

Second Amendment to Wastewater Service Agreement

This Second Amendment to Wastewater Service Agreement is entered into this ___ day of December, 2025, by and between the **CITY OF BILLINGS, MONTANA** (“City”), a Montana Municipal Corporation whose principal business address is 210 North 27th Street, P.O. Box 1178, Billings, Montana 59103, and the **LOCKWOOD AREA /YELLOWSTONE COUNTY WATER AND SEWER DISTRICT** (“District”), whose principal business address is 1644 Old Hardin Road, Lockwood, Montana 59101.

RECITALS

1. The City and District entered into a **Wastewater Service Agreement** on March 24, 2008, and the First Amendment to Wastewater Service Agreement on June 18, 2021, hereinafter collectively referred to as the “**Agreement**”. The **Agreement** sets forth terms of the disposal of the District’s wastewater to the City for treatment by the City.
2. Pursuant to the **Agreement**, the District has requested to expand its service area to include a single, commercial parcel that is situated between the original service area of the 2008 agreement (see Exhibits “A” and “B” attached thereto) and the additional service area that was included by the 2020 amendment (see Exhibits “C” and “D” attached thereto). The City requires additional amendments to the **Agreement** to facilitate the District’s request. Exhibit “E” attached hereto describes the expansion area proposed for this second amendment.
3. The District acknowledges and agrees that the cost of wastewater service from the City has been freely negotiated between the Parties. The City has no obligation to provide wastewater services to the requested expansion area. The District is a non-owner customer. The District agrees that the terms of this Agreement are fair and equitable and that the contract rate for the cost of service, including the surcharges, is reasonable and just.
4. The District and City acknowledge that this amendment in no way obligates the City to provide access to its municipal water services. If in the future, the District and City work together to provide municipal water services to the properties served by the District, it is the City's intent that all municipal water extension ordinances and rules in place at the time of the extension will be adhered to, including all rules pertaining to annexation.

NOW THEREFORE, the City and the District agree to amend the **Agreement** as provide herein.

AGREEMENT:

1. The City and the District agree that the Recitals stated above are true and accurate and are incorporated into this **Second Amendment**.
2. The City and the District agree that the **Agreement** shall be amended as follows:

- A. **Section 2 Service Area** on page two of the **Agreement** after the sentence *“The City shall accept for treatment wastes that are contributed from the District’s users whose properties are situated entirely within the boundaries of the original District delineated on attached Exhibits A and B and within the boundaries of the TEDD study area delineated on attached Exhibits C and D subject to the flow and loading limitations in Section 4 herein.”* **ADD** the following statement:

“The Original Service Area is further expanded to include a single, commercial, 8.46 AC parcel identified by Tax Code D06438, Legal Description S19, T01 N, R27 E, C.O.S. 2928, PARCEL 1, (07), located on North Frontage Road, East of Johnson Lane.”

The current, original **Agreement** remains in full force and effect, except as expressly amended by the **First Amendment** of 2020 and this **Second Amendment**. In the event of any conflict between the **Agreement** and the terms of the **First** and **Second Amendments to the Wastewater Service Agreement**, then the terms of the **First** and **Second Amendments to the Wastewater Service Agreement** shall govern.

IN WITNESS WHEREOF, on this ____ day of December, 2025, each of the parties has executed this **Second Amendment to the Wastewater Service Agreement** to be incorporated as part of the original **Agreement** dated March 24, 2008 and the **Second Amendment to the Wastewater Service Agreement** of 2020.

DISTRICT:

LOCKWOOD WATER AND SEWER
DISTRICT

By: _____
President

Attest:

Secretary

CITY:

CITY OF BILLINGS, a Montana
Municipal Corporation

By: _____
MIKE NELSON, MAYOR

Attest:

Denise R. Bohlman, City Clerk

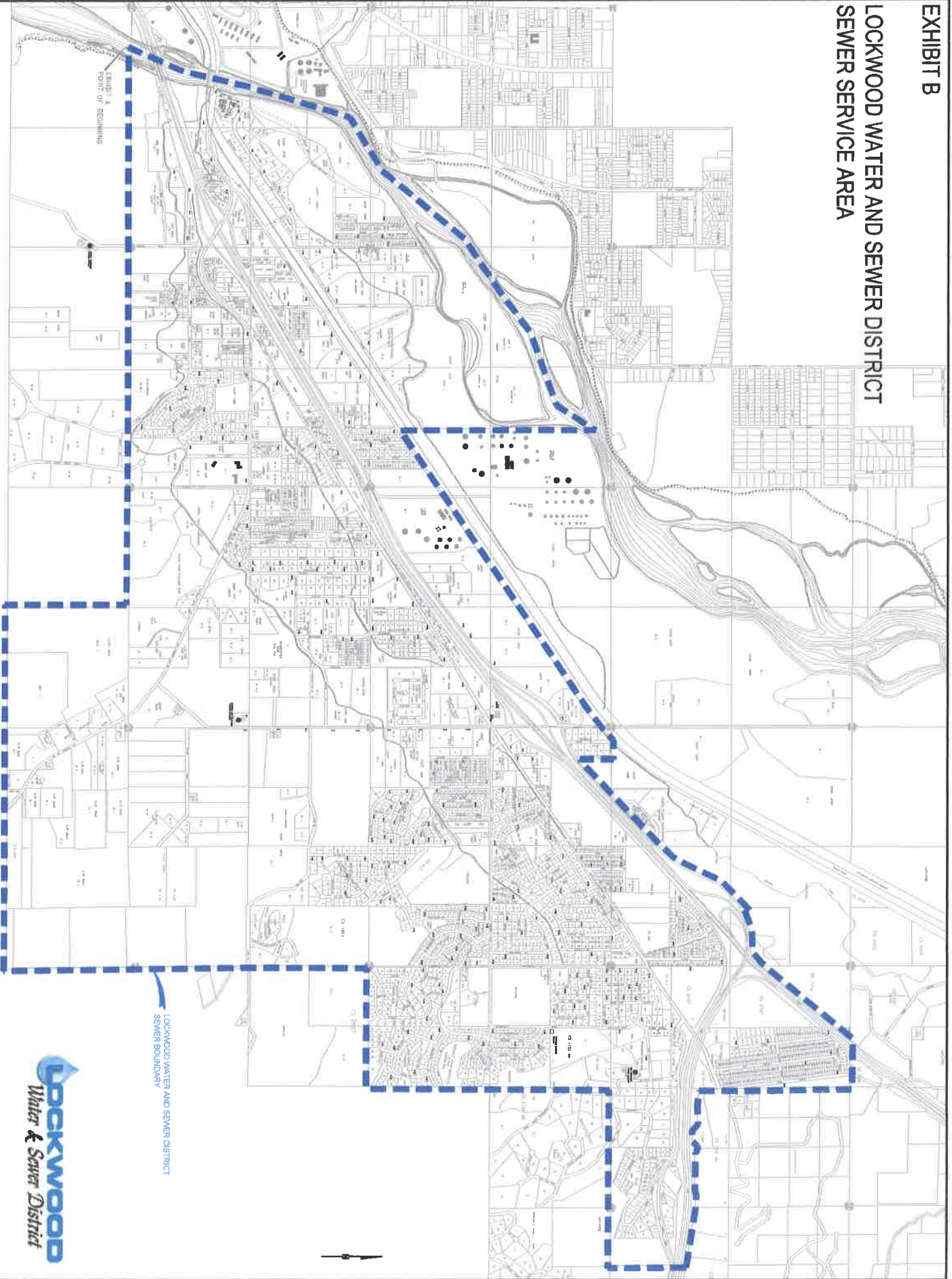
EXHIBIT A

BOUNDARY OF THE PROPOSED LOCKWOOD YELLOWSTONE COUNTY WATER AND SEWER DISTRICT

Beginning at the point of intersection of the east and west centerline of Section 34, T1 N, R26E, with the mid-channel of the Yellowstone River and running thence northeasterly along the mid-channel of said river to its intersection with the north and south centerline of the southwest quarter of Section 24, T1 N, R26E; thence south along said line about 0.7 miles to its intersection with the south boundary of the Burlington Northern Railroad right-of-way; thence northeasterly along said boundary line to its intersection with the east and west centerline of Section 19, T1 N, R27E; thence east along the north boundary of the Borgan Subdivision and then south along the east boundary of the same said subdivision to its intersection with the north boundary of the Interstate 90 Highway right-of-way. This boundary line, coincidental with the north edge of Interstate 90, becomes the north boundary of the Interstate 94 right-of-way and continues as such to the intersection of said line with the west and east centerline of Section 17, T1 N, R27E; thence east to the east boundary of said section; thence south along said boundary to its intersection with the north boundary of the Interstate 90 right-of-way; thence east along this boundary to its intersection with the north and south centerline of the northeast quarter of Section 21 T1 N, R27E; thence south to the intersection of said line with the east and west centerline of Section 21, T1N, R27E; thence west along said line to its intersection with the west boundary of Section 21, T1 N, R27E; thence south along this line to its intersection with the east and west centerline of Section 29, T1N, R27E; thence west along this line to its intersection with the north and south centerline of this same section; thence south along said north and south centerline to its intersection with the southern boundary of Section 32, T1 N, R27E. From this point the boundary line extends west along the southern boundary of Section 32 and adjacent Section 31 to the east boundary of Section 36, T1 N R26E; thence north to the east and-west centerline of said Section 36; thence west along said centerline to the point of origin. EXCEPTING THEREFROM all of Certificate of Survey No. 830; all of Certificate of Survey No. 111; Tract 1 of Certificate of Survey No. 218; Tract 1, of Certificate of Survey No. 2777; and Tract 1 Certificate of Survey NO. 2623; and, Tracts 62 and 65, Certificate of Survey No. 1414; and, Tract 1F Certificate of Survey No. 704.

EXHIBIT B

LOCKWOOD WATER AND SEWER DISTRICT
SEWER SERVICE AREA



LOCKWOOD WATER AND SEWER DISTRICT
SEWER BOUNDARY

EXHIBIT C
LOCKWOOD
TARGETED ECONOMIC DEVELOPMENT
DISTRICT STUDY BOUNDARY

Beginning at the Section Corner common to Sections 8 ,9, 16 and 17, T.1N, R. 27E., P.M.M., Yellowstone County Montana; thence Southerly on and along the Section line common to Sections 16 and 17 to the Northwesterly right-of-way line of U.S. Interstate No. 94; thence Southwesterly on and along the Northwesterly right-of-way of U.S. Interstate No. 94 to the Northeast Corner of Tract 1, Certificate of Survey No. 632 2nd Amended; thence Southwesterly on and along the line common to said Northwesterly right-of-way of U.S. Interstate No. 94 and the Southeasterly line of said Tract 1 and Tract 2, Certificate of Survey No. 632 2nd Amended; thence continuing Southwesterly on and along the Northwesterly right-of-way of U.S. Interstate No. 94 thru Lots 12 through 15, Block 1, Pine Hills Subdivision; thence continuing Southwesterly on and along the line common to the Northwesterly right-of-way of U.S. Interstate No. 94 and Lot 1, Amended Certificate of Survey No. 1734; thence continuing Southwesterly on and along the line common to the Northwesterly right-of-way of U.S. Interstate No. 94 and the Southeasterly boundary of Lot 1, Seiffert Industrial Subdivision; thence continuing on and along the Northwesterly right-of-way of U.S. Interstate No. 94 to the Northeast corner of G2 Subdivision; thence continuing on and along the line common to the Northwesterly right-of-way of U.S. Interstate No. 94 and the Southeast line of Lots 1 and 2, Block 1, G2 Subdivision; thence continuing Southwesterly on and along the line common to the Northwesterly right-of-way of U.S. Interstate No. 94 and the Southeasterly line of Tract 1, Certificate of Survey No. 1108; thence continuing Southwesterly on and along the line common to the Northwesterly right-of-way of U.S. Interstate No. 94 and the southeasterly line of Blocks 1 and 2, Great Plains Subdivision, 2nd Filing;

9 to the Southwest Corner of Tract 1-A, Amended Certificate of Survey No. 2807; thence Northerly on and along the Westerly and Northwesterly Line of said Tract 1-A, being also the Easterly and Northeasterly line of Government Lot 9 to the Meander Line of the Yellowstone River; thence Northeasterly on and along the Meander Line of the Yellowstone River to the Northeasterly Line of said Tract 1-A, being also the Southwesterly line of Government Lot 10; thence Southeasterly, Easterly and Northerly on and along the line common to said Tract 1-A and said Government Lot 10 to the Northwesternmost corner of said Tract 1-A; thence Easterly on and along the Northerly Line of said Tract 1-A to the Northeast corner of said Tract 1-A; thence Southerly on and along the Easterly Line of said Tract 1-A to a point on the Westerly right-of-way of Montana Rail Link; thence extending Southerly across said railroad to the Easterly right-of-way of said railroad to a point on the Westerly line of Tract 6, Certificate of Survey No.1225; thence Northeasterly on and along the Easterly railroad right-of-way, also being the Westerly line of Tracts 5 and 6 of said Certificate of Survey No. 1225 to the Northwest corner of Tract 5, Certificate of Survey No. 1225; thence Easterly on and along the Northerly Line of said Tract 5 to the Section Corner common to Sections 4, 5, 8, and 9, T.1N., R.27E.; thence Southerly on and along the Section Line common to Sections 8 and 9, also being the Easterly Line of Certificate of Survey No. 1225 to the Point of Beginning at the Section Corner common to Sections 8, 9, 16, and 17, T.1N., R.27E. As shown on attached Exhibit D, TEDD District Boundary Map.

This legal description is based on a boundary that encompasses the parcels that are situated entirely within the TEDD boundary.

EXHIBIT E

**LOCKWOOD WATER AND SEWER DISTRICT
SEWER BOUNDARY**

**AMENDED
SERVICE AREA
PER SECOND
AMENDMENT**

LOCKWOOD WATER AND SEWER DISTRICT
SEWER BOUNDARY



LOCKWOOD WATER AND SEWER DISTRICT 12/11/2020

