



# FINANCE COMMITTEE AGENDA

July 10, 2023 – 4:00 pm | Council Chambers, City Hall

1. **Call meeting to order.**
2. **Approval of Minutes.**
  - a. Regular Meeting: June 5, 2023
3. **Public Comment** - Limit to three minutes per person.
4. **Continued Business.**
  - a. None
5. **New Business**
  - a. Water Rights Attorney Retainer – Jordan and Trent
  - b. Emery Road Pasture Lease Bid Program – Jordan
  - c. Grants and Legislation Update – Jordan
  - d. Review and Sign June Claims – Stan/Jordan
6. **Committee Comments or Concerns:**
7. **Announcement of next meeting.**
  - a. Regular Meeting: August 7, 2023, at 4:00PM
8. **Adjournment.**

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## Finance Committee

### Members

Dick Bauman (Chair) | Joseph Callahan | Gordon Pierson

# CITY OF DEER LODGE

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## FINANCE COMMITTEE MEETING MINUTES

June 5, 2023 – 4:00pm | Council Chambers, City Hall

<b>Members Present:</b>	Dick Bauman, Gordon Pierson
<b>Members Absent:</b>	Joe Callahan
<b>Mayor:</b>	None
<b>CAO:</b>	Jordan Green
<b>Staff:</b>	Trent Freeman, Stan Glovan, Cyndi Thompson
<b>Guests:</b>	See sign in sheet

**1. Call Meeting to Order:**

a. Chairperson Bauman called the meeting to order at 4:00PM.

**2. Approval of Minutes:**

a. Regular Meeting: April 3, 2023 – May meeting, No quorum.

Member Pierson motioned to approve as presented. Member Callahan seconded the motion. 2 Ayes, 0 Nos, 1 Absent. Motion passed.

**3. Public Comment:**

a. Mary Kay Sheitz & Bob Rase: Discussed Pickle Ball Courts for Deer Lodge.

**4. Continued Business:**

a. None

**5. New Business:**

a. Univision Service Contract – Jordan

Univision has created a separate service, called Velocity Basic, that is geared towards smaller organizations that may require less on-demand or break fix support, but still require assistance from Univision. This plan includes all the security features in Velocity Complete, but no additional IT services. i.e., any support work is billable at our standard hourly rates.

Moreover, they have introduced an Advanced Security Package for clients such as the City of Deer Lodge. This was created in response to many of the compliance requirements surrounding Cyber Security insurance and industry regulations (HIPAA, PCI, FTC, FDIC, CJIN, etc.). They highly recommend this package for us given the compliance required from law enforcement and government.

All the improvements of the Velocity Complete and Basic Plans, and heightened labor expenses have required them to increase our prices. As our IT provider they feel these plans will provide the best value for providing what customers need with IT Management, Support, and Security.

Here is a cost breakdown of our current plan Vs Velocity Complete:

- **Your current price on our legacy services is - \$628/Month**
- **Your New price on Velocity Complete Remote is - \$1787/Month**
- **Your New price on Velocity Basic is \$794/Month – Please note, this would not include any labor for support.**
- **(Optional) The advanced Security Package is an additional - \$560/month**

Staff recommends the Velocity Basic package at \$794.00 per month.

Member Pierson motioned to approve with recommendations to Council. Chairman Bauman seconded the motion. 2 Ayes, 0 Nos, 1 Absent. Motion passed.

- b. Water Rights Consulting Services Approval – Trent HydroSolutions understands the City of Deer Lodge (City) has recently received correspondence from the DNRC regarding its re-examination of water rights in the Upper Clark Fork River Basin.

During re-examination, the DNRC adds issue remarks if it finds factual errors or legal matters that require resolution. The City has one issue remark that was added to water right 76G 10395-00 because it appears the City and the State of Montana Department of Corrections claimed the same historical water right. This matter will likely require the City to participate in a Water Court case to determine which entity is correctly associated with the historical water right.

After re-examination concludes, the DNRC sends a report to the Water Court and then it will issue a Preliminary Decree that will contain all water rights with pre-1973 priority dates within the Upper Clark Fork River Basin (76G). The DNRC will likely send its report to the Court in the next 1-2 months and the Preliminary Decree will be issued sometime this Summer.

**COST ESTIMATE:**

To provide the suggested services, we estimate it will take us approximately 32 hours to perform the research and review and another 16 hours to compile the memo. My billing rate is \$138 per hour, so the estimated cost is around \$6600.

To assist with research, it may be necessary to have someone obtain documents from the County Courthouse. If possible, a City employee could visit the Courthouse and obtain those documents. Otherwise, one of our technicians could obtain the documents at \$63/hour.

Additional work outside of this scope of services can be completed on a time and material basis with your prior approval.

Member Pierson motioned to approve with recommendations to Council. Chairman Bauman seconded the motion. 2 Ayes, 0 Nos, 1 Absent. Motion passed.

- c. Appreciation for Skatepark Cleaning Volunteer- Jordan/Cyndi  
Danna Rongstad has been cleaning the skatepark since it's been opened on her own free will. Asking Finance, a donation of appreciation to Danna from Council and City.

Member Pierson motioned to approve \$150 towards a plaque, card, and flowers with recommendation to Council. Chairman Bauman seconded the motion. 2 Ayes, 0 Nos, 1 Absent. Motion passed.

- d. Arrowstone Park Billboard – Jordan  
County Parks Board offered the billboard to the City. This has been reviewed and recommended by Economic Growth & Development the billboard with a nice background picture, City Logo, and "Deer Lodge Welcomes You" verbiage. Cost of vinyl and installation of up to \$2,500.00.

Member Pierson motioned to approve \$2,500 installation and vinyl. Chairman Bauman seconded the motion. 2 Ayes, 0 Nos, 1 Absent. Motion passed.

- e. Review and Sign May Claims – Stan/Jordan  
Claims reviewed and signed by committee with recommendation to Council.

**6. Committee Comments or Concerns:**

- a. None

**7. Announcement of Next Meeting:**

- a. Regular Meeting: Monday, July 3, 2023, at 4:00PM

**8. Adjournment:**

The meeting was adjourned at 4:37pm.

Prepared by: Cyndi Thompson, City Clerk

\_\_\_\_\_  
Dick Bauman, Chairperson

\_\_\_\_\_  
Date

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**Finance Committee Members**

Dick Bauman (Chair) | Joseph Callahan | Gordon Pierson



P.O. Box 104  
Helena, MT 59624  
Main 406.317.7220  
Fax 406.317.7221

A Professional  
Law Corporation

John E. Bloomquist  
Attorney at Law  
Direct 406.410.5020  
JBloomquist@parsonsbehle.com

June 16, 2023

Via Email

City of Deer Lodge  
Attn: Mayor James Jess  
Attn: Jordan Green  
300 Main St.  
Deer Lodge, MT 59722  
[jjess@cityofdeerlodgemt.gov](mailto:jjess@cityofdeerlodgemt.gov)  
[jgreen@cityofdeerlodgemt.gov](mailto:jgreen@cityofdeerlodgemt.gov)

### **Scope and Terms of Representation by Parsons Behle & Latimer**

Dear Messrs. Jess and Green,

Thank you for allowing Parsons Behle & Latimer the opportunity to represent City of Deer Lodge (“you”). This letter confirms the scope and terms our engagement.

#### **I. Scope of Work.**

It is my understanding that we will represent you regarding Montana Water Court adjudication proceedings in Basin 76G, specifically adjudication of the City’s water right claims included under the Basin 76G Preliminary Decree. Unless instructed otherwise, we will work directly with Jordan Green and will take our instructions from Jordan Green on this matter.

#### **II. Agreement as to Fees and Costs.**

Work on this matter will be billed at our customary rates. I will be primarily responsible for this matter. My current billing rate is \$300.00 per hour. Betsy Story will assist in the matter. Her billing rate is \$250.00 per hour. We will endeavor to perform services as economically as possible, but may delegate certain responsibilities to other attorneys, paralegals, or employees of Parsons with different billing rates, as needed to provide services to you. Parsons increases hourly rates periodically, including for services provided to you.

A retainer of \$1,000.00 is requested before any work on this matter can be performed. This retainer will be placed in trust and will be held in trust until the completion of our representation on the matter, at which time it will be applied against any open invoices and any remaining balance in trust will then be returned to you. The retainer may also be applied, at our discretion, toward

June 16, 2023

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invoices not paid when due. If the retainer is so applied, you agree to replenish the retainer to the agreed upon level upon request. Provided all outstanding invoices have been paid, any unapplied retainer will be returned to you upon completion of this engagement. The retainer can be paid by check, wire transfer, ACH, or credit card. Please call (801) 536-6637 to make a payment or utilize our client payment portal available on our website at [www.parsonsbehle.com](http://www.parsonsbehle.com). A retainer invoice is included with this letter.

Statements for services rendered will be mailed or emailed to you monthly. You may pay your invoice by check, credit card, wire transfer, or ACH payment, and may access our client payment portal through our website. We expect prompt payment following receipt of each statement.

Parsons reserves the right to terminate providing service to any client who does not pay in a timely manner. Parsons will not perform new work for any client who has an account receivable of 90 days or older. A late charge will be imposed on any billed amounts that remain unpaid after 30 days equal to 1.5% per month. Notwithstanding anything contained in this engagement letter to the contrary, if the rate of interest is deemed to be contrary to applicable laws, then the applicable interest rate shall be the highest rate of interest that may be collected under applicable laws at the time. The firm reserves the right to claim an attorney's lien pursuant applicable state law describing and allowing an attorney's lien. If you have questions about this authority, please contact us and we can direct you to the applicable state statute.

Parsons bills clients a fee for certain expenses such as electronic research through Westlaw, our online research vendor, facsimile charges, photocopying, internal document database management, internal messenger service, and other appropriate items that will be identified and charged as they are incurred. Attached is a fee schedule setting forth the most commonly billed expenses. These fees may be adjusted from time-to-time, and by execution of this engagement letter, you agree to pay the fees if and when they are adjusted.

Parsons also bills clients for expenses paid to third parties, including, but not limited to, postage expenses, transportation costs, travel related expenses, filing fees, service of process fees, outside messenger fees, expert witness or consultant fees, outside copy charges, or electronic discovery vendor charges. The cost of these expenses will be passed on to you and will be itemized on your monthly statements. By execution of this engagement letter, you agree to reimburse Parsons the amount of these expenses.

### **III. Conflicts of Interest.**

A review of our records indicates that we have no current conflict of interest associated with undertaking this representation. If a conflict arises in the future such that it becomes necessary for us to withdraw, we will provide appropriate assistance to you in obtaining new representation. If in the future you become aware of any facts that suggest a conflict of interest exists, please call it to our attention promptly.

Given the limited engagement described in Section I (entitled "Scope of Work"), our firm needs to take precautions allowed by the applicable Rules of Professional Conduct to protect the

ability of our many lawyers to continue serving their existing and future clients on future, unrelated matters. Our retention in this matter is based on our mutual understanding that you hereby waive all future conflicts arising out of any matter, including a litigation matter, which is not substantially related to this engagement. This waiver only applies in situations where we can staff the adverse matter with lawyers who have not worked on your matter and where we can also establish a confidentiality screen to prevent the lawyers working on the adverse matter from gaining access to any confidential information you may provide to the firm during the course of this engagement. Because of these restrictions, we are confident that, even if we were to undertake a representation adverse to you in an unrelated matter, there would be no impairment to our ability to continue to provide you with competent and diligent representation in this engagement.

Although you may revoke this waiver as to future matters at any time, that revocation will not affect any matters undertaken by the firm prior to receipt of notice of the revocation of the waiver. Under that scenario, to the extent allowed by the applicable Rules of Professional Conduct, you consent to us withdrawing from representing you if that is necessary for us to continue representing other clients, and we would assist you in transferring your matter to other counsel.

Should you have any questions about our request for this limited waiver of future conflicts, we invite and encourage you to seek legal advice on this matter from independent counsel of your choosing.

#### **IV. Preservation of Documents and Information.**

As this dispute is reasonably expected to result in litigation, City of Deer Lodge is under an obligation not to alter, destroy, dispose of, or otherwise tamper with any evidence that may be relevant or admissible as evidence, or any evidence or information that is reasonably likely to lead to the discovery of admissible evidence in this matter, and to take reasonable steps to preserve and protect that evidence. This obligation extends not only to hard copy documentation, but also to electronically stored information including, but not limited to, emails, attachments, computer printouts, computer tapes, and electronic memory devices containing any documents, spreadsheets, summaries, and similar materials. In the event any emails, documents, or any other data containing information regarding potential claims and defenses reside on the hard drives of any computers owned, used, accessed, or maintained by City of Deer Lodge or its employees, agents or representatives, you are also under an obligation to collect and preserve that evidence as well.

#### **V. Communication.**

Correspondence, records, copies of agreements, and any other relevant documents will be forwarded to you unless instructed otherwise. All files maintained by the firm and pertaining to you in the progress of any given matter are open for your inspection at any reasonable time. I will keep you informed regarding the status of any matter in which you are involved, but you should feel free to call me any time with questions or concerns. Please understand, however, that we cannot and do not guarantee the outcome of this matter, as the litigation process necessarily involves risk and uncertainty.

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Your communications with the firm are confidential and generally protected by the attorney-client privilege, provided reasonable steps are taken to maintain the confidentiality of those communications. However, email and text messages may not be secure forms of communication unless encrypted or other privacy safeguards are in place. The firm's email system is capable of receiving and transmitting encrypted email via the Transport Layer Security (TLS) protocol. If you wish to communicate with us through this encryption protocol, please advise me so that we may ensure that the protocol is in place. Please call me if you desire further information on encryption in order to make a fully informed decision. We also recommend that you use passwords and encryption methods to secure your electronic and mobile devices, and take reasonable precautions in handling hard copies of confidential documents and communications including providing those only to persons on a 'need to know' basis.

All documents, records, and files, including any emails and electronic documents, created, stored or that otherwise come into the firm's possession during the course of this representation are subject to the firm's document retention and destruction policy. Accordingly, those documents, records, and files are subject to destruction eight years after the conclusion of the matter, unless (i) you request possession of such documents, records or files before the documents are scheduled to be destroyed, or (ii) you request that those documents, records, or files be destroyed earlier.

The firm adheres to the governing rules of civility and professional conduct applicable to this engagement and any related litigation. A copy of the applicable rules of professional conduct can be provided to you at your request. Accordingly, we reserve the right to grant accommodations to other counsel in all matters not directly affecting the merits of the case or prejudicing your substantive rights (e.g., scheduling, continuances, extensions, etc.).

**VI. Confirmation of Agreement.**

If the foregoing accurately reflects your understanding regarding representation by Parsons on your behalf, please sign, date, and return to me. This agreement will not take effect and the firm will have no obligation to provide legal services until we receive a signed copy of the letter and the agreed upon retainer has been paid.

Thank you again for retaining us in this matter. If you have any questions, please feel free to call me at 406.410.5020.



June 16, 2023  
Page Five

Cordially yours,

PARSONS BEHLE & LATIMER

*/s/ John E. Bloomquist*  
John E. Bloomquist  
Attorney at Law

JEB:ao

Cc: Peter Elverum

Via email only: [peter@elverumlaw.com](mailto:peter@elverumlaw.com)

The foregoing letter has been reviewed and the terms agreed to by City of Deer Lodge this  
\_\_\_\_\_ day of \_\_\_\_\_, 2023.

RECEIVED, ACCEPTED AND AGREED:

**City of Deer Lodge**

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James Jess, Authorized Person



**Parsons Behle & Latimer Cost Schedule (2023)**

<b>General Administrative</b>		
Photocopies	\$0.15	per page
Oversized copies Black and White	\$1.00	Per Sq Ft
Oversized copies Color	\$ 10.00	Per Sq Ft
Color copies	\$0.80	per page
Blowback printing	\$0.10	page
Facsimiles	\$0.15	per page
Binding	\$1.25 - 1.50	per presentation/brief
Binders (varies by size)	\$4.00 - 30.00	each
Messenger service (varies by zone)	\$7.50 - 40.00	each
Return check fee	\$25.00	each
Wire Fee	\$30.00	per transaction
<b>Practice Support</b>		
CD copying	\$10.00	each
DVD copying	\$15.00	each
USB Drive (8 GB USB – 64 GB USB)	\$25.00 - \$55.00	each
External Hard Drive (500 GB – 1 TB)	\$125 - \$150	each
External Hard Drive (2 TB)	\$175	
Scanning paper documents for case management system	\$0.15	per page
Color scanning for case management system	\$0.75	per page
Optical character recognition of imaged documents for case management system	\$0.025	per page
Electronic endorsement - Bates numbering of imaged documents for case management system for each endorsement (Bates, Designation and Special Designation)	\$0.02	per page
Electronic designation endorsements for each document	\$0.02	per page
Document Unitization (per Doc fee is in addition to PM time, and GBs Extracting/Processing)	\$0.10	Per Doc Created
Data Extract/Processing (< 1 – 30 MB)	\$10.00	Each
Data Extract/Processing (> 31 – 100 MB)	\$20.00	Each
Data Extract/Processing (> 100 MB (>.100GB)	\$85.00	Per GB
Data Extract/Processing (Early Case Assessment plus PM Search Time) (Exported Searched Data)	\$50.00	Per GB
Exports/Production from Ipro Eclipse (<1 MB And < 50 Docs)	\$10.00	Each
Exports/Production from Ipro Eclipse (1 - 14.9 MB)	\$25.00	Each
Exports/Production from Ipro Eclipse (15 - 74.9 MB)	\$50.00	Each
Exports/Production from Ipro Eclipse (75 - 449.9 MB)	\$75.00	Each
Exports/Production from Ipro Eclipse (> 450 MB)	\$85.00	Per GB
Project Management Time (Assist, Prepare, Manual Bates, Create, Redact, Review, and Update)	\$95 - \$160.00	Per Hour
B/W Image Printing from database	\$0.10	per page

### Parsons Behle & Latimer Cost Schedule (2023)

Color Image Printing from database	\$0.55	per page
External user login for case management system (for use by experts, in-house teams, or outside co-counsel)	\$25.00	per login
<b>Electronic Research (Westlaw)</b>		
Searches	\$60.00	per search (all included databases)
Key Cite	No charge	
FIND transactions (cases, statutes, articles)	No charge	
All document displays	No charge	
Printing, emailing or downloading (including reporter images)	No charge	
Briefs or other pleadings or orders	No charge	
Secondary sources (treatises, ALR, AmJur2d, CJS, Restatements, Law Reviews) within contract	No charge	
Excluded content (treatises, premium content)	Standard Westlaw Retail Rates	
<b>Miscellaneous</b>		
Trademark Search	\$100.00	each
Exhibit Preparation	\$40.00	each
Downloaded documents from online court dockets	\$2.50	document
Technical setup up / courtroom technology setup	\$55.00	per hour

PARSONS  
BEHLE &  
LATIMER

A Professional  
Law Corporation

P.O. Box 104  
Helena, MT 59624  
Phone: 406.317.7220  
Fax: 406.317.7221  
Parsonsbehle.com

City of Deer Lodge  
Attn: Jordan Green  
300 Main St.  
Deer Lodge, MT 59722

June 16, 2023  
TAX ID NO.: 87-0279766

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## RETAINER INVOICE

REGARDING: Montana Water Court adjudication proceedings in Basin 76G.

You can mail payment to our office or pay your retainer online. [Payments \(parsonsbehle.com\)](https://parsonsbehle.com). Select "Pay/Replenish Montana Retainer".

TOTAL AMOUNT DUE: \$ 1,000.00

**PLEASE RETURN A COPY WITH PAYMENT**

**PARSONS  
BEHLE &  
LATIMER**

A Professional  
Law Corporation

P.O. Box 104  
Helena, MT 59624  
Phone: 406.317.7220  
Fax: 406.317.7221  
Parsonsbehle.com

City of Deer Lodge  
Attn: Jordan Green  
300 Main St.  
Deer Lodge, MT 59722

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TOTAL AMOUNT DUE: \$ 1,000.00

**MONTANA REAL PROPERTY LEASE AGREEMENT  
CITY OF DEER LODGE – PASTURE “1E”**

THIS LEASE AGREEMENT (the “Agreement”) effective the 20<sup>th</sup> day of June 2023, by and between the City of Deer Lodge, 300 Main Street, Deer Lodge, Montana 59722, (the “Lessor”), and Wade and Lonnie Murphy, 814 Deer Haven Drive, Deer Lodge, Montana 59722, (the “Lessee”).

WITNESSETH:

WHEREAS, Lessor is the fee owner of certain real property being, lying and situated in Powell County, Montana, described as: Area consisting of approximately 32.3 acres, located in the Southeast half of the Southeast Quarter (SE ¼ SE ¼ ) of Section 35, Township 8 North, Range 8 West, P.M.M., beginning on the section corner of 35 and 36 going in a Westerly direction 1,120 feet to a point where it meets the Junk Car Graveyard fence, thence North along said fence 1,259 feet to a point on said fence along the County Road, thence East 1,120 feet to a point on Section line fence between Section 35 and 36, thence South 1,259 feet to the point of beginning (the “Property”).

Attachment #1: Map depicting Pasture “1E.”

WHEREAS, Lessor desires to lease the Property to Lessee upon the terms and conditions of this Agreement; and

WHEREAS, Lessee desires to lease the Property from Lessor on the terms and conditions of this Agreement;

NOW THEREFORE, for and in consideration of the covenants and obligations contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Lessor and Lessee agree as follows:

1. **TERM.** Lessor leases to Lessee and Lessee leases from Lessor the above described Property together with any and all appurtenances thereto, beginning July 1, 2023 and ending at 12 o'clock midnight on June 30, 2025.
2. **RENT.** The total rent for the term is the sum twelve-hundred dollars (\$1,200.00), receipt of same being acknowledged by Lessor as prepaid by Lessee at the beginning of the term of the Agreement.
3. **USE OF PROPERTY.** The Property is leased for grazing purposes. Lessee agrees not to abuse the Property by overgrazing and shall observe the ordinary rules for good pasture management consistent with the conservation of the land resources and the perpetuation of its productivity, including the control of noxious weeds. Lessee shall not allow any other person to use or occupy the property without obtaining Lessor’s written consent.

4. **BINDING EFFECT.** The covenants, obligations and conditions contained in this Agreement shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties.
5. **ASSIGNMENT AND SUBLETTING.** Lessee shall not assign this Agreement, or sublet or grant any license to use the Property or any part of the property without the prior, written consent of Lessor. A consent by Lessor to one such assignment, subletting or license shall not be deemed to be consent to any subsequent assignment, subletting or license. An assignment, subletting or license without the prior written consent of Lessor or an assignment of subletting by operation of law shall be absolutely null and void and shall, at Lessor's option, terminate this Agreement.
6. **ALTERATIONS AND IMPROVEMENTS.** Lessee shall make no alterations or improvements on the Property or construct any building or make any other improvements on the Property without the prior written consent of Lessor. Any and all alterations, changes, and/or improvements built, constructed or placed on the property by Lessee shall, unless otherwise provided by written agreement between Lessor and Lessee, be and become the property of Lessor and remain on the Property at the expiration or earlier termination of this Agreement.
7. **NON-DELIVERY OF POSSESSION.** In the event Lessor cannot deliver possession of the Property to Lessee upon the commencement of the lease term, through no fault of Lessor or its agents, then Lessor or its agents shall have no liability. Lessor or its agents shall have thirty (30) days in which to give possession, and if possession is tendered within such time, Lessee agrees to accept the Property. In the event possession cannot be delivered within such time, through no fault of Lessor or its agents, then this Agreement shall terminate.
8. **HAZARDOUS MATERIALS.** Lessee shall not keep on the Property any items of a dangerous, flammable or explosive character that might unreasonably increase the danger of fire or explosion or that might be considered hazardous or extra hazardous by any reasonable insurance company.
9. **UTILITIES.** Lessee shall be responsible for arranging for and paying for any utility services provided to the Property.
10. **MAINTENANCE AND REPAIR.** Lessee will, at its sole expense, keep and maintain the Property, including fences and gates and appurtenances, in good condition and repair during the term of this Agreement.
11. **INSPECTION OF PROPERTY.** Lessor and Lessor's agents shall have the right at all reasonable times during the term of this Agreement to enter the Property for the purpose of inspecting the Property and all buildings and improvements thereon. The

right of entry shall likewise exist for the purpose of removing placards, signs, fixtures, alterations or additions that do not conform to this Agreement or to any restrictions, rules or regulations affecting the Property.

12. SUBORDINATION OF LEASE. This Agreement and Lessee's interests are and shall be subordinate, junior and inferior to any and all mortgages, liens or encumbrances now or hereafter placed on the Property by Lessor.
13. QUIET ENJOYMENT. Lessee, upon the execution of this Agreement and Lessee's performance of all Lessee's Agreements contained herein and Lessee's observance of all rules and regulations, shall and may peacefully and quietly have, hold and enjoy said Property for the term of this Agreement.
14. INDEMNIFICATION. Lessor shall not be liable for any damage or injury of or to the Lessee, Lessee's family, guests, invitees, agents or employees or to any person entering the Property, or to animals, goods, or equipment, and Lessee agrees to indemnify, defend and hold Lessor harmless from any and all claims or assertions of any kinds and nature.
15. TERMINATION OPTION. At the option of Lessor, upon thirty (30) days written notice to Lessee, this Agreement may be terminated and upon such termination Lessee shall evacuate the Property.
16. ABANDONMENT. If at any time during the term of this Agreement, Lessee abandons the Property or any part thereof, Lessor may, at Lessor's option, obtain possession of the Property in the manner provided by law, and without becoming liable to Lessee for damages or for any payment of any kind whatever. Lessor may, at Lessor's discretion, as agent for Lessee, re-let the Property or any part hereof, for the whole or any part of the then unexpired term.
17. ATTORNEYS FEES. Should it become necessary for Lessor to employ an attorney to enforce any of this Agreement's conditions or covenants, including gaining possession of the Property, Lessee agrees to pay all expenses so incurred, including a reasonable attorney's fee.
18. GOVERNING LAW. The Agreement shall be governed, construed and interpreted by, through and under the laws of the State of Montana.
19. SEVERABILITY. If any provision of the Agreement shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities, or circumstances shall be affected, but instead shall be enforced to the maximum extent permitted by law.



20. BINDING EFFECT. The covenants, obligations and conditions contained in this Agreement shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties.
21. DESCRIPTIVE HEADINGS. The descriptive headings used in this Agreement are for convenience of reference only and they are not intended to have any effect whatsoever in determining the rights or obligations of the Lessor or Lessee.
22. MODIFICATION. The parties hereby agree that this document contains the entire agreement between the parties and this Agreement shall not be modified, changed, altered or amended in any way except through a written amendment signed by all of the parties.
23. NOTICE. Any notice required or permitted under this Lease or under state law shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Lessor to: City of Deer Lodge  
300 Main Street  
Deer Lodge, MT 59722

If to Lessee to: Wade and Lonnie Murphy  
814 Deer Haven Drive  
Deer Lodge, MT 59722

Lessor and Lessee shall each have the right from time to time to change the place notice is to be given by written notice to the other party.

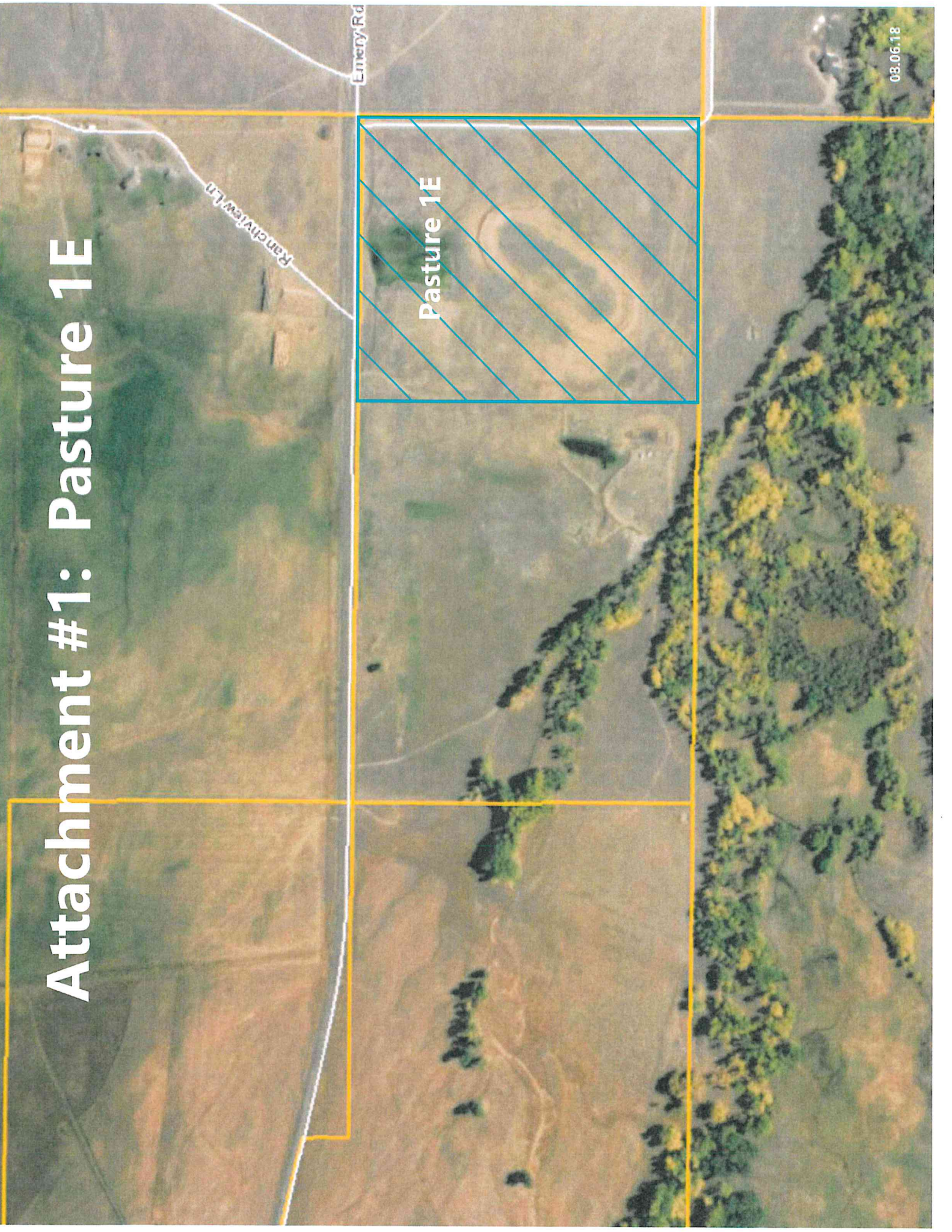
As to the Lessor this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

\_\_\_\_\_  
James Jess  
Mayor, City of Deer Lodge

As to the Lessee this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

\_\_\_\_\_  
Wade and Lonnie Murphy

# Attachment #1: Pasture 1E



# 2023 Legislative Funding Summary

Prepared June 30, 2023

This report summarizes the funding that has come or will come to the City of Deer Lodge because of bills passed during the 2023 State Legislative Session. It also contains a few state-funded programs that resulted from increased funding through the 2023 Session.

## **House Bill 355: Appropriate Funds for Local Government Infrastructure Projects**

This Bill, sponsored by Representative John Fitzpatrick, Anaconda, allocates \$20 million from the general fund surplus to the Department of Commerce to distribute to cities for eligible infrastructure maintenance projects. These include drinking and wastewater systems, fire suppression, streets, bridges, landfills, lighting, airports, and public grounds and buildings.

Deer Lodge is anticipating approximately \$250,000.

Must apply by December 31, 2023 and hold public hearing at local level.

Local match must be 25% of total project cost.

Intent is to use this grant to cover match requirement of HB 12 (see below), which was previously obligated in the general fund for \$36,000/year in FY23 and FY24. Further intent is to use the rest of this allotment for further project costs on City Hall renovation.

## **House Bill 12: Montana Historic Preservation Grants**

This Bill, sponsored by Representative Mike Hopkins, appropriates \$8,501,314 to the Department of Commerce.

City has received award letter from Governor's desk for \$283,500, the total ask.

City has obligated \$72,000 in match funding from the general fund in FY23 and FY24.

Intent will be to use funding from HB 355 as the match to free up general fund expenditures for other projects/accounts (police, economic development, etc.)

Waiting for contract, and then we will work with Stahly to complete the PAR.

## **House Bill 7: Reclamation and Development Grants Program**

This Bill, sponsored by Representative Mike Hopkins, allocates \$3,702,833 to the DNRC for projects.

City has received award letter from Governor's desk for \$342,500, the total ask.

City has obligated \$5,346.40 from the general fund as in-kind match for this project. This obligation will be calculated as time and supplies spent out of existing budget on this project.

## **Gas Tax**

**HB 76** combines the Gas Tax and BaRSAA (Gas Tax Special) into one funding source.

Previously, we received Gas Tax as an incremental allotment and used for Street Maintenance, salaries, and supplies. Our FY23 allocation was \$67,000.

Previously, we received BaRSAA as a one-time distribution that was transferred directly into Street Maintenance Project to supplement our yearly projects. We had to pass yearly resolutions to obtain the funding and provide match (out of Street Maintenance assessments) to receive. Our FY23 allocation was \$85,467.

Total Gas Tax/BaRSAA allocation in FY23 was \$152,467.

HB 76 combines these two allotments and distributes them on a monthly basis. We will also not need to provide match or pass a resolution for the funding previously allotted through BaRSAA. Our total FY24 distribution will be \$167,904.55, which is \$15,437.55 higher than FY23.

However, since the BaRSAA fund is shutting down, there will be a one-time distribution in September 2023 to close out the BaRSAA fund. Our one-time distribution will be \$141,784.35.

**SB 536** furthermore allocates an additional amount from the state to cities with a population of less than 10,000 for a one-time distribution for street maintenance funding. This distribution will come August 2023.

Our SB 536 distribution is \$338,762.44.

**Altogether, our projected Gas Tax allocation for FY24 is \$648,451.34**, which is \$495,984.34 higher than it was in FY23.

## **DEQ Brownfields Program Disbursements**

The State has set aside a large amount of funding for brownfields remediation through the DEQ. We have applied for two separate projects and have been awarded funding. DEQ will begin the work once they have completed other projects.

1. Milwaukee Roundhouse/Passenger Refueling Area: a joint application from the City and County, this grant allocates \$80,000 for planning purposes at the two city superfund sites.
2. Hotel Deer Lodge: This grant will be used for asbestos and other contaminant removal from the Hotel Deer Lodge. It is an unspecified amount, but DEQ will complete the work out of their own funding once they can start the project. They are currently finishing up a large project in Boulder, and Hotel Deer Lodge is prioritized soon after that project.