.4	23.6	408
TOTAL	**$2.7**	**$22.8**	**$46.1**	**$64.7**	**$75.9**	**$87.9**	**$101.8**	**$1,779**
One-Time Impact of Constuction	2.7	0.4	0.5	0.3	0.0	0.0	0.0	$11
TOTAL TAX REVENUES	**$5.4**	**$23.2**	**$46.5**	**$65.0**	**$75.9**	**$87.9**	**$101.8**	**$1,790**

Notes:

****Reflecting an effective tax rate and referencing 2018 Baker Tilly report; Convention/ Event Center and Education are tax exempt.*

Source: Johnson Consulting

EDUCATION & INNOVATION DISTRICT

The fiscal impact of the combined ONE Big Sky programmatic elements to be constructed in the Education & Innovation District is projected to total over $173 million in net new City, County, State and other local tax revenues over 30 years. Developmet in the Entertainment District will also result in growth in the economy of over $3.5 billion in increased earnings, approximately $7.8 billion in total new spending over 30 years,

ESTIMATED SPENDING & IMPACT

EDUCATION & INNOVATION DISTRICT

ECONOMIC IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Direct Spending	$2	$17	$91	$212	$246	$285	$330	$5,240
Indirect Spending	1	5	24	57	66	77	89	1,408
Induced Spending	1	4	21	49	57	66	76	1,207
TOTAL SPENDING	**$4**	**$25**	**$136**	**$318**	**$368**	**$427**	**$495**	**$7,855**
Increased Earnings	$2	$11	$61	$143	$165	$192	$222	$3,524
Employment (FTE Jobs)	37	232	1,277	2,863	3,233	3,661	4,158	4,158

FISCAL IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Use Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Hotel/ Motel Tax	0.0	0.1	0.8	1.8	2.1	2.4	2.8	45
Auto Rental Tax	0.0	0.0	0.1	0.3	0.3	0.3	0.4	6
State Personal Income Tax	0.0	0.2	1.2	2.4	2.8	3.3	3.8	61
State Corporate Income Tax	0.0	0.0	0.0	0.1	0.1	0.1	0.1	2
Property Tax***	0.1	0.6	0.9	2.3	2.6	3.1	3.6	60
TOTAL	**$0.1**	**$1.0**	**$3.1**	**$6.9**	**$8.0**	**$9.2**	**$10.7**	**$173**
One-Time Impact of Constuction	0.4	0.3	0.3	0.2	0.0	0.0	0.0	$4
TOTAL TAX REVENUES	**$0.6**	**$1.2**	**$3.4**	**$7.1**	**$8.0**	**$9.2**	**$10.7**	**$177**

Notes:

****Reflecting an effective tax rate and referencing 2018 Baker Tilly report; Convention/ Event Center and Education are tax exempt.*

Source: Johnson Consulting

7.4 FISCAL IMPACTS BY JURISDICTION

The fiscal impact of all ONE Big Sky programmatic components (all districts) can be measured by jurisdiction over the 30-year measurement period, illustrating major new tax revenues available to each of the State, City, School District and County and totaling $2.38 billion.

ESTIMATED SPENDING & IMPACT

IMPACT BY JURISDICTION - INCLUDING ANCILLARY BENEFITS

FISCAL IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
City*	$0.7	$3.0	$5.1	$7.9	$9.1	$10.6	$12.2	$214
School District**	0.6	4.2	7.1	11.5	13.3	15.4	17.9	309
County**	0.2	1.5	2.5	4.1	4.7	5.5	6.3	110
State***	7.5	22.6	46.0	63.9	74.2	85.9	99.4	1,756
TOTAL TAX REVENUES	**$9.0**	**$31.2**	**$60.8**	**$87.3**	**$101.3**	**$117.3**	**$135.8**	**$2,389**

Notes:

** Includes Property Tax, Sales Tax and Hotel/ Motel Tax - City (TBID)*

*** Includes Property Tax*

**** Includes Hotel/ Motel Tax - State, Auto Rental Tax - State, State Personal Income Tax, and State Corporate Income Tax, Construction of Hospital Expansion and University Expansion.*

Source: Johnson Consulting



08

FINANCE PLAN

8.1 FINANCE PLAN

CHALLENGES & OPPORTUNITIES

The success of the ONE Big Sky Project is dependent upon the passage of legislation to create a new State economic development tool to support a comprehensive private / public plan of finance that addresses the challenges of today and capitalizes on the opportunities of tomorrow by ...

1. Building Anchoring Civic Assets

2. Promoting Shared Infrastructure

3. Inducing Market Demand

In Billings today:

There is limited private investment in new development due to the market realities and inequities caused by a lack of demand drivers and rents that don't support new construction costs – the real estate market "gap" further described in this Section 8 (see also Appendix A, Market Research & Analysis). Correspondingly, there has been limited public investment in infrastructure due to constrained budgets at all levels of government and a lack of economic development tools that can build the civic infrastructure, which helps correct market inefficiencies.

With the comprehensive ONE Big Sky economic development strategy:

The market gap is overcome by effectively lowering construction costs for the private sector and making private development financially feasible. This is the result of incenting strategic development consistent with the Master Plan and Civic Build, which includes constructing anchoring civic assets, promoting private – public infrastructure cost sharing, and capitalizing on the City's strengths to drive visitation and future demand. The specific incentive, described in this Section, is in the form of a new economic development tool that encourages private investment on the front end in these anchoring civic assets, as well as other private development, generating new real estate demand that will fuel additional market-driven development and correcting the inequities of today for the next generation.

So in Billings tomorrow:

With real estate values that support construction costs, the market will function as it should. More visitation, newer office product, a downtown residence base and accompanying retail, dining and entertainment options mean that the private sector will continue to invest to meet naturally growing demand. This also means that the public sector will be required to invest at a much more modest level to meet the civil / civic infrastructure need of the future.


McCORMICK
HOTEL
INTERNET
McCORMICK
CAFE
BILLINGS
2nd HAND STORE
YELLOWSTONE HOTEL
OXFORD
ANTIQUES
CHEVROLET

"Absent a plan to address the critical challenges they face today, the City of Billings and the State of Montana will certainly experience negative consequences, potentially including loss of major employers, loss of skilled labor, loss of capital investment, declining home values, and declining tax revenues."

- BAKER TILLY

FINANCE PLAN OVERVIEW

The Master Plan for ONE Big Sky combined with the Civic Build together make up the comprehensive strategy grounded in both private investment and public commitments to construct and ensure the viability and success of the Montana Station Convention and Events Center and other catalytic civic projects that span and anchor all four ONE Big Sky development districts. The Finance Plan for ONE Big Sky is based upon an innovative "Value Capture" model that makes possible the delivery of all of the key civic infrastructure projects and shares risk and reward between the public and private sectors. This model, successfully implemented in other states as outlined in Section 3, has been proven to lower costs, drive demand and generate massive new revenues at the state and local levels.

Specifically, this Finance Plan provides:

- An overview of the vision for ONE Big Sky as a new model for an **economic development strategy** that is grounded in up-front private capital investment in the community -- not a public subsidy;
- An analysis of the **market "gap"** problem that must be addressed in downtown Billings;
- An outline of the **Value Capture solution:** An economic development tool that leverages private capital by providing a reasonable private return on investment, produces an enormous public return on investment, and closes the market gap to enable market-driven private development in the future.
- An order of magnitude cost estimate of the Civic Build and anticipated private development in each of the ONE Big Sky districts in the form of a **Master Project Budget**; and
- An assessment of the overall **Sources & Uses** of Funds.



8.2 ECONOMIC DEVELOPMENT STRATEGY

THE TRADITIONAL MODEL OF ECONOMIC DEVELOPMENT



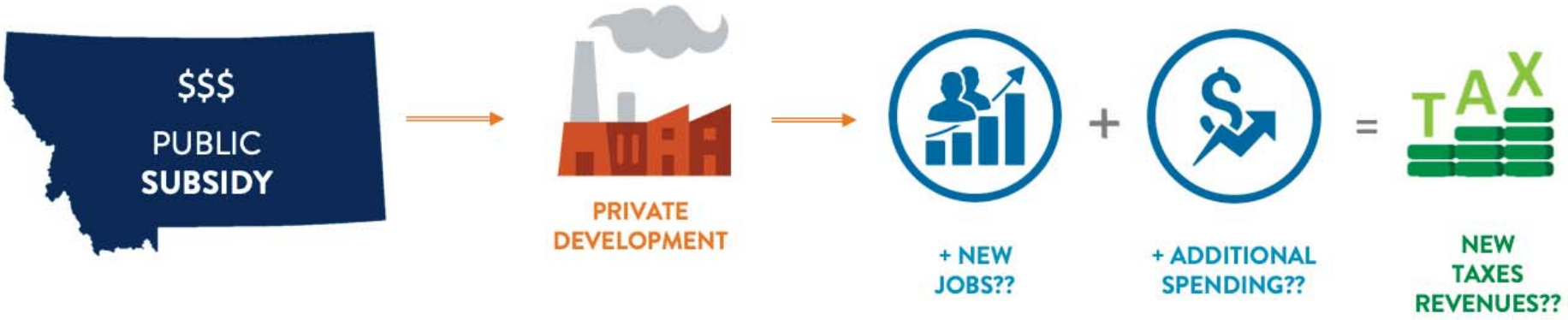
For many years, the public sector in the U.S. has taken the lead in creating economic development opportunities, including bearing the risk of designing, building, operating and paying for public infrastructure that may directly benefit only a single private business interest. This often occurs at the request of the private interest that wants the public sector to lead (i.e., invest first) with a public subsidy.

Historically, this has been a public sector attempt to stimulate economic development in the community or region by blindly putting public funds at risk on the front end, with the hope that private companies would re-locate or expand – the very linear or one-dimensional "build it and they will come" model.

This traditional model of economic development also meant that a city, county, state or other authority might offer direct public subsidies to pay for largely private assets to lure major employers to their jurisdictions. The recent race to attract Amazon's second headquarters is a prime example, with 238 cities, states, provinces and territories across the country and throughout North America promising massive public incentives to the corporate giant in what the media dubbed a "bidding war" and even a "race to the bottom." And, of course, this model doesn't work at all if the public sector doesn't have enough funds or economic development tools to provide these direct subsidies.

"LINEAR" ECONOMIC DEVELOPMENT

A Subsidy Model



- Public sector leads
- Public sector risk

- Private development must follow
- No private risk
- Major subsidies for private development to lower private cost

"Gone are the days of chasing a single employer that will bring hundreds of jobs to a community, often at the expense of another community and at high tax consequence. Today, economic development strategies are shifting toward a broader approach that considers the long-term goals of the community and brings together a variety of stakeholders."

- BAKER TILLY

A NEW MODEL FOR ECONOMIC DEVELOPMENT … LEADING WITH PRIVATE INVESTMENT

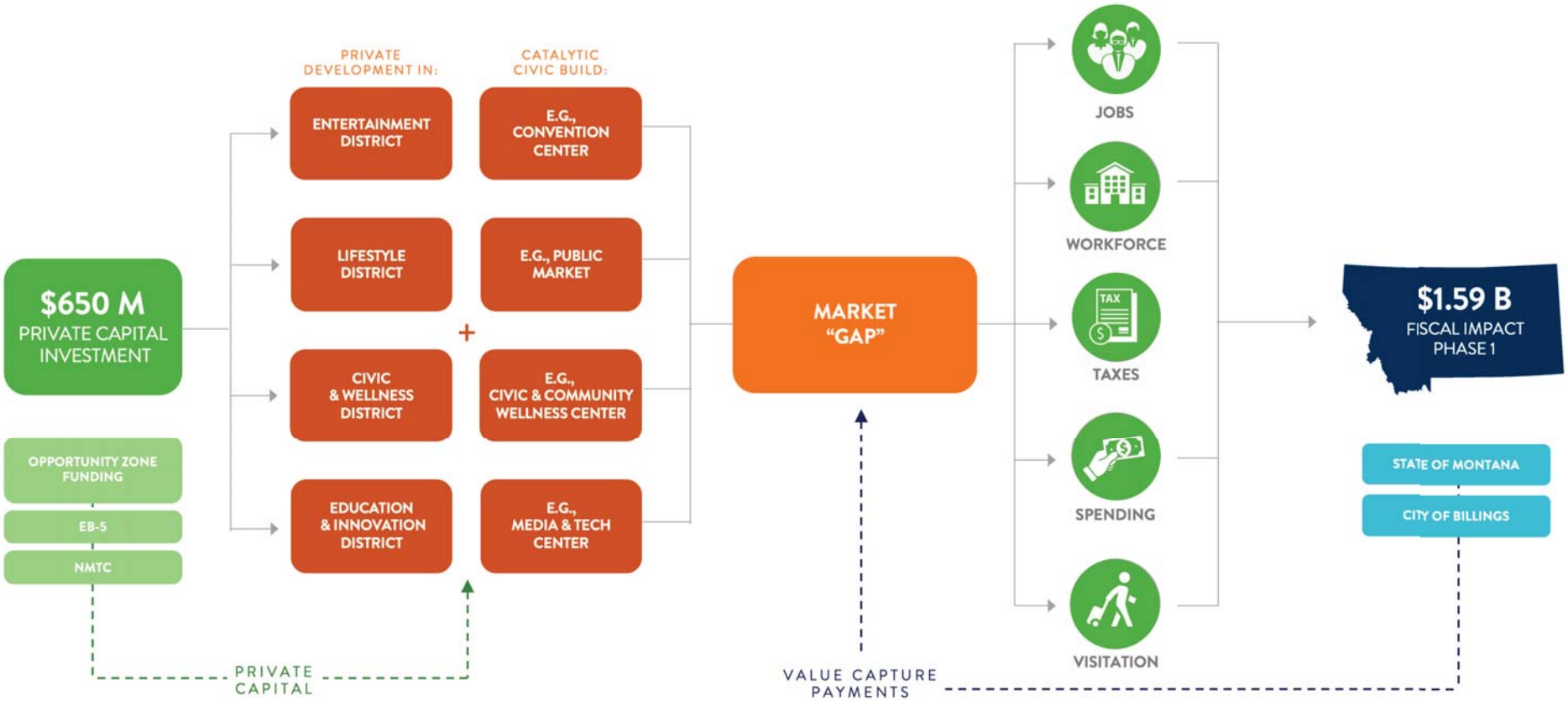
ONE Big Sky is a new and dynamic economic development strategy and private / public plan of finance. It is structured as a true partnership – with private investment leading. It is a cooperative effort to incent private investment in the City of Billings with a new "Value Capture" economic development tool, creating jobs, expanding the tax base, and charting the course for long-term growth and prosperity for Billings and the State of Montana. It unlocks the potential for private capital investment, including private capital incented by federal programs like Opportunity Zones, Tax Credits, and EB-5 (all as further described herein).

In ONE Big Sky's new model for economic development, a small percentage of the value of the ONE Big Sky Master Plan + Civic Build is captured in the form of new revenues generated by these projects for the State and the City and other local taxing jurisdictions from existing taxes. As illustrated in the graphic to the right

- The private sector commits to invest funds and build private development projects in the ONE Big Sky districts, and also takes the risk of financing and building catalytic civic infrastructure projects on behalf of the public.
- Because of the real estate market gap and constrained public funds for new civic assets, there is a need for the Value Capture tool to incent the private sector to invest on the front end, unlocking private sources of capital and sharing infrastructure costs between the public and private sectors.
- When the projects are built, this drives visitation, results in new spending, creates new jobs and strengthens the workforce, all resulting in new tax revenues generated by the projects (the direct "fiscal impacts").
- It is only AFTER the fiscal impacts are realized that the State and City return a small portion of these new tax revenues as Value Capture payments to share in the cost of civic infrastructure, which helps total projects costs meet values and provides reasonable returns to both the public and private sectors.

"DYNAMIC" ECONOMIC DEVELOPMENT

The New ONE Big Sky Model (Phase 1)



- Private sector leads
- Public sector shifts risk

- Private sector builds civic infrastructure
- No public finance risk
- Private development NOT subsidized

"The one big Sky economic development model is feasible if the tool exists to incent the private sector to contribute to infrastructure costs and allow projects to recoup a portion their direct fiscal impacts (new taxes). Overall, the success of one big sky is dependent on the formation of a public-private partnership that is led by private capital investment and a sharing of the costs needed to build important civic infrastructure."

- HUNDEN STRATEGIC PARTNERS

A NEW MODEL FOR ECONOMIC DEVELOPMENT … PRIVATE SECTOR LEADS

As illustrated on the previous page, the promise of public contribution in the future is leveraged to attract hundreds of millions – potentially billions – in projected up-front private investment in downtown Billings in Phase I. As the projects are completed, the public sector's commitment in this new economic model for ONE Big Sky is to take a portion of the value (new revenues) that directly result from new construction, new spending and new jobs in the Statewide economy to support the necessary civic infrastructure improvements (i.e., the Civic Build) financed up front – and at the risk of – the private sector.

As the Civic Build and private development mature through Phase I and into Phase II, supply and demand reach equilibrium in the real estate market and the market differential is overcome, allowing the private sector to realize a reasonable return on investment.

The vast majority of the new revenues received by the public entities are retained to expand their ability to pay for public costs and services, closing the public financing gap. At the local level, the balance of the new revenues will be used to fund expanded services and meet other important needs throughout the City. At the State level, the vast majority of the revenues will be available to significantly increase the State's budget capacity and its ability to fund projects and programs in both urban and rural areas across Montana.

"DYNAMIC" ECONOMIC DEVELOPMENT

The New ONE Big Sky Model (Gap Closed by End of Phase 2)



8.3 THE PROBLEM

THE "GAP"

"As has been experienced in many other markets, when the public and private sectors come together to invest in compelling, transformative projects, the nature and performance of the whole downtown can change dramatically."

- HUNDEN STRATEGIC PARTNERS

As previously discussed, the independent market and financial analysis prepared by Hunden Strategic Partners found that the stagnant downtown Billings real estate market over the past decades has been caused by a meaningful and measurable market gap. New development projects have largely been infeasible because rent levels (the indication of project value) will not support project development costs, which in turn leads to lack of new construction, aging supply, lower quality, high vacancy rates – a vicious cycle that is hard to break.

As shown in the table to the right, the rents (or in the case of hotel, average daily rates) are 16% to 50% below what is necessary to support new development, depending upon the program category (hotel, office, retail, market-rate residential, senior housing or student housing). So in each of the Entertainment, Lifestyle, Civic & Wellness, and Education & Innovation Districts, the real estate value based on market conditions today in downtown is lower than what is needed to meet Phase I construction costs and provide a return on investment to private development interests, as further discussed in subsection 8.4.

This disparity between value necessary to support development and value based upon current market conditions (rent levels) is quantified as the "gap": $72.7 million in the Entertainment District, $81.7 million in the Lifestyle District, $205.7 million in the Civic & Wellness District, and $30.4 million in the Education & Innovation District. This is why Phase I of ONE Big Sky cannot get off the ground without a Finance Plan that has a SOLUTION that closes the gap.

PHASE I MARKET GAP DEMONSTRATED BY SUPPORTABLE RENTS & VALUE

(BY PROGRAM & DISTRICT)

MARKET GAP
ONE BIG SKY

		HOTEL	OFFICE	RETAIL	RESIDENTIAL	SR HOUSING	STUDENT HSG
MARKET CONDITIONS (Current Dollars)		$139.77 /Night Avg Daily Rate	$17.50 /SF NNN Rental Rate	$14.86 /SF NNN Rental Rate	$1,326 /MO Avg Rental Rate	$3,716 /MO Avg Rental Rate	$1,222 /MO Avg Rental Rate
REQUIRED FOR DEVELOPMENT (Current Dollars)		$167.62 /Night Avg Daily Rate	$28.00 /SF NNN Rental Rate	$30.00 /SF NNN Rental Rate	$1,828 /MO Avg Rental Rate	$4,545 /MO Avg Rental Rate	$1,625 /MO Avg Rental Rate
VALUE BASED ON MARKET CONDITIONS ($M)		**$ 29.4**	**$ 63.0**	**$ 46.9**	**$ 48.4**	**$ 30.6**	**$ 12.7**
Entertainment District	$ 47.4	$ 19.5	$ 7.2	$ 15.6	$ 5.1	$ -	$ -
Lifestyle District	$ 39.3	$ -	$ -	$ 6.9	$ 32.4	$ -	$ -
Civic & Wellness District	$ 128.2	$ 9.9	$ 55.8	$ 21.0	$ 10.9	$ 30.6	$ -
Education & Innovation District	$ 16.1	$ -	$ -	$ 3.4	$ -	$ -	$ 12.7
VALUE NEEDED TO SUPPORT DEVELOPMENT ($M)		**$ 76.1**	**$ 171.4**	**$ 147.0**	**$ 144.4**	**$ 49.9**	**$ 32.6**
Entertainment District	$ 120.0	$ 52.8	$ 12.0	$ 43.3	$ 11.9	$ -	$ -
Lifestyle District	$ 121.0	$ -	$ -	$ 21.8	$ 99.2	$ -	$ -
Civic & Wellness District	$ 333.9	$ 23.3	$ 159.4	$ 68.0	$ 33.3	$ 49.9	$ -
Education & Innovation District	$ 46.5	$ -	$ -	$ 13.9	$ -	$ -	$ 32.6
MARKET GAP ($M)		**$ 46.7**	**$ 108.5**	**$ 100.1**	**$ 96.0**	**$ 19.3**	**$ 19.9**
Entertainment District	$ 72.7	$ 33.3	$ 4.9	$ 27.7	$ 6.8	$ -	$ -
Lifestyle District	$ 81.7	$ -	$ -	$ 14.9	$ 66.8	$ -	$ -
Civic & Wellness District	$ 205.7	$ 13.4	$ 103.6	$ 47.0	$ 22.4	$ 19.3	$ -
Education & Innovation District	$ 30.4	$ -	$ -	$ 10.5	$ -	$ -	$ 19.9

8.4 THE SOLUTION

VALUE CAPTURE TOOL

"Based upon economic development strategies successfully implemented around the country, including value capture, when the public sector and various private sector interests and community anchors come together to invest in transformative and synergistic redevelopment projects, dramatic changes happen in the market that close the feasibility gap."

- HUNDEN STRATEGIC PARTNERS

The new model of economic development, in the form of a legislatively-authorized Value Capture tool, provides a solution to the downtown market gap problem in four key ways:

- **BUILDS ANCHORING CIVIC ASSETS -** The value capture tool can support the construction of important civic assets. Each of the ONE Big Sky districts includes anchoring civic projects that, together, will be critical to the transformation of Billings according to independent market analyses. This "Civic Build" supports the development of a vibrant, urban environment that will attract the workforce of tomorrow and provide the concentration of jobs, income, and tax base necessary to grow the local and Statewide economies.
- **PROMOTES SHARED INFRASTRUCTURE -** Achieving lower costs of construction is a way for both the public and private sectors to increase return on investment, as further discussed in this subsection. Shared infrastructure is a proven method for public and private development components to be coordinated and integrated. By authorizing private parties to partner with the City, the public sector can design, build, finance and operate the Civic Build, leveraging private sector innovation and strategies to reduce not only construction costs (through things like shared public / common areas, parking and even building / mechanical systems), but also reduce long-term operating costs.
- **INDUCES MARKET DEMAND -** The synergistic ONE Big Sky district programs are certain to increase visitation and induce dramatic market demand for Billings, according to real estate market experts. Market demand drives rents higher, overcoming the deficiencies in the economic landscape and making future market-driven development feasible, and eliminating the need for public subsidies or extraordinary economic development tools.

VALUE CAPTURE:

Closes the gap by lowering cost & increasing demand without the need for public subsidy

DISTRICTS	PROVIDE PUBLIC SUBSIDY	BUILD ANCHORING CIVIC ASSET(S)	SHARE INFRASTRUCTURE	INDUCE MARKET DEMAND
ENTERTAINMENT DISTRICT	X	✓	✓	✓
LIFESTYLE DISTRICT	X	✓	✓	✓
CIVIC & WELLNESS DISTRICT	X	✓	✓	✓
EDUCATION & INNOVATION DISTRICT	X	✓	✓	✓

"The ONE Big Sky plan capitalizes on new economic development initiatives by breaking the from the tradition of silo single-project development and embracing a concept-driven plan. This plan will build a platform for long-term growth in Billings and the region."

- BAKER TILLY

OVERVIEW OF THE TOOL

Value Capture is most commonly used as an umbrella term. It is a new model of economic development that encompasses private – public funding mechanisms and harness the projected or realized increase in value imparted to land from development projects (i.e., net new tax revenues), which is typically monetized on the front end to help finance development and solve market inefficiencies that hamper new development and economic growth. Public entities that want to shift the up-front risk away from the public sector to the private sector can require private development or investment to occur prior to commitments.

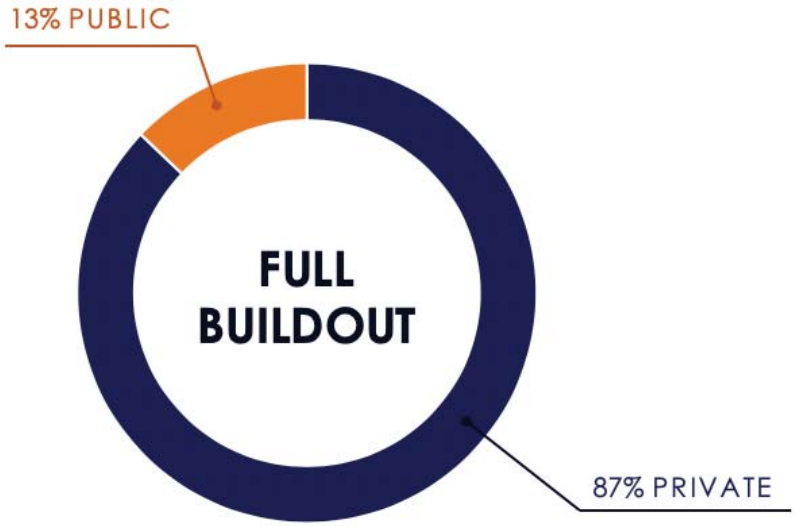
This is distinguishable from the "old" public subsidy model of economic development (including local tax increment financing), where the public sector commits up front – often paying for private assets.

With an investment from private sources of approximately $2 billion, and a capture of roughly $250 million of the net new tax base generated from ONE Big Sky development, the private sector shoulders 87% of the burden, including financing all of the upfront costs.

ONE BIG SKY INVESTMENT RATIO



$650 M PRIVATE INVESTMENT
$250 M PUBLIC INVESTMENT
$1.59 B NET NEW TAXES



$2+ B PRIVATE INVESTMENT
$0 ADDITIONAL PUBLIC INVESTMENT
$2.39 B NET NEW TAXES

10:1

PUBLIC RETURN ON INVESTMENT

RETURN ON INVESTMENT

PRIVATE

Private capital demands a return on investment. "ROI" is arguably the most important piece of information for real estate investors in any given market, helping them understand how profitable their property investment strategies will be based upon recognized real estate metrics that quantify many variables associated with profitability, such as rental income and rental expenses.

Under current market conditions, the gap previously described prevents private interests from investing because they can achieve only very low returns on their capital – ranging from 0.2% to 2.9%. These aren't sufficient levels, and future rents are too low, to incent private developer to build any significant new amount of office, retail, residential, hotel, or retail / dining / entertainment space in downtown Billings.

By utilizing the value capture tool to build the catalytic civic anchors in each of the ONE Big Sky districts, sharing key components of infrastructure between the civic spaces and private development, and inducing market demand with catalytic projects like the convention and events center, public market and others, the rent levels in downtown Billings increase to a level and the costs are lowered to a level that private return on investment reaches a level that is required (in the range of 7.5% to 9.3%, depending on the program and district, as show in the table to the right).

RETURN ON INVESTMENT
ONE BIG SKY

	CURRENT MARKET	ONE BIG SKY DISTRICT
Entertainment District	1.4% - 2.1%	7.8% - 9.0%
Lifestyle District	0.5% - 2.3%	7.5% - 9.1%
Civic & Wellness District	0.2% - 2.9%	7.6% - 9.3%
Education & Innovation District	1.1% - 2.4%	7.7% - 9.2%

RETURN ON INVESTMENT

PUBLIC

ROI in the public context is usually equated to the return on a public dollar spent as part of an economic development effort. The ONE Big Sky economic development initiative and Value Capture strategy provides a high return on public investment – more than 10:1 – by requiring the private sector to make substantial, up front capital investments in downtown Billings for both the private development and "Civic Build." As illustrated in the model to the right:

- Once these private capital investments reach a minimum threshold of $300 million (Tier 1), City and State contributions toward up front Civic Build costs are triggered.
- The State and City financial contribution comes from growth in revenues from existing taxes generated by the private capital investments (capturing the "value" created by ONE Big Sky Master Plan projects).
- The State and City value capture payments will be made on a proportional basis.
- These payments reimburse a portion – but not all – of the cost of the Civic Build (NOT the private development).
- Additional private capital investments made within 10 years (up to $450 million (Tier 2) and $650 million (Tier 3)) are eligible for additional City/State appropriations (up to maximum of $125 million each from the City and the State).
- Extraordinary private capital investments within 10 years totaling $1 billion or more extend the State reimbursement for Civic Build financing costs up to a total of 30 years (versus 20 years).

REPRESENTATIVE VALUE CAPTURE MODEL

CAPITAL INVESTMENT						
YEAR	TOTAL INVESTMENT	ANNUAL PRIVATE INVESTMENT	CITY CONTRIBUTION	STATE CONTRIBUTION	% PRIVATE	% PUBLIC
YEAR 1	$ 100.0 M	$ 100.0 M	-	-	100%	0%
YEAR 2	$ 200.0 M	$ 100.0 M	-	-	100%	0%
YEAR 3	$ 300.0 M	$ 100.0 M	$ 75.0 M	$ 75.0 M	50%	50%
YEAR 4	$ 400.0 M	$ 100.0 M			63%	38%
YEAR 5	$ 450.0 M	$ 50.0 M	$ 100.0 M	$ 100.0 M	56%	44%
YEAR 6	$ 600.0 M	$ 150.0 M			67%	33%
YEAR 7	$ 650.0 M	$ 50.0 M	$ 125.0 M	$ 125.0 M	62%	38%
YEAR 8	$ 800.0 M	$ 150.0 M			69%	31%
YEAR 9	$ 900.0 M	$ 100.0 M			72%	28%
YEAR 10	$ 1.0 B	$ 100.0 M	$ 125.0 M	$ 125.0 M	75%	25%
YEAR 15	$ 1.50 B	$ 100.0 M	$ 125.0 M	$ 125.0 M	83%	17%
YEAR 20	$ 2.00 B	$ 1.75 B	$ 125.0 M	$ 125.0 M	87%	13%
YEAR 30	**$ 2.00 B**	**$ 1.75 B**	**$ 125.0 M**	**$ 125.0 M**	**87%**	**13%**

FISCAL IMPACT	
YEAR	CUMULATIVE
Y1	$ 9.0 M
Y2	$ 19.8 M
Y3	$ 37.2 M
Y4	$ 61.9 M
Y5	$ 93.1 M
Y6	$ 128.5 M
Y7	$ 170.4 M
Y8	$ 217.3 M
Y9	$ 271.2 M
Y10	$ 332.0 M
Y11	$ 399.1 M
Y12	$ 469.2 M
Y13	$ 548.7 M
Y14	$ 629.8 M
Y15	$ 717.1 M
Y16	$ 806.7 M
Y17	$ 899.4 M
Y18	$ 994.9 M
Y19	$ 1.09 B
Y20	$ 1.19 B
Y21	$ 1.30 B
Y22	$ 1.41 B
Y23	$ 1.52 B
Y24	$ 1.63 B
Y25	$ 1.75 B
Y26	$ 1.87 B
Y27	$ 1.99 B
Y28	$ 2.12 B
Y29	$ 2.25 B
Y30	$ 2.39 B

"The core elements of ONE Big Sky can be feasible if they are developed simultaneously, to create critical mass and synergy among projects, and tools exist to contribute to public infrastructure costs and allow the projects to recoup their direct fiscal impacts (new taxes). Overall, the success of ONE Big Sky is dependent on the formation of a public-private partnership that is led by private capital investment and a sharing of the costs needed to build important civic infrastructure."

- HUNDEN STRATEGIC PARTNERS

PUBLIC SECTOR GOALS

The new Value Capture economic development funding tool necessary to unlock the local, regional and Statewide benefits of the Project and support the Civic Build will require special State legislation. This new economic development model is typically preferred by the public sector (versus the traditional model for economic development) for a number of reasons, including the public's ability to meet the following goals:

- Require minimum thresholds for private investment on the front end and performance benchmarks, maximizing public "ROI" (as demonstrated on the previous page).
- Generally de-risk a project and, particularly, mitigate the financial risk to both local government and the State (shifting burden to a private sector owner / operator).
- Finance public infrastructure with private equity and debt placed in commercial capital markets (thus, no public debt).
- Support a comprehensive economic development strategy to maximize new jobs and spending and generate more new taxes from a broader public and private development program (as opposed to supporting a single project).


1887
1899

BILL SUMMARY

WHAT IS IT?

A new economic development tool to be used by Billings and other Montana communities that can formulate a compelling vision and articulate a definitive plan to build an economic engine that fuels more spending, higher earnings, new jobs, and increased visitation for long-term statewide prosperity, attracting the workforce of the next generation.

HOW IS IT IMPLEMENTED?

- The 66th Montana Legislature must authorize the formation of new "State Economic Impact Districts" by cities or counties.
- As part of this new tool, cities and counties are required to adopt detailed development plans for their districts and a process to create positive economic and fiscal impacts and incent private investment in both private development projects and civic infrastructure.
- The development plan must address policy goals, objectives and land use issues, including third-party estimates of statewide economic and fiscal impacts, and providing a framework to achieve outcomes.

WHAT CAN BE FINANCED?

- Only costs of catalytic "civic infrastructure projects" that create or support civic and institutional anchors in the community and drive major economic growth, new jobs and new tax base.

HOW DOES THE TOOL WORK?

- Private interests must make substantial new capital investments in a Statewide Economic Impact District for private development.
- Once these private capital investments, plus up front investments (local or private) reach a minimum threshold of $300 million (Tier 1), State contributions toward civic infrastructure costs are triggered.
- State contributions must be met with a local "match." City or county financial contributions come from growth in revenues from existing taxes generated by the private capital investments (capturing the "value" created in the Statewide Economic Impact District).
- These payments can only be used to reimburse civic infrastructure costs.
- Additional private capital investments made within 10 years (up to $450 million (Tier 2) and $650 million (Tier 3)) are eligible for additional City/State and local appropriations (up to maximum of $125 million each from the city or county and the State).
- Extraordinary private capital investments within 10 years totaling $1 billion or more extend the State reimbursement for all civic infrastructure financing costs up to a total of 30 years (versus 20 years).

WHAT THE ONE BIG SKY LEGISLATIVE MODEL DOES NOT DO:

- Does not impose any new taxes at the State or local levels
- Is not part of the State infrastructure bonding bill
- Does not create a debt of the State, now or in the future
- Does not put public funds at risk … private funds must lead for public investment to follow
- Does not pay for private development, but rather reimburses the private sector for the cost of building and operating civic assets that are privately financed
- Is not a blank check – public investment in civic assets only
- It is not a "build it and they will come" theory

STATE SUPPORT FOR THE ONE BIG SKY VALUE CAPTURE MODEL

The State support for the ONE Big Sky Value Capture legislation will be driven based on a number of key benefits:

- $2.39 billion in growth in State and local tax base (which won't occur without ONE Big Sky).
- A workforce strategy for the future of Montana … addresses the jobs shortage in the State (46th overall in attracting the all-important Millennial population).
- New revenue sources to address urban and rural interests (for investment in infrastructure around the State, health and wellness, education, etc.).
- Alleviates the burden on future taxpayers – finally, a growth strategy that increases the tax base (grows the "pie").
- The law may be made available for other cities around the State to use if they can meet the benchmarks.
- Attracts private capital that wouldn't otherwise be invested in Montana (Opportunity Funds, etc.).
- Built-in safeguards:
  - Detailed Development Plan required.
  - Doesn't finance "ordinary" civil infrastructure.
  - Minimum private investment and projected thresholds for new jobs, economic impacts and corresponding tax growth.
  - NO RISK if private investment isn't made.

"The NIZ incentives have turned a severely challenged downtown into one that is benefiting not only the entire Lehigh Valley but the Commonwealth of Pennsylvania as well. **The ongoing revitalization of Downtown Allentown serves as a world model of what can be achieved through public incentives combined with private investments."**

SENATOR PAT BROWNE

"The Landing is paying its own way. The 95-acre project, which includes an outdoor mall with more than 100 stores, a public events plaza, a convention center and two hotels, has **generated $50 million through 2012 to repay [city] bonds."**

HUNDEN STRATEGIC PARTNERS

"The DMC initiative is transformative and priceless. When we look back 15 years from now at the changes made to Rochester and Mayo Clinic, the project will clearly be one we're glad we took on."

GOVERNOR MARK DAYTON (2014)

8.5 MASTER PROJECT BUDGET

"Cities are actively investing in infrastructure and amenities. There's a return to urbanism. And it gains momentum as cities create more livable, walkable, civic environments."

- ELVA RUBIO, DESIGN PRINCIPAL, GENSLER

The Master Project Budget for ONE Big Sky provides a preliminary projection of the total cost of necessary Civic Build components and projected costs of the private development program in Phase I and Phase II. This Master Project Budget is based on the conceptual design established for the ONE Big Sky included in the Master Plan and the plan for Civic Build:

- Site Acquisition & Improvements – The cost to acquire land or, alternately, recognize the contribution of land.
- Construction / FF&E Costs – These include "hard" costs of buildings and other improvements, including furniture, fixtures and other standard equipment.
- Development Costs – These additional capital costs include those related to architectural design and engineering, testing and inspection, project management, insurance and legal costs. These costs can total 15% to 25% of construction costs, depending on project complexity.
- Financing Costs –This type of cost is associated with the debt financing of projects that will have both transactions costs and an interest carrying cost during the construction period until revenues are generated to pay debt service (i.e., capitalized interest).
- Project Contingency – A contingency fund to be controlled by the building or infrastructure owner is carried on overall project cost to allow for unforeseen costs that are the responsibility of the owner or the result of owner-elected changes to design.

SOURCES & USES
ONE BIG SKY

USES OF FUNDS ($MM)	PHASE 1	PHASE 2	TOTAL
PRIVATE			
Site Acquisition & Improvements	$ 55.0	$ 98.6	$ 153.6
Construction / FF&E Costs	$ 495.7	$ 1,031.6	$ 1,527.2
Development Costs	$ 79.5	$ 150.3	$ 229.8
Financing Costs	$ 25.7	$ 48.3	$ 73.9
Project Contingency	$ 25.1	$ 47.5	$ 72.6
PUBLIC			
Convention Center	$ 75.0		$ 75.0
Civic Infrastructure	$ 152.3		$ 152.3
Structured Parking	$ 90.8		$ 90.8
TOTAL	$ 999.1	$ 1,376.2	$ 2,375.3

8.6 SOURCES & USES OF FUNDS

ASSESSMENT OF SOURCES

The new "Value Capture" economic development tool helps close the market gap ... unlocking private sources of capital and limiting the public funding requirements for major civic infrastructure projects.

The proposed Sources & Uses of Funds for both the private development program and the Civic Build -- each incented by the new economic development tool -- are listed on the table on the following page. The uses are based upon the Master Project Budget, and the sources will be driven by a reasonable private ROI made possible by the Value Capture legislation. The "public" participation is limited to payments secured by new tax revenues actually generated by the private development program outlined in the Master Plan (see Section 4):

- ✓ **CASH ON HAND / PRIVATE EQUITY:** This includes private development of civic infrastructure and amenities paid for with private cash on hand or other equity. This also includes private funds incented by tax or other federal benefits:
  - Opportunity Zone Funds: Private equity that receives incentives for investing in low-income communities, including capital gains tax deferral, partial forgiveness and tax-free appreciation.
  - EB-5 Funds: Private equity from eligible immigrant investors to finance U.S. projects in exchange for lawful permanent residency.
  - Tax Credit Financings (including New Market Tax Credits): Private equity that spurs certain types of development and fuels job creation / economic development in certain areas in exchange for tax credits.
- ✓ **PRIVATE DEBT:** Private sectors loans from commercial debt markets.
- ✓ **ALSO POSSIBLE: USER FEES / LEASE OR RENTAL PAYMENTS:** Payments made by private lessees or users to public entities as owners of public buildings and civic spaces.
- ✓ **ALSO POSSIBLE: NAMING RIGHTS / SPONSORSHIPS:** The purchase of rights to name or brand a facility or otherwise sponsor the construction of public or private facilities and civic spaces.

SOURCES & USES
ONE BIG SKY

SOURCES OF FUNDS ($MM)	PHASE 1	PHASE 2	TOTAL
PRIVATE			
Private Equity	$ 197.1	$ 327.9	$ 525.0
Private Equity (Opportunity Fund)	$ 140.0	$ 291.4	$ 431.4
Private Debt	$ 412.0	$ 756.9	$ 1,168.9
PUBLIC			
Public Investment	$ 250.0		$ 250.0
TOTAL	**$ 999.1**	**$ 1,376.2**	**$ 2,375.3**

USES OF FUNDS ($MM)	PHASE 1	PHASE 2	TOTAL
PRIVATE			
Site Acquisition & Improvements	$ 55.0	$ 98.6	$ 153.6
Construction / FF&E Costs	$ 495.7	$ 1,031.6	$ 1,527.2
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Structured Parking	$ 90.8		$ 90.8
TOTAL	**$ 999.1**	**$ 1,376.2**	**$ 2,375.3**

PROJECT DEVELOPMENT AGREEMENTS & TIMEFRAMES

A number of agreements and related documents will be important in moving forward with the Civic Build projects and commitments for other private development, as well as authorizing the Value Capture structure and agreements between the public and private sectors. These documents – and their primary purposes – are illustrated in the table to the right:

PROJECT DEVELOPMENT AGREEMENTS
ONE BIG SKY

	PARTIES	TIMING
CITY COUNCIL APPROVING RESOLUTION The City Council will consider a written resolution addopting the ONE Big Sky vision and private – public investment strategy. This will demonstrate the community's interest in moving forward with a strategic economic development plan, which includes creating a new financing tool that provides local and statewide economic, fiscal and social benefits. The Resolution will not bind the City to any debt or capital structure, but will be the first major step in creating an innovative private-public and inter-governmental partnership model.	City of Billings City Council	February 2019
STRATEGY PARTNERS / STAKEHOLDERS MEMORANDUM OF UNDERSTANDING The Strategy Partners, key stakeholders and any willing community or statewide interests will formally express their support for the ONE Big Sky economic development strategy in an "MOU" format, which will recite the goals and objectives.	Strategy partner entities, higher ed. partners, health care partners, financial industry partners, hospitality partners, retail / dining / entertainment partners, and other business and community interests	February 2019
PRIVATE COOPERATION AGREEMENTS Interested property owners in the ONE Big Sky project will be encouraged to enter into cooperative land use and development agreements that will assist them in putting their real estate resources to the highest and best use. Phased development strategies and opportunities in and between the development districts will help parties to pool risk, share in rewards, and avoid market inequities and competing interests to ensure that the full program of development can be realized as part of this ONE Big Sky economic development strategy, which is not about competing interests but rather cooperative interests.	Private property owners	Ongoing
VALUE CAPTURE LEGISLATION & AVAILABILITY PAYMENT APPROPRIATIONS ONE Big Sky legislation is unique because private capital builds civic infrastructure (the "Civic Build"). The structure of the economic development initiative generally "de-risks" the transaction for the public sector, shifting the burden of designing, building and financing to the private sector, and also delaying transfer of the asset to the private sector until the asset's operations are stabilized. The Civic Build is financed with approximately $2 billion of private equity and debt placed in the commercial capital markets. The related Value Capture mechanism allows for a return on public investment from a mature and appreciated asset and proven revenue stream. The value capture payments (or "Availability Payments") come from direct new tax revenues generated by the Civic Build.	Montana State Legislature / Executive Branch	May 2019
PROJECT PLANS & DEVELOPMENT AGREEMENTS Any owner / operator of the Civic Build projects and other private development interests constructing Phase I projects will work with the City to ensure that all local requirements are met to allow for construction of all necessary public infrastructure components that support the Civic Build and other private development in Phase I ONE Big Sky projects. Such projects will be detiled in Project Plans and local requirements will be memorialized in a development agreement for each project between the City and the respective private party.	Private owner / operator of Civic Build, other private developers and City	Year End



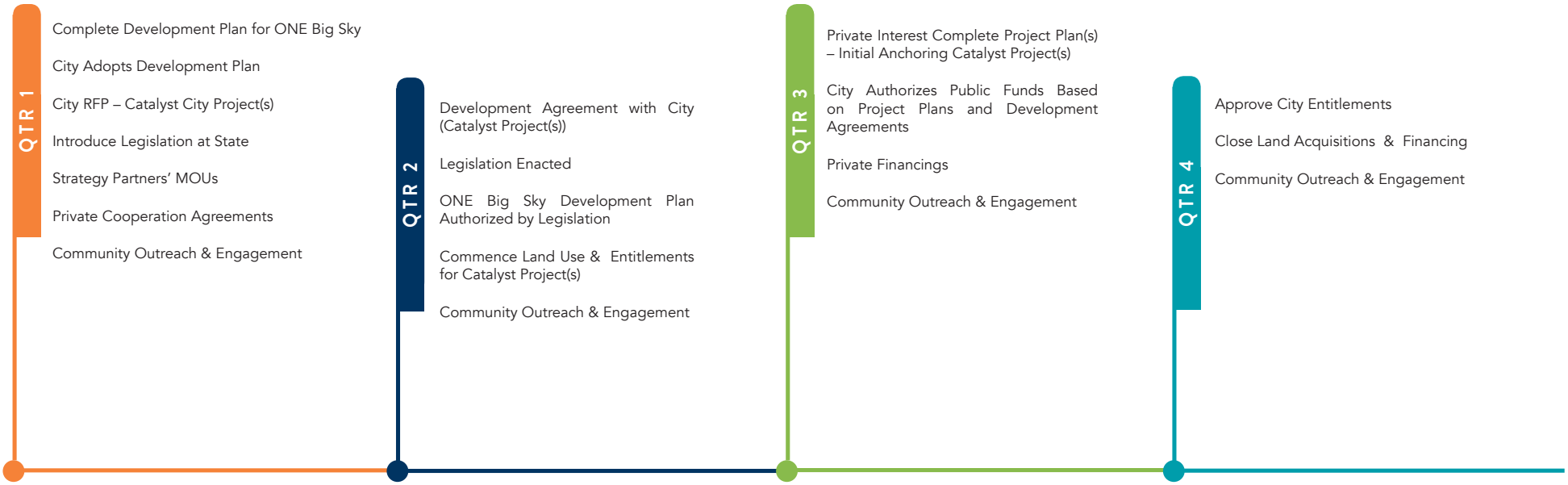
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NEXT STEPS

MASTER PROJECT SCHEDULE

NEXT STEPS

A number of steps will be required in the near-term to authorize and implement the kind of transformative vision that will grow the Montana economy, help it and its major communities attract tomorrow's workforce, and build a modern urban "lifestyle" city in Billings that can compete for jobs, visitors and a strong and sustainable tax base. The Master Project Schedule provides a detailed overview of the primary activities that need to undertaken in the next 12 months to implement the ONE Big Sky vision. The implementation phase of the Project begins in January 2019 when the Montana Legislative Session convenes. Activities through the year will enable certain Phase I anchoring projects to break ground in the Spring of 2020.


QTR 1
Complete Development Plan for ONE Big Sky
City Adopts Development Plan
City RFP – Catalyst City Project(s)
Introduce Legislation at State
Strategy Partners' MOUs
Private Cooperation Agreements
Community Outreach & Engagement
QTR 2
Development Agreement with City (Catalyst Project(s))
Legislation Enacted
ONE Big Sky Development Plan Authorized by Legislation
Commence Land Use & Entitlements for Catalyst Project(s)
Community Outreach & Engagement
QTR 3
Private Interest Complete Project Plan(s) – Initial Anchoring Catalyst Project(s)
City Authorizes Public Funds Based on Project Plans and Development Agreements
Private Financings
Community Outreach & Engagement
QTR 4
Approve City Entitlements
Close Land Acquisitions & Financing
Community Outreach & Engagement

APPENDIX

APPENDIX A

MARKET RESEARCH & ANALYSIS

OVERVIEW

METHODOLOGY, KEY FINDINGS

"Without a strong core, the whole region suffers as economic opportunities pass it by for more vibrant urban centers of activity. Given Billings' position as a key center of economic activity in the greater region, it is important for it to have a critical mass of a mix of uses and event facilities to anchor the statewide economy."

- HUNDEN STRATEGIC PARTNERS

Hunden Strategic Partners ("HSP") has provided a market and financial feasibility analysis of the proposed ONE Big Sky development in downtown Billings. In this analysis, HSP analyzes the proposed Project, profiles current market conditions within the relevant real estate marketplace, and projects the financial viability of the various project components under two scenarios: the current market and the transformed market assuming the ONE Big Sky economic development plan is implemented.

Currently, the financial viability of individual programmatic elements of the Project is extremely challenging due to the existing conditions in the downtown market. However, Hunden finds that with a transformative, district-wide strategy and development of catalytic elements of civic infrastructure, each of the elements of the Project can be supported by market demand.

Hunden has determined that the private Master Plan elements (as described in Section 4), including high-quality downtown office, residential, hospitality, retail, restaurant and various types of housing, are feasible if they are developed in concert to create critical mass and synergy among projects. In addition, core elements of civic infrastructure will serve as long-term anchors to strengthen downtown Billings as a regional destination. This includes the convention and events center, which -- if designed to be a more diverse and active venue than a traditional convention or conference facility -- is viewed by Hunden as the dominant new anchor to lead the transformation of downtown Billings into an even stronger regional draw.

Hunden's research also acknowledges the need for new tools to contribute to public infrastructure costs, allowing catalytic "civic build" components (as described in Section 6) to recoup their direct fiscal impacts – i.e., net new tax revenues. Hunden concludes that, overall, the success of OBS is dependent on private – public collaboration, ideally led by private capital investment and a sharing of the costs needed to build important civic infrastructure that makes the ONE Big Sky vision financially feasible.

MONTANA TODAY ...

Based on HSP's research and other public data, the future of Montana will be dependent on a balanced economy between urban and rural interests. The City of Billings is a proven regional economy, drawing from important sectors such as tourism, healthcare and higher education. By leveraging the strength of these existing industries, Billings presents opportunity for Montana to build a more diverse economy and increase the State's ability to attract young talent, which is currently constrained among all sectors.

ONE Big Sky is a transformative vision for the State of Montana and City of Billings to build one of America's strongest second tier cities for the next generation. Building on the pillars of tourism, health care and higher education, a vision has been established that aims to generate strong job growth, foster new and evolving industries, improve health and education, and generate new tax base in the community. These factors also support rural interests through growth in the tax base (vs. putting additional burden on existing tax payers), better education options to retain young workforce, new employment opportunities, and better and more affordable health care.

This vision follows national trends that indicate an emphasis on reurbanization in the next 20 to 30 years. Montana must have a balanced urban and rural strategy to compete in the new economy, or the cost of attracting and retaining talent will be prohibitive.

MARKET DEMAND

Over the last few decades the real estate market in Billings has seen little growth. However, according to Hunden's research this is not to say there is not demand. Due to the relatively limited and sporadic development in downtown Billings, there is significant pent up demand – and dire need for – new development across all market sectors. From residential, to hospitality, to retail, dining and entertainment, the demand is there. There is a demand for more and varied restaurants, retail and grocery; there is a demand for all levels of housing, including senior housing; there is strong pent-up demand for quality event facilities and accompanying hotels; there is demand for office with a desire from existing users to up-cycle into Class A spaces.

THE "GAP"

Despite strong market demand as determined by HSP, there are also challenges. Most importantly, there is a market "gap" that exists today, in which development of any meaningful scale or quality is not financially viable. New development projects have largely been infeasible because rent levels (the indicia of project value) will not support project development costs and provide private development interests with a reasonable return on their capital. This, in turn, leads to lack of new construction, aging supply, lower quality, and high vacancy rates. In a market gap environment such as this, it is necessary to induce demand, lower costs, or both to break the cycle.

"Private capital cannot build both the private market components and the City's core infrastructure."

- HUNDEN STRATEGIC PARTNERS

THE IMPORTANCE OF CREATING ANCHORS

Developing any project in isolation requires it to be 100 percent viable on its own, despite the economic realities of the market that it is entering. However, developing multiple new anchoring projects in close proximity to each other creates a critical mass of new economic activity that is symbiotic in nature: new residential creates new spending power for retail and restaurants; new offices create or move jobs near the new retail, restaurant and housing; new event space generates the need for new hotel rooms; new hotel rooms generate tourism to support retail and restaurant. All of the uses proposed help the others succeed.

Anchor developments and transformative civic elements are imperative in markets like Billings where "gaps" are prohibitive to private investment. Using economic development tools for a single project, thinking that it will be a silver bullet to break through market barriers, has not worked for most cities. However, using tools to create a broader district strategy anchored by a vibrant mix of uses is proven to incent and drive additional private capital investment. This new model for economic development, tailored to ONE Big Sky, is further described in Section 9.


MONTANA STATION

THE GRAYING OF AMERICA

"The aging phenomena occurring in Billings – often referred to as the "graying of America" – is not unique to the Region or State of Montana. Over the past two decades, as large urban cores have become job centers that attract diverse young people, smaller cities have become older, whiter, and less populated. **America's 100 largest metro areas recovered all of the jobs they lost in the recession and added nearly 6 million additional jobs by 2017.** The rest of the country, combined, was barely 300,000 jobs over its pre-recession peak by 2017."

- BROOKINGS INSTITUTION ANALYSIS OF MOODY'S ANALYTICS DATA

ECONOMIC & DEMOGRAPHIC MARKET ASSESSMENT

POPULATION

The City of Billings has a current population of 116,000. Population has increased by 12.1 percent over the past eight years, consistent with greater Yellowstone County and at a rate much faster than the U.S. and Montana as a whole. This growth is expected to continue, with an anticipated increase in population of 6.3 percent over the next five years; however, primarily in older age cohorts.

One of the primary challenges facing the long-term economic prosperity of Billings is an aging workforce. While this trend has positive implications for senior housing development, it makes already challenging economic realities for the City and State almost insurmountable if this trend cannot be reversed.

POPULATION & GROWTH RATES

	POPULATION				PERCENT CHANGE
	2000	2010	2018	2023 (EST.)	2010 - 2018
United States	281,421,906	308,745,538	330,088,686	343,954,683	6.9%
State of Montana	902,195	989,415	1,068,947	1,123,300	8.0%
Yellowstone County	129,352	147,972	165,805	177,142	12.1%
City of Billings	**92,550**	**104,103**	**116,728**	**124,031**	**12.1%**
City Pop. As % of County Pop.	*71.5%*	*70.4%*	*70.4%*	*70.0%*	–

Source: ESRI

POPULATION BY AGE

BILLINGS, MT

	2010		2018		2023	
AGE	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
0 - 4	7,285	7.0%	7,386	6.3%	7,830	6.3%
5 - 9	6,452	6.2%	7,183	6.2%	7,414	6.0%
10 - 14	6,064	5.8%	7,012	6.0%	7,412	6.0%
15 - 19	6,324	6.1%	6,658	5.7%	7,212	5.8%
20 - 24	7,652	7.4%	7,553	6.5%	7,733	6.2%
25 - 34	15,312	14.7%	16,736	14.3%	16,798	13.5%
35 - 44	12,012	11.5%	14,145	12.1%	15,901	12.8%
45 - 54	14,788	14.2%	13,399	11.5%	13,667	11.0%
55 - 64	12,613	12.1%	15,518	13.3%	14,847	12.0%
65 - 74	7,507	7.2%	11,601	9.9%	13,954	11.3%
75 - 84	5,346	5.1%	6,106	5.2%	7,694	6.2%
85+	2,748	2.6%	3,430	2.9%	3,570	2.9%
TOTAL	**104,103**	**--**	**116,728**	**--**	**124,032**	**--**

Source: ESRI

"ONE of the primary challenges facing the long-term economic prosperity of Billings is an aging workforce ... it hinders the attractiveness of the city for new industry."

- HUNDEN STRATEGIC PARTNERS

EMPLOYMENT

UNEMPLOYMENT RATE

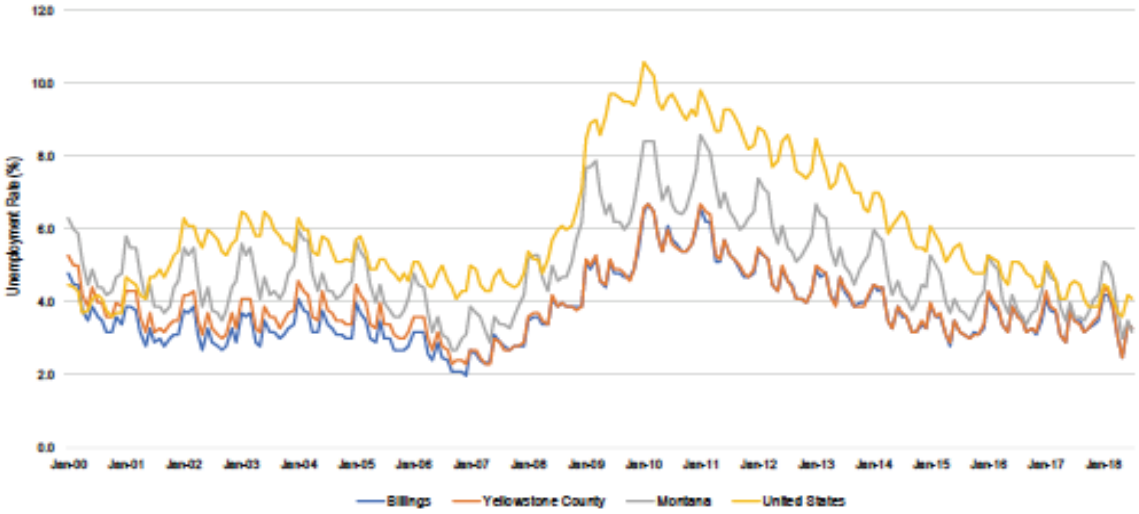
The unemployment rate for Billings has been consistently lower than national averages since 2000. Unemployment rates peaked for both Billings and Yellowstone County in 2010 at 6.7 percent. From January 2015 to January 2018 the average unemployment rate for Billings has been 3.5 percent; however, the aging Baby Boomer population in Billings will have a detrimental impact on employment levels in the near future.

MAJOR EMPLOYERS

Billing's position as the State's economic hub has made it a destination for stable employers. The following table shows the largest employers in Yellowstone County by number of employees. The largest private employers in Billings are both hospitals: the Billings Clinic and St. Vincent Healthcare, which together employ over 5,000 employees and serve patients from an approximate 500-mile radius. In addition, the presence of colleges and universities can play a major role in supporting the growth of the State's largest city. Today, the City has roughly 5,400 students in higher education, who can either be incented to stay in the City and the State – or otherwise may leave for other, more attractive urban environments and employment centers in the Mountain State region.

UNEMPLOYMENT RATE (2000-2018)

BILLINGS, MT



TOP EMPLOYERS

YELLOWSTONE COUNTY

COMPANY	EMPLOYEES
Billings Clinic	1,000+
St. Vincent Healthcare	1,000+
Wal-Mart	1,000+
Target	100-249
Advanced Employment Services	250-499
Charter Communications	250-499
Costco	250-499
ExxonMobil	250-499
Phillips 66 Company	250-499
Rocky Mountain college	250-499
Scheels	250-499
Sysco Food Service	250-499
Town Pump	250-499
United Parcel Service	250-499
Yellowstone Boys & Girls Ranch	250-499
Albertsons Food & Drugs	500-999
Cenex Harvest States	500-999
First Interstate Bank	500-999
St. John's Lutheran Home	500-999
Wells Fargo	500-999

Source: Bureau of Labor Statistics

STATEWIDE EDUCATION & INCOME CHALLENGES

"The median college-educated Montanan earns only 77 percent as much as the median college-educated American (82 percent adjusted for cost of living). In contrast, the median Montanan without a college degree earns 90 percent as much as the median American without a college degree (95 percent adjusted for cost of living)."

- 2017 MONTANA ECONOMIC REPORT

EDUCATION & INCOME POTENTIAL

HIGHER EDUCATION

Billings is home to two colleges: Montana State University-Billings, which has campuses in downtown Billings and its City College on the west end, and Rocky Mountain College. Together, these two institutions have a combined enrollment of roughly 5,400 students. With 21.7 percent of adults aged 25 years and over having a Bachelors Degree or higher, Billings ranks higher in educational attainment than the County, the State and the U.S.

However, a recent Montana economic report cited the State's inability to attract and retain more college graduates and the costs that imposes on the State's economy. Because of its high educational attainment, and as the largest city in the State and with a comprehensive economic development effort and two colleges, Billings is well-positioned to attract and retain more college graduates.

INCOME POTENTIAL

Educational attainment is generally linked to income potential, resulting in disposable income and long-term economic growth for cities in which educated people reside. With higher-than-average educational attainment, Billings' median income is slightly above State income levels as would be expected; however, it lags the U.S. and Yellowstone County. The Billings workforce must be better leveraged to help the Region and State achieve economic success, with faster population, employment, wage and housing price growth, increasing productivity and overall quality of life.

EDUCATIONAL ATTAINMENT

POPULATION AGE 25+ | 2016

EDUCATIONAL ATTAINMENT	UNITED STATES	MONTANA	YELLOWSTONE COUNTY	BILLINGS
Did Not Complete High School	13.0%	7.1%	7.0%	6.8%
Completed High School	27.5%	29.8%	31.1%	28.8%
Some College	21.0%	24.5%	24.8%	25.3%
Completed Associate Degree	8.2%	8.7%	7.9%	7.6%
Completed Bachelor Degree	18.8%	20.2%	20.4%	21.7%
Completed Graduate Degree	11.5%	9.8%	8.8%	9.7%

Source: U.S. Census Bureau

INCOME, SPENDING & OTHER DEMOGRAPHIC DATA

CATEGORY	UNITED STATES	MONTANA	YELLOWSTONE COUNTY	BILLINGS
Homeownership rate, 2016	63.6%	67.2%	67.8%	62.8%
Median value of owner-occupied housing units, 2016	$184,700	$199,700	$201,500	$198,300
Persons per household, 2016	2.64	2.41	2.43	2.37
Median household income, 2016	$55,322	$48,380	$55,032	$52,944
Persons below poverty level, percent	12.7%	12.5%	8.8%	11.6%
Total employment, 2016	126,752,238	378,463	70,372	–
Total employment, percent change, 2015-2016	2.1%	0.9%	0.5%	–
Retail sales per capita, 2012	$13,443	$15,544	$21,544	$25,823

Source: U.S. Census Bureau

REAL ESTATE MARKET ANALYSIS

OFFICE MARKET

"New office supply is needed, as there are few truly Class A options ... Once new space comes online, the tenant mix will shift upward and the ability to attract new companies to Billings will be more apparent."

- HUNDEN STRATEGIC PARTNERS

HSP has analyzed the current downtown and broader City of Billings office market to assess the feasibility of new office development as part of ONE Big Sky. HSP found that the overall supply of large office buildings is dated and of low quality. No new Class A office buildings have been developed since 1985. **Today's large office buildings are of substandard quality compared to what would be considered Class A on a national level.** Class A buildings in Billings have highly varied performance data. The largest Class A-type buildings have single-digit vacancies, which are substantially lower than the market average, yet possess a wide range of rental rates.

The office market supply in Billings has increased by about 300,000 square feet since 2016, an eight percent (8%) increase. However, the majority of this supply growth was the result of the [Old Federal Building] being refurbished and added to the available supply. Due to the slow absorption rate in downtown Billings as well as the new supply, vacancy has increased by more than six percentage points since 2016, rising to more than 28 percent – nearly double the national average of 15 percent.

Despite an up-tick in vacancy, this does NOT equate to the downtown Billings market being "overbuilt." With improved quality, an office market correction can be expected. The tendency is for tenants to shift to newer and better spaces over time. New office space is needed, as there are no true Class A options by national standards in the City. Once new space comes online, the tenant mix will shift upward and the ability to attract new companies to Billings will be more apparent. Currently, without quality space available, it is hard for Billings to market itself to new or expanding companies. Local brokers have stated that what would be considered Class A space by Billings standards is far outperforming the dated, lower-quality space that is still claiming Class A status. There is interest in downtown office space from companies outside the area currently, but the issue of "quality" persists. Medical office space overall is outperforming traditional office space and presents a huge opportunity for future development.

HSP CONCLUSIONS

CURRENT SUPPLY: 3.9 MSF

ESTIMATED DEMAND WITH ONE BIG SKY STRATEGY (10 YEARS): 508,000 MSF

LARGEST OFFICE BUILDINGS
ONE BIG SKY DISTRICT

BUILDING	ADDRESS	CLASS	YEAR BUILT / RENOVATED	RENTABLE SF	AVAILABLE SF	VACANCY %	RENT LOW	RENT HIGH	LEASE TYPE	CAM/SF
Double Tree Building	27 N 27th St	A	2016	313,400	15,200	5%	$16.00	$16.00	Full Service - Gross	--
First Interstate Bank	401 N 31st St	A	1985	230,000	11,200	5%	$10.50	$10.50	NNN	--
Stillwater Building	316 N 26th St	A	1960	184,000	167,000	91%	$26.00	$26.00	--	--
Wells Fargo Building	175 N 27th St	A	2016	160,000	10,800	7%	$13.00	$13.00	NNN	$7.80
Rocky Mountain Bank Building	2929 3rd Ave N	A	1978	63,000	18,150	29%	$12.00	$12.00	NNN	$4.50
Securities Building	2718 Montana Ave	A	2015	60,000	15,500	26%	$15.90	$15.90	Full Service - Gross	--
US Bank Building	303 N Broadway	A	1956	28,400	16,400	58%	$14.00	$14.00	--	--
TOTAL / AVERAGE - CLASS A			1989	1,038,800	254,250	24%	$15.34	$15.34	--	$6.15
Transwestern 3	550 N 31st St	B	1983	81,500	12,800	16%	$10.50	$10.50	NNN	$9.50
Transwestern 2	490 N 31st St	B	1981	79,300	9,400	12%	$11.00	$11.00	NNN	$9.50
Miller Building	2825 3rd Ave N	B	2003	72,200	14,500	20%	$11.50	$14.50	Full Service - Gross	--
Transwestern 1	404 N 31st St	B	1955	56,700	2,800	5%	$11.00	$11.00	NNN	$9.50
TOTAL / AVERAGE - CLASS B			1981	289,700	39,500	14%	$11.00	$11.75	--	$9.50
Yegen Building	3021 3rd Ave N	C	1940	24,400	24,400	100%	$8.00	$8.00	Modified Gross	Plus Utilities
TOTAL / AVERAGE - OVERALL			1982	1,352,900	318,150	24%	$13.28	$13.53	--	$8.06

Source: NAI Business Properties, Loopnet

OFFICE MARKET PERFORMANCE METRICS
BILLINGS, MT

YEAR	RENTABLE SF	VACANT SF	VACANCY %	SF NET	VACANCY NET	ABSORBTION	NET ABSORBTION
2016	3,704,985	540,479	15%	--	--	--	--
2017	3,989,757	713,332	18%	284,772	172,853	111,919	2.81%
2018	4,009,757	774,778	19%	20,000	61,446	(41,446)	-1.03%
TOTAL / AVERAGE	3,901,500	676,196	17%	304,772	234,299	70,473	1.77%

Source: NAI

"The primary hindrance to high-end downtown residential development has been the lack of local developers with the means to complete such a project. **There are Billings citizens, including empty-nesters and young professionals, who would choose to move downtown if quality options were available."**

- HUNDEN STRATEGIC PARTNERS

HSP CONCLUSIONS

CURRENT SUPPLY: 141 APT. / 35 CONDO

ESTIMATED DEMAND WITH ONE BIG SKY STRATEGY (10 YEARS): 396 APT.

RESIDENTIAL MARKET

HSP analyzed the current residential market conditions within Billings to assess the feasibility of new multifamily development as part of ONE Big Sky. Currently, downtown Billings offers only about 140 market-rate rental apartments and 35 condominiums. The existing downtown properties offer between eight and 16 units, the majority of which are situated on the second and third floors of repurposed industrial buildings and warehouses. On average, downtown residential properties are 13 years old. While many of these repurposed units have come online in the last 15 years, there has been minimal new construction in the downtown market.

Residential supply is extremely limited and a large, contemporary apartment complex does not currently exist. Repurposed second- and third-level residential lofts are performing very well in the market. Occupancy downtown has remained above 90 percent for over a decade, and rental rates for the highest quality units in Billings have shown considerable upward movement with new development. In particular, new quality market-rate senior housing options in downtown Billings are projected to be in high demand and quickly stabilize, with low vacancy rates.

HSP's analysis suggests significant opportunity for additional housing development, with additional development necessary to support the other project components of ONE Big Sky. The existing housing stock lacks diversification, limiting opportunities for young professionals, empty nesters, and downtown workers. More residential inventory is vital to increase the vibrancy and activity of the downtown environment. A critical mass of residents enhances the feasibility of supporting developments, including restaurants, retail, and entertainment and, importantly, commercial office space for employers who are increasingly following the workforce.

DOWNTOWN MULTIFAMILY RESIDENTIAL SUPPLY

BILLINGS, MT

PROPERTY	ADDRESS	1 BR SF	1 BR $	1 BR $/SF	2 BR SF	2 BR $	2 BR $/SF
Acme Building	107 N Broadway	470	$550	$1.17	600	$727	$1.21
Babcock	2812 2nd Avenue	--	$520	--	--	$825	--
McDonald Lofts	124 N 29th Street	796	$1,200	$1.51	1,146	$1,600	$1.40
Montana Avenue Lofts	1 N 33rd Street	--	--	--	1,195	$1,000	$0.84
O'Donnell Building	2504 2nd Avenue North	900	$1,000	$1.11	--	--	--
Old Maverick	201 S 30th Street	--	--	--	--	--	--
One South Broadway	1 S Broadway	787	$750	$0.95	1,435	--	--
Pinehurst Apartments	608 N 30th Street	750	$680	$0.91	875	$835	$0.95
Securities Building	2700 1st Avenue	900	$950	$1.06	1,100	$1,200	$1.09
SoNoMa Lofts	2915 2nd Avenue South	987	--	--	851	$845	$0.99
SoPo Lofts	2608 Montana Avenue	900	$1,200	$1.33	1,100	--	--
Swift Lofts	2605 Montana Avenue	--	--	--	--	--	--
Tracy Lofts	2600 Montana Avenue	662	$935	$1.41	914	$1,060	$1.16
TOTAL / AVERAGE		795	$865	$1.18	1,024	$1,012	$1.09
Condominiums							
Oliver Building	2702 Montana Avenue	1,400	$215,000	$153.57	1,700	$250,000	$147.06
Phoenix Condominiums	703 N 29th Street	--	--	--	1,213	$186,000	$153.34
Stapleton Lofts	104 N Broadway	1,401	$225,000	$160.60	--	$270,000	--
TOTAL / AVERAGE		1,401	$220,000	$157.00	1,457	$235,333	$150.00

**Approximate based on best available data*

Source: Hunden Partners

MULTIFAMILY RESIDENTIAL SUPPLY

BILLINGS, MT

PROPERTY	ADDRESS	OPENED / RENOVATED	UNITS	OCCUPIED UNITS*	CURRENT OCCUPANCY
Acme Building	107 N Broadway	--	18	18	100%
Babcock	2812 2nd Avenue	2011	14	13	93%
McDonald Lofts	124 N 29th Street	2018	12	7	58%
Montana Avenue Lofts	1 N 33rd Street	2002	9	7	78%
O'Donnell Building	2504 2nd Avenue North	--	7	6	86%
Old Maverick	201 S 30th Street	2003	2	2	100%
One South Broadway	1 S Broadway	2001	6	5	83%
Pinehurst Apartments	608 N 30th Street	1984	15	13	87%
Securities Building	2700 1st Avenue	2003	12	11	92%
SoNoMa Lofts	2915 2nd Avenue South	2009	12	11	92%
SoPo Lofts	2608 Montana Avenue	2004	6	6	100%
Swift Lofts	2605 Montana Avenue	2009	9	9	100%
Tracy Lofts	2600 Montana Avenue	2012	19	19	100%
TOTAL / AVERAGE		2005	141	127	90%
Condominiums					
Oliver Building	2702 Montana Avenue	2005	7	5	71%
Phoenix Condominiums	703 N 29th Street	--	14	14	100%
Stapleton Lofts	104 N Broadway	2005	14	14	100%
TOTAL / AVERAGE		2005	35	33	94%

**Approximate based on best available data*

Source: Hunden Partners

"With the development of a new convention facility that will drive room nights in downtown Billings, an adjacent convention hotel will be critical."

- HUNDEN STRATEGIC PARTNERS

HSP CONCLUSIONS

CURRENT SUPPLY: 1,200 ROOMS

ESTIMATED DEMAND WITH ONE BIG SKY STRATEGY (10 YEARS): 704 ROOMS

HOSPITALITY MARKET

HSP analyzed the existing hospitality market conditions within Billings to assess the feasibility of new hotel development in downtown and to assess the impact of other ONE Big Sky development (such as the Convention and Events Center) on existing hotel performance. HSP identified the competitive set of hotels in Billings, which includes approximately 1,200 hotel rooms across ten properties. The largest hotel in the market, with 289 rooms, is the DoubleTree Billings, which opened in 1980. Two hotels, the 95-room Home2 Suites and the 91-room TownePlace, have opened in the last four years.

Today, the hotel market in Billings is very seasonal, which is not uncommon for many hotel markets in the northern United States. Corporate transient demand remains fairly strong year-round; however, leisure demand peaks in the summer. Overall, occupancy has remained in the mid-60 percent range since 2013 and has slightly decreased since the opening of both Home2 Suites in November 2016 and TownePlace Suites in April 2015. Despite the slight dip in occupancy, rates increased from $105 to $112 over the same period, which is a positive sign for the competitive set.

HSP's analysis demonstrates an aging supply and the lack of large branded hotels to support increased visitation with major group bookings. This severely hampers the City's ability to capitalize on its tourism draw. The proposed Convention and Events Center will require an immediately proximate "convention hotel" that can offer large room blocks, its own meeting and function space, quality food and beverage service, and significant parking. The Convention and Events Center will also have a significant positive impact on average daily rate (ADR) and occupancy among all existing hotels in the market. Downtown's historic Northern Hotel underwent a $30 million renovation that was completed in 2013.

HOTEL COMPETITIVE SET

BILLINGS, MT

PROPERTY	DISTANCE FROM	ROOMS	CHAIN SCALE	OPENED
Northern Hotel	0.1	160	Independent	February 1942
DoubleTree Billings	0.1	289	Upscale	June 1980
Best Western Plus Clocktower Inn	0.2	125	Upper Midscale	June 1966
Home2 Suites Billings	0.5	95	Upper Midscale	November 2016
Hampton Inn Billings	2.7	120	Upper Midscale	June 2000
Springhill Suites Billings	3.3	79	Upscale	September 2004
Fairfield Inn & Suites Billings	3.5	60	Upper Midscale	March 1993
Hilton Garden Inn Billings	4.1	128	Upscale	January 2008
TownePlace Suites Billings	4.1	91	Upper Midscale	April 2015
Residence Inn Billings	4.2	92	Upscale	September 2007
TOTAL / AVERAGE	**2.28**	**1,239**		**June 1993**

Source: Smith Travel Research

HISTORICAL METRICS FOR COMPETITIVE HOTELS

BILLINGS, MT

YEAR	ANNUAL AVERAGE AVAILABLE ROOMS	AVAILABLE ROOM NIGHTS	% CHANGE	ROOM NIGHTS SOLD	% CHANGE	% OCCUPANCY	ADR	% CHANGE	REVPAR	% CHANGE
2013	1028	375,270	--	250,165	--	66.7%	$104.50	--	$69.66	--
2014	1054	384,710	2.5%	268,540	7.3%	69.8%	$109.28	4.6%	$76.28	9.5%
2015	1123	409,735	6.5%	268,789	0.1%	65.6%	$108.85	-0.4%	$71.40	-6.4%
2016	1161	423,720	3.4%	277,588	3.3%	65.5%	$107.17	-1.5%	$70.21	-1.7%
2017	1240	452,600	6.8%	280,490	1.0%	62.0%	$111.67	4.2%	$69.21	-1.4%
2018 YTD (SEPTEMBER)	**1240**	**338,398**	**0.0%**	**231,301**	**4.4%**	**68.4%**	**$112.58**	**0.1%**	**$76.95**	**4.6%**
CAGR* (2013-2017)	5.2%	5.2%	--	3.0%	--	-1.8%	--	1.7%	--	-0.2%

**Compound Annual Growth*

Source: Smith Travel Research, Hunden Strategic Partners

RETAIL & DINING MARKET

"Downtown is starved for quality [retail] development. Existing properties are not being absorbed due to their quality, and not due to a lack of downtown demand."

- HUNDEN STRATEGIC PARTNERS

HSP analyzed the existing retail and dining market conditions within Billings to assess the feasibility of new retail / restaurant development in downtown. Existing retail inventory downtown Billings can generally be described as small, locally-owned specialty shops and a lack of national brands. The majority of the retail options are concentrated between Montana Avenue and 3rd Avenue, west of 27th Street, with few options currently offered north of 6th Avenue. Restaurant establishments are generally comprised of fast food and fast casual options, with a few fine-dining and upscale options in the downtown area. Similar to the retail inventory, the highest density of restaurants are located south of 2nd Avenue, with the majority of the quality dining options clustered near 27th Street and Montana Avenue.

HSP acquired all available market performance data to better understand retail performance and future opportunity for retail development. Existing retail space in downtown Billings today totals approximately 485,000 SF with a total vacancy of 9.1 percent. The amount of rentable retail square footage in downtown Billings has decreased by nearly 12,000 square feet over the last two years, but total vacancy has increased over the period due to a few retailers (e.g. Gainin's and Good Earth Market) vacating larger spaces in the market. lease rates downtown range from $11 to $16 for properties under 2,000 square feet, from $9 to $13 for properties between 2,000 and 5,000 square feet, and from $6.50 to $11.50 for 30,000 square feet or more.

Even with a slight up-tick in vacancy, quality retail development is in demand in the downtown Billings market. Additional restaurants and retail options will not survive, however, without the catalytic development that ONE Big Sky aims to create. With new event and entertainment options to drive visitation, as well as an increase in downtown residential supply, supporting restaurant options will be necessary to enhance the experience of guests and establish downtown as a true destination.

RETAIL ABSORPTION
DOWNTOWN BILLINGS

	OFF MARKET (SF)	ABSORPTION (SF)	NEW VAC. (SF)	NOTES
Wendy's Building	7,000	-	-	Converted to Office
502 N 32nd St.	4,191	-	-	Converted to Office
Babcock Theatre	-	20,394	-	
Gainan'	-	-	33,384	
Good Earth Market	-	-	12,220	
TOTAL	11,191	20,394	45,604	
NET			14,019	

Source: HSP

RETAIL RENT PER SQUARE FOOT - NNN
BILLINGS, MT

TOTAL SF	BILLINGS	DOWNTOWN
Under 2,000 SF	--	$11 - $16
2,000 - 5,000 SF	--	$9 - $13
5,000 - 10,000 SF	--	NA
10,000 - 30,000 SF	--	NA
30,000 SF	$6.5 - $11.50	NA

Source: NAI

APPENDIX B

MONTANA STATION COMPETITIVE ANALYSIS

Montana Conference Centers

Regional Convention Centers

MONTANA CONFERENCE CENTERS

The following pages provide an overview of existing and proposed conference centers in Montana.

MISSOULA CONFERENCE CENTER

MISSOULA, MONTANA

VENUE	MONTANA STATION	MISSOULA CONFERENCE CENTER
LOCATION	Billings, MT	Missoula, MT
YEAR OPENED	Proposed	Proposed
DISTANCE FROM BILLINGS	N/A	343 Miles
PRIMARY USE		
CONVENTION / EXHIBITION	●	
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	**
BALLROOM	SEE ABOVE	17,735
MEETING / CONFERENCE	30,000	2,820
PRE-FUNCTION SPACE	SEE ABOVE	13,150
PLAZA	50,000	**
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**33,705**



UNIVERSITY OF MONTANA - UNIVERSITY CENTER

MISSOULA, MONTANA

VENUE	MONTANA STATION	UNIVERSITY OF MONTANA UNIVERSITY CENTER
LOCATION	Billings, MT	Missoula, MT
YEAR OPENED	Proposed	1969
DISTANCE FROM BILLINGS	N/A	344 Miles
PRIMARY USE		
CONVENTION / EXHIBITION	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	9,424
BALLROOM	SEE ABOVE	10,437
MEETING / CONFERENCE	30,000	8,788
PRE-FUNCTION SPACE	SEE ABOVE	1,800
PLAZA	50,000	**
THEATER / ARENA	NA	2,835 Seats
TOTAL USABLE SPACE	**170,000**	**30,449**


EMERGENCY

BUTTE CIVIC CENTER

BUTTE, MONTANA

VENUE	MONTANA STATION	BUTTE CIVIC CENTER
LOCATION	Billings, MT	Butte, MT
YEAR OPENED	Proposed	1952
DISTANCE FROM BILLINGS	N/A	225 Miles
PRIMARY USE		
CONVENTION / EXHIBITION	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	●
CONCERTS	●	●
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	20,000
BALLROOM	SEE ABOVE	9,500
MEETING / CONFERENCE	30,000	**
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	7,500 Seats
TOTAL USABLE SPACE	**170,000**	**29,500**


Civic

GREAT FALLS CIVIC CENTER

GREAT FALLS, MONTANA

VENUE	MONTANA STATION	GREAT FALLS CIVIC CENTER
LOCATION	Billings, MT	Great Falls, MT
YEAR OPENED	Proposed	1939
DISTANCE FROM BILLINGS	N/A	219 Miles
PRIMARY USE		
CONVENTION / EXHIBITION	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	●
TRADE SHOWS	●	
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	15,300
BALLROOM	SEE ABOVE	4,160
MEETING / CONFERENCE	30,000	4,478
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	1,750 Seats
TOTAL USABLE SPACE	**170,000**	**23,938**


CIVIC CENTER

MONTANA STATE UNIVERSITY - STRAND UNION BUILDING

BOZEMAN, MONTANA

VENUE	MONTANA STATION	MONTANA STATE UNIVERSITY STRAND UNION BUILDING
LOCATION	Billings, MT	Bozeman, MT
YEAR OPENED	Proposed	1940
DISTANCE FROM BILLINGS	N/A	142 Miles
PRIMARY USE		
CONVENTION / EXHIBITION	●	
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	●
PERFORMING ARTS	●	
TRADE SHOWS	●	
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	**
BALLROOM	SEE ABOVE	14,500
MEETING / CONFERENCE	30,000	4,848
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	190 Seats
TOTAL USABLE SPACE	**170,000**	**19,348**


STRAND UNION
2015
75
YEARS

BOZEMAN CONFERENCE CENTER

BOZEMAN, MONTANA

VENUE	MONTANA STATION	BOZEMAN CONFERENCE CENTER
LOCATION	Billings, MT	Bozeman, MT
YEAR OPENED	Proposed	Proposed
DISTANCE FROM BILLINGS	N/A	144 Miles
PRIMARY USE		
CONVENTION / EXHIBITION	●	
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	**
BALLROOM	SEE ABOVE	20,000
MEETING / CONFERENCE	30,000	**
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**20,000**


FOX
MONTANA
NEWS NINE

HELENA CIVIC CENTER

HELENA, MONTANA

VENUE	MONTANA STATION	HELENA CIVIC CENTER
LOCATION	Billings, MT	Helena, MT
YEAR OPENED	Proposed	1920
DISTANCE FROM BILLINGS	N/A	239 Miles
PRIMARY USE		
CONVENTION / EXHIBITION	●	
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	●
PERFORMING ARTS	●	●
TRADE SHOWS	●	●
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	**
BALLROOM	SEE ABOVE	14,465
MEETING / CONFERENCE	30,000	**
PRE-FUNCTION SPACE	SEE ABOVE	675
PLAZA	50,000	**
THEATER / ARENA	NA	1,925 Seats
TOTAL USABLE SPACE	**170,000**	**15,140**



REGIONAL CONVENTION CENTERS

The following pages provide an overview of existing and proposed convention centers in the Mountain States Region.

CHI HEALTH CENTER (CENTURY LINK CENTER)

OMAHA, NEBRASKA

VENUE	MONTANA STATION	CHI HEALTH CENTER
LOCATION	Billings, MT	Omaha, NE
URBAN?	YES	YES
YEAR OPENED	Proposed	2003
DISTANCE FROM BILLINGS	0 Miles	838 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	●
CONCERTS	●	●
PERFORMING ARTS	●	●
TRADE SHOWS	●	
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	194,300
BALLROOM	SEE ABOVE	41,876
MEETING / CONFERENCE	30,000	22,050
PRE-FUNCTION SPACE	SEE ABOVE	29,200
PLAZA	50,000	9,000
THEATER / ARENA	NA	18,300 Seats
TOTAL USABLE SPACE	**170,000**	**296,426**



SPOKANE CONVENTION CENTER

SPOKANE, WASHINGTON

VENUE	MONTANA STATION	SPOKANE CONVENTION CENTER
LOCATION	Billings, MT	Spokane, WA
URBAN?	YES	YES
YEAR OPENED	Proposed	2007 (renovated)
DISTANCE FROM BILLINGS	0 Miles	541 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	●
SPORTING EVENTS	●	
CONCERTS	●	●
PERFORMING ARTS	●	●
TRADE SHOWS	●	●
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	120,000
BALLROOM	SEE ABOVE	50,530
MEETING / CONFERENCE	30,000	24,983
PRE-FUNCTION SPACE	SEE ABOVE	53,926
PLAZA	50,000	24,603
THEATER / ARENA	NA	3,153 Seats
TOTAL USABLE SPACE	**170,000**	**274,042**



GREATER TACOMA CONVENTION CENTER

TACOMA, WASHINGTON

VENUE	MONTANA STATION	GREATER TACOMA CONVENTION CENTER
LOCATION	Billings, MT	Tacoma, WA
URBAN?	YES	YES
YEAR OPENED	Proposed	2004
DISTANCE FROM BILLINGS	0 Miles	831 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	●
CONCERTS	●	●
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	99,500
BALLROOM	SEE ABOVE	13,650
MEETING / CONFERENCE	30,000	18,550
PRE-FUNCTION SPACE	SEE ABOVE	26,800
PLAZA	50,000	**
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**158,500**



BISMARCK EVENT CENTER

BISMARCK, NORTH DAKOTA

VENUE	MONTANA STATION	BISMARCK EVENT CENTER
LOCATION	Billings, MT	Bismarck, ND
URBAN?	YES	YES
YEAR OPENED	Proposed	1969
DISTANCE FROM BILLINGS	0 Miles	415 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	●
SPORTING EVENTS	●	●
CONCERTS	●	●
PERFORMING ARTS	●	●
TRADE SHOWS	●	●
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	100,000
BALLROOM	SEE ABOVE	**
MEETING / CONFERENCE	30,000	15,911
PRE-FUNCTION SPACE	SEE ABOVE	34,000
PLAZA	50,000	**
THEATER / ARENA	NA	10,100 Seats
TOTAL USABLE SPACE	**170,000**	**149,911**


Bismarck
Civic Center
ARENA ENTRANCE
315 S 5th St.

FARGODOME

FARGO, NORTH DAKOTA

VENUE	MONTANA STATION	FARGODOME
LOCATION	Billings, MT	Fargo, ND
URBAN?	YES	YES
YEAR OPENED	Proposed	1992
DISTANCE FROM BILLINGS	0 Miles	611 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	●
CONCERTS	●	●
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	115,000
BALLROOM	SEE ABOVE	**
MEETING / CONFERENCE	30,000	14,902
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	25,000 Seats
TOTAL USABLE SPACE	**170,000**	**129,902**


FARGODOME

RUSHMORE PLAZA CIVIC CENTER

RAPID CITY, SOUTH DAKOTA

VENUE	MONTANA STATION	RUSHMORE PLAZA CIVIC CENTER
LOCATION	Billings, MT	Rapid City, SD
URBAN?	YES	YES
YEAR OPENED	Proposed	1977
DISTANCE FROM BILLINGS	0 Miles	318 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	●
CONCERTS	●	●
PERFORMING ARTS	●	
TRADE SHOWS	●	
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	65,212
BALLROOM	SEE ABOVE	15,158
MEETING / CONFERENCE	30,000	13,388
PRE-FUNCTION SPACE	SEE ABOVE	12,378
PLAZA	50,000	**
THEATER / ARENA	NA	7,000 Seats
TOTAL USABLE SPACE	**170,000**	**106,136**


PLAZA CIVIC CENTER

UTAH VALLEY CONVENTION CENTER

PROVO, UTAH

VENUE	MONTANA STATION	UTAH VALLEY CONVENTION CENTER
LOCATION	Billings, MT	Provo, UT
URBAN?	YES	YES
YEAR OPENED	Proposed	2012
DISTANCE FROM BILLINGS	0 Miles	591 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	●
SPORTING EVENTS	●	
CONCERTS	●	●
PERFORMING ARTS	●	●
TRADE SHOWS	●	●
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	19,620
BALLROOM	SEE ABOVE	16,894
MEETING / CONFERENCE	30,000	10,331
PRE-FUNCTION SPACE	SEE ABOVE	31,480
PLAZA	50,000	5,553
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**83,878**


UTAH VALLEY
UTAH VALLEY
CONVENTION CENTER
CONVENTION CENTER

BOISE CENTRE

BOISE, IDAHO

VENUE	MONTANA STATION	BOISE CENTRE
LOCATION	Billings, MT	Boise, ID
URBAN?	YES	YES
YEAR OPENED	Proposed	1990
DISTANCE FROM BILLINGS	0 Miles	612 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	**
BALLROOM	SEE ABOVE	42,161
MEETING / CONFERENCE	30,000	21,612
PRE-FUNCTION SPACE	SEE ABOVE	17,651
PLAZA	50,000	
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**81,424**


Boise

DENNY SANFORD PREMIER CENTER

SIOUX FALLS, SOUTH DAKOTA

VENUE	MONTANA STATION	DENNY SANFORD PREMIER CENTER
LOCATION	Billings, MT	Sioux Falls, SD
URBAN?	YES	NO
YEAR OPENED	Proposed	2014
DISTANCE FROM BILLINGS	0 Miles	659 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	●
CONCERTS	●	●
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	33,600
BALLROOM	SEE ABOVE	16,800
MEETING / CONFERENCE	30,000	8,700
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	12,000 Seats
TOTAL USABLE SPACE	**170,000**	**59,100**


DENNY SANFORD
SANFORD
CREAMER CENTER
SOUTH ENTRANCE

MEYDENBAUER CENTER

BELLEVUE, WASHINGTON

VENUE	MONTANA STATION	MEYDENBAUER CENTER
LOCATION	Billings, MT	Bellevue, WA
URBAN?	YES	NO
YEAR OPENED	Proposed	1993
DISTANCE FROM BILLINGS	0 Miles	812 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	●
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	●
TRADE SHOWS	●	
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	36,000
BALLROOM	SEE ABOVE	**
MEETING / CONFERENCE	30,000	10,390
PRE-FUNCTION SPACE	SEE ABOVE	6,920
PLAZA	50,000	**
THEATER / ARENA	NA	410 Seats
TOTAL USABLE SPACE	**170,000**	**53,310**


THE SHOPS AT THE
BRAVERN
OPEN
9.12.09

YAKIMA CONVENTION CENTER

YAKIMA, WASHINGTON

VENUE	MONTANA STATION	YAKIMA CONVENTION CENTER
LOCATION	Billings, MT	Yakima, WA
URBAN?	YES	NO
YEAR OPENED	Proposed	1976
DISTANCE FROM BILLINGS	0 Miles	746 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	**
BALLROOM	SEE ABOVE	29,568
MEETING / CONFERENCE	30,000	799
PRE-FUNCTION SPACE	SEE ABOVE	6,000
PLAZA	50,000	7,000
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**43,367**


CONVENTION
CENTER

WENTATCHEE CONVENTION CENTER

WENTATCHEE CONVENTION CENTER

VENUE	MONTANA STATION	WENTATCHEE CONVENTION CENTER
LOCATION	Billings, MT	Wenatchee, WA
URBAN?	YES	NO
YEAR OPENED	Proposed	2017 (renovated)
DISTANCE FROM BILLINGS	0 Miles	709 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	●
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	7,560
BALLROOM	SEE ABOVE	10,080
MEETING / CONFERENCE	30,000	7,212
PRE-FUNCTION SPACE	SEE ABOVE	7,712
PLAZA	50,000	7,500
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**40,064**



THREE RIVERS CONVENTION CENTER

KENNEWICK, WASHINGTON

VENUE	MONTANA STATION	THREE RIVERS CONVENTION CENTER
LOCATION	Billings, MT	Kennewick, WA
URBAN?	YES	NO
YEAR OPENED	Proposed	2004
DISTANCE FROM BILLINGS	0 Miles	683 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	●
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	**
BALLROOM	SEE ABOVE	21,600
MEETING / CONFERENCE	30,000	11,474
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**33,074**



CASPER EVENTS CENTER

CASPER, WYOMING

VENUE	MONTANA STATION	CASPER EVENTS CENTER
LOCATION	Billings, MT	Casper, WY
URBAN?	YES	NO
YEAR OPENED	Proposed	1982
DISTANCE FROM BILLINGS	0 Miles	276 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	●
SPORTING EVENTS	●	
CONCERTS	●	●
PERFORMING ARTS	●	
TRADE SHOWS	●	●
SPECIAL EVENTS	●	
PROGRAM		
EXHIBIT HALL	90,000	24,064
BALLROOM	SEE ABOVE	3,820
MEETING / CONFERENCE	30,000	3,012
PRE-FUNCTION SPACE	SEE ABOVE	**
PLAZA	50,000	**
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**30,896**



MARIAN H. ROCHELLE GATEWAY CENTER

LARAMIE, WYOMING

VENUE	MONTANA STATION	MARIAN H. ROCHELLE GATEWAY CENTER
LOCATION	Billings, MT	Laramie, WY
URBAN?	YES	NO
YEAR OPENED	Proposed	2014
DISTANCE FROM BILLINGS	0 Miles	424 Miles
PRIMARY USE		
CONVENTION / EXHIBIT	●	●
MEETINGS / CONFERENCE	●	●
EXPOSITIONS	●	
SPORTING EVENTS	●	
CONCERTS	●	
PERFORMING ARTS	●	
TRADE SHOWS	●	
SPECIAL EVENTS	●	●
PROGRAM		
EXHIBIT HALL	90,000	1,826
BALLROOM	SEE ABOVE	8,000
MEETING / CONFERENCE	30,000	1,500
PRE-FUNCTION SPACE	SEE ABOVE	769
PLAZA	50,000	**
THEATER / ARENA	NA	**
TOTAL USABLE SPACE	**170,000**	**12,095**


ING
/CENTER

Council Memorandum

REPORT TO: Honorable Mayor and City Council

FROM: Chris Kukulski, City Administrator

SUBJECT: Resolution 19-_____ adopting the One Big Sky District Development Plan

MEETING DATE: February 11, 2019

AGENDA ITEM TYPE: Action Item

RECOMMENDATION: The City Council approve Resolution 19-_____ adopting the One Big Sky Development District Plan

BACKGROUND: In early 2018 the City entered into a partnership with Big Sky Economic Development, Billings Chamber of Commerce, Billings Tourism Business Improvement District, Downtown Billings Partnership and Landmark Development to create a strategy to accelerate private investment within approximately 525 acres in the core of Billings, including the greater downtown area, hospital corridor and MSUB.

In part, the attached resolution for your consideration reads:

The City approves the Development Plan as a general conceptual framework for development of the One Big Sky District. The City Council defines the term "approve" as it appears in this resolution as follows:

1. *The term "approve" means agreement with and acceptance of the Development Plan as a conceptual general framework for development designed generally to achieve the goals described in the Development Plan that establishes the One Big Sky Development District boundaries.*

2. *The term "approve" does not mean commitment to or adoption of any specific development agreements, project design, project location, policy, or public funding proposal that might be contained within the Development Plan. Similarly, the term "approve" does not mean any City commitment to or promise to enact any regulatory measure, specific tax, budget, or to appropriate public funds, approve a capital investment, adopt a land use control, or to approve any requests that seeks public funds for any One Big Sky Development-related purpose, and adoption of any specific land use control or solution, parking or transportation solutions.*

The attached One Big Sky (OBS) Development Plan (Plan) focuses on four primary goals:

1. Tomorrow's Workforce
    a. Retain and attract the next generation workforce (MT ranks 46th)
    b. Retain and attract skilled workforce from professional, industrial and trades
2. Lifestyle

    a. Design around emerging trends, reurbanization, more healthy built environment and natural environments
    b. Develop memorable urban experiences for residents and visitors
    c. Remain authentic to Billings and MT
3. Civic & Community
    a. Support a range of housing options, mixed use developments in a pedestrian-oriented downtown core
    b. Re-establish Billings as one of the Rocky Mountain Regions dominant destination cities for visitation anchored by healthcare, education and an emerging tourism industry.
4. Fiscal & Economic
    a. Drive significant new growth in tax base for the City, county, SD2 and the state
    b. Become the most attractive market for new private business and investment
    c. Create new jobs to drive local, regional and state wide economies beyond national standards
    d. Realize a return on investment of public dollars at a ratio greater than 5:1

These goals and the strategy solutions outlined throughout the Plan are based on research defining the economic challenges Billings' faces along with market based solutions. The Plan seeks to stimulate, assist in, and support the growth of economic activity that is expected to improve the fiscal stability and prosperity of the City overall and improve the standard of living of its citizens, today and for the next generation through four catalyst projects. Each catalyst project takes place in one of four sub-districts focused on entertainment, lifestyle, civic & wellness and education & innovation. Also, refer to the attached report from the Billings Chamber that outlines significant demographic challenges facing our community. These challenges along with this report describe the unfortunate realities that we are likely to face with a stagnant or shrinking tax base relative to increased demands for critical public services.

The Plan also references new state legislation (attached) that would allow private investors to be reimbursed up to $75, $100 or $125 million for public approved civil and civic infrastructure investments IF private investment reaches $300 million, $450 million or $650 million dollars within a decade of creating the OBS Development District. The enclosed table estimates the City and State's increased tax dollars, the amortized repayment schedule and net new revenue each year over the anticipated 20 year repayment schedule. The adoption of this Plan does not obligate the City to the above listed reimbursements. These reimbursements can only happen after detailed development agreements are entered into by the City, State and developers after a publicly approved process.

The following chart summarizes the City's anticipated annual revenue, availability payment (reimbursement) and net gain from the implementation of the OBS Plan.

CITY CONTRIBUTION / FISCAL GAIN

FINANCE PLAN

SCHEDULE OF CITY AVAILABILITY PAYMENTS

YEAR	TOTAL PRIVATE INVESTMENT	CITY CONTRIBUTIONS	CITY HALL CONTRIBUTION	CITY OBS CONTRIBUTIONS	CITY AVAILABILITY PAYMENTS	CITY ANNUAL FISCAL GAIN	CITY CUMULATIVE FISCAL GAIN	CITY CUMULATIVE FISCAL (NET GAIN)
Y1	$ 100.0 M	-		-		$ 1.7 M	$ 1.7 M	$ 1.7 M
Y2	$ 200.0 M	-		-		$ 2.9 M	$ 4.6 M	$ 4.6 M
Y3	$ 300.0 M	$ 75.0 M	$ 65.0 M	$ 10.0 M	$ 0.9 M	$ 5.0 M	$ 9.6 M	$ 8.7 M
Y4	$ 400.0 M				$ 0.9 M	$ 7.7 M	$ 17.3 M	$ 15.6 M
Y5	$ 450.0 M	$ 25.0 M		$ 25.0 M	$ 3.1 M	$ 9.9 M	$ 27.3 M	$ 22.5 M
Y6	$ 600.0 M				$ 3.1 M	$ 10.8 M	$ 38.0 M	$ 30.2 M
Y7	$ 650.0 M	$ 25.0 M		$ 25.0 M	$ 5.2 M	$ 12.4 M	$ 50.4 M	$ 37.4 M
Y8	$ 800.0 M				$ 5.2 M	$ 13.5 M	$ 64.0 M	$ 45.7 M
Y9	$ 900.0 M				$ 5.2 M	$ 15.3 M	$ 79.3 M	$ 55.8 M
Y10	$ 1.0 B	-		-	$ 5.2 M	$ 17.1 M	$ 96.4 M	$ 67.6 M
Y11					$ 5.2 M	$ 19.7 M	$ 116.1 M	$ 82.1 M
Y12					$ 5.2 M	$ 20.7 M	$ 136.9 M	$ 97.6 M
Y13					$ 5.2 M	$ 24.4 M	$ 161.3 M	$ 116.8 M
Y14					$ 5.2 M	$ 25.2 M	$ 186.5 M	$ 136.8 M
Y15	$ 1.5 B	-		-	$ 5.2 M	$ 27.1 M	$ 213.7 M	$ 158.7 M
Y16					$ 5.2 M	$ 27.9 M	$ 241.6 M	$ 181.4 M
Y17					$ 5.2 M	$ 28.8 M	$ 270.4 M	$ 205.0 M
Y18					$ 5.2 M	$ 29.6 M	$ 300.0 M	$ 229.4 M
Y19					$ 5.2 M	$ 30.5 M	$ 330.6 M	$ 254.7 M
Y20	$ 2.0 B	-		-	$ 5.2 M	$ 31.5 M	$ 362.0 M	$ 280.9 M
Y21					$ 5.2 M	$ 32.4 M	$ 394.4 M	$ 308.1 M
Y22					$ 5.2 M	$ 33.4 M	$ 427.8 M	$ 336.2 M
Y23					$ 4.4 M	$ 34.4 M	$ 462.2 M	$ 366.2 M
Y24					$ 4.4 M	$ 35.4 M	$ 497.6 M	$ 397.3 M
Y25					$ 2.2 M	$ 36.5 M	$ 534.0 M	$ 431.6 M
Y26					$ 2.2 M	$ 37.6 M	$ 571.6 M	$ 466.9 M
Y27						$ 38.7 M	$ 610.2 M	$ 505.6 M
Y28						$ 39.8 M	$ 650.1 M	$ 545.5 M
Y29						$ 41.0 M	$ 691.1 M	$ 586.5 M
Y30	$ 2.0 B	$ 125.0 M	$ 65.0 M	$ 60.0 M		$ 42.3 M	$ 733.4 M	$ 628.8 M

The following chart summarizes the State of Montana's anticipated annual revenue, availability payment (reimbursement) and net gain from the implementation of the OBS Plan.

STATE CONTRIBUTION / FISCAL GAIN

FINANCE PLAN

SCHEDULE OF STATE AVAILABILITY PAYMENTS

YEAR	TOTAL PRIVATE INVESTMENT	STATE CONTRIBUTIONS	STATE AVAILABILITY PAYMENTS	STATE ANNUAL FISCAL GAIN	STATE CUMULATIVE FISCAL GAIN	STATE CUMULATIVE FISCAL (NET GAIN)
Y1	$ 100.0 M	-		$ 7.3 M	$ 7.3 M	$ 7.3 M
Y2	$ 200.0 M	-		$ 7.9 M	$ 15.2 M	$ 15.2 M
Y3	$ 300.0 M	$ 75.0 M	$ 6.5 M	$ 12.3 M	$ 27.6 M	$ 21.0 M
Y4	$ 400.0 M		$ 6.5 M	$ 17.0 M	$ 44.6 M	$ 31.5 M
Y5	$ 450.0 M	$ 25.0 M	$ 8.7 M	$ 21.3 M	$ 65.9 M	$ 44.1 M
Y6	$ 600.0 M		$ 8.7 M	$ 24.6 M	$ 90.5 M	$ 60.0 M
Y7	$ 650.0 M	$ 25.0 M	$ 10.9 M	$ 29.4 M	$ 119.9 M	$ 78.5 M
Y8	$ 800.0 M		$ 10.9 M	$ 33.4 M	$ 153.3 M	$ 101.0 M
Y9	$ 900.0 M		$ 10.9 M	$ 38.6 M	$ 191.9 M	$ 128.6 M
Y10	$ 1.0 B	-	$ 10.9 M	$ 43.7 M	$ 235.6 M	$ 161.5 M
Y11			$ 10.9 M	$ 47.4 M	$ 283.0 M	$ 198.0 M
Y12			$ 10.9 M	$ 49.4 M	$ 332.3 M	$ 236.4 M
Y13			$ 10.9 M	$ 55.0 M	$ 387.4 M	$ 280.6 M
Y14			$ 10.9 M	$ 55.9 M	$ 443.2 M	$ 325.5 M
Y15	$ 1.5 B	-	$ 10.9 M	$ 60.2 M	$ 503.4 M	$ 374.8 M
Y16			$ 10.9 M	$ 61.7 M	$ 565.1 M	$ 425.6 M
Y17			$ 10.9 M	$ 63.9 M	$ 629.0 M	$ 478.6 M
Y18			$ 10.9 M	$ 65.9 M	$ 694.9 M	$ 533.6 M
Y19			$ 10.9 M	$ 67.9 M	$ 762.8 M	$ 590.6 M
Y20	$ 2.0 B	-	$ 10.9 M	$ 69.9 M	$ 832.6 M	$ 649.5 M
Y21			$ 10.9 M	$ 72.0 M	$ 904.6 M	$ 710.6 M
Y22			$ 10.9 M	$ 74.1 M	$ 978.7 M	$ 773.8 M
Y23			$ 4.4 M	$ 76.3 M	$ 1.055 B	$ 845.7 M
Y24			$ 4.4 M	$ 78.5 M	$ 1.133 B	$ 919.8 M
Y25			$ 2.2 M	$ 80.9 M	$ 1.214 B	$ 998.5 M
Y26			$ 2.2 M	$ 83.2 M	$ 1.298 B	$ 1.080 B
Y27				$ 85.7 M	$ 1.383 B	$ 1.165 B
Y28				$ 88.2 M	$ 1.471 B	$ 1.254 B
Y29				$ 90.9 M	$ 1.562 B	$ 1.344 B
Y30	$ 2.0 B	$ 125.0 M		$ 93.6 M	$ 1.656 B	$ 1.438 B

NEXT STEPS

State Legislation - Parallel to this Plan's development and review, the strategy partners are drafting state legislation and educate legislators on the value of this new value capture tool. Over the past several months we've held meetings with state legislators and the governor's staff to educate and take feedback on the proposed legislation. Additionally, on January 29th we broadened our reach by hosting a dinner event in Helena to educate legislators and answer their questions. We had approximately 45attendees representing both the senate and house tax committees as well as representatives from throughout MT and Billings.

Development Agreements - Some of the most challenging work will come when each development agreement is negotiated. These agreements will detail the private investment projects to include all the details outlined throughout the Plan. Critical to the City will be the quality of development and the civil and civic infrastructure that will be eligible for reimbursement from our increased tax revenues.

UNRESOLVED ISSUES: There are no unresolved issues related to the Plan adoption.

ALTERNATIVES: The City can chose not to take action on the Plan. However, my recommendation for adoption is because I believe this is an excellent Plan. Developed with our community and Strategy Partners over the past two years representing a great opportunity for Billings to proactively improve our economic vibrancy to the benefit of our citizens. The Plan capitalizes on some of our greatest assets and helps launch Billings into the 21st century as one of the greatest mid-sized cities in America.

FISCAL EFFECTS: The above graph labeled City Contribution/ Fiscal Gain outlines the City's Availability Payment (reimbursement payment to Developer); City Annual Fiscal Gain; City Cumulative Fiscal Gain; City Cumulative Fiscal (net gain) assuming the Plan is fully developed over the next 30 years.

Adopting the Plan is a commitment to move forward in good faith to implement the Plan. However, it is not the approval of public funding. Similarly, the term "approve" does not mean any City commitment to or promise to enact any specific tax, budget, or to appropriate public funds, approve a capital investment or approve any requests for public funds for any One Big Sky Development-related purpose.

Attachments: Resolution 19 - ___; One Big Sky District Plan link; Billings Chamber Demographic Report.

Report compiled on: February 1, 2019

CITY CONTRIBUTION / FISCAL GAIN

ONE BIG SKY FINANCE PLAN

After the City's contribution to civic infrastructure, the City still nets massive fiscal gain (new revenues generated by existing taxes).

SCHEDULE OF CITY AVAILABILITY PAYMENTS

YEAR	TOTAL PRIVATE INVESTMENT	CITY CONTRIBUTIONS	CITY HALL CONTRIBUTION	CITY OBS CONTRIBUTIONS	CITY AVAILABILITY PAYMENTS	CITY ANNUAL FISCAL GAIN	CITY CUMULATIVE FISCAL GAIN	CITY CUMULATIVE FISCAL GAIN (NET)
Y1	$ 100.0 M	-		-		$ 1.7 M	$ 1.7 M	$ 1.7 M
Y2	$ 200.0 M	-		-		$ 2.9 M	$ 4.6 M	$ 4.6 M
Y3	$ 300.0 M	$ 75.0 M	$ 65.0 M	$ 10.0 M	$ 0.9 M	$ 5.0 M	$ 9.6 M	$ 8.7 M
Y4	$ 400.0 M				$ 0.9 M	$ 7.7 M	$ 17.3 M	$ 15.6 M
Y5	$ 450.0 M	$ 25.0 M		$ 25.0 M	$ 3.1 M	$ 9.9 M	$ 27.3 M	$ 22.5 M
Y6	$ 600.0 M				$ 3.1 M	$ 10.8 M	$ 38.0 M	$ 30.2 M
Y7	$ 650.0 M	$ 25.0 M		$ 25.0 M	$ 5.2 M	$ 12.4 M	$ 50.4 M	$ 37.4 M
Y8	$ 800.0 M				$ 5.2 M	$ 13.5 M	$ 64.0 M	$ 45.7 M
Y9	$ 900.0 M				$ 5.2 M	$ 15.3 M	$ 79.3 M	$ 55.8 M
Y10	**$ 1.0 B**	-		-	**$ 5.2 M**	**$ 17.1 M**	**$ 96.4 M**	**$ 67.6 M**
Y11					$ 5.2 M	$ 19.7 M	$ 116.1 M	$ 82.1 M
Y12					$ 5.2 M	$ 20.7 M	$ 136.9 M	$ 97.6 M
Y13					$ 5.2 M	$ 24.4 M	$ 161.3 M	$ 116.8 M
Y14					$ 5.2 M	$ 25.2 M	$ 186.5 M	$ 136.8 M
Y15	$ 1.5 B	-		-	$ 5.2 M	$ 27.1 M	$ 213.7 M	$ 158.7 M
Y16					$ 5.2 M	$ 27.9 M	$ 241.6 M	$ 181.4 M
Y17					$ 5.2 M	$ 28.8 M	$ 270.4 M	$ 205.0 M
Y18					$ 5.2 M	$ 29.6 M	$ 300.0 M	$ 229.4 M
Y19					$ 5.2 M	$ 30.5 M	$ 330.6 M	$ 254.7 M
Y20	$ 2.0 B	-		-	$ 5.2 M	$ 31.5 M	$ 362.0 M	$ 280.9 M
Y21					$ 5.2 M	$ 32.4 M	$ 394.4 M	$ 308.1 M
Y22					$ 5.2 M	$ 33.4 M	$ 427.8 M	$ 336.2 M
Y23					$ 4.4 M	$ 34.4 M	$ 462.2 M	$ 366.2 M
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Y27						$ 38.7 M	$ 610.2 M	$ 505.6 M
Y28						$ 39.8 M	$ 650.1 M	$ 545.5 M
Y29						$ 41.0 M	$ 691.1 M	$ 586.5 M
Y30	**$ 2.0 B**	**$ 125.0 M**	**$ 65.0 M**	**$ 60.0 M**		$ 42.3 M	**$ 733.4 M**	**$ 628.8 M**

STATE CONTRIBUTION / FISCAL GAIN

ONE BIG SKY FINANCE PLAN

Similarly, after the State's contribution to civic infrastructure (via annual grants of "availability payments"), the State nets massive fiscal gain (new revenues generated by existing taxes).

SCHEDULE OF STATE AVAILABILITY PAYMENTS

YEAR	TOTAL PRIVATE INVESTMENT	STATE CONTRIBUTIONS	STATE AVAILABILITY PAYMENTS	STATE ANNUAL FISCAL GAIN	STATE CUMULATIVE FISCAL GAIN	STATE CUMULATIVE FISCAL GAIN (NET)
Y1	$ 100.0 M	-		$ 7.3 M	$ 7.3 M	$ 7.3 M
Y2	$ 200.0 M	-		$ 7.9 M	$ 15.2 M	$ 15.2 M
Y3	$ 300.0 M	$ 75.0 M	$ 6.5 M	$ 12.3 M	$ 27.6 M	$ 21.0 M
Y4	$ 400.0 M		$ 6.5 M	$ 17.0 M	$ 44.6 M	$ 31.5 M
Y5	$ 450.0 M	$ 25.0 M	$ 8.7 M	$ 21.3 M	$ 65.9 M	$ 44.1 M
Y6	$ 600.0 M		$ 8.7 M	$ 24.6 M	$ 90.5 M	$ 60.0 M
Y7	$ 650.0 M	$ 25.0 M	$ 10.9 M	$ 29.4 M	$ 119.9 M	$ 78.5 M
Y8	$ 800.0 M		$ 10.9 M	$ 33.4 M	$ 153.3 M	$ 101.0 M
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Y15	$ 1.5 B	-	$ 10.9 M	$ 60.2 M	$ 503.4 M	$ 374.8 M
Y16			$ 10.9 M	$ 61.7 M	$ 565.1 M	$ 425.6 M
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Y28				$ 88.2 M	$ 1.471 B	$ 1.254 B
Y29				$ 90.9 M	$ 1.562 B	$ 1.344 B
Y30	**$ 2.0 B**	**$ 125.0 M**		$ 93.6 M	**$ 1.656 B**	**$ 1.438 B**

RESOLUTION 19-_____

A RESOLUTION ADOPTINGTHE ONE BIG SKY DEVELOPMENT PLAN

WHEREAS, the City Council approved the One Big Sky Memorandum of Understanding, with the Strategy Partners, Big Sky Economic Development, the Chamber of Commerce, the Tourism Business Improvement District and the Downtown Billings Partnership for the purposes of creating a vision and strategy for the attraction of private investment including a $100,000 General Fund payment on April 9, 2018. The City Council approved a line of credit agreement secured by the purchase of the Yesteryears Building, between the Downtown Business Partners and Big Sky Economic Development Corporation for purposes of the One Big Sky Development Plan; and

WHEREAS, the City Council approved the Development Plan Agreement authorizing Big Sky Economic Development Corporation to execute the Development Plan Agreement with Landmark Development Services Company, LLC (the "Developer") on June 11, 2018; and

WHEREAS, the Strategy Partners held dozens of public meetings throughout the community to provide information and receive input from the public for the One Big Sky District Development Plan; and

WHEREAS, the City Council adopted legislative priorities that identified the One Big Sky Development Plan legislative tool as a priority; and

WHEREAS, the City Council was provided a One Big Sky Development Plan on January 26, 2019 (the "Development Plan"); and

WHEREAS,

WHEREAS, the City Council recognizes the evolving economies and demographics of the state and its workforce needs and constraints, today and in the future, including the need to replace a significant number of retiring workers; and

WHEREAS, the City Council wishes to enable the City's center of business and industry to better promote, stimulate, develop, and advance the general welfare, commerce, economic development, and prosperity of the businesses and industries located therein; and

WHEREAS, the City Council wishes to increase and diversify the volume of commerce throughout the City and grow and strengthen the City's overall economic base; and

WHEREAS, the City Council wishes to attract, retain and train a strong workforce that will facilitate the attraction, retention and growth of commercial enterprises in the City; and

WHEREAS, the City Council cooperates and acts in conjunction with other organizations and entities, public and private, in the development of commerce, services, recreation, tourism, health care, housing and other economic activity in the City; and

WHEREAS, the City Council leverages strategies to attract private capital investment in businesses and industries, including investment in projects located in the City's federally-designated opportunity zone, which will benefit all areas of the City; and

WHEREAS, the City Council wishes to build, operate and maintain necessary civic infrastructure that will support the creation, expansion, modernization, retention, and relocation from other states of businesses and industries into the City; and

WHEREAS, the City Council wishes to otherwise stimulate, assist in, and support the growth of economic activity that is expected to improve the fiscal stability and prosperity of the City overall and improve the standard of living of its citizens, today and for the next generation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA: that the City approves the Development Plan as a general conceptual framework for development of the One Big Sky District.

BE IT FURTHER RESOLVED by the City Council that the City defines the term "approve" as it appears in this resolution as follows:

1. The term "approve" means agreement with and acceptance of the Development Plan as a conceptual general framework for development designed generally to achieve the goals described in the Development Plan that establishes the One Big Sky Development District boundaries.

2. The term "approve" does not mean commitment to or adoption of any specific development agreements, project design, project location, policy, or public funding proposal that might be contained within the Development Plan. Similarly, the term "approve" does not mean any City commitment to or promise to enact any regulatory measure, specific tax, budget, or to appropriate public funds, approve a capital investment, adopt a land use control, or to approve any requests that seeks public funds for any One Big Sky Development-related purpose, and adoption of any specific land use control or solution, parking or transportation solutions.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, on the _____ day of _____, 2019.

CITY OF BILLINGS

By: _____
William A. Cole, Mayor

ATTEST:

By: _____
Denise R. Bohlman, City Clerk

DRAFT

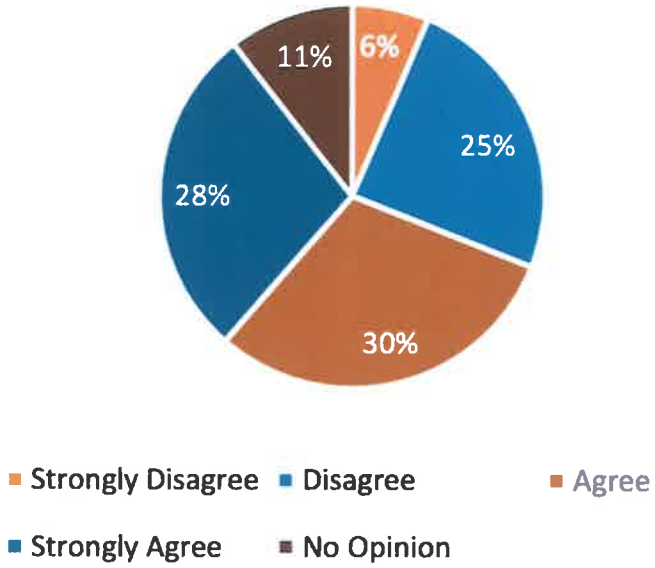
Honorable Members of City Council,

I hope you've been able to spend some time absorbing the information delivered in the final One Big Sky District Development Plan. I look forward to continued discussions on how we move our city forward and address the challenges ahead. We occasionally hear, and I assume you often hear, "we don't need this." I want to make sure there is a clear understanding of the challenges we face, and put to rest any notions One Big Sky District is a solution in search of a problem.

We know Billings has had slow, steady growth for a long time. Unfortunately, in an ever-changing, more globalized, connected world, slow and steady means we're falling behind. It's the reason our youths chose to seek opportunity elsewhere. And as jobs increasingly follow people rather than vice versa, business will only thrive if a community can attract people to fill jobs.

Before looking to the future, it's instructive to know where we are at presently. In BillingsWorks' 2018 State of the Workforce Report, a majority of Yellowstone County employers indicated they would grow their business, however are limited by an inability to find qualified employees. A majority (58%) of our businesses are already having difficulty due to a lack of workforce, indicated in the graph and table below.

My ability to find qualified employees currently limits the ability to grow my business.



Historical change - My ability to find qualified employees currently limits the ability to grow my business

	2016	2017	2018*	Difference
Strongly Agree	29%	27%	28%	1%
Agree	33%	39%	30%	(9%)
No Opinion	14%	11%	11%	--
Disagree	19%	18%	25%	7%
Strongly Disagree	5%	5%	6%	1%

*Note: This wording in this survey question was changed for 2018 to avoid bias in answers. In previous years, this statement read: "A lack of available workers negatively impacts my abilities to grow my business in Yellowstone County." Comparisons reflect the similar concepts but may vary due to the question change.

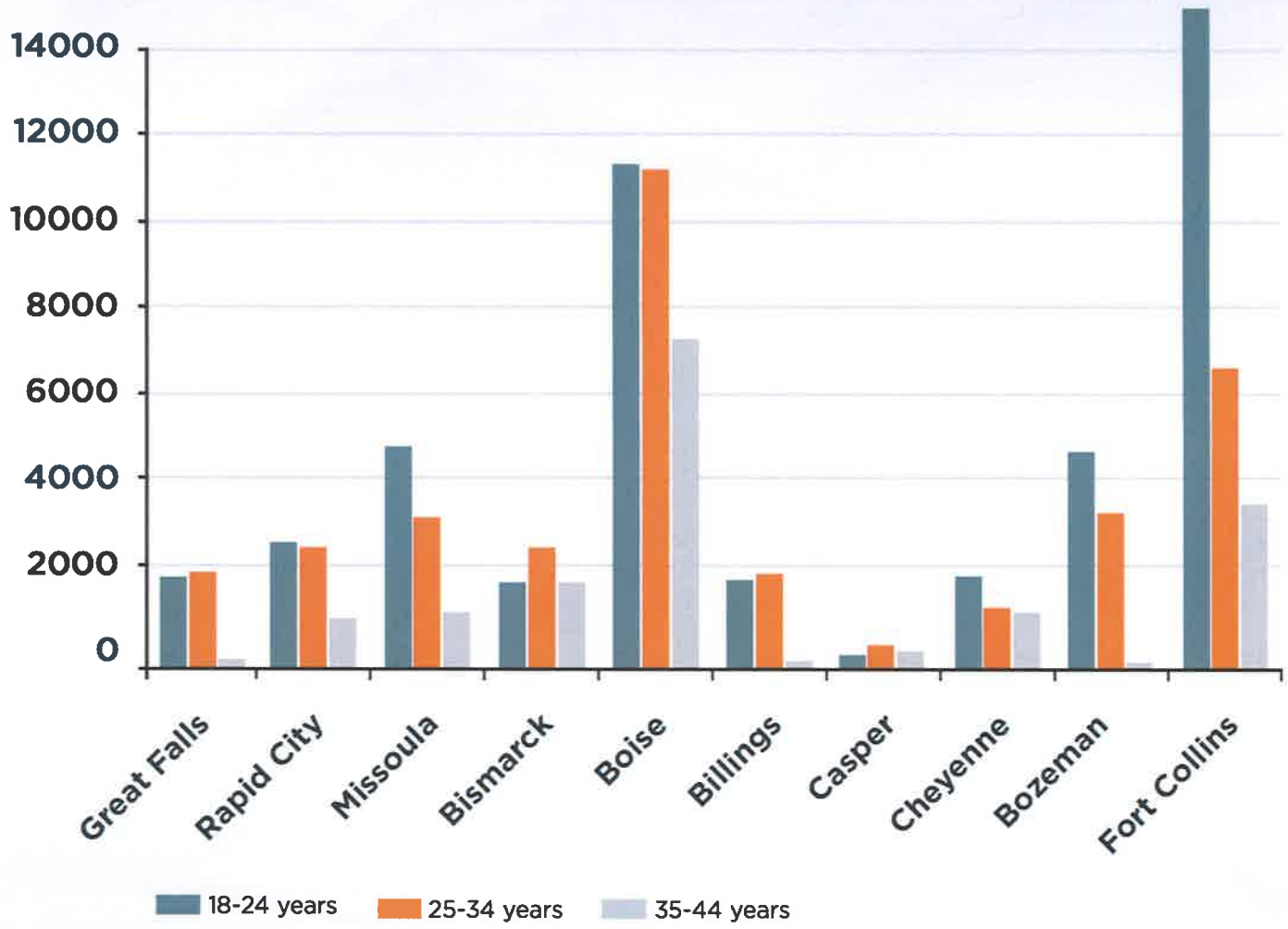
As the Baby Boomer generation leaves the workforce, we need to replace those open jobs. However, we are not, and our youth continue to leave Billings. In fact, we are near the bottom of pack (46th) in the nation for percentage of Millennials in our population. This is important because Millennials represent the largest generation in the workforce.

But we are having difficulties retaining that generation. Bryce Ward, an economist at UM noted in a 2016 Montana Business Quarterly that Montana is near the bottom (48th) in out-migration of young college-educated workers. Meaning, students get their degree, and they leave the state. So, our state spends lots of money educating our kids, providing them the necessary tools they need to graduate from college. And then they leave. Just as they enter the workforce and could contribute back to the state as Montana taxpayers, they decide to transplant themselves and provide economic lift to other states.

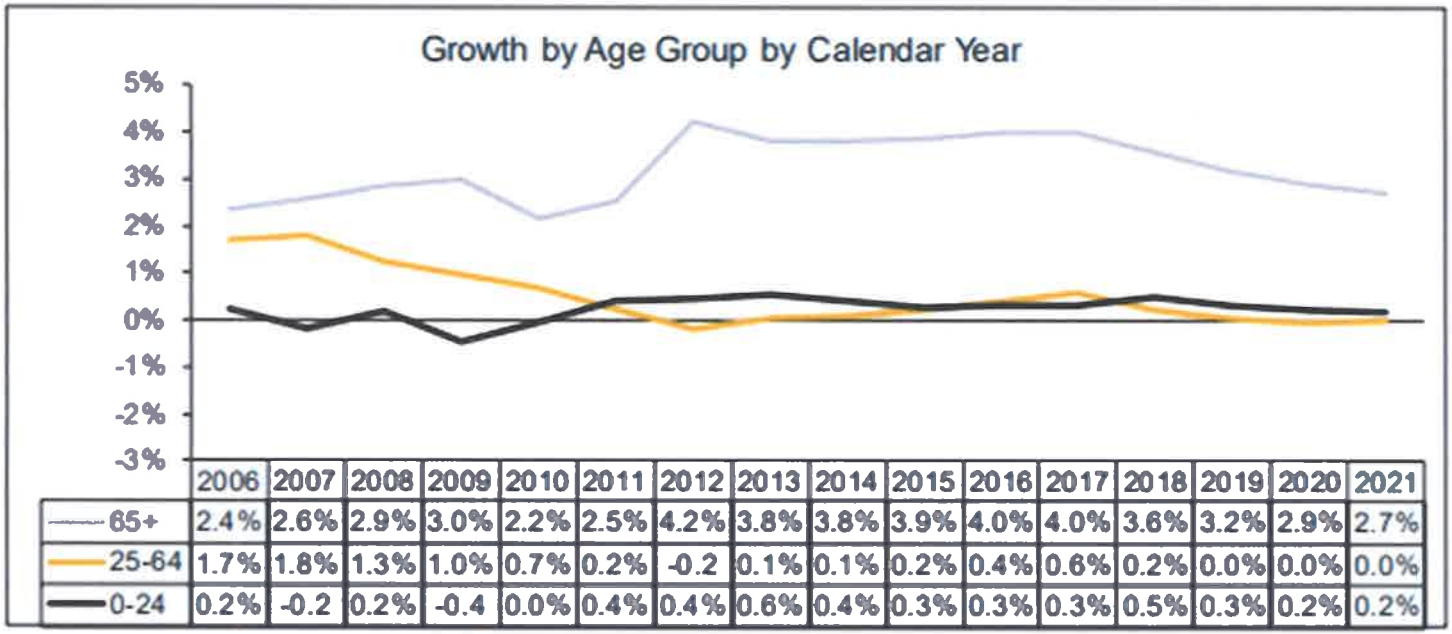
And, relative to our peer/competitive cities, we're not attracting others from outside of our community. The chart below from Big Sky Economic's 2018 Economic Pulse shows that we are barely competitive with Great Falls in terms of attracting 18-34 year olds.

In-Migration By Age, 2016

This data set reflects the number of people in the identified age groups who report having lived elsewhere in the previous year. This chart does not reflect total population or net population growth in these age groups, it solely looks at new people to our community. This chart demonstrates the value of a larger higher education presence – with communities like Missoula, Boise, Bozeman, and Fort Collins experiencing the greatest level of in-migration in the 18 – 24 year old age group. This will be an important benchmark for our community moving forward as we work to attract talent to our community.



Without a plan for significant, meaningful growth our future projections aren't promising. The Legislative Fiscal Division's 2018 Revenue Estimate provided some population projections for the next three years showing 0% growth in our 25-64 ages. ZERO growth of our state's workforce population means increased difficulties on businesses. And it means increased difficulties with balancing the state budget, which is largely reliant on income tax revenues.



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
65+	2.4%	2.6%	2.9%	3.0%	2.2%	2.5%	4.2%	3.8%	3.8%	3.9%	4.0%	4.0%	3.6%	3.2%	2.9%	2.7%
25-64	1.7%	1.8%	1.3%	1.0%	0.7%	0.2%	-0.2	0.1%	0.1%	0.2%	0.4%	0.6%	0.2%	0.0%	0.0%	0.0%
0-24	0.2%	-0.2	0.2%	-0.4	0.0%	0.4%	0.4%	0.6%	0.4%	0.3%	0.3%	0.3%	0.5%	0.3%	0.2%	0.2%

Speaking of budgeting difficulties, Yellowstone County faces an estimated decline of $4.8 million to tax receipts by 2027, according to estimates by Baker Tilly and the Federal Reserve Bank of Kansas City. That likely means increasing the burden on Yellowstone County taxpayers by raising taxes.

DECLINE IN YELLOWSTONE COUNTY TAX RECEIPTS DUE TO RETIREMENTS (YEAR 2027)

ANNUAL TAX RECEIPTS FOR YEAR 2027
YELLOWSTONE COUNTY

	PRODUCTION & IMPORTS TAX	HOUSEHOLDS									TOTAL
		LT15K	15-30K	30-40K	40-50K	50-70K	70-100K	100-150K	150-200K	GT200K	
TOP1: Property Tax	($4,457,790)										
TOP1: Motor Vehicle License	(101,947)										(101,947)
TOP1: Special Assessments	(79,467)										($79,467)
Personal Transfers		(60)	(18,662)	(711)	(17,579)	(2,338)	(2,808)	(1,670)	(6,849)	(5,564)	(56,241)
Personal Tax: Motor Vehicle License		(423)	(2,850)	(5,748)	(6,991)	(18,412)	(25,126)	(22,829)	(8,940)	(9,905)	(101,224)
Personal Tax: Property Tax		(140)	(1,073)	(1,922)	(1,481)	(5,630)	(6,856)	(7,955)	(2,765)	(2,995)	(30,817)
TAX DEFICIT	($4,639,204)	($623)	($22,585)	($8,381)	($26,051)	($26,380)	($34,790)	($32,454)	($18,554)	($18,464)	($4,827,486)

Source: Baker Tilly

$4.8 M DEFICIT FOR THE COUNTY DUE TO RETIREMENTS ALONE ... STATEWIDE RETIREMENTS = $151.3 M DEFICIT FOR THE STATE

One of the goals of One Big Sky District is to attract and retain the workforce our businesses already need, and will increasingly need in the near future. Estimates of the OBSD projects show an increase of 31,866 FTE jobs in the district over 30 years. Those are the workers our business need to help them grow and prosper, bringing benefit to our community and the state as a whole.

ESTIMATED SPENDING & IMPACT

SUMMARY: ONE BIG SKY

ECONOMIC IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Direct Spending	$122	$754	$1,499	$2,468	$2,904	$3,357	$3,879	$66,518
Indirect Spending	33	203	403	663	781	902	1,043	17,878
Induced Spending	28	174	345	568	669	773	893	15,315
TOTAL SPENDING	$183	$1,130	$2,248	$3,699	$4,354	$5,033	$5,815	$99,710
Increased Earnings	$114	$573	$1,077	$1,730	$2,026	$2,335	$2,688	$46,802
Employment (FTE Jobs)	1,866	10,290	18,575	27,068	28,747	30,201	31,886	31,866

FISCAL IMPACT ($ MILLION)	2022	2026	2031	2036	2041	2046	2051	TOTAL 30-YEAR
Use Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Hotel/ Motel Tax	1.4	3.4	6.2	8.2	9.5	11.0	12.8	231
Auto Rental Tax	0.1	0.3	0.6	0.8	0.9	1.0	1.2	22
State Personal Income Tax	2.2	15.3	33.1	45.4	53.4	61.8	71.5	1,251
State Corporate Income Tax	0.1	2.0	4.2	7.0	8.3	9.7	11.2	188
Property Tax**	1.4	9.1	15.6	25.2	29.2	33.8	39.2	678
SUBTOTAL	$5.2	$30.2	$59.7	$86.6	$101.3	$117.3	$135.8	$2,370
One-Time Impact of Construction	3.8	1.0	1.1	0.7	0.0	0.0	0.0	$20
SUBTOTAL	$9.0	$31.2	$60.8	$87.3	$101.3	$117.3	$135.8	$2,389
Ancillary Benefits***	1.0	6.0	11.9	17.3	20.3	23.5	27.2	$474
State Reinvestment****	2.2	6.8	13.8	19.2	22.3	25.8	29.8	$527
TOTAL TAX REVENUES	$12.3	$44.1	$86.6	$123.8	$143.8	$166.5	$192.8	$3,390

Notes:

** Reflecting an effective tax rate and referencing 2018 Baker Tilly report; Convention/ Event Center and Education are tax exempt.

*** Assumes 20% additional fiscal impact.

**** Assumes State reinvests 30% of tax revenues from OBSD into infrastructure.

Source: Johnson Consulting

By supporting One Big Sky District, we help businesses, taxpayers, and hopefully keep our families together as the next generation sees the opportunity and amenities One Big Sky District development brings to Billings and Montana.

Thank you for your consideration and I look forward to our continued discussion on this great plan for Billings!

Regular City Council Meeting

Meeting Date: 02/11/2019

TITLE: Contract Revision of OBSD Development Plan Agreement between BSED and Landmark

PRESENTED BY: Kevin Iffland, Assistant City Administrator

Department: City Hall Administration

Presentation: Yes

PROBLEM/ISSUE STATEMENT

Please see attached City Administrator Memorandum and proposed Contract Revision.

APPROVED BY CITY ADMINISTRATOR

Attachments

Council Memorandum from Chris Kukulski
Contract Revision
Signed Development Agreement 7.1.19

Council Memorandum

REPORT TO: Honorable Mayor and City Council

FROM: Chris Kukulski, City Administrator

SUBJECT: Contract Revision for the Development Plan Agreement between Big Sky Economic Development (BSED) and Landmark Development Services Company, LLC

MEETING DATE: February 11, 2019

AGENDA ITEM TYPE: Action Item

RECOMMENDATION: The City Commission pass a motion authorizing BSED Corporation to sign the attached Contract Revision to the Development Plan Agreement with Landmark Development Services Company, LLC.

BACKGROUND: June 11, 2018 the City Commission authorized Big Sky Development Corporation to sign a Development Plan Agreement with Landmark Development Services Company, LLC. The services outlined in Phase I of the Agreement are complete. An accounting of these services will be provided no later than February 15, 2019 (we will work to have them available to us for our February 11 discussion). The original Agreement was approved by each of our Strategy Partners (BSED, Billings Chamber of Commerce, Billings Downtown Partnership and City of Billings). Therefore, BSED is asking each strategy partner to consider the enclosed Revision to the original agreement.

Our Strategy Partners have raised $355,000 in additional dollars to pay the out of pocket cost for our local share of Phase 2. The city did not contribute additional cash towards this 2nd phase, however we continue providing substantial staff time to the project along with our strategy partners. The Revision describes the work to be completed in phase 2 and increases the potential reimbursement to Landmark from $1,340,000.00 to $2,305,000.00. The reimbursement provision eligibility remains unchanged from the original agreement and states:

> *The Developer's Capital Costs are not payable: (1) if one or more Catalyst Projects does not move forward consistent with the Development Plan within five (5) years of the end of the term of this contract; or (2) if the developer is contracted to Develop a Catalyst Project (where "Develop" means to undertake a substantial, material, and significant portion of the additional services necessary to create the definitive building program, determine the design, assemble land, secure approvals, and finance such Catalyst Project and cause it to be constructed and to manage or transfer such project). The Developer's Capital Costs will be payable to the Developer if one or more Catalyst Projects moves forward and the Developer is not contracted to Develop one or more of them;…*

Mr. Steve Arveschoug, Executive Director of BSED will attending our meeting to answer any questions.

UNRESOLVED ISSUES: There are no unresolved issues related to the Contract Revision.

FISCAL EFFECTS: The Contract Revision does not require additional cash from the city. We will continue to provide substantial resources through our staff time on this critical project. I anticipate phase 2 will primarily affect, Kevin Iffland, Andy Zoeller, Wyeth Friday and I. IF Landmark is not selected to develop at least one of the Catalyst Projects. The Strategy Partners will be responsible for reimbursing Landmark up to $2,305,000.00 If this provision is triggered, I would tie this reimbursement to the development agreement the city sign with the a different developer

Attachments: Proposed Contract Revision

Report compiled on: January 31, 2019

CONTRACT REVISION

Developer: Landmark Development Services Company, LLC
10 W. Mifflin Street Suite 400
Madison, WI 53703

Project: ONE Big Sky District

Date: January 1, 2019
Project No: 6601
Contract No: 6601-4000
Revision No: 001
Account Code: 40-30-000

You are hereby authorized and directed to make the following change(s) in accordance with the terms and conditions of the Development Plan Agreement identified above:

Pursuant to the terms of the Development Plan Agreement, the Developer has presented a Development Plan to the EDC and other Strategy Partners and this Contract Revision affirms that the Phase 1 Services are complete. Developer shall provide a final accounting of costs to EDC on or before February 15, 2019.

The Phase 2 Services to be provided by the Developer in 2019 (Quarter 1) are outlined below, subject to budget availability as defined by the Strategy Partner's Capital Costs.

Conceptual Design – Master Plan	Develop Presentation Materials Development and Revisions to Conceptual Designs as Required Public Presentations / Written and Graphic Support Develop Baseline Cost Models – Civic Build Site Analysis and Massing Studies
Conceptual Design – Engineering	Support Baseline Cost Models General Engineering – Provide Details on Engineering Requirements Associated with Civic Build as Required
Preliminary Site Analysis	Due Diligence on Target Sites (e.g. Phase 1 / Surveys / Etc.) Site Investigation Land Acquisition / Valuation Consultants Land Contracts
Governmental Relations	Public & Media Relations Lobbying and Governmental Relations
Development Management	Developer to Provide Overall Development Management, Public Finance and Strategic Advancement of the Project
Legal / Public Finance	Draft / Modify Legislation Presentations and Hearings / Major Effort is Development of Presentation Materials Oversight of Public Communications Draft Legal Documents as Required Develop and Evaluate Structured Finance Alternatives

	Prepare Outlines of Development Structures as Project Proceeds and Outline of Definitive Documents for Future Phases of the Work
Other Professional Services	To Be Determined
Fiscal & Economic Impact Analysis	Consultant Team Presentations Modifications to Fiscal & Economic Impact Analysis Develop Comparative Analysis as Required
Market / Polling	Polling and Surveys as Required Development of Advocacy Program Among Key Stakeholders
Reimbursable Expenses	Travel & Subsistence for Consultant Team Including Landmark Graphics & Presentation Materials

Expenses:

Expenses shall include all expenses associated with the Developer's completion of the Work, other than the Developer's DPE, incurred by the Developer in the interest of the Development Plan (the "Expenses"), including:

- Costs of Subconsultants, as approved by the EDC or required to complete the Work; and
- Costs of the Work when contracts are held by the Developer; and
- Travel and reasonable subsistence expenses (e.g., living and accommodation expenses, mileage and per diems) for travel to make quarterly status reports as required by Section 2.3 of the Contract and other travel expressly requested by the EDC to conduct Project meetings, but not for travel and subsistence expenses the Developer otherwise incurs in relation to performing the Services or Work; and
- Expenses of postage, handling and express delivery; and
- Costs of printing and reproductions associated with the Work; and
- Other expenses agreed to in writing and in advance by and between the EDC and the Developer.

Expenses will be billed at 1.0 times direct cost and will not exceed a total of Three Hundred Fifty-Five Thousand and 00/100 Dollars ($355,000.00) ("Strategy Partners' Capital Costs"). EDA will make the reimbursement for the travel and subsistence Expenses under the third bullet point above in this Expenses section from the portion of the $355,000.00 comprising private sector contributions.

The EDC hereby commits that is has or will have secured the complete funding to support the entire Strategy Partner Capital Costs as described above.

Developer's Capital Costs:

To complete the Development Plan and Phase 2 Services, the Developer reasonably expects to incur DPE and other expenses, which are not a part of the Strategy Partners' Capital Costs (the "Developer's Capital Costs"). The Development and EDC will work together to establish an agreed upon aggregate maximum amount of the Developer's Capital Costs on or before February 15, 2019.

The Developer's Capital Costs are not payable: (1) if one or more Catalyst Projects does not move forward consistent with the Development Plan within five (5) years of the end of the term of this Contract; or (2) if the Developer is contracted to Develop a Catalyst Project (where "Develop" means to undertake a substantial, material and significant portion of the additional services necessary to create the definitive building program, determine the design, assemble land, secure approvals, and finance such Catalyst Project and cause it to be

constructed and to manage or transfer such project). The Developer's Capital Costs will be payable to the Developer if one or more Catalyst Projects moves forward and the Developer is not contracted to Develop one or more of them; in which event EDC will cause the Strategy Partners responsible for obtaining the financing for such Catalyst project to pay the Developer's Capital Costs from that financing, consistent with the categories described in Attachment 1 up to the agreed upon aggregate maximum amount, payable within 30 days of closing of the financing for such Catalyst Project which the Developer shall submit using an Application for Payment using the same process required under Paragraph 4.2 of the Contract. Interest will not accrue on the Developer's Capital Costs. Nothing herein precludes either the Developer's Capital Costs or Strategy Partners' Capital Costs from being financed by any long-term construction financing or from any equity secured for Catalyst Project(s), or from being contributed to a Catalyst Project as equity, upon mutual agreement of the parties.

TOTAL VALUE OF CONTRACT REVISION: $355,000.00

ADD the amount of: Three Hundred Fifty-Five Thousand and 00/100 Dollars ($355,000.00)

Original Contract Amount	$ 675,000.00
Previous Revision ___ thru ___	$ 0.00
Current Revision Amount	$ 355,000.00
Net Contract Amount	$ 1,030,000.00

Your acceptance of this Contract Revision shall constitute a modification to the Development Plan Agreement and will be performed subject to all the conditions as contained in the Development Plan Agreement identified above, as fully as if the same were repeated in this acceptance.

EDC:

BIG SKY ECONOMIC DEVELOPMENT CORPORATION

Signed: _____

Name: _____

Title: _____

Date: _____

DEVELOPER:

LANDMARK DEVELOPMENT SERVICES COMPANY, LLC

Signed: [signature]

Name: [illegible]

Title: [illegible]

Date: Jan 31, 2019

ATTACHMENT 1

CATEGORIES OF DEVELOPER'S CAPITAL COSTS

The Developer's Capital Costs – Phase 2 as shown below are subject to approval by the City Council on February 11, 2019. The Developer's Capital Costs – Phase 1 have already been approved the City Council.

Category of Cost	Estimated Cost (Phase 1-2018)	Estimated Cost (Phase 2-2019)	Estimated Cost (Total)
Development planning / management	$ 256,700.00	$ 140,800.00	$ 397,500.00
Preparation of master project budgets / schedules	93,400.00	76,600.00	170,000.00
Capital structuring / financial modeling	198,500.00	156,750.00	355,250.00
Market research & analysis	162,500.00	123,500.00	286,000.00
Site planning & evaluation	51,650.00	41,900.00	93,550.00
Design management and administration	175,000.00	116,500.00	291,500.00
Report production / design / narrative	182,250.00	48,950.00	231,200.00
Legal / deal structuring & drafting	155,000.00	225,000.00	380,000.00
Related capital expenses	65,000.00	35,000.00	100,000.00
TOTAL NOT TO EXCEED	**$ 1,340,000.00**	**$ 965,000.00**	**$ 2,305,000.00**

10 West Mifflin Street Suite 400, Madison, Wisconsin 53703
Telephone (608) 274-7447 Fax (608) 274-7442

DEVELOPMENT PLAN AGREEMENT

THIS DEVELOPMENT PLAN AGREEMENT (the "Contract") is made as of July 1 ____, 2018, by and between the Big Sky Economic Development Corporation, a Montana nonprofit corporation (hereinafter referred to as "EDC"), and Landmark Development Services Company, LLC, a Wisconsin limited liability company (hereinafter referred to as "Developer").

RECITALS

WHEREAS, the EDC, along with each of the City of Billings (the "City"), Downtown Billings Partnership, Inc. ("DBP"), Billings Economic Development Authority, Billings Chamber of Commerce, and Billings Tourism Business Improvement District (together with the EDC, the "Strategy Partners"), desires to advance an economic development strategy for a multi-anchor district in Billings, Montana, commonly referred to as the One Big Sky District as described in the Development Plan, defined below (the "Project");

WHEREAS, the Developer previously completed, at its own cost and expense, the concept development plan that serves as the conceptual framework for the Project (the "Concept Development Plan");

WHEREAS, the Developer and the Strategy Partners are working together to advance the strategic redevelopment of the Billings downtown core by identifying the private-investment and public infrastructure investment opportunities in the health-wellness district and lifestyle district as identified in the Concept Development Plan, with a mutually beneficial outcome;

WHEREAS, the next phase of work for the Project will include evolving the master plan, conceptual design and engineering plans for the Project, as well as establishing a preliminary plan of finance for the One Big Sky District (all of those matters, the "Development Plan");

WHEREAS, because the Development Plan has significant potential to promote economic development resulting in major, positive economic and fiscal impacts for the region and the State of Montana, the EDC and the other Strategy Partners desire to work collaboratively with the Developer and contribute an amount not to exceed Six Hundred Seventy-Five Thousand and 00/100 Dollars ($675,000.00) toward the Expenses (defined on Exhibit 1), but excluding direct personnel expenses of the Developer, to complete the Development Plan consistent with the Services as defined and more particularly described herein and in Exhibit 1 attached hereto; and

WHEREAS, once the Developer completes the Development Plan, it is the parties' current intent to work toward a definitive plan and continue their public - private partnership by collaboratively advancing an immediate phase of a public – private development opportunity the Development Plan identifies as a catalyst project or projects that includes a public infrastructure component (each, a "Catalyst Project").

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Basic Definitions.

1.1 "Services" are those activities and services to be undertaken by the Developer and any Subconsultants (as hereinafter defined) with respect to the development, design, market analysis and financial structuring of the Project as more particularly described in Exhibit 1 attached hereto.

1.2 "Work" comprises completion of the Services described herein, including, but not limited to, all labor, materials, expenses and equipment used or incorporated therein.

2. Services.

2.1 Services. Developer represents that it has the knowledge and experience to undertake the Services as set forth in this Contract. Developer will perform the Services in a manner consistent with the standard of care applicable to firms having experience with providing services for projects having similar scope, function, schedule, budget, quality and complexity as the Project. It is the intent of the EDC and the Developer that this Contract include all reasonable items necessary for proper execution and completion of the Work.

2.2 Coordination; EDC and Other Strategy Partners Responsibilities. The Developer is responsible to coordinate its Services and the Work with EDC and other Strategy Partners. The EDC will cooperate with the Developer and use its best efforts to cause the other Strategy Partners to cooperate with the Developer to: (i) complete primary market research in support of the real estate program planned for the Development Plan; (ii) work with the Developer to prepare an outline of a capital improvement plan and budget for civic infrastructure costs and investment phased over time to support the Project development; (iii) work with the Developer to prepare a plan and timeline for achieving project elements to be outlined in the Development Plan; (iv) evaluate opportunities to acquire sites that may be desired or necessary to implement the Development Plan (if required); (v) negotiate exclusively with the Developer for the development, construction and operation of the private sector components of a civic convention and events center in the One Big Sky District for the entire term of the Contract; (vi) negotiate exclusively with the Developer for the planning and development of an adjacent private sector hotel and mixed-use development for the entire term of the Contract as described in Exhibit 1; (vii) contract for and fund, or cause to be contracted for and funded by the Billings Chamber of Commerce, a separate convention center market and feasibility study to further inform the Development Plan; (viii) work with the Developer to facilitate the financial administration of the Services and Work with the EDC serving as fiscal liaison on behalf of the Strategy Partners for the completion of the Work under the Contract; (ix) solicit support from the Governor's Office of Economic Development, the Montana Department of Commerce, and other entities or individuals for State of Montana incentives programs; and (x) utilize the City's current, relevant plans that relate directly to the Services. The exclusivity in subsections (v) and (vi) in this Section does not apply to the agreement Montdevco, LLC ("Montdevco"), has with DBP giving Montdevco the option to purchase real estate from DBP (the "Option") or the transactions, discussions or events flowing from that sale if it occurs unless and until Developer exercises rights under the Option as assignee of Montdevco.

2.3 Delivery of Services. The Developer shall furnish to the EDC a complete list of any subconsultants or vendors the Developer intends to engage for purposes of providing or assisting with the Services described herein (together the "Subconsultants" or, individually, a "Subconsultant"). The Developer will use a competitive process to engage any Subconsultant, giving a preference for Subconsultants local to the Billings, Montana, area. Developer shall be responsible for the performance of, or failure in performance of, its personnel. The Subconsultant(s) will be responsible for the performance of, or failure in performance of, their respective portions of the Services. In each agreement the Developer signs with a Subconsultant for the Services, the Developer shall include a provision stating that EDC is a

third-party beneficiary and may pursue the Subconsultant directly if the Subconsultant fails to perform its respective portion of the Services or otherwise breaches that agreement (a "Subconsultant Breach"). The Developer shall report to the EDC's Executive Director or the Executive Director's designee with respect to all matters related to the Services hereunder, and shall provide a status report in person not less than quarterly to the EDC and other Strategy Partners as facilitated by the EDC. The EDC will be responsible to work with the Developer to provide interim updates (monthly) to the Strategy Partners.

2.4 Additional Services. Other than those Services set forth in Exhibit 1, the Developer shall not be required to provide any additional Services (the "Additional Services").

2.5 Compliance. In all matters pertaining to this Contract and the Services, Developer shall comply with all federal, state and local laws, regulations, ordinances and other requirements applicable to Developer.

2.6 No Conflict. EDC represents on behalf of itself and the other Strategy Partners that, notwithstanding the Services performed and Work undertaken pursuant to this Contract, Developer and its owners and affiliates shall be eligible to submit a proposal to any of the Strategy Partners for future services related to the development or management of public or private development or infrastructure related to the Project. The Developer shall not be prohibited in any manner as a result of this Contract from submitting proposals for the development of a project(s) or professional services engagement(s) involving the One Big Sky District, including the convention and events center if such project should materialize.

3. Work Product; Rights of Use. The Work will be compiled in the form of the final Development Plan resulting from the Services. The Development Plan shall be provided to the EDC and other Strategy Partners for their use in advancing the projects identified therein. The Developer shall own all Work and the Development Plan and hereby grants the Strategy Partners a perpetual royalty-free license to use the Development Plan in pursuit of the Project. The information in the Development Plan will include analyses, projections and forecasts of market demand, planning, cost, financial, fiscal-economic and other data based on industry standard methodologies, industry data, and other relevant information provided by third parties deemed to be reliable. The programs and project development opportunities considered as part of the Development Plan necessarily involve known and unknown risks, uncertainties and other factors that may influence the outcomes discussed therein. The EDC and other Strategy Partners and any other parties reviewing the Development Plan should make their own investigations, projections and conclusions about the information contained therein. Review or use of the Development Plan by any party does not create any legal liability on the part of Developer, its affiliates, assignees or any other third party involved in the Work.

4. Expenses and Payment.

4.1 Expenses. In consideration for the Services rendered hereunder and delivery of the Development Plan, EDC shall pay for up to Six Hundred Seventy-Five Thousand and 00/100 Dollars ($675,000.00) in Expenses as deemed by the Developer to be necessary in performing the Work. Payment for any Additional Services shall be agreed upon between the EDC and Developer at the time such Additional Services, if any, are authorized in writing by the EDC (with concurrence of the Strategy Partners). No such Expenses shall be used to reimburse the Developer for its direct personnel expenses in performing the Services, except as expressly provided in Exhibit 1 hereto.

4.2 Payment. Prior to the EDC making payments for Expenses, the Developer shall submit to the EDC itemized Applications for Payment in the format set forth by the EDC in Exhibit 2 of this Contract, supported by such data as the EDC may deem reasonably necessary to substantiate Developer's request. The Developer shall submit an Application for Payment only during the first ten (10) business days of any

month. Applications for Payment submitted at any other time during the month will be deemed to have been submitted as of the first day of the following month. EDC shall approve or reject Developer's invoice on or before the 15th day of the month. Such amounts as EDC may approve, consistent with the terms hereof, shall be payable not later than fifteen (15) days from the date upon which the Application for Payment is approved by the EDC.

5. Term and Termination.

5.1 Term. The term of this Contract shall commence on the date hereof and shall continue until the soonest of these events to occur: (1) the Developer completes the Development Plan; (2) a period of 210 days from the date in the introductory clause of this Agreement elapses; or (3) a party terminates this Contract as provided in the following Section of this Article. The Term of this Contract may be extended by mutual written consent of the parties.

5.2 Termination. The EDC or Developer may terminate this Contract, with or without cause, upon thirty (30) days' written notice, in which case, EDC shall pay Expenses pertaining to the Work completed to the date of termination.

6. Insurance and Limitation of Liability.

6.1 Requirements. The Developer shall be responsible to purchase and maintain insurance coverage with a provider with an A.M. Best rating of A-VII or better, for commercial general liability, professional liability, workers' compensation, and umbrella in forms and amounts in accordance with the insurance coverage set forth in Exhibit 3 of this Contract. A Certificate of Insurance evidencing such coverage is attached in Exhibit 3 of this Contract. The insured parties below (the "Insured Parties") shall be additional insureds under the Developer's commercial general liability and umbrella policies. The Developer shall cause its insurer(s) to provide the Insured Parties with not less than thirty (30) days' written notice of any cancellation, non-renewal, termination, or material modification to the insurance coverage required hereunder. Except with respect to professional liability insurance, the Developer shall cause its insurer(s) to agree to waive any rights of subrogation they may have against EDC. Failure of Developer to procure or maintain required insurance shall constitute a material breach of this Contract, upon which EDC may immediately terminate this Contract. The Insured Parties shall include the parties listed below and any affiliates related thereto, including their respective trustees, shareholders, members, directors, officers, partners, managers, agents and employees, successors and assigns:

Named Insured Parties:
Big Sky Economic Development Corporation
City of Billings
Downtown Billings Partnership, Inc.
Big Sky Economic Development Authority
Billings Chamber of Commerce
Billings Tourism Business Improvement District

Additionally, the Developer shall be responsible to require each Subconsultant to obtain and maintain commercial general liability, professional liability, workers' compensation, and umbrella in forms and amounts Developer deems appropriate to the Subconsultant's scope of work.

6.2 Limitations. The obligation of the Developer to pay any damages, liabilities, obligations, losses or expenses pursuant to this Contract or the Project shall not exceed the insurance required to be provided by or through the Developer hereunder and the insurance limits associated therewith. To the extent that the Developer has obtained insurance as set forth in Section 6.1 above, and such coverage does not fully cover

any damages, liabilities, obligations, losses or expenses, the Developer's liabilities shall not exceed Five Thousand and 00/100 Dollars ($5,000.00), regardless of the cause or extent of such damages, liabilities, losses or expenses. The limitations in the first two sentences of this Section 6.2 do not apply to damages EDC suffers occasioned by a Subconsultant Breach if EDC directly pursues a Subconsultant for a Subconsultant Breach.

6.3. Limitation of Liability. Neither EDC nor the other Strategy Partners will be liable to the Developer for damages pertaining to lost profits or opportunities or indirect, special, incidental or consequential damages arising from or related to this Contract; provided, however, that this limitation does not apply in any way to EDC's and Strategy Partners' obligations to pay developers capital costs as provided in Exhibit 1 to this Contract

7. Relationship. All Services provided under this Contract by Developer shall be as an independent contractor of EDC, and nothing in this Contract, or in the parties' activities in connection therewith, shall be deemed to create any partnership, joint venture, employment or other agency relationship between Developer and EDC or any other Strategy Partner. Developer shall be responsible for payment of all taxes, fees, contributions, and withholding or other charges applicable by law to Developer's Services, personal property, and employees, and shall require, by contract, its Subconsultants to pay all of their respective taxes, fees, contributions, and withholding or other charges applicable by law to their respective portion(s) of the Services, and their personal property and employees.

8. Miscellaneous.

8.1 Notices. Any and all notices required or permitted hereunder shall be in writing and shall be delivered to the individual(s) designated below for the recipient thereof or for such individuals' attention during normal business hours to a receptionist or other person available to receive incoming deliveries at the address designated below for such recipient or sent to such recipient via facsimile or electronic mail to the facsimile number/e-mail addresses designated below for such recipient or by registered or certified mail, return receipt requested and postage prepaid, to the address designated below for such recipient:

EDC: Attn: Executive Director
222 N. 32nd, Ste. 200
Billings, Montana 59101
Facsimile: (406) 256-6877
Electronic Mail: SteveA@bigskyeda.org

Developer: Robert P. Dunn
10 W. Mifflin Street, Ste. 400
Madison, Wisconsin 53703
Facsimile: (608)274-7442
Electronic Mail: dunnb@hammescosports.com

Notices delivered as provided above shall be deemed given upon such delivery. Notices sent via facsimile or electronic mail as provided above shall be deemed given upon their successful transmission. Notices mailed as provided above shall be deemed given on the date of their deposit in the United States mail. Any party hereto may change the individual, facsimile number, e-mail address or street address to which notices thereto should be given hereunder by giving notice of such change to the other party hereto in accordance with the provisions of this Section.

8.2 Force Majeure. Neither party shall be liable or in default hereunder for any delay or failure to perform under this Contract to the extent that such delay or failure was attributable to flood, hurricane,

tornado, earthquake, storm or other acts of God; war, acts of a public enemy, insurrection, riot, vandalism or other civil or military action, terrorism, accident, fire, explosion or other casualty; nationalization, violence; seizure, embargos or other government actions or restrictions of that type; walk outs, failure of transportation, supply or utilities, strike or other work interruption or any other similar causes beyond the reasonable control of such party.

8.3 Further Assurance. Each of the parties hereby agrees to execute and deliver such documents and to take such other actions at any time and from time to time hereafter as may be reasonably requested by the other party to carry out the provisions or purposes of this Contract.

8.4 Successors. This Contract shall be binding upon, and inure to the benefit of, the parties and their respective successors and assigns. No party may assign any of such party's rights or obligations under this Contract without the prior written consent of the other party hereto. This Contract shall not confer any rights or remedies upon any third-party beneficiary or other person other than the parties, except to the Strategy Partners as specifically provided herein.

8.5 Severability. In the event that any provision of this Contract is ever finally determined to be wholly or partially illegal, invalid or unenforceable, either in all jurisdictions and circumstances or in particular jurisdictions or circumstances, such provision shall be deemed severed herefrom in those jurisdictions and circumstances as to which it is so determined to be wholly illegal, invalid or unenforceable and shall be deemed limited to the extent required in those jurisdictions and circumstances as to which it is so determined to be partially illegal, invalid or unenforceable, and such severance or limitation shall not affect the legality, validity or enforceability of any of the other provisions hereof or of such provision to the extent not so severed or limited.

8.6 Governing Law. This Contract shall be governed by, and construed and enforced in accordance with, the laws of the State of Montana.

8.7 Interpretation. The headings in this Contract are intended for convenience only, and shall not affect the meaning or interpretation hereof. In interpreting this Contract, whenever the context so permits, (a) the singular shall include the plural and the plural shall include the singular, (b) any gender shall include all genders and (c) the term "including" shall mean "including, without limitation." Reference to any federal or state statute shall be deemed to refer to all rules and regulations promulgated thereunder unless the context otherwise requires and shall be deemed to incorporate amendments thereto except to the extent that taking such amendments into account would defeat the purposes of this Contract. Any exhibit, schedule or other document referred to herein is incorporated in this Contract and made a part hereof. This Contract was drafted jointly by the parties, and no rule of construction or other presumption shall arise by reason of authorship of any of the provisions hereof.

8.8 Execution. This Contract may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Transmission of a copy of a signature page of this Contract purporting to be signed by a party from the recipient email address of such party hereunder to the recipient email address of another party shall be treated by both parties as the equivalent of physical delivery by such party to such other party of a complete original of this agreement executed by such party.

8.9 Announcements. No party shall, directly or indirectly, issue any press release or make any public announcements relating to the subject matter of this Contract at any time during the term of this Contract without the prior written consent or approval of all of the other parties, except as may be required by law. The Developer shall be allowed to use the name or marks or refer to the Project in any marketing, advertising and publicity related to this Project or the Developer's normal and ordinary business pursuits.

The EDC (together with the other Strategy Partners) shall have the right to provide appropriate information during public-information sessions throughout the planning process, with such appropriate information being determined by the parties in advance of such sessions. Nothing in this provision is intended to impede or prevent EDC or the other Strategy Partners from complying with their respective obligations, if any, relating to laws pertaining to open meetings or public documents.

8.10 Amendment. This Contract may be amended by, and only by, a written instrument signed by both parties. No failure or delay on the part of either party in the exercise or enforcement of any of its rights under any provision hereof shall be deemed to constitute a waiver or other relinquishment of any of such rights or of such provision in the absence of a written waiver signed by such party. Any such written waiver shall be effective only with respect to the specific matters covered thereby and shall not affect the parties' respective rights and obligations with respect to other or future items.

8.11 Integration. This Contract constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes any and all oral, written or other negotiations, warranties, representations, agreements or other understandings in regard thereto.

8.12 Survival. The provisions of this Contract with these descriptive headings will survive the termination or expiration of the term of this Contract: Compliance, No Conflict, Work Product; Rights of Use, Expenses, Payment, Insurance (including Limitations), Relationship, and Developer's Capital Costs in Exhibit 1.

[SIGNATURE PAGE FOLLOWS]

THIS DEVELOPMENT PLAN AGREEMENT is made and entered into as of the day and year first written above.

EDC:

BIG SKY ECONOMIC DEVELOPMENT CORPORATION

ERIC M. SIMONSEN

By: _____

Title: CHAIR

Date: 7.2.2019

DEVELOPER:

LANDMARK DEVELOPMENT SERVICES COMPANY, LLC

Robert P. Dunn

By: _____

Title: Managing Member

Date: 7-9-19

By signing below, the Strategy Partners: (1) acknowledge they approve this Contract pursuant to Section 1 of the Memorandum of Understanding between them; (2) agree they are obligated to EDC to perform the matters in this Contract (i) that EDC agreed to cause the Strategy Partners to perform, and (ii) that otherwise require or necessitate any of their participation, cooperation or collaboration; and (3) the Developer may enforce the payment and performance obligations of this Contract against each Strategy Partner in the same manner and to the fullest extent of the law as if each Strategy Partner were a party hereto.

City of Billings

By: _____

Name: William A Cole

Title: Mayor

Big Sky Economic Development Authority

By: _____

Name: Jennifer A Smith

Title: CHAIR

Downtown Billings Partnership, Inc.

By: _____

Name: JAMES A PATTEN

Title: PRESIDENT

Billings Chamber of Commerce

By: _____

Name: John Brewer

Title: President/CEO

Billings Tourism Business Improvement District

By: _____

Name: Ron Spence

Title: Board Chair

EXHIBIT 1

SERVICES

The "Services" to be provided by the Developer are described in this Exhibit 1 to the Development Plan Agreement.

The Developer, with the support of the EDC and other Strategy Partners, will organize the planning process and prepare the Work to include the following:

- Undertake efforts to prepare a Development Plan based upon the Concept Development Plan to address historic challenges faced by the City of Billings related to "place" that make urban redevelopment, workforce recruitment and driving visitation difficult, including development that is not always coordinated, underutilized or underdeveloped civic amenities, a transportation network that should be further refined, and an evolving community vision that needs to be aligned with a broader economic development strategy, responding to the stated needs and priorities of the growing, vibrant community.

- Prepare conceptual plans and a preliminary finance plan for an immediate phase of development to be the first anchoring project(s) in the One Big Sky District to include mixed-use program consisting of possible program elements such as: commercial office, residential, retail, hotel and other civic uses, including a convention and events center.

- Work in partnership with the EDC and the other Strategy Partners as a team, working together to define the Catalyst Project or Catalyst Projects and in that regard to incorporate the elements of proposed civic infrastructure into the Development Plan that may include a new convention and events center and other related civic elements.

Specifically, the Developer will undertake Services to produce the Work listed below, which will be presented as a Development Plan to the EDC and other Strategy Partners:

1. Concept Master Plan

a. Concept Master Plan for the One Big Sky District
b. Preliminary Master Planning Design Guidelines
c. Evaluation of City Planning Guidelines and Planning Considerations
d. Outline of Current City Infrastructure and Capacity Analysis
e. Preliminary Civil Engineering Analysis Based on Proposed Capacities to Support Planned Development
f. Conceptual Civic Infrastructure Plan
   - Assessment of City Sewer Improvement Plans
   - Assessment of City Water Quality Plans
   - Assessment of Other City Infrastructure
   - Preliminary Site Access, Circulation and Parking Plan
g. Preliminary Transportation and Parking Analysis for the District Based on City Analysis
   - Preliminary Parking Plan and Transit Modeling
h. Conceptual Design Documents
   - Outline of Mixed-Use Program for the District
   - Conceptual Design Studies
   - Project Program Development
   - Determine Site Massing and Density Limitations
   - Assessment of Zoning and Entitlement Restrictions
   - Other Site Parameters
   - Site Massing Models

- Thematic Design

i. Conceptual Design and Master Plan Documents for Cost Model for Major Program Elements
   - Conceptual Master Plan
   - Architectural Design Concepts
   - Civil Engineering Plans (Preliminary)
   - Transportation / Circulation Plans (Preliminary)
   - Structural (Preliminary)
   - MEP (Preliminary)

2. Preliminary Finance Plan

a. Financing Structure
   - Financing Overview
   - Revenue and Expense Recognition
   - Outline Public Finance and City Infrastructure Requirements

b. Preliminary Plan of Finance
   - Sources and Uses of Funds
   - Financial Model(s)
   - Pricing / Sponsorship Analysis and Market Research
   - Market Research of Revenue Assumptions
   - Market Assessment of Expense Assumptions
   - Term Sheet(s)
   - Outline of Possible Equity Sources
   - Outline of Capital Structures (Debt)

c. Outline of Public Finance Structures and Alternatives
d. Financing Schedule
e. Preliminary Detailed Master Project Budget

3. Legal / Definitive Deal Structure

a. Public Finance Term Sheets (As Required)
b. Outline of Project Development Agreements

4. Market Research

a. Market Research (Primary and Secondary)
   - Economic Impact Analysis
   - Fiscal Impact Analysis
   - Target Market Surveys
   - Market Assessment of Primary Program Elements
   - Market Assessment of Sponsorship Programs
   - Market Evaluation and Measurement of Location

5. Development Management / Administration

a. Develop Scope of Services
b. Primary Professional Services Agreements (e.g., Design Services Agreement, Consulting Services Agreement)
c. Engage and Manage the Project Team
d. Project Communications and Coordination Procedures
e. Document Control and Distribution
f. Accounting and Cost Control
g. Community Relations Interface
h. Complete Site Logistics Plan
i. Outline of Public and Regulatory Approvals

- Outline EIR Status / Addendum
- Outline Zoning Approvals
- Outline Other Public Approvals

j. Undertake to Obtain Public Approvals (As Required)
k. Preliminary Master Project Schedule
l. Consolidated Schedule / Phasing
m. Preparation of the Work to Include Key Deliverables
   - Outline of the Development Plan
   - Development Pland

Payment of Expenses:

EDC shall pay certain Expenses directly to the Subconsultants and pay the Developer directly for certain reimbursable Expenses, as set forth in the Expenses section below, which the Developer submits to the EDC as itemized Applications for Payment in the format set forth in Exhibit 2 of this Contract. Other than the Expenses, the Developer is responsible for all costs and expenses necessary for it to perform the Services and complete the Work, including its direct personnel expenses ("DPE") in performing the Services and completing the Work set forth above, except as provided below.

Expenses:

Expenses shall include all expenses associated with the Developer's completion of the Work, other than the Developer's DPE, incurred by the Developer in the interest of the Development Plan (the "Expenses"), including:

- Costs of Subconsultants, as approved by the EDC or required to complete the Work; and
- Costs of the Work when contracts are held by the Developer; and
- Travel and reasonable subsistence expenses (e.g., living expenses, mileage and per diems) for travel to make quarterly status reports as required by Section 2.3 of the Contract and other travel expressly requested by the EDC to conduct Project meetings, but not for travel and subsistence expenses the Developer otherwise incurs in relation to performing the Services or Work; and
- Expenses of postage, handling and express delivery; and
- Costs of printing and reproductions associated with the Work; and
- Other expenses agreed to in writing and in advance by and between the EDC and the Developer.

Expenses will be billed at 1.0 times direct cost and will not exceed a total of Six Hundred Seventy-Five Thousand and 00/100 Dollars ($675,000.00) ("Strategy Partners' Capital Costs"). EDA will make the reimbursement for the travel and subsistence Expenses under the third bullet point above in this Expenses section from the portion of the $675,000 comprising private sector contributions.

Developer's Capital Costs:

To complete the Development Plan, the Developer reasonably expects to incur DPE and other expenses, which are not a part of the Strategy Partners' Capital Costs, of One Million Three Hundred Forty Thousand and 00/100 Dollars ($1,340,000.00) (the "Developer's Capital Costs"). The Developer's Capital Costs are not payable: (1) if one or more Catalyst Projects does not move forward consistent with the Development Plan within five (5) years of the end of the term of this Contract; or (2) if the Developer is contracted to Develop a Catalyst Project (where "Develop" means to undertake a substantial, material and significant portion of the additional services necessary to create the definitive building program, determine the design, assemble land, secure approvals, and finance such Catalyst Project and cause it to be constructed and to manage or transfer such project). The Developer's Capital Costs will be payable to the Developer if one or more Catalyst Projects moves forward and the Developer is not contracted to Develop one of them; in which event EDC will cause the Strategy Partners responsible for obtaining the financing for such Catalyst project to pay the Developer's Capital Costs from that financing, consistent with the categories described in Exhibit 4 up to an aggregate maximum amount of $1,340,000.00, payable within 30 days of closing of the financing for such Catalyst Project which the Developer shall submit using an Application for Payment using the

same process required under Paragraph 4.2 of the Contract. Interest will not accrue on the Developer's Capital Costs. Nothing herein precludes either the Developer's Capital Costs or Strategy Partners' Capital Costs from being financed by any long-term construction financing or from any equity secured for Catalyst Project(s), or from being contributed to a Catalyst Project as equity, upon mutual agreement of the parties.

Work Plan:

The anticipated period for the Developer to complete the Work under this Contract and deliver the final Development Plan to the EDC is from July 2018 to January 2019, with the following schedule of Project milestones / deliverables:

- Outline of Development Plan – Completed by October 2018
  The Outline of Development Plan will include a PowerPoint level presentation document that provides an overview of the key elements of the Work and major issues / considerations / decisions for consideration by the Strategy Partners
- Draft Development Plan for Review – Completed by December 2018
  The Draft Development Plan will include a written report that addresses all aspects of the Work as described in this Contract
- Development Plan – Completed by January 2019

The Contract term and schedule may be extended by mutual written agreement of both parties.

Private Sector Components:

The anchoring project described in Section 2 of the Agreement has two primary components. Regarding the civic convention and events center component, no determination or recommendation has been made about which parts of that component will comprise private sector efforts, if any, and which will comprise public sector efforts, if any. The adjacent hotel and mixed-use development component will comprise a private sector effort and as part of that effort, EDC shall: (1) work in conjunction with Big Sky Economic Development Authority ("EDA") and the DBP to structure and facilitate land assemblage opportunities for the Developer; (2) assist and coordinate with the Developer if the Developer applies for funds available under these State of Montana programs (i) Big Sky Economic Development Trust Fund, (ii) Workforce Training Grant, (iii) Montana Infrastructure Tax Credits, (iv) Montana Board of Investment Participation Loan; (3) assist and coordinate with the Developer in obtaining other available local, state, or federal sponsored economic development incentive programs or grants that may benefit the development of the Private Sector Components; and (4) assist and coordinate with the Developer in pursuing property tax abatement opportunities. EDC will use its best efforts, diligently pursue, and act in good faith in undertaking its obligations under this paragraph.

EXHIBIT 2

APPLICATION FOR PAYMENT

The Developer's Application for Payment is included herein as Exhibit 2.

NOTE: The Developer will prepare a single consolidated application for payment of Expenses which includes all the payments due to Subconsultants and reimbursable Expenses from which EDC will make payment and certify that it is doing so each month

EXHIBIT 3

INSURANCE

Developer Insurance Coverages:

Commercial General Liability

General Aggregate $2,000,000

Products/ Completed Operations Aggregate $2,000,000

Each Occurrence $2,000,000

Automobile Liability

Combined Single Limit $1,000,000

Worker's Compensation

Statutory

Employer's Liability

Each Accident $1,000,000

Disease - Policy Limit $1,000,000

Disease - Each Employee $1,000,000

Professional Liability

Each Occurrence $2,000,000

EXHIBIT 4

CATEGORIES OF DEVELOPER'S CAPITAL COSTS

Category of Cost	Estimated Cost
Development planning / management	$ 256,700.00
Preparation of master project budgets / schedules	93,400.00
Capital structuring / financial modeling	198,500.00
Market research & analysis	162,500.00
Site planning & evaluation	51,650.00
Design management and administration	175,000.00
Report production / design / narrative	182,250.00
Legal / deal structuring & drafting	155,000.00
Related capital expenses	65,000.00
TOTAL NOT TO EXCEED	**$ 1,340,000.00**