

CITY OF POLSON COMMISSION MEETING AGENDA

COMMISSION CHAMBERS

October 3, 2016

7:00 P.M.

1. CALL TO ORDER

Mayor Knutson

2. PLEDGE OF ALLEGIANCE

Mayor Knutson

3. APPROVAL OF PROPOSED AGENDA

Mayor Knutson

4. PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC **NOT ON THE AGENDA (address items to the Chair. Commission takes no action on items discussed)**

5. CONSENT AGENDA

- a. September 16-29, 2016 Claims
- b. City Commission Written Summary Public Hearing Minutes September 19, 2016
- c. City Commission Electronic Public Hearing Meeting Minutes September 19, 2016
- d. City Commission Written Summary Meeting Minutes September 19, 2016
- e. City Commission Electronic Meeting Minutes September 19, 2016
- f. Mission Valley Elks Lodge Request for 2 Season Passes

6. CITY MANAGER COMMENTS

City Manager Mark Shrives

OLD BUSINESS

7. SECOND READING OF ORDINANCE 2016-005, CHAPTER 8 LAW ENFORCEMENT, TRAFFIC, AND VEHICLE REGULATIONS, ARTICLE 1 AND ARTICLE 2 TO POLSON BOOK OF ORDINANCES.

City Manager Mark Shrives

VOTE REQUIRED

NEW BUSINESS

8. EXTENSION OF PROFESSIONAL SERVICES CONTRACT WITH NITTANY GRANT WORKS

City Manager Mark Shrives

VOTE REQUIRED

9. EXTENSION OF AUDITOR CONTRACT WITH COTE AND ASSOCIATES

City Manager Mark Shrives

VOTE REQUIRED

10. RECESS

EXECUTIVE SESSION

11. PERSONNEL-MCA CODE 2-3-203 (3) THE PRESIDING OFFICER OF ANY MEETING MAY CLOSE THE MEETING DURING THE TIME THE DISCUSSION RELATES TO A MATTER OF INDIVIDUAL PRIVACY AND THEN IF AND ONLY IF THE PRESIDING OFFICER DETERMINES THAT THE DEMANDS OF INDIVIDUAL PRIVACY CLEARLY EXCEED THE MERITS OF PUBLIC DISCLOSURE. THE RIGHT OF INDIVIDUAL PRIVACY MAY BE WAIVED BY THE INDIVIDUAL ABOUT WHOM THE DISCUSSION PERTAINS AND, IN THAT EVENT, THE MEETING MUST BE OPEN.

12. RE-CONVENE

13. ADJOURN

The City of Polson encourages public participation in its public meetings and hearings. In doing so the City holds its meetings in handicapped accessible facilities. Any persons desiring accommodations for a handicapping condition should call the City Clerk at 883-8203 for more information.

For doc #s from 125413 to 125489

5a.

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
1000 General All-Purpose Fund	214550 Deposits Payable -	999999 KEN SILER	FACL-CLEAN DEP REFUN	100.00
1000 General All-Purpose Fund	214550 Deposits Payable -	999999 XI ALPHA GAMMA	FACL-CLEANING DEP RE	100.00
1000 General All-Purpose Fund	410360 Municipal Court	2031 DENNIS DEVRIES	CORT-DD TRAVEL MEALS	83.00
1000 General All-Purpose Fund	410360 Municipal Court	000010 CENTURYLINK	CORT-SHARED FAX	17.58
1000 General All-Purpose Fund	410400 Administrative Services	3025 FIRST BANKCARD	ADMN-OUTLOOK SOFTWARE	49.95
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	4998 ELECTRONIC SOUND &	FACL-SOUND SYSTM DEP	3,500.00
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000080 FLATHEAD NEWSPAPER GROUP	FACL-ANNUAL SUBSCRIP	38.00
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000011 MISSION VALLEY POWER	FACL-CITY HALL	233.26
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000011 MISSION VALLEY POWER	FACL-FIRE HALL	141.85
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000011 MISSION VALLEY POWER	FACL-HVAC SYSTEM	151.57
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000034 WESTERN BUILDING CENTER	FACL-REMODEL MATERIA	179.83
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	2943 CLICK HERE DESIGNS	FACL-WEB HOST, EMAIL	72.50
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000010 CENTURYLINK	FACL-FAX SERVICE	33.20
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-DVD-R 600 PACK	150.00
1000 General All-Purpose Fund	420140 Crime Control and	000085 SOUTHSORE VETERINARY	POLC-ANIMAL IMPOUND	84.00
1000 General All-Purpose Fund	420140 Crime Control and	000282 QUILL CORPORATION	POLC-EXAM GLVS, DUST	46.94
1000 General All-Purpose Fund	420140 Crime Control and	000023 GULL PRINTING	POLC-J HART BUSINESS	59.95
1000 General All-Purpose Fund	420140 Crime Control and	000026 POLSON AUTO PARTS, INC.	POLC-STRIPE OFF WHL	31.30
1000 General All-Purpose Fund	420140 Crime Control and	000026 POLSON AUTO PARTS, INC.	POLC-'09 CHEVY IMP L	24.66
1000 General All-Purpose Fund	420140 Crime Control and	000011 MISSION VALLEY POWER	POLC-STORAGE SHED	30.72
1000 General All-Purpose Fund	420140 Crime Control and	000011 MISSION VALLEY POWER	POLC-1ST ST E STORAG	12.00
1000 General All-Purpose Fund	420140 Crime Control and	4920 OFFICE DEPOT, INC	POLC-TIP ZIES FOR EV	14.78
1000 General All-Purpose Fund	420140 Crime Control and	000010 CENTURYLINK	POLC-SHARED FAX	17.57
1000 General All-Purpose Fund	420400 Fire Protection and	000020 PROVIDENCE HEALTH &	FIRE-B HOLMAN FF EXA	80.00
1000 General All-Purpose Fund	420400 Fire Protection and	000020 PROVIDENCE HEALTH &	FIRE-T OTTUM FF EXAM	80.00
1000 General All-Purpose Fund	420400 Fire Protection and	000020 PROVIDENCE HEALTH &	FIRE-R SMITH FF EXAM	80.00
1000 General All-Purpose Fund	420400 Fire Protection and	3411 WESTERN STATES EQUIPMENT	FIRE-GENERATOR SERVI	247.52
1000 General All-Purpose Fund	420400 Fire Protection and	001541 L.N. CURTIS & SONS	FIRE-GLOVES	305.15
1000 General All-Purpose Fund	420400 Fire Protection and	4067 FIRE APPARATUS REPAIR LLC	FIRE-MAINT WORK ON V	749.00
1000 General All-Purpose Fund	420400 Fire Protection and	001075 LAKE COUNTY FIRE	FIRE-DUES	50.00
1000 General All-Purpose Fund	430240 Road and Street	999999 MAUGHAN'S TRANSFER	STRT-TRI ARC FREIGHT	32.50
1000 General All-Purpose Fund	430240 Road and Street	000011 MISSION VALLEY POWER	STRT-CITY SHOP	133.94
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-TUBING, PIPE IN	95.88
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-ASSORTED MISC P	25.47
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-GALV PLUGS-BLDG	3.49
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-SNAP LINE, CHAL	11.28
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-CLIP, ROPE ZP	6.95
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-FIP BALL VALVE	-16.79
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-FIP GATE VALVE	8.99
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-ASST PRODUCT	53.15
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-TFE PASTE, STRA	8.46
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-FIB LAWN FAUCET	13.99
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-FIB LAWN FAUCET	-13.99
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-PIPE INSULATION	14.94
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-LAWN FAUCET	5.79
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-ASST FASTENERS,	5.88
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-ASST FASTENERS	5.40
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-ASST PRODUCT	15.05
1000 General All-Purpose Fund	430240 Road and Street	000034 WESTERN BUILDING CENTER	STRT-HAMMER, REEL	42.48
1000 General All-Purpose Fund	460430 Parks	000026 POLSON AUTO PARTS, INC.	PRKS-BUSHINGS	29.47
1000 General All-Purpose Fund	460430 Parks	000011 MISSION VALLEY POWER	PRKS-CITY PARKS	386.36
1000 General All-Purpose Fund	460430 Parks	000011 MISSION VALLEY POWER	PRKS-KERR DAM/BB FIE	23.97

For doc #s from 125413 to 125489

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
1000 General All-Purpose Fund	460430 Parks	000011 MISSION VALLEY POWER	PRKS-SACAJAWEA PARK	9.57
1000 General All-Purpose Fund	460430 Parks	000011 MISSION VALLEY POWER	PRKS-1ST ST E WATR S	44.59
1000 General All-Purpose Fund	460430 Parks	000011 MISSION VALLEY POWER	PRKS-BOETTCHER PARK	26.78
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-NAILS, RSS TORE	68.57
Total for Fund:				7,806.50
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-AB IPWDA MEMBER	60.00
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-BRODY SEMINAR &	250.00
Total for Fund:				310.00
2210 Parks/Salish Point	103000 Petty Cash	000150 PETTY CASH FUND	PRKS-SALISH POINT SC	200.00
Total for Fund:				200.00
2401 Light Maintenance	430263 Street Lighting	000011 MISSION VALLEY POWER	FACL-STREET LIGHTS-0	1,442.19
Total for Fund:				1,442.19
2402 Light Maintenance	430263 Street Lighting	000011 MISSION VALLEY POWER	FACL-STREET LGHTS-03	796.22
Total for Fund:				796.22
2810 Police Training Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-CA CONFERENCE R	195.00
2810 Police Training Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-JA TASER TRAINI	225.00
2810 Police Training Fund	420140 Crime Control and	3142 ALAN BOOTH	POLC-AB TRAVEL MEALS	46.00
2810 Police Training Fund	420140 Crime Control and	4188 CORY ANDERSON	POLC-CA TRAVEL MEALS	184.00
Total for Fund:				650.00
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-CRS-2	530.40
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-CRS-2`	292.40
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS	104.30
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS	106.31
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-CRS-2	346.80
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS	115.92
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/4 RECYCLE 5TH	639.46
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-ASPHALT BID JOB	84,344.70
2820 Gas Apportionment Tax	430240 Road and Street	000026 POLSON AUTO PARTS, INC.	STRT-26 PC SCREWDRIV	19.99
2820 Gas Apportionment Tax	430240 Road and Street	000026 POLSON AUTO PARTS, INC.	STRT-HYD FL, HYD FIL	88.71
2820 Gas Apportionment Tax	430240 Road and Street	000241 NORMONT EQUIPMENT CO.	STRT-BAL OF INVOICE	554.97
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-CRS-2	652.80
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-CRS-2	897.60
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS	358.35
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-CRS-2	1,686.40
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS	288.29
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS	77.27
Total for Fund:				91,104.67
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-SET OF 8 BALL B	53.74

For doc #s from 125413 to 125489

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-LED LIGHTS FOR	43.98
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-TIMBERJACK TOOL	69.12
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-SEAT FOR MOWER	126.74
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-BLACK POLY TARP	69.11
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-POPOP CANOPY 12	115.22
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-OFFICE SUPPLIES	63.48
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-HARCO PART	78.00
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-TORO TIRE	168.08
5010 Golf Fund	460446 Golf Course -	1864 CHS/MOUNTAIN WEST	GLFM-FUEL	258.45
5010 Golf Fund	460446 Golf Course -	1864 CHS/MOUNTAIN WEST	GLFM-FUEL	458.01
5010 Golf Fund	460446 Golf Course -	000026 POLSON AUTO PARTS, INC.	GLFM-FAB LOOM-REFLTR	15.59
5010 Golf Fund	460446 Golf Course -	2094 WILBUR ELLIS COMPANY	GLFM-FUNGICIDE, PART	575.50
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-GOLF SHED	261.43
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-25 HP PUMP	0.00
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-60 HP PUMP	401.52
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-155 HP PUMP	801.04
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-BAYVIEW PUMP ST	532.03
5010 Golf Fund	460446 Golf Course -	000010 CENTURYLINK	GLFM-TELEPHONE SERVI	33.31
5010 Golf Fund	460446 Golf Course -	000046 BEACON TIRE CENTER	GLFM-TUBE INSTALLED	21.00
5010 Golf Fund	460446 Golf Course -	000046 BEACON TIRE CENTER	GLFM-TURF, TURF TRAC	166.65
5010 Golf Fund	460446 Golf Course -	000046 BEACON TIRE CENTER	GLFM-TURF TRAC	77.00
5010 Golf Fund	460446 Golf Course -	000046 BEACON TIRE CENTER	GLFM-2 MOUNTS	16.00
5010 Golf Fund	460446 Golf Course -	000046 BEACON TIRE CENTER	GLFM-1 SMOOTH	98.90
5010 Golf Fund	460446 Golf Course -	2547 TREASURE STATE CONCRETE	GLFM-GREENS SAND	578.20
5010 Golf Fund	460446 Golf Course -	2547 TREASURE STATE CONCRETE	GLFM-GREENS SAND	947.60
5010 Golf Fund	460447 Golf Course - Pro Shop	3025 FIRST BANKCARD	GLFP-ADVERTISING	40.00
5010 Golf Fund	460447 Golf Course - Pro Shop	3866 OFFICE MAX CONTRACT INC.	GLFP-OFFICE SUPPLIES	159.98
5010 Golf Fund	460447 Golf Course - Pro Shop	999999 ALPHA IMAGING SUPPLIES	GLFP-CANON INKS	304.20
5010 Golf Fund	460447 Golf Course - Pro Shop	4329 BISHOP SIGNWORKS	GLFP-DECALS	41.80
5010 Golf Fund	460447 Golf Course - Pro Shop	000011 MISSION VALLEY POWER	GLFP-PRO SHOP/STRT L	194.40
5010 Golf Fund	460447 Golf Course - Pro Shop	000010 CENTURYLINK	GLFP-SHARED TELEPHON	175.42
5010 Golf Fund	460448 Golf Course - Carts	1864 CHS/MOUNTAIN WEST	GLFP-FUEL	207.40
5010 Golf Fund	460450 Golf Course Restaurant	3233 FOOD SERVICES OF AMERICA	GLFR-FOOD SUPPLY	269.99
5010 Golf Fund	460460 G. C. Restaurant O & M	4664 CHARTER COMMUNICATIONS	GLFR-TV/INTERNET RES	96.05
5010 Golf Fund	460460 G. C. Restaurant O & M	000011 MISSION VALLEY POWER	GLFR-METER T10204	340.45
5010 Golf Fund	460460 G. C. Restaurant O & M	000010 CENTURYLINK	GLFR-SHARED TELEPHON	130.61
Total for Fund:				7,990.00
5210 Water Fund	430500 Water Utilities	4158 BRANDON PARKER	WATR-BP TRAVEL MEALS	161.00
5210 Water Fund	430500 Water Utilities	4999 ALAN EASTMAN	WATR-AE TRAVEL MEALS	161.00
5210 Water Fund	430530 Source of Supply and	4074 APPLIED WATER CONSULTING	WATR-ENG SERV 2/28-8	2,792.04
5210 Water Fund	430530 Source of Supply and	000011 MISSION VALLEY POWER	WATR-WELLS 6 & 7	1,205.02
5210 Water Fund	430530 Source of Supply and	000011 MISSION VALLEY POWER	WATR-WELLS, BOOSTER	3,791.20
5210 Water Fund	430530 Source of Supply and	000011 MISSION VALLEY POWER	WATR-RIVERSIDE RESTR	14.88
5210 Water Fund	430530 Source of Supply and	000011 MISSION VALLEY POWER	WATR-RIVERSIDE LIFT-	12.81
5210 Water Fund	430550 Transmission and	4006 HD SUPPLY WATERWORKS,	WATR-REPLACEMENT REG	8,843.50
5210 Water Fund	430550 Transmission and	000416 MONTANA RURAL WATER	WATR-ANNUAL MEMBERSH	125.00
5210 Water Fund	430550 Transmission and	000026 POLSON AUTO PARTS, INC.	WATR-HITCHPIN	24.16
5210 Water Fund	430550 Transmission and	4006 HD SUPPLY WATERWORKS,	WATR-RESTOCK INVENTO	1,947.84
5210 Water Fund	430550 Transmission and	4006 HD SUPPLY WATERWORKS,	WATR-12" SADDLE	246.60
5210 Water Fund	430550 Transmission and	000010 CENTURYLINK	WATR-TELEPHONE SERVI	217.35

For doc #s from 125413 to 125489

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
5210 Water Fund	430550 Transmission and	000046 BEACON TIRE CENTER	WATR-BALANCE, ROTATE	60.00
5210 Water Fund	430560 Geographical Information	4920 OFFICE DEPOT, INC	W.G.I.S.-OFFICE SUPP	48.47
5210 Water Fund	430570 Customer Accounting and	000023 GULL PRINTING	WATR-BUSINESS CARDS,	109.36
5210 Water Fund	430570 Customer Accounting and	1780 BLACK MOUNTAIN SOFTWARE,	WATR-CASS CERTIFICAT	50.00
Total for Fund:				19,810.23
5310 Sewer Fund	430630 Collection and	000416 MONTANA RURAL WATER	SEWR-ANNUAL MEMBERSH	125.00
5310 Sewer Fund	430630 Collection and	4756 J&M TRANSPORTATION	SEWR-COURIER SERVICE	36.00
5310 Sewer Fund	430630 Collection and	4756 J&M TRANSPORTATION	SEWR-COURIER SERVICE	36.00
5310 Sewer Fund	430630 Collection and	4756 J&M TRANSPORTATION	SEWR-COURIER SERVICE	36.00
5310 Sewer Fund	430630 Collection and	4756 J&M TRANSPORTATION	SEWR-COURIER SERVICE	36.00
5310 Sewer Fund	430630 Collection and	3411 WESTERN STATES EQUIPMENT	SEWR-WALMART GEN MAI	91.35
5310 Sewer Fund	430630 Collection and	3411 WESTERN STATES EQUIPMENT	SEWR-WEST SHORE GEN	77.99
5310 Sewer Fund	430630 Collection and	000026 POLSON AUTO PARTS, INC.	SEWR-TOGGLE	16.50
5310 Sewer Fund	430630 Collection and	000026 POLSON AUTO PARTS, INC.	SEWR-QUART 5W30	5.98
5310 Sewer Fund	430630 Collection and	000026 POLSON AUTO PARTS, INC.	SEWR-ASST TOOLS	133.77
5310 Sewer Fund	430630 Collection and	000026 POLSON AUTO PARTS, INC.	SEWR-IMPACT SOCKETS	29.88
5310 Sewer Fund	430630 Collection and	3306 POLSON PROPANE	SEWR-TUNDRA SWAN LIF	62.39
5310 Sewer Fund	430630 Collection and	000011 MISSION VALLEY POWER	SEWR-PUMP/LIFT STATI	3,146.56
5310 Sewer Fund	430630 Collection and	000010 CENTURYLINK	SEWR-LAGOON/LAB PHON	108.82
5310 Sewer Fund	430630 Collection and	000010 CENTURYLINK	SEWR-TELEPHONE SERVI	189.82
5310 Sewer Fund	430640 Treatment and Disposal	4820 M RICHARD GEBHARDT	SEWR-PRELIM REVIEW C	250.00
5310 Sewer Fund	430640 Treatment and Disposal	4944 A1 JANITORIAL SUPPLY	SEWR-POWDR DRAIN SWR	999.00
5310 Sewer Fund	430640 Treatment and Disposal	4947 HUBER TECHNOLOGY INC	SEWR-WWTP PAY REQUES	72,300.20
5310 Sewer Fund	430660 Geographical Information	4920 OFFICE DEPOT, INC	S.G.I.S.-OFFICE SUPP	48.47
5310 Sewer Fund	430670 Customer Accounting and	000341 MMIA-LIABILITY PROGRAM	SEWR-EV2016000452 CO	750.00
5310 Sewer Fund	430670 Customer Accounting and	000023 GULL PRINTING	SEWR-BUSINESS CARDS,	109.36
5310 Sewer Fund	430670 Customer Accounting and	1780 BLACK MOUNTAIN SOFTWARE,	SEWR-CASS CERTIFICAT	50.00
Total for Fund:				78,639.09
Total:				208,748.90

Fund/Account	Amount
1000 General All-Purpose Fund	
101000	\$7,806.50
2020 Police Municipal Services Levy	
101000	\$310.00
2210 Parks/Salish Point	
101000	\$200.00
2401 Light Maintenance District #19	
101000	\$1,442.19
2402 Light Maintenance District #20	
101000	\$796.22
2810 Police Training Fund	
101000	\$650.00
2820 Gas Apportionment Tax Fund	
101000	\$91,104.67
5010 Golf Fund	
101000	\$7,990.00
5210 Water Fund	
101000	\$19,810.23
5310 Sewer Fund	
101000	\$78,639.09
Total:	\$208,748.90

CITY OF POLSON

COMMISSION PUBLIC HEARING

5b.

Commission Chambers

September 19, 2016

6:30 p.m.

ATTENDANCE: Mayor Knutson, Commissioners Coutts, Donovan, Erickson, Siler, Southerland, Turner, City Manager Mark Shrives, and City Clerk Cora Pritt

OTHERS PRESENT (who voluntarily signed in): Bill Barron, Alex Burkhalter, Peter Daniels, Elsa Duford, Dennis Duty, Bonnie Manicke, Lee Manicke, Caroline McDonald, Mark Nunlist, and Cort Potter

CALL TO ORDER: (00:01) Mayor Knutson called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (00:43) –Commissioner Turner motion to approve the proposed agenda. Commissioner Donovan second. Commission discussion: none Public comment: none. **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (01:14) - none.

MAYOR KNUTSON OPENED THE POLSON LANDING-AFFORDABLE HOUSING PROJECT HEARING AT 6:32 P.M. (01:42)

City Manager Shrives commented that Polson Landing Project would be an agenda item on the Commission agenda for the 7:00 p.m. meeting. City Planner Kyle Roberts gave a brief history of the project. This project was originally presented in September 2015. This will be a 35 unit project. The City of Polson was recently extended an invitation to submit an application by October 3, 2016. The Board of Housing will award the projects in January 2017. Alex Burkhalter asked if the Commission had any questions on the project. There were several letters of support that were submitted to the Commission. The Mayor then invited the public to come to the podium if anyone had any comments.

Mark Nunlist-ask for clarification. Mr. Burkhalter is requesting the City to waive half the Water Impact Fee. Is this a request that any developer may ask of the City.

Cort Potter-asked what is Polson Landing? Mayor Knutson explained that this is an affordable housing project.

Carolyn McDonald-commented that this would be a benefit to the Polson School District. It would mean an increase in the enrollment of students.

Clint Cottle-City of Polson Fire Chief – asked if the tax exempt status of the project was a request or a state law. Mayor Knutson replied it is tax exempt and that is why the project would be paying a P.I.L.T.-payment in lieu of taxes.

Tracy Scherrick commented that she currently has apartments for rent. There just aren't enough qualified renters in the City.

Lee Manicke-commented that the rental survey is incomplete. The survey doesn't include single family residence that are rental properties.

Dennis Duty-commented that there are several new businesses in the Ridgewater commercial district that have added monies to the tax roll.

Peter Daniels-commented that the last development still has vacancies. The City should be encouraging ownership not rentals. Elsa Duford-Ward III-commented that there conflicting advertisements. One stated the project was tax exempt the other advertisement did not.

Mayor Knutson closed the Public Hearing at 7:07 p.m. There was a brief recess before beginning the regular Commission meeting at 7:15 p.m.

Adjourn. (38:05) Commissioner Turner motion to adjourn. Commissioner Ericson second. Commission discussion: none Public Comment: none VOTE: Unanimous Motion carried.

ADJOURN: 7:08.m.

ATTEST: _____

Mayor Heather Knutson

Cora E. Pritt, City Clerk

CITY OF POLSON COMMISSION MEETING

5d.

Commission Chambers

September 19, 2016

7:15 p.m.

ATTENDANCE: Mayor Knutson, Commissioners Coutts, Donovan, Erickson, Siler, Southerland, Turner, City Manager Mark Shrives, and City Clerk Cora Pritt

OTHERS PRESENT (who voluntarily signed in): Bill Barron, Alex Burkhalter, Elsa Duford, Lita Fonda, Mark Johnston, Bonnie Manicke, Lee Manicke, and Mark Nunlist

CALL TO ORDER: (00:00) Mayor Knutson called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (00:50) –Prior to the Approval of Proposed Agenda, Mayor Knutson made one change. Mayor Knutson added Commissioner Erickson Update as Agenda Number 10A. **Commissioner Coutts motion to approve the proposed agenda. Commissioner Donovan second.** Commission discussion: none Public Mark Johnston-Ward 1 commented about the word Approve appearing on Agenda No. 8. **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC **NOT ON THE AGENDA (03:06)** none

CONSENT AGENDA (03:35) (a).September 1-15, 2016 claims, (b).City Commission Written Summary Public Hearing Minutes September 7, 2016 (c). City Commission Electronic Public Hearing Meeting Minutes September 7, 2016, (d). City Commission Written Summary Meeting Minutes September 7, 2016, (e). City Commission Electronic Meeting Minutes September 7, 2016. **Commissioner Southerland motion to approve the Consent Agenda. Commissioner Siler second** Commission discussion: Commissioner Siler questioned claim on page 2-ladder truck. Commissioner Siler asked if the truck was back in service. Fire Chief Cottle replied not yet. Commissioner Siler then asked about the claim on page 3, SWIFT. City Manager Shrives explained that was the charge for 911 service. Commissioner Siler then asked about 2 claims to Links Management on page 4. City Manager Shrives explained there was a month missed. Public Comment: Elsa Duford-Ward III corrected a comment regarding the Social Security statement she read. That was for 2016 not 2017. **VOTE: Unanimous Motion carried**

CITY MANAGER COMMENTS (07:56)–City Manager Shrives had no comments.

FIRST READING OF ORDINANCE 2016-TBD, CHAPTER 8 LAW ENFORCEMENT, TRAFFIC, AND VEHICLE REGULATIONS, ARTICLE 1 AND ARTICLE 2 TO POLSON BOOK OF ORDINANCES (08:06)- City Manager Shrives presented this agenda item. Police Chief Nash has reviewed this document. There were corrections on pages 4, 5, 6, and 7. Commissioner Siler motion to approve the 1st reading of the Ordinance Number 2016-TBD to adopt Chapter 8, Law Enforcement, Traffic and Vehicles Article 1, Jurisdiction and General Traffic Code, Article 2., Special Traffic Regulations to the City of Polson Book of Ordinances as amended. Public comment: Lita Fonda-Ward I asked if parking issues were addressed in this chapter. Mayor Knutson replied those were addressed in a previous Ordinance. Mark Johnston-Ward 1 commented on a correction and also turning Salish Point Park roadway into one way. **VOTE: Unanimous Motion carried.**

APPROVE RESOLUTION TO LEVY AND ASSESS SPECIAL IMPROVEMENT DISTRICTS TO DEFRAY THE COST OF MAKING AND ACQUIRING IMPROVEMENTS THEREIN; AND TO LEVY AND ASSESS CERTAIN STREET LIGHT MAINTENANCE DISTRICTS, AND DELINQUENT UTILITIES FOR FISCAL YEAR 2017 (22:33)-City Finance Officer Cindy Dooley presented this agenda item. This is done each year in conjunction with the budget. Special Improvement District #42-Streetscape there are 56 property owners that are assessed. Street Light District #19 this district is the residential lights. There is a good reserve that will be used to defer the cost of electricity. Rates may be raised in Fiscal Year 2018. Light District #20 the lights will be replaced with LED lights and there should be a savings of 80%. Montana Code Annotated permits delinquent utility bills to be placed on the property tax as a lien. **Commissioner Coutts motion to approve Resolution No. 2016-TBD to levy and assess special improvement districts to defray the cost of making and acquiring improvements therein; and to levy and assess certain street light maintenance districts and delinquent utilities for fiscal year 2017. Commissioner Donovan second.** Commission discussion: none Public comment: none **VOTE: Unanimous Motion carried**

A RESOLUTION OF THE POLSON CITY COMMISSION DECLARING CERTAIN PROPERTY AS SURPLUS AND AUTHORIZING ITS DISPOSAL (29:09)-City Manager Shrives presented this agenda item. There is a list of items that have been determined to be surplus and the Commission needs to declare the items as surplus in order to dispose of the items. **Commissioner Erickson motion to approve Resolution No. 2016-TBD declaring certain property as surplus and authorizing its disposal. Commissioner Turner second.** Commission discussion: none Public comment: none **VOTE: Unanimous Motion carried**

POLSON LANDING PROJECT (31:39)-Prior to the agenda item being presented Commissioner Turner recused himself and took a seat in the audience. City Manager Shrives commented that there had been a Public Hearing this evening prior to the Commission meeting. Mr. Burkhalter had submitted a letter to the City of Polson requesting a Letter of Support, a Representative to travel to Helena in January to speak on behalf of the project, and a waiver of the Water Impact Fees. Mr. Burkhalter was present at the meeting and took questions from the Commission. Mayor Knutson asked for a motion so that the discussion of the subject could begin. **Commissioner Southerland motion to approve the City Commission sending a letter in support of the Polson Landing Project and sending a Representative to Helena in support of Polson Landing. Commissioner Erickson second.** Commission discussion: the topics were the Water Impact Fee, the tax exemption, and the survey report did not include all rental properties Public comment: Mark Nunlist-Rocky Point Road commented that about the waiver of Water Impact Fee. Also, wished that jobs would come with the project. Stephen Turner Ward II-commented that this appears to be favoritism. Mr. Turner asked that no letter of support be sent to Helena and no representative be sent. Peter Daniels-commented that there is a low housing project being constructed in Pablo, MT. Dennis Duty-Hellroaring Road commented that the City of Polson Growth Policy promotes low income affordable housing. Mr. Duty asked that the letter of support and representative be sent to Helena. Lee Manicke-Ward II commented there hasn't been an adequate discussion on the taxes. Mr. Manicke suggests getting a commitment in writing regarding the P.I.L.T. first. Bill Barron-Lake County Commissioner-commented the County will lose taxes as well. Elsa Duford-Ward III commented that it would appear the decision to send the letter of support has already been decided. Mayor Knutson reminded the Commission that a vote to send the Letter of Support does not mean approval of the project. Mr. Burkhalter commented that if the City does not approve the Zone Change that will be needed then the project will not happen. **VOTE: Commissioner Erickson-For, Commissioner Southerland-For, Commissioner Siler-For, Commissioner Coutts-against, Commissioner Donovan-against, Mayor Knutson-For VOTE: 4 ayes 2 no Motion carried**
Mayor Knutson asked for a secondary motion to approve the waiver of Water Impact Fees. Died for lack of motion.

COMMISSIONER ERICKSON UPDATE (01:30:32)- Commissioner Erickson will be moving outside of Ward 1 so therefore Commissioner Erickson submitted his Letter of Resignation effective immediately. **Commissioner Turner motion to accept Commissioner Erickson's Letter of Resignation. Commissioner Donovan second.** Commission discussion: Mayor Knutson and each of the Commissioners thanked Commissioner Erickson for his years of service to the City of Polson and that his friendship has meant a good deal, and he will be missed by all. Commissioner Erickson commented that it has been nice to see all the positive changes that have occurred and that he is leaving the City in good hands. Public Comment: Lita Fonda-Ward 1 thanked Commissioner Erickson for his service. **VOTE: Unanimous motion carried**

Mayor Knutson commented that next we are on to recess for a personnel Executive Session. This matter concerns the City Manager Contract. I have determined that the interest of the public and the knowledge of this contract clearly outweighs the interest of the employee's privacy. However, the City Manager has the right to request that the discussion of the contract be closed as a matter of personnel privacy and if he exercises that right, the discussion will be closed. If the discussion is closed, upon its completion the Commission will reconvene into open session only to determine the action versus full minutes and to adjourn. The actual City Manager Contract will be presented at a future public meeting. I expect that the discussion will take approximately 30 minutes to 1 hour. At this point I would like to ask the City manager if he would wish for the discussion to be closed." City Manager Shriver, "Yes." Mayor Knutson, "Okay. Thank you. With that then we will go into recess."

RECESS: 8:56 P.M.

EXECUTIVE SESSION -PERSONNEL

RECONVENED: 9:23 P.M.

(01:38:07) Mayor Knutson asked if the Commission wanted full minutes or action minutes. The Commission determined that action minutes would suffice.

Adjourn. (01:40:22) Commissioner Donovan motion to adjourn. Commissioner Siler second. Commission discussion: none Public Comment: none **VOTE: Unanimous Motion carried.**

ADJOURN: 9:26 p.m.

Mayor Heather Knutson

ATTEST: _____
Cora E. Pritt, City Clerk

5f.

B. P. O. Elks
Mission Valley Lodge #1695
312 Main Street, Polson, MT 59855
(406)883-1695

August 24, 2016

To: City of Polson Golf Board

RE: Request for your support

Members,

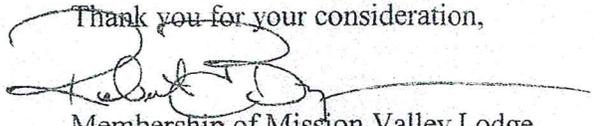
Mission Valley Elks Lodge has just completed another successful year in support of junior golf. Each year, you have helped us at Mission Valley Elks to support youth activities by the donation of two golf passes that we can use in fund raising activities. All of the money raised from the sale of the tickets in the raffle goes directly to the youth of this valley via the Advanced Junior Golf Camp held each summer at the course.

As all programs must continually evolve to keep interest of the youth, the Mission Valley Elks has teamed with the Mission Valley Junior Golf group to ensure that the value we deliver in this program continues to increase for the youth of the city and valley.

We are hopeful that you see the value of our support and will continue to support us with the donation of two passes that we can use to support the youth in this valley.

We continue to explore every avenue to raise funds for our charitable work and we have been successful in getting support from the community, our members and from the golf board and the city as well. It is our mission to continue to support the charitable works of the community and any support that you can give to us would be greatly appreciated.

Thank you for your consideration,



Membership of Mission Valley Lodge
Robert J. Byers, Per

CITY OF POLSON
COMMISSION AGENDA ITEM SUMMARY

Agenda Item Number: 7 (Motion) Adopt Chapter 8, Articles 1 and 2, Law Enforcement Traffic and Vehicles
Meeting Date: October 3, 2016
Staff Contact: Mark Shrives.

AGENDA ITEM SUMMARY: This Agenda Item requests City Commission adoption of Chapter 8 Articles 1 and 2, Law Enforcement Traffic and Vehicles. This will be the second reading of this Ordinance.

BACKGROUND: Several months ago it was proposed to review and recodify the City of Polson Municipal Code. Rather than rewrite the entire code and then adopt all of the code at one time, based on staff recommendation, the City Commission directed that we move forward with the recodification process and adopt the new code in pieces when completed.

ANALYSIS: At the September 17, 2016 meeting, the first reading of the ordinance was passed. There were several changes/corrections made to Article 2 of the ordinance, which is provided as a redline version (Enclosure 1). Then the final ordinance with all changes incorporated has been provided as Enclosure 2.

FINANCIAL CONSIDERATIONS: None

STAFF RECOMMENDATION: Staff recommends approval of the 2nd reading of the Ordinance

SUGGESTED MOTION: *I make a motion to approve the 2nd reading of the Ordinance adopting Chapter 8 Articles 1 and 2 of the City of Polson Book of Ordinances.*

ATTACHMENTS:

1. Redline Ordinance with Chapter 8, Article 2 redline version
2. Final Ordinance Chapter 8 Articles 1 and 2 with all changes incorporated

ARTICLE 2. SPECIAL TRAFFIC REGULATIONS

- Sec. 8.02.100. Enforcement and obedience.
- Sec. 8.02.110. Obedience to police and fire department officials.
- Sec. 8.02.130. Use of skate boards, roller skates and similar devices restricted.
- Sec. 8.02.140. Public employees to obey traffic regulations.
- Sec. 8.02.150. Exemptions to authorized police vehicles.
- Sec. 8.02.160. Traffic-control devices.
- Sec. 8.02.170. Speed regulations.
- Sec. 8.02.180. Special stops and yield requirements.
- Sec. 8.02.190. Damage to Street.
- Sec. 8.02.200. Vehicles prohibited.
- Sec. 8.02.210. Handicapped parking spaces.
- Sec. 8.02.220. Impoundment of vehicles authorized when; procedures required.
- Sec. 8.02.230. Restrictions on vehicle weight and speed.
- Sec. 8.02.240. Operation of vehicles upon the approach of authorized emergency vehicles.
- Sec. 8.02.250. Golf Carts Permitted.
- Sec. 8.02.260. Permit.
- Sec. 8.02.270. Commission to designate cart safe streets.
- Secs. 8.02.280-8.02.299. Reserved.

Sec. 8.02.100. Enforcement and obedience.

Authority of police and fire department officials: It shall be the duty of the officers of the police department and such officers as are assigned by the chief of police to enforce all street traffic laws of this city and all of the state vehicle laws applicable to street traffic in this city. The officers of the police department and such officers as are assigned by the chief of police shall have authority to make arrests of persons for offenses committed within the city limits and within five miles of the city limits. Officers of the police department, or such officers as are assigned by the chief of police, are hereby authorized to direct all traffic by voice, hand, or signal in conformance with traffic laws; provided, that in the event of a fire or other emergency or to expedite traffic or to safeguard pedestrians, officers of the police department may direct traffic as conditions may require notwithstanding the provisions of the traffic laws. Members of the fire department, when at the scene of a fire, may direct or assist the police in directing traffic thereat or in the immediate vicinity.

Sec. 8.02.110. Obedience to police and fire department officials.

It shall be unlawful for any person to fail or refuse to comply with any lawful order or direction of a police officer or fire department official.

Commented [F01]: Removed the word willfully

Sec. 8.02.120. Persons propelling pushcarts or riding animals.

Every person propelling any pushcart or riding an animal upon a roadway, and every person driving an animal-drawn vehicle shall be subject to provisions of this chapter applicable to the driver of any vehicle, except those provisions of this chapter which by their very nature can have no application.

Sec. 8.02.130. Use of skate boards, roller skates and similar devices restricted.

Commented [F02]: Bikes not included as they fall under normal traffic laws

Encl 1

It shall be unlawful for any person upon skate boards, roller skates, or riding in or by means of any coaster, toy vehicle, or similar device to go upon any roadway except while crossing a street on a crosswalk, and when so crossing such person shall be granted all of the rights and shall be subject to all the duties applicable to pedestrians. This section shall not apply upon any street while set aside as a play street as authorized by laws of this city.

Sec. 8.02.140. Public employees to obey traffic regulations.

The provisions of this chapter shall apply to the driver of any vehicle owned by or used in the service of the United States government, this state, county, or city and it shall be unlawful for any said driver to violate any of the provisions of this chapter, except as otherwise permitted in this chapter or by state statute.

Sec. 8.02.150. Exemptions to authorized police vehicles.

A. The driver of an authorized police vehicle, when responding to an emergency call or when in the pursuit of an actual or suspected violator of the law or when responding to but not upon returning from a fire alarm, may exercise the privileges set forth in this section, but subject to the conditions herein stated.

B. The driver of an authorized police emergency vehicle may:

1. park or stand, irrespective of the provisions of this chapter;
2. proceed past a red or stop signal or stop sign, but only after slowing down as may be necessary for safe operation;
3. exceed the speed limits so long as he does not endanger life or property;
4. disregard regulations governing direction of movement or turning in specified directions.

C. The exemptions granted to an authorized police vehicle apply only when the vehicle is making use of an audible or visual signal, or both, meeting the requirements of state law.

D. The foregoing provisions shall not relieve the driver of an authorized police vehicle from the duty to drive with due regard for the safety of all persons, nor shall such provisions protect the driver from the consequences of his reckless disregard for the safety of others.

Sec. 8.02.160. Traffic-control devices.

A. Authority to install traffic- and parking control devices: The chief of police shall have placed and maintained traffic and parking control signs, signals and devices when and as required under the traffic laws of this city to make effective the provisions of said laws, and may place and maintain such additional traffic-control devices as or under state laws or to guide or warn traffic.

B. Standards and specifications for traffic and parking control devices: All traffic control devices shall conform to the state manual and specifications. All signs and signals required hereunder for a particular purpose shall so far as practicable be uniform as to type and location throughout the city. All traffic-control devices so erected and not inconsistent with the

provisions of state law or this chapter shall be official traffic-control devices.

C. Obedience to official traffic-control devices: The driver of any vehicle shall obey the instructions of any official traffic-control device applicable thereto placed in accordance with the traffic laws of this city, unless otherwise directed by a police officer, subject to the exceptions granted the driver of an authorized emergency vehicle in this chapter.

D. Display of unauthorized signs, signals, or markings: It shall be unlawful for any person to place, maintain, or display upon or in view of any highway any unauthorized sign, signal, marking, or device which purports to be or is an imitation of or resembles an official traffic-control device or railroad sign or signal, or which attempts to direct the movement of traffic, or which hides from view or interferes with the effectiveness of any official traffic-control device or any railroad sign or signal.

E. Chief of police, or his ~~designee~~, shall designate and mark traffic lanes and parking spaces: The chief of police is hereby authorized:

Commented [FO3]: Added or his designee

1. to designate and maintain, by appropriate devices, marks, or lines upon the surface of the roadway, crosswalks at intersections where in his opinion there is particular danger to pedestrians crossing the roadway and at such other places as he may deem necessary;
2. to mark lanes for traffic on street pavements at such places as he may deem advisable, consistent with the traffic laws of the city;
3. to mark off individual parking spaces in parking zones and in such other zones as may hereafter be established, said parking spaces to be designated by lines painted or durably marked on the curbing or surface of the street; at each space so marked off it shall be unlawful to park any vehicle in such a way that said vehicle shall not be entirely within the limits of the space so designated.

Sec. 8.02.170. Speed regulations.

Any person driving a vehicle on a street, avenue, or alley in the city shall drive the same in a careful and prudent manner and at a rate of speed no greater than is reasonable and proper under the conditions existing at the point of operation, taking into account the amount and character of traffic, condition of brakes, weight of vehicle, grade and width of such street, avenue, or alley, condition of surface, and freedom of obstruction to view ahead, and he shall drive it so as not to unduly or unreasonably endanger the life, limb, property, or other rights of a person entitled to the use of the street, avenue, or alley.

A. Subject to the provisions above, and except in those instances where a lower speed is specified in this chapter, it shall be prima facie lawful for the driver of a vehicle to drive the same at a speed not exceeding the following: ~~but in any case when such speed would be unsafe it shall not be unlawful:~~

Commented [FO4]: The City Attorney and Chief of Police reworked this section based on comments received at last meeting

1. 25 miles per hour in the residential and commercial areas of the City unless otherwise designated by appropriate and maintained signage.
2. 15 miles per hour while operating any motor vehicle in or upon any roadway located within Riverside Park, Poljison Golf Course, including the country club,

swimming beach and picnic area, Salish Point, and Sacajawea Park.

Sec. 8.02.180. Special stops and yield requirements.

The city commission shall designate through or preferential streets and the chief of police is authorized to erect stop signs or yield signs at specified entrances thereto or may designate any intersection as a stop intersection or as a yield right-of-way intersection and erect stop signs or yield signs at one or more entrances to such intersection.

Sec. 8.02.190. Damage to Street.

No person shall drag or haul any timber or any article along or over any public highway in such a manner that a portion of the same shall rest upon or come in contact with that surface of such public highway; nor shall any person on any paved street lock the wheel of any vehicle by the method commonly known as "rough lock"; nor by any method whereby anything other than the tire of such wheel or a smooth shoe shall come in contact with the surface of the street.

Sec. 8.02.200. Vehicles prohibited.

It shall be unlawful for any person to operate any snowmobile or all-terrain vehicle on any of the streets, avenues, alleys, parks, golf course, or upon any other public way or property owned by the city, unless licensed for street operations.

Sec. 8.02.210. Handicapped parking spaces.

The city commission shall establish appropriate parking spaces reserved for handicapped parking in the city for use only by vehicles displaying a special parking permit in the vehicle's windshield or a handicapped license plate to be issued by the state of Montana or other states' registrar of motor vehicles.

Sec. 8.02.220. Impoundment of vehicles authorized when; procedures required.

A. Members of the police department are authorized to remove a vehicle from a street, highway or public parking lot to the nearest garage or other place of safety, or to a garage designated or maintained by the police department, or otherwise maintained by this city under the circumstances hereinafter enumerated:

1. When any vehicle is left unattended upon any bridge, viaduct or causeway, or in any tube or tunnel where such vehicle constitutes an obstruction to traffic;
2. When a vehicle upon a street or highway is so disabled as to constitute an obstruction to traffic and the person or persons in charge of the vehicle are, by reason of physical injury, incapacitated to such an extent as to be unable to provide for its custody or removal;
3. When any vehicle is left unattended upon a street or highway and is so parked illegally as to constitute a definite hazard or obstruction to the normal movement of traffic;
4. When any vehicle is parked in a tow-away zone;

5. When any vehicle is parked illegally for a period of more than six hours;
6. When any vehicle is abandoned on any street, highway or public parking lot operated by the city by not being moved or used for more than five consecutive days, and such a vehicle is apparently deserted.

B. Whenever an officer calls for the removal of a vehicle from a street, highway or public parking lot as authorized in this section and the officer knows or is able to ascertain from the registration records in the vehicle the name and address of the owner thereof, the officer, or his/her designee shall, within a reasonable time, make every reasonable effort to ascertain the identity of and to locate the owner of the vehicle and to give or cause to be given notice in writing to the owner of the fact of such removal and the reasons therefor, and of the place to which the vehicle has been removed.

Commented [F05]: The City Attorney and Chief of Police reworked this section based on comments received at last meeting

C. Before the owner or person entitled to possession of any vehicle removed and impounded, as provided herein, is permitted to remove the same from the custody of the city, the owner shall furnish evidence of such owner's identity and ownership of the vehicle, or right of possession thereto, shall sign a receipt for the vehicle, and shall pay any towing charges incurred by the city in towing said vehicle, and shall pay such charges for the storage of the vehicle as shall have been incurred by the city.

D. The payment of such fees and charges, as provided in this article, shall not operate to relieve the owner or operator of such vehicle from liability from any fine or penalty for the violation of any law or ordinance on account of which such vehicle was removed and impounded.

E. These sections shall be read in conjunction with the provisions for abandoned and junk vehicles as found at Chapter 7, Article 4 of these ordinances.

Sec. 8.02.230. Restrictions on vehicle weight and speed.

The city street superintendent shall have the authority to prohibit the operation of or impose reasonable restrictions upon the weight and speed of vehicles traveling on said public roads when, in the discretion of the superintendent, the subgrades of public roads within the city limits have been weakened by water saturation, frost, road deterioration, or other causes.

Adequate signs designating the weight or speed prohibition or restriction as described above shall be posted at each end of that portion of the public road affected, and the prohibition or restriction shall not be effective until this is done.

Sec. 8.02.240. Operation of vehicles upon the approach of authorized emergency vehicles.

Upon the immediate approach of an authorized emergency vehicle making use of audible and visual signals meeting the requirements of state law, or of a police vehicle properly and lawfully making use of an audible signal only, the driver of every other vehicle shall yield the right-of-way and shall immediately drive to a position parallel to, and as close as possible to, the right-hand edge or curb of the roadway clear of any intersection and shall stop and remain in such position until the authorized emergency vehicle has passed, except when otherwise directed by a police officer. This section shall not operate to relieve the driver of an authorized emergency vehicle from the duty to drive with due regard for the safety of all

persons using the roadway.

Sec. 8.02.250. Golf Carts Permitted.

A "golf cart" is a motor vehicle that is designed for use on a golf course to carry a person or persons and golf equipment and that has an average speed of less than 15 miles per hour. The use of golf carts on the permitted roadways of the city within the exterior boundaries of the city of Polson is permitted under the following terms and conditions:

Commented [FO6]: Inserted "permitted"

A. No cart may be driven, operated or controlled:

1. Between sunset and sunrise;
2. Without the use of lights, if equipped with same;
3. During inclement conditions when visibility is reduced or impaired by weather, smoke, fog or other conditions or at any time when there is insufficient light;
4. Contrary to any traffic law of the city or the State of Montana;
5. Driven by a person without a valid driver's license;
6. Driven with no more than the number of persons recommended for the vehicle;
7. Without a valid city of Polson cart permit;
8. Must be operated to the far right of the right lane of traffic;
9. On MT Highway 93 or 35;
10. In any area where vehicle traffic is prohibited, blockaded or presents hazardous travel.

Commented [FO7]: corrected

Commented [FO8]: corrected

Sec. 8.02.260. Permit.

All golf carts operating upon the permitted roadways of the city shall apply for and obtain, after inspection, a permit to operate. Such permit will be issued upon the authority and direction of the golf board upon satisfactory completion of the application therefore. Such permit may be revoked upon good cause shown and in the discretion of the chief of police. Any permit issued shall be valid for a period of one year commencing January 1 and ending December 31.

Commented [FO9]: Inserted "permitted"

The application shall contain the following:

- a. full name, address and phone number;
- b. current driver's license number;
- c. \$25.00 nonrefundable application fee, such fee may be included in other fees and charges for service by the golf course.

All carts rented to the public by the Polson Bay Golf Course shall be exempt from the permit requirements of this ordinance but shall drive only within the designated cart safe streets.

Commented [FO10]: This section was clarified

Sec. 8.02.270. Commission to designate cart safe streets.

It shall be the duty of the commission to promulgate a list of streets and roadways within the city that shall be open to golf cart travel. Such list may be changed, replaced or amended by resolution of the commission.

Secs. 8.02.280-8.02.299. Reserved.

ORDINANCE Ord #2016- 005

**AN ORDINANCE TO ADOPT
CHAPTER 8. LAW ENFORCEMENT, TRAFFIC AND VEHICLES
ARTICLE 1. JURISDICTION AND GENERAL TRAFFIC CODE
ARTICLE 2. SPECIAL TRAFFIC REGULATIONS**

WHEREAS, the City Commission of Polson has determined that it is in the best interests of the citizens of Polson to reestablish, rewrite and reauthorize the Ordinances of the City;

WHEREAS, the Commission recognizes the most expeditious way of adopting such Ordinances is by adoption in a near sequential manner over a term of months to give the Commission and the public time to review the material;

WHEREAS, it appears in the best public interest that the following ordinances be adopted for the City of Polson;

NOW, THEREFORE, BE IT ORDAINED by the City of Polson that the following Articles of the Ordinances of the City of Polson be adopted in full as attachments hereto:

**CHAPTER 8. LAW ENFORCEMENT, TRAFFIC AND VEHICLES
ARTICLE 1. JURISDICTION AND GENERAL TRAFFIC CODE
ARTICLE 2. SPECIAL TRAFFIC REGULATIONS**

The clerk is hereby instructed to codify this Ordinance and to place the same in the Book of Ordinances of the City of Polson.

Date: 09/19/16
First Reading: 7 ayes ___ nays ___ abstentions

Date: 10/03/16
Second Reading: ___ ayes ___ nays ___ abstentions

Effective Date: _____

Mayor
Attest: _____
City Clerk

Encl 2

CHAPTER 8. LAW ENFORCEMENT, TRAFFIC AND VEHICLES

ARTICLE 1. JURISDICTION AND GENERAL TRAFFIC CODE

ARTICLE 2. SPECIAL TRAFFIC REGULATIONS

ARTICLE 1. JURISDICTION AND GENERAL TRAFFIC CODE

Sec. 8.01.100 Territorial application of police powers
Sec. 8.01.110. Enforcement of Montana criminal code.
Sec. 8.01.120 General traffic code
Sec. 8.01.130 Authority for construction
Sec. 8.01.140 Laws and rules of state applicable
Sec. 8.01.150 Penalty
Secs. 8.01.160-8.01.199. Reserved.

8.01.100. Territorial application of police powers.

Pursuant to state law, Polson police officers shall have powers to respond and control disturbances of the peace and have powers of arrest within the city and for three miles outside of the corporate city limits. Nothing herein shall limit the jurisdiction of a police officer pursuant to Title 7, Title 10, or Title 44, MCA or in regard to mutual or automatic aid agreements.

8.01.110. Enforcement of Montana criminal code.

It shall be the duty and responsibility of the Polson police officers as peace officers of the State of Montana to enforce, investigate and prosecute violations of the Montana criminal statutes applicable to the city of Polson as found in the Montana Code Annotated.

8.01.120 General traffic code.

This title shall constitute the traffic code of the city of Polson and may be cited as such. It comprises all general regulations relating to travel and traffic and parking and standing upon public highways, streets and alleys and all other places of said city open to the public for the use of vehicles, and the rights, duties and restraints of persons as the same pertain thereto.

8.01.130. Authority for construction.

This title is hereby declared to be an exercise of the police power of the state of Montana and of the city of Polson for the public safety, and its provisions shall be liberally construed for the accomplishment of that purpose.

8.01.140. Laws and rules of state applicable.

The laws of the state of Montana and the rules and regulations of the state department of justice regulating traffic are hereby adopted as rules and regulations of the city wherein the same are not in conflict with the rules contained in these ordinances, and any person violating any of such state laws or rules and regulations shall be considered as having violated the rules and regulations of the city and shall be deemed guilty of a misdemeanor, and upon conviction, shall be punished as provided in these ordinances.

ARTICLE 2. SPECIAL TRAFFIC REGULATIONS

- Sec. 8.02.100. Enforcement and obedience.
- Sec. 8.02.110. Obedience to police and fire department officials.
- Sec. 8.02.130. Use of skate boards, roller skates and similar devices restricted.
- Sec. 8.02.140. Public employees to obey traffic regulations.
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- Sec. 8.02.200. Vehicles prohibited.
- Sec. 8.02.210. Handicapped parking spaces.
- Sec. 8.02.220. Impoundment of vehicles authorized when; procedures required.
- Sec. 8.02.230. Restrictions on vehicle weight and speed.
- Sec. 8.02.240. Operation of vehicles upon the approach of authorized emergency vehicles.
- Sec. 8.02.250. Golf Carts Permitted.
- Sec. 8.02.260. Permit.
- Sec. 8.02.270. Commission to designate cart safe streets.
- Secs. 8.02.280-8.02.299. Reserved.

Sec. 8.02.100. Enforcement and obedience.

Authority of police and fire department officials: It shall be the duty of the officers of the police department and such officers as are assigned by the chief of police to enforce all street traffic laws of this city and all of the state vehicle laws applicable to street traffic in this city. The officers of the police department and such officers as are assigned by the chief of police shall have authority to make arrests of persons for offenses committed within the city limits and within five miles of the city limits. Officers of the police department, or such officers as are assigned by the chief of police, are hereby authorized to direct all traffic by voice, hand, or signal in conformance with traffic laws; provided, that in the event of a fire or other emergency or to expedite traffic or to safeguard pedestrians, officers of the police department may direct traffic as conditions may require notwithstanding the provisions of the traffic laws. Members of the fire department, when at the scene of a fire, may direct or assist the police in directing traffic thereat or in the immediate vicinity.

Sec. 8.02.110. Obedience to police and fire department officials.

It shall be unlawful for any person to fail or refuse to comply with any lawful order or direction of a police officer or fire department official.

Sec. 8.02.120. Persons propelling pushcarts or riding animals.

Every person propelling any pushcart or riding an animal upon a roadway, and every person driving an animal-drawn vehicle shall be subject to provisions of this chapter applicable to the driver of any vehicle, except those provisions of this chapter which by their very nature can have no application.

Sec. 8.02.130. Use of skate boards, roller skates and similar devices restricted.

It shall be unlawful for any person upon skate boards, roller skates, or riding in or by means of any coaster, toy vehicle, or similar device to go upon any roadway except while crossing a street on a crosswalk, and when so crossing such person shall be granted all of the rights and shall be subject to all the duties applicable to pedestrians. This section shall not apply upon any street while set aside as a play street as authorized by laws of this city.

Sec. 8.02.140. Public employees to obey traffic regulations.

The provisions of this chapter shall apply to the driver of any vehicle owned by or used in the service of the United States government, this state, county, or city and it shall be unlawful for any said driver to violate any of the provisions of this chapter, except as otherwise permitted in this chapter or by state statute.

Sec. 8.02.150. Exemptions to authorized police vehicles.

A. The driver of an authorized police vehicle, when responding to an emergency call or when in the pursuit of an actual or suspected violator of the law or when responding to but not upon returning from a fire alarm, may exercise the privileges set forth in this section, but subject to the conditions herein stated.

B. The driver of an authorized police emergency vehicle may:

1. park or stand, irrespective of the provisions of this chapter;
2. proceed past a red or stop signal or stop sign, but only after slowing down as may be necessary for safe operation;
3. exceed the speed limits so long as he does not endanger life or property;
4. disregard regulations governing direction of movement or turning in specified directions.

C. The exemptions granted to an authorized police vehicle apply only when the vehicle is making use of an audible or visual signal, or both, meeting the requirements of state law.

D. The foregoing provisions shall not relieve the driver of an authorized police vehicle from the duty to drive with due regard for the safety of all persons, nor shall such provisions protect the driver from the consequences of his reckless disregard for the safety of others.

Sec. 8.02.160. Traffic-control devices.

A. Authority to install traffic- and parking control devices: The chief of police shall have placed and maintained traffic and parking control signs, signals and devices when and as required under the traffic laws of this city to make effective the provisions of said laws, and may place and maintain such additional traffic-control devices as or under state laws or to guide or warn traffic.

B. Standards and specifications for traffic and parking control devices: All traffic control devices shall conform to the state manual and specifications. All signs and signals required hereunder for a particular purpose shall so far as practicable be uniform as to type and location throughout the city. All traffic-control devices so erected and not inconsistent with the

provisions of state law or this chapter shall be official traffic-control devices.

C. Obedience to official traffic-control devices: The driver of any vehicle shall obey the instructions of any official traffic-control device applicable thereto placed in accordance with the traffic laws of this city, unless otherwise directed by a police officer, subject to the exceptions granted the driver of an authorized emergency vehicle in this chapter.

D. Display of unauthorized signs, signals, or markings: It shall be unlawful for any person to place, maintain, or display upon or in view of any highway any unauthorized sign, signal, marking, or device which purports to be or is an imitation of or resembles an official traffic-control device or railroad sign or signal, or which attempts to direct the movement of traffic, or which hides from view or interferes with the effectiveness of any official traffic-control device or any railroad sign or signal.

E. Chief of police, or his designee, shall designate and mark traffic lanes and parking spaces: The chief of police is hereby authorized:

1. to designate and maintain, by appropriate devices, marks, or lines upon the surface of the roadway, crosswalks at intersections where in his opinion there is particular danger to pedestrians crossing the roadway and at such other places as he may deem necessary;
2. to mark lanes for traffic on street pavements at such places as he may deem advisable, consistent with the traffic laws of the city;
3. to mark off individual parking spaces in parking zones and in such other zones as may hereafter be established, said parking spaces to be designated by lines painted or durably marked on the curbing or surface of the street; at each space so marked off it shall be unlawful to park any vehicle in such a way that said vehicle shall not be entirely within the limits of the space so designated.

Sec. 8.02.170. Speed regulations.

Any person driving a vehicle on a street, avenue, or alley in the city shall drive the same in a careful and prudent manner and at a rate of speed no greater than is reasonable and proper under the conditions existing at the point of operation, taking into account the amount and character of traffic, condition of brakes, weight of vehicle, grade and width of such street, avenue, or alley, condition of surface, and freedom of obstruction to view ahead, and he shall drive it so as not to unduly or unreasonably endanger the life, limb, property, or other rights of a person entitled to the use of the street, avenue, or alley.

A. Subject to the provisions above, and except in those instances where a lower speed is specified in this chapter, it shall be prima facie lawful for the driver of a vehicle to drive the same at a speed not exceeding the following:

1. 25 miles per hour in the residential and commercial areas of the City unless otherwise designated by appropriate and maintained signage.
2. 15 miles per hour while operating any motor vehicle in or upon any roadway located within Riverside Park, Polson Golf Course, including the country club, swimming beach and picnic area, Salish Point, and Sacajawea Park.

Sec. 8.02.180. Special stops and yield requirements.

The city commission shall designate through or preferential streets and the chief of police is authorized to erect stop signs or yield signs at specified entrances thereto or may designate any intersection as a stop intersection or as a yield right-of-way intersection and erect stop signs or yield signs at one or more entrances to such intersection.

Sec. 8.02.190. Damage to Street.

No person shall drag or haul any timber or any article along or over any public highway in such a manner that a portion of the same shall rest upon or come in contact with that surface of such public highway; nor shall any person on any paved street lock the wheel of any vehicle by the method commonly known as "rough lock"; nor by any method whereby anything other than the tire of such wheel or a smooth shoe shall come in contact with the surface of the street.

Sec. 8.02.200. Vehicles prohibited.

It shall be unlawful for any person to operate any snowmobile or all-terrain vehicle on any of the streets, avenues, alleys, parks, golf course, or upon any other public way or property owned by the city, unless licensed for street operations.

Sec. 8.02.210. Handicapped parking spaces.

The city commission shall establish appropriate parking spaces reserved for handicapped parking in the city for use only by vehicles displaying a special parking permit in the vehicle's windshield or a handicapped license plate to be issued by the state of Montana or other states' registrar of motor vehicles.

Sec. 8.02.220. Impoundment of vehicles authorized when; procedures required.

A. Members of the police department are authorized to remove a vehicle from a street, highway or public parking lot to the nearest garage or other place of safety, or to a garage designated or maintained by the police department, or otherwise maintained by this city under the circumstances hereinafter enumerated:

1. When any vehicle is left unattended upon any bridge, viaduct or causeway, or in any tube or tunnel where such vehicle constitutes an obstruction to traffic;
2. When a vehicle upon a street or highway is so disabled as to constitute an obstruction to traffic and the person or persons in charge of the vehicle are, by reason of physical injury, incapacitated to such an extent as to be unable to provide for its custody or removal;
3. When any vehicle is left unattended upon a street or highway and is so parked illegally as to constitute a definite hazard or obstruction to the normal movement of traffic;
4. When any vehicle is parked in a tow-away zone;
5. When any vehicle is parked illegally for a period of more than six hours;

6. When any vehicle is abandoned on any street, highway or public parking lot operated by the city by not being moved or used for more than five consecutive days, and such a vehicle is apparently deserted.

B. Whenever an officer calls for the removal of a vehicle from a street, highway or public parking lot as authorized in this section and the officer knows or is able to ascertain from the registration records in the vehicle the name and address of the owner thereof, the officer, or his/her designee shall, within a reasonable time, make every reasonable effort to ascertain the identity of and to locate the owner of the vehicle and to give or cause to be given notice in writing to the owner of the fact of such removal and the reasons therefor, and of the place to which the vehicle has been removed.

C. Before the owner or person entitled to possession of any vehicle removed and impounded, as provided herein, is permitted to remove the same from the custody of the city, the owner shall furnish evidence of such owner's identity and ownership of the vehicle, or right of possession thereto, shall sign a receipt for the vehicle, and shall pay any towing charges incurred by the city in towing said vehicle, and shall pay such charges for the storage of the vehicle as shall have been incurred by the city.

D. The payment of such fees and charges, as provided in this article, shall not operate to relieve the owner or operator of such vehicle from liability from any fine or penalty for the violation of any law or ordinance on account of which such vehicle was removed and impounded.

E. These sections shall be read in conjunction with the provisions for abandoned and junk vehicles as found at Chapter 7, Article 4 of these ordinances.

Sec. 8.02.230. Restrictions on vehicle weight and speed.

The city street superintendent shall have the authority to prohibit the operation of or impose reasonable restrictions upon the weight and speed of vehicles traveling on said public roads when, in the discretion of the superintendent, the subgrades of public roads within the city limits have been weakened by water saturation, frost, road deterioration, or other causes.

Adequate signs designating the weight or speed prohibition or restriction as described above shall be posted at each end of that portion of the public road affected, and the prohibition or restriction shall not be effective until this is done.

Sec. 8.02.240. Operation of vehicles upon the approach of authorized emergency vehicles.

Upon the immediate approach of an authorized emergency vehicle making use of audible and visual signals meeting the requirements of state law, or of a police vehicle properly and lawfully making use of an audible signal only, the driver of every other vehicle shall yield the right-of-way and shall immediately drive to a position parallel to, and as close as possible to, the right-hand edge or curb of the roadway clear of any intersection and shall stop and remain in such position until the authorized emergency vehicle has passed, except when otherwise directed by a police officer. This section shall not operate to relieve the driver of an authorized emergency vehicle from the duty to drive with due regard for the safety of all persons using the roadway.

Sec. 8.02.250. Golf Carts Permitted.

A "golf cart" is a motor vehicle that is designed for use on a golf course to carry a person or persons and golf equipment and that has an average speed of less than 15 miles per hour. The use of golf carts on the permitted roadways of the city within the exterior boundaries of the city of Polson is permitted under the following terms and conditions:

- A. No cart may be driven, operated or controlled:
 - 1. Between sunset and sunrise;
 - 2. Without the use of lights, if equipped with same;
 - 3. During inclement conditions when visibility is reduced or impaired by weather, smoke, fog or other conditions or at any time when there is insufficient light;
 - 4. Contrary to any traffic law of the city or the State of Montana;
 - 5. Driven by a person without a valid driver's license;
 - 6. Driven with no more than the number of persons recommended for the vehicle;
 - 7. Without a valid city of Polson cart permit;
 - 8. Must be operated to the far right of the right lane of traffic;
 - 9. On MT Highway 93 or 35;
 - 10. In any area where vehicle traffic is prohibited, blockaded or presents hazardous travel.

Sec. 8.02.260. Permit.

All golf carts operating upon the permitted roadways of the city shall apply for and obtain, after inspection, a permit to operate. Such permit will be issued upon the authority and direction of the golf board upon satisfactory completion of the application therefore. Such permit may be revoked upon good cause shown and in the discretion of the chief of police. Any permit issued shall be valid for a period of one year commencing January 1 and ending December 31.

The application shall contain the following:

- a. full name, address and phone number;
- b. current driver's license number;
- c. \$25.00 nonrefundable application fee, such fee may be included in other fees and charges for service by the golf course.

All carts rented to the public by the Polson Bay Golf Course shall be exempt from the permit requirements of this ordinance but shall drive only within the designated cart safe streets.

Sec. 8.02.270. Commission to designate cart safe streets.

It shall be the duty of the commission to promulgate a list of streets and roadways within the city that shall be open to golf cart travel. Such list may be changed, replaced or amended by resolution of the commission.

Secs. 8.02.280-8.02.299. Reserved.

CITY OF POLSON

CITY COMMISSION AGENDA ITEM SUMMARY

Agenda Item Number: **8** (Motion) Approve Extension of Professional Services Contract with Nittany Grant Works

Meeting Date: October 3, 2016

Staff Contact: Mark Shrives

AGENDA ITEM SUMMARY: Approve Extension of Professional Services Contract with Nittany Grant Works to provide Grant Development Services to the City of Polson.

BACKGROUND: In February 2014, the City entered into a Professional Services Contract with Nittany Grantworks for the preparation of a Treasure State Endowment Program (TSEP) grant application and a Montana Renewable Resource Grant Application (RRGL). The actual execution of the grant applications was completed through a separate task order. The professional services agreement (Enclosure 1) has expired.

ANALYSIS: The attached extension and scope of work (Enclosure 2), will extend the previous contract until July 1, 2018. As discussed during the budget process, the City will be looking to apply for several grants for various departments in the next fiscal year. We have found Nittany Grant Works to be a very successful firm in writing and obtaining grants.

FINANCIAL CONSIDERATIONS: Total contract value is \$24,700, if all of the services were used. It is not anticipated that the City will use 30 hours per month as outlined in the scope of work, so the overall cost for this fiscal year should be less, but if needed the funds and hours will be available. Funds were budgeted for this contract.

STAFF RECOMMENDATION Approve Nittany Grant works Contract Extension Task Order

SUGGESTED MOTION: I move to approve an extension of the professional services contract for Nittany Grant Works through July 1, 2018

ATTACHMENTS:

Encl. 1 – Professional Services Contract

Encl. 2 – Contract Extension and Scope of Work

PROFESSIONAL SERVICES CONTRACT

THIS CONTRACT, made and entered into this 6th day of February, 2014, by and between City of Polson, Montana, a political subdivision of the State of Montana, 106 First Street East, Polson, Montana, 59860 (CITY), and NITTANY GRANTWORKS, PO Box 1821, Livingston, Montana 59027 (CONSULTANT).

1. **CONTRACTUAL SERVICES:** CONSULTANT shall provide consulting services for grant development services as set forth in the Grant Development Services Proposal (Attachment A).

2. **PROFESSIONAL STANDARDS:** CONSULTANT shall provide all services and work in a professional manner and shall comply with all federal, state and local laws applicable to the work to be performed.

3. **RELATIONSHIP:** The parties intend that an independent contract relationship will be created by this contract.

It is understood by both parties specified herein that CONTRACTOR is a hired to perform the duties specified and such other duties consistent with CONTRACTOR'S job status. The performance of those duties will at times require abnormal hours of work. CONTRACTOR acknowledges that CITY will have no control over the scheduling of such work. CONTRACTOR shall have the ultimate authority to determine the hours of work, the length of workdays, the means and methods of performance of the work, and CITY shall not interfere in this regard.

CITY is interested only in the results to be achieved, and the conduct and control of the work will lie solely with the CONSULTANT. CONSULTANT is not be considered an agent or employee of the CITY for any purpose, and the employees of the CONSULTANT, if any, are not entitled to any of the benefits that the CITY provides for employees. It is understood that the CITY does not agree to use CONSUTLANT exclusively. It is further understood that CONSULTANT is free to contract for similar services to be performed for other parties while she is under contract with the CITY.

4. **FUNCTIONAL AND REPORTING RELATIONSHIPS:** It is hereby understood and agreed by Contractor that the following reporting and functional relationships are required as conditions of this agreement;

Contractor shall report directly to: Shari Johnson PE, City Engineer.

5. PAYMENT: The CITY will pay the CONSULTANT at the rate of \$65.00 per hour not to exceed the service hours detailed in the Grant Development Services Proposal (Attachment A). CONSULTANT will familiarize itself with CITY'S claim procedure for receiving payment, including deadlines for submitting claims for payments and agrees to submit claims for payment accordingly. Any compensation/expenses for which CONSULTANT may seek payment which do not appear in the Contract must be authorized in advance in writing by the CITY before they are incurred and failure to get such advance authorization shall constitute a waiver by CONSULTANT for payment thereof.

6. LABOR, MATERIALS and SUPPLIES: CONSULTANT shall furnish all labor, materials, supplies, equipment, and incidentals necessary to conduct and complete the services to be performed under this Contract.

7. TERM: This Contract may be terminated by the CITY or CONSULTANT on thirty (30) days written notice given to either party at their normal business address by written certified mail; otherwise, the Contract shall remain in force from February 1, 2014, to May 22, 2014, unless sooner terminated.

8. TERMINATION OF CONTRACT: In the event of termination, by either party, CONSULTANT will not be relieved of liability for damages sustained by the CITY as a result of a breach of CONSULTANT'S duties or breach of any provision of this Contract. CONSULTANT or CITY may terminate this Contract if either party fails to perform its obligation specified in this Contract in a timely and proper manner. Any notice of termination shall state the reason for termination and the effective date of termination. In the event of termination, CITY shall pay CONSULTANT for the work performed or services rendered through the effective date of termination, or the date work was last performed by CONSULTANT, whichever date is earlier.

9. LIABILITY INSURANCE: The CONSULTANT shall obtain liability insurance and shall indemnify and hold the CITY harmless for services performed under the terms of this Contract. A certificate of insurance showing the coverage obtained by the CONSULTANT shall be provided to the CITY before any work is performed.

10. WORKERS' COMPENSATION INSURANCE: The CONSULTANT shall obtain Workers' Compensation insurance and shall indemnify and hold the CITY harmless for

services performed under the terms of this Contract. A certificate of insurance showing the coverage obtained by the CONSULTANT shall be provided to the CITY.

11. INDEMNIFICATION: CONSULTANT hereby releases and agrees to indemnify and hold harmless the CITY and its officers, employees and agents from any and all claims of third parties as well as losses, harm, costs, liability, damages and expenses (including reasonable attorney's fees) arising from the acts or omissions of CONSULTANT or CONSULTANT'S agents arising from the performance of this Contract. COUNY agrees to indemnify and hold CONSULTANT harmless from any and all claims, demands, costs, judgments, expenses (including reasonable attorney's fees) and liability of any character causes by intentional or negligent acts or errors or omissions of its officers, employees or agents arising out of the performance of this Contract.

12. OWNERSHIP: All documents, data, specifications, reports, estimates, graphics, schematics, drawings and such other information and material accumulated or prepared as a result of this Contract shall become the property of CITY. CITY acknowledges that the warranty of work provided for in a professional standard herein by CONSULTANT extends only to the scope of services for this project and in the event that CITY uses the documents in any other project which is not directly related to the services provided for in this Contract, no warranty applies.

13. ASSIGNMENTS: This Contract cannot be assigned.

14. NONDISCRIMINATION: In awarding (and in any performance of) this Contract, CITY will hire on the basis of merit and qualifications. In awarding (and in any performance of) this Contract, CITY will not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental handicap, or national origin. In accepting (and in any performance of) this Contract, CONSULTANT will hire on the basis of merit and qualifications. In accepting (and in any performance of) this Contract, CONSULTANT will not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental handicap, or national origin.

15. CONFIDENTIALITY: CONSULTANT will maintain the confidentiality of all CITY information that is not public information.

16. AMENDMENTS IN WRITING: Any amendments to the Contract must be in writing, and this Contract shall be binding upon the heirs and personal representatives of the CONSULTANT.

17. DISPUTES. It is mutually agreed that the performance or breach of this Contract and its interpretation shall be governed by the laws of the State of Montana. In the event of litigation concerning the terms of this Contract, venue shall be in the Montana 20th Judicial District, Lake County.

18. ATTORNEY FEES. The parties further agree that, in the event of litigation arising out of this Contract, the prevailing party shall be entitled to its attorney's fees and costs.

19. SEVERANCE CLAUSE. In the event any portion of this Contract is deemed invalid or void, the remaining portions shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have made and executed this Contract as of the day and year first above written.

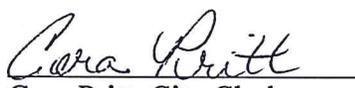
CITY OF POLSON,
A municipality of the State of Montana


Mark Shrives, City Manager

NITTANY GRANTWORKS


Lori Benner, CEO

Attest:


Cora Pritt, City Clerk

Approved as to form and content:

per conversation with City Attorney


M. Richard Gebhardt
City Attorney



ATTACHMENT A



**NITTANY
GRANTWORKS**

PO Box 1821, Livingston, MT 59047 • Ph 406 222 6111 • Fx 888 644 3230 • www.nittanygrantworks.com

Grant Development Services Proposal to City of Polson

MT TREASURE STATE ENDOWMENT PROGRAM (TSEP); Application due on May 2, 2014

Nittany Grantworks proposes to provide project development and grant application preparation services to the City of Polson. The services will assist the City in submitting a grant application to the Treasure State Endowment Program (TSEP). The application is due on May 2, 2014 and will request \$500,000; \$625,000; or \$750,000 depending on the monthly user rate.

The services provided by Nittany Grantworks staff, in consultation with City of Polson and Dowl HKM representatives, include but are not limited to:

- developing a proposed funding strategy (including identification of funds available from US Indian Health Service and STAG, WRDA, ICDBG grant programs)
- calculating the proposed user rate
- planning and facilitating the public meeting about the proposed user rate
- gathering letters in support of the project from residents, businesses, and other entities
- researching and compiling published data to support the project
- relating the project to local and regional planning efforts
- preparing the Uniform Application
- preparing responses to the Statutory Priorities
- compiling, binding, and submitting copies of the application materials to TSEP

The total fee for services and reimbursement expenses will not exceed \$9,290 and is based on the costs described below.

Professional Services

Nittany Grantworks proposes to complete the scope of work in no more than 120 hours. The hourly rate for services is \$65.00. The cost for professional services will not exceed \$7,800.

Travel Reimbursement

Nittany Grantworks anticipates traveling to Polson one time to visit with City and Dowl HKM representatives, facilitate part of the user rate public meetings, and/or gather City and community information. The distance between Livingston and Polson is 600 miles roundtrip and the mileage rate is \$0.56/mile. Additionally, two night's lodging in an amount not to exceed the per diem rate of \$77. Travel reimbursement will not exceed \$490.

Application Compilation Reimbursement

TSEP requires one hard copy and one electronic copy of the grant application and two hard copies of the Preliminary Engineering Report. Nittany Grantworks may spend \$1,000 in application supplies such as 3-ring notebooks, index tabs, photocopies, and postage. The receipts for reimbursements will not exceed \$1,000.

MT STATE REVOLVING LOAN FUND (SRF); WPCSRF Survey to be submitted on May 9, 2014

Nittany Grantworks proposes to provide WPCSRF Survey preparation services to the City of Polson. The services will assist the City in submitting a survey form for loan funds to the SRF program. The survey would be submitted on May 9, 2014 and the request amount is unknown at this time.

The services provided by Nittany Grantworks staff, in consultation with City of Polson and Dowl HKM representatives, include but are not limited to:

- preparing the WPCSRF Survey
- submitting the survey form and an e-version of the PER to SRF

The total fee for services will not exceed \$650 and is based on 10 hours of professional services at an hourly rate of \$65.00.

USDA GRANT AND LOAN PROGRAM; Pre-application to be submitted on May 9, 2014

Nittany Grantworks proposes to provide pre-application preparation services to the City of Polson. The services will assist the City in submitting a pre-application for grant and loan funds to the USDA Program. The pre-application would be submitted on May 9, 2014 and the request amount is unknown at this time. The request amount would be presented as 100% loan funds but there is opportunity for the City to receive the funds as 75% loan and 25% grant.

The services provided by Nittany Grantworks staff, in consultation with City of Polson and Dowl HKM representatives, include but are not limited to:

- coordinating pre-application submission with USDA staffer Dan Johnson
- preparing a letter describing the loan request
- assembling the TSEP Environmental Assessment as a standalone document
- compiling, binding, and submitting copies of the application materials to USDA

The total fee for services and reimbursement expenses will not exceed \$1,975 and is based on the costs described below.

Professional Services

Nittany Grantworks proposes to complete the scope of work in no more than 15 hours. The hourly rate for services is \$65.00. The total fee for professional services will not exceed \$975.

Application Compilation Supplies

USDA requires the submission of two paper copies each of the PER, Uniform Application, and TSEP Environmental Assessment. Nittany Grantworks may spend \$1,000 in application supplies, including 3-ring notebooks, photocopies, and postage. The receipts for reimbursements will not exceed \$1,000.

MT RENEWABLE RESOURCE GRANT AND LOAN PROGRAM (RRGL); Application due on May 15, 2014

Nittany Grantworks proposes to provide project development and grant application preparation services

to the City of Polson. The services will assist the City in submitting a grant application to the Renewable Resource Grant and Loan (RRGL) Program. The application is due on May 15, 2014 and will request \$100,000.

The services provided by Nittany Grantworks staff, in consultation with City of Polson and Dowl HKM representatives, include:

- gathering letters in support of the project from residents, businesses, and other entities
- preparing the Uniform Application (insert the same application submitted in the TSEP application);
- inserting the RRGL Application Supplement and accompanying appendices; and,
- compiling, binding, and submitting, and/or uploading copies of the application materials to RRGL

The total fee for services and reimbursement expenses will not exceed \$5,150 and is based on the costs described below.

Professional Services

Nittany Grantworks proposes to complete the scope of work in no more than 75 hours. The hourly rate for services is \$65.00. The total fee for professional services will not exceed \$4,875.

Application Compilation Supplies

RRGL requires the submission of one unbound original and one bound copy of the application. Additionally, an electronic version of the application must be uploaded to the fundingmt.org database. Nittany Grantworks may spend \$275 in application supplies, including a 3-ring notebook, index tabs, photocopies, and postage. The receipts for reimbursements will not exceed \$275.

OTHER POTENTIAL SOURCES OF FUNDS

At the time of preparing this proposal other potential sources of funds include: US Indian Health Service Sanitation Tracking and Reporting System (STARS) Program, US EPA State and Tribal Assistance Grant, US Army Corps Water Resources Development (WRDA) Grant, and US HUD Indian Community Development Block Grant (ICDBG). At this time, application procedures and/or deadlines are not known for these sources. As part of the services proposed in the TSEP project, Nittany Grantworks will research these sources and determine application procedures and/or deadlines. If the City of Polson wants to submit funding requests to these potential sources please know that Nittany Grantworks is interested in assisting the City and will provide additional proposals at a later time.

EXTENSION OF PROFESSIONAL SERVICES CONTRACT

THIS CONTRACT, made and entered into this _____ day October, 2016, by and between City of Polson, Montana, a political subdivision of the State of Montana, 106 First Street East, Poison, Montana, 59860 (CITY), and **NITTANY GRANTWORKS**, PO Box 1821, Livingston, Montana 59027 (CONSULTANT).

WHEREAS, the parties have previously entered into an agreement for professional services that by its terms expired on to May 22, 2014;

WHEREAS, the parties desire to continue the working relationship under the terms as previously negotiated with the addition of services pursuant to the scope of services attached hereto as Attachment to Services Contract; and

WHEREAS, the City finds that it is in its best interest to continue with such relationship for the services provided by Consultant.

NOW, THEREFORE, in consideration of the promises and covenants contained herein the parties agree to amend the services contract of Consultant as follows:

1. The term of the Contract shall be extended until July 1, 2018.
2. The scope of serves requested and required with any changes in compensation is attached hereto as the Attachment to Services Contract.
3. All other terms and conditions are acknowledged, adopted, accepted and agreed to by the parties.

IN WITNESS WHEREOF, the parties hereto have made and executed this Contract as of the day and year first above written.

CITY OF POLSON

NITTANY GRANTWORKS

Mark Shrives
City Manager

Lori Benner

**Proposal for City of Polson
Grant Development Services for August 1, 2016 – June 30, 2017**

Project Description

Nittany Grantworks proposes to provide project development, grant preparation, and grant administration services to the City of Polson. The proposed services will assist the City in planning and implementing projects in, but are not limited to, the following areas of community development:

- solid waste management systems;
- economic development;
- housing;
- social services;
- environmental protection;
- disaster and emergency services;
- parks and recreation; and,
- historic preservation.

The list of services Nittany Grantworks proposes to provide includes, but is not limited to, the following:

- work with City administrators and staff to identify projects, prioritize them, and create diversified funding strategies to plan and implement them;
- facilitate and build collaborative relationships with funding agencies;
- assist in the administration of grant funds received to include preparation of requests for qualifications and/or proposals, project implementation, and preparation of project progress and/or financial reports; and,
- facilitate community planning and citizen participation activities to include preparation of legal notices for public meetings, facilitation of public meetings, and gathering of letters of support.

Specific grants and/ or projects that Nittany Grantworks works on will be mutually agreed upon prior to any time spent on the matter other than researching the opportunity.

Cost Estimate

Nittany Grantworks proposes to provide assistance and/ or leadership to the services described above on a continuous basis for eleven months. Nittany Grantworks will invoice the City monthly, or every other month as necessary, for number of professional service hours provided plus reimbursable expenses, such as mileage and lodging. ***The cost estimate for the year is \$24,700 and will not exceed that amount unless the City and Nittany Grantworks agree in writing.*** The cost estimate is broken down as follows:

Professional services	\$ 23,100
30 hours (on average) of professional services a month for 11 months at \$70/ hour	
Travel expenses (based on federal per diem rates)	\$ 1,600
Reimbursement for mileage and lodging	

CITY OF POLSON

CITY COMMISSION AGENDA ITEM SUMMARY

Agenda Item Number: **9** (MOTION) Approve Audit Contract with Cote and Associates

Meeting Date: October 3, 2016

Staff Contact: Mark Shrives

AGENDA ITEM SUMMARY: Approval of Audit Contract with Cote and Associates for FY 2015 -2016 audit and 2016-2017 audit

BACKGROUND: The City has previously entered into a 2-year contract with Cote and Associates to provided audit services. The contract allowed for an extension and our auditor has agreed to continue to provide audit services to the City.

ANALYSIS: Cote and Associates has provided the City with excellent audit services and with the possibility of a two-year extension it will be a cost savings to continue our audit services with the same firm for another two years. See attached scope of services letter (Enclosure 1)

FINANCIAL CONSIDERATIONS: FY 2015-2016 audit \$13,365 +\$750 if single audit required = \$14,115 and FY 2016 -FY2017 audit \$14,865 + 750 if a single audit is required = \$15,615

STAFF RECOMMENDATION: Recommend approval of Department of Administration Local Government Services Bureau Standard Audit Contract to engage Cote and Associates to conduct audit services for the City of Polson for FY2015-2016 audit and FY2016-2017 audit. (Enclosure 2)

SUGGESTED MOTION: I move to approve the Department of Administration Local Government Services Bureau Standard Audit Contract to engage Cote and Associates to conduct audit services for the City of Polson for FY2015-2016 audit and FY2016-2017 audit.

ATTACHMENTS:

Enclosure 1 – Scope of Services

Enclosure 2 - Department of Administration Local Government Services Bureau Standard Audit Contract

COTE & ASSOCIATES, CPA, PLLC

Phone: 406-543-8088
Fax: 406-543-8088

1225 Cleveland, Suite 1
P.O. Box 430
Missoula, MT 59806

September 15, 2016

To: City of Polson

We are pleased to confirm our understanding of the services we are to provide the City of Polson (City) for the fiscal year ended June 30, 2016.

This is the first audit of a two year audit contract for the years ended June 30, 2016, and 2017.

The Standard Audit Contract submitted for City approval will be forwarded to the Montana Department of Administration Local Government Services for their approval. All the provisions listed in items 1-36 of that contract, are the original governing term for this audit. The purpose of this engagement letter is to clarify certain expectations between the auditor and auditee.

AUDIT CONTRACT CLARIFICATION

1. The basic fee for an audit of the City of Polson will be \$13,365 for each year ended June 30, 2016 and 2017.
2. The City has requested additional agreed-upon-procedures in relation to the Building Codes fund as required by Montana code. The cost for that engagement is \$750 which has been noted on the audit contract. Should audit testing disclose that the procedures are not needed in any year, we will inform the City Manager and omit those procedures.
3. The year ended June 30, 2017 is expected to require a federal single audit, which is reflected in an additional \$1,500 fee on the contract submitted to the Local Government Services Bureau.
4. Audit Period and Payment provision 2.A
Cote & Associates CPA PLLC invoices the entity monthly as work progresses. The final 10% will not be billed until the report is published and the exit conference is complete. If the audit can be completed earlier than shown in the contract, it will be done.
5. Provision 4: Entity's responsibilities
This engagement letter clarifies that the City's financial officer will prepare the City's Annual Financial Report which will be considered the City's financial statements for the purposes of the audit. For the audit report the auditors may draft some portions of the City's notes to the financial statements; the City's financial officer has the skills, knowledge and education to review and take responsibility for the notes to the financial statements. The auditors may provide tables or schedules for the City's management to consider in preparation of the Management Discussion and Analysis; the City's finance officer will review the tables or schedules in relation to the City's responsibility for financial information.

OTHER PROVISIONS

The audit documentation for this engagement is the property of Cote & Associates CPA PLLC and constitutes confidential information; subject to section 20 of the audit contract. We will notify you of any request for access to documentation. If requested, access to such audit documentation will be provided under the supervision of Jennifer Cote CPA or her designee. Furthermore, upon request, we may provide copies of selected audit documentation to the parties mentioned in contract section 20. These parties may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

AUDIT PROCEDURES – GENERAL

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and we may include tests of the physical inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts and grant agreements; and other responsibilities required by generally accepted auditing standards.

AUDIT PROCEDURES- INTERNAL COTROL

Our audit will include obtaining an understanding as of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

AUDIT PROCEDURES – COMPLIANCE

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City’s compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We appreciate the opportunity to be of service to the City of Polson We believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return to us.

Sincerely,

Jennifer Cote CPA for Cote & Associates CPA PLL

RESPONSE: This letter correctly sets forth the understanding of the City of Polson.

Signature: _____
Mark Shrives, City Manager

Date: _____

Signature: _____
Heather Knutson , Mayor

Date: _____

DEPARTMENT OF ADMINISTRATION
LOCAL GOVERNMENT SERVICES BUREAU
STANDARD AUDIT CONTRACT

THIS CONTRACT is made this 19th day of September, 2016, by and between

Cote & Associates CPA PLLC

Certified or Licensed Public Accountant
("Contractor"),

City of Polson

Governmental Entity
("Entity"),

and the **Montana Department of Administration, Local Government Services Bureau, ("State")**, PO Box 200547, Helena, MT 59620-0547 acting under the authority of Title 2, Chapter 7, Part 5, of the Montana Code Annotated.

1. **State Approval:** This contract is not effective with respect to any party until it is approved and signed by the State, as required by Section 2-7-506(3), MCA. The Contractor may not begin any audit work until the State gives this approval. If the Contractor begins work before the State has approved and signed the contract and the State subsequently does not approve and sign the contract, the Contractor is not entitled to receive any compensation for the work performed.

2. **Audit Period and Payment:** This contract covers the following audit period(s):
July 1, 2015 to June 30, 2017.

A. The Entity shall pay the Contractor for the audit work on the basis of time and necessary out-of-pocket expenses, which will not exceed:

\$ 13,365+750 for AUP for initial (or sole) audit covering 07/01/2015 to 06/30/2016.
\$ 14,865+750 for AUP for subsequent audit covering 07/01/2016 to 06/30/2017.
\$ _____ for subsequent audit covering ___ / ___ / ___ to ___ / ___ / ___.

The Entity shall pay the fees listed in Appendices A, B & C, as applicable, which are attached hereto and incorporated by reference.

B. If the cost of any subsequent audit is not agreed upon at the time this contract is executed, the Contractor and the Entity shall negotiate the cost at a later date. The results of this negotiation will be set forth in the Appendices and made a part of this contract. The Contractor shall provide the State and the Entity with a copy of the appropriate Appendices.

C. The contract payments do not include the cost of additional work that may be required if the Contractor discovers a defalcation or material irregularity. Any change in the scope of the audit services to be provided under this contract requires a contract amendment.

2. continued:
- D. The Contractor may submit interim bills to the Entity each month, based upon the estimated percentage of contract completion. The Entity may retain 10 percent of each of these estimates until the Contractor has delivered the final audit report, at which time the Entity shall release the amount retained.
3. **Audit Scope:** The Contractor shall conduct a financial statement audit of the Entity as follows:
- A. The Contractor shall conduct the audit in accordance with (i) generally accepted auditing standards adopted by the American Institute of Certified Public Accountants and (ii) the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The objective of the audit is the expression of the Contractor's opinion on the Entity's financial statements. The Contractor shall obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Accordingly, a material misstatement may remain undetected. Also, the audit is not designed to detect error or fraud that is immaterial to the financial statements. If the Contractor's opinion on the Entity's financial statements is other than unqualified, the Contractor shall fully discuss the reasons with the Entity in advance of issuing a report. If, for any reason, the Contractor is unable to complete the audit or is unable to form or has not formed an opinion, the Contractor may decline to express an opinion or decline to issue a report as a result of the engagement.
- B. The Contractor shall include tests of internal control over financial reporting, but the audit is not designed to provide an opinion on internal control or to identify significant deficiencies. The Contractor, however, shall make the Entity aware, in writing, of any significant deficiencies that come to the Contractor's attention.
- C. The Contractor shall include the following tests of compliance and other matters as required by Government Auditing Standards. These tests, however, will not be designed to provide an opinion on such compliance. The Contractor shall determine whether:
- (1) the Entity has complied with all appropriate statutes and regulations, as required by Section 2-7-502, MCA;
 - (2) the Entity has complied with the provisions of each of its revenue bond ordinances and indenture agreements;
 - (3) if the audit is of a county, city or town, money is or has been retained in a local charge for services fund contrary to the requirements of Sections 17-2-301 through 17-2-303, MCA, as required by Section 17-2-302, MCA. **The Contractor shall report any findings of noncompliance with the provisions of these statutes, regardless of materiality;** and
 - (4) if the audit is of a county or consolidated city/county government, the Entity has complied with state laws relating to receipts and disbursements of agency funds maintained by the Entity, as required by Section 2-7-505, MCA.
- D. When applicable, the audit must meet all requirements of the Federal Single Audit Act of 1984, as amended by the Single Audit Act Amendments of 1996 and OMB Circular A-133.
- E. The audit scope with regard to federal financial assistance for each fiscal year covered by this audit contract must be as specified in Appendices A, B and C.

3. continued:

F. Except as provided below, for purposes of determining the scope of the audit, the Entity is considered the financial reporting entity as defined by the Governmental Accounting Standards Board. This provision does not preclude the Entity from engaging a different audit firm for the audit of a segment, fund or component unit of the Entity. However, both the Entity and Contractor shall notify the State whenever the Entity elects to engage a different audit firm for the audit of a segment, fund or governmental component unit. Such additional audit must be contracted for on the State's Standard Audit Contract, and the audit firm shall be on the Roster of Independent Auditors authorized to conduct audits of Montana local governments that is maintained by the State.

If this contract is for an audit of a segment, fund, or governmental component unit of the primary government, the Entity is considered to be the segment, fund or component unit.

G. Any school district audit must also include auditing procedures sufficient to provide an opinion as to whether the following supplemental information is fairly stated in relation to the basic financial statements:

- (1) the school district's enrollment for the fiscal year or years being audited as reported to the Office of Public Instruction in the Fall and Spring enrollment reports; and
- (2) when applicable, the extracurricular funds for pupil functions.

H. If the Entity is a school district or associated cooperative, the Contractor shall contact the State Office of Public Instruction and the county superintendent of schools before or during the audit of the Entity. The Contractor shall determine whether those offices are aware of potential financial or legal compliance problems relating to the Entity that could affect the scope of the audit.

I. The Contractor shall immediately notify the Entity and the State in writing of any material irregularities it discovers. If the Entity is a school district or special education cooperative, the Contractor shall also immediately notify the State Office of Public Instruction in writing.

J. The Contractor shall provide the Entity with a copy of its most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the contract period.

K. The Contractor shall notify the Entity of all proposed audit adjustments and, if the Entity concurs, shall obtain written acceptance of these proposed adjustments. The State reserves the right to request documentation of these proposed and accepted audit adjustments.

4. **Entity's Responsibilities:** The Entity shall be responsible for:

- A. its basic financial statements, including note disclosures;
- B. all supplementary information required by GASB and by provisions of this contract;
- C. establishing and maintaining effective internal control over financial reporting, including internal controls related to the prevention and detection of fraud;
- D. ensuring that it complies with the laws and regulations applicable to its activities;

4. continued:
 - E. making all financial records and related information available to the Contractor;
 - F. the schedule of expenditures of federal awards required for audits conducted under OMB Circular A-133;
 - G. approving all proposed audit adjustments before posting, if the Entity concurs with the proposed adjustments;
 - H. adjusting the financial statements and accounting records to correct material misstatements and to agree with the audited financial statements; and
 - I. providing the Contractor, at the conclusion of the audit engagement, with a letter that confirms certain representations made during the audit, including an affirmation that the effects of any uncorrected misstatements aggregated by the auditor during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
5. **Dates for Annual Financial Report or Trial Balance of Accounts:** The Entity shall prepare its annual financial report or a trial balance of accounts no later than the dates specified in Appendices A, B and C. If the Entity is unable to prepare its annual financial report or trial balance by the date specified in the Appendices, the Entity shall notify the Contractor and the State in writing prior to the specified dates.
6. **Beginning the Audit:** The Contractor shall begin the audit field work based on the schedule established in Appendices A, B and C. Under Section 2-7-503(3)(a), MCA, all audits must commence within nine months from the close of the last fiscal year of the audit period.
7. **Completion of Audit:** The Contractor shall deliver the audit report to the Entity and the State, based on the schedule established in Appendices A, B and C. If the Contractor cannot deliver the audit report to the Entity and the State on the date specified in the Appendices, the Contractor shall notify the Entity and the State in writing of that fact, and the reason(s) therefore. Under Section 2-7-503(3)(a), MCA, all audits must be completed and the reports issued within one year from the close of the last fiscal year covered by the audit. If the audit is conducted in accordance with the provisions of OMB Circular A-133, the Contractor shall also complete the audit and issue the audit report within the time period required by that Circular, unless a longer period has been agreed to in advance by the federal cognizant or oversight agency for audit. If the Entity has requested and received an extension of the A-133 due date from a federal agency, the Entity shall submit a copy of the approved extension to the State.
8. **Audit Presentation:** The final audit report must contain basic financial statements and required supplementary information consistent with financial reporting standards in effect for the year or years being audited, as established by the Governmental Accounting Standards Board. In addition, other supplementary information required by provisions within this contract and by OMB Circular A-133 must also be included, if applicable.
 - A. The final audit report must also contain any other financial statements and supporting schedules and information as agreed upon by the Entity and Contractor.
 - B. The financial statements presented must be in accordance with the financial reporting standards in effect for the year or years being audited, as described above. If the accounting records or other circumstances do not permit financial statements to comply with these requirements, the Contractor shall notify the

8. continued:

State of those conditions and describe the financial statements that will be presented. The applicable auditor's reports must also be modified as required to reflect a departure from generally accepted accounting principles.

- C. If the audit is of a school district with separate elementary and high school district general funds, the general funds must be combined as a single major fund. All other funds must be separately considered for major fund criteria.
- D. If the audit is a biennial audit covering two years, the Contractor shall present complete financial statements as specified above for each year covered by the audit. However, note disclosures for both fiscal years may be in one set of notes, with separate fiscal year disclosures as necessary. The two years must be presented under one audit report cover and opined upon in one Independent Auditor's Report.

9. **Auditor's Reports:** All audit reports must contain the following auditor's reports, which must comply with applicable professional standards in effect for the fiscal year or years being audited:

- A. an independent auditor's report on the financial statements of the Entity;
- B. a report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards. If applicable, this report must include information about fraud, illegal acts, significant violations of provisions of contracts or grant agreements, and significant abuse, or indications of these acts.
- C. a report disclosing any lack of compliance with State statutes, rules, regulations, or ordinances that would not have a material effect on the financial statements, but of which the Contractor becomes aware during the course of the audit. This report must be referred to in the report required in 9.B. above. This report may be combined with other reports if appropriate, or the findings may be included in a management letter. If included in a management letter, that letter must be included as a part of, or accompanying, the audit report.
- D. a report on any supplemental schedules or information presented, if any such schedules or information are presented in the audit report. This report may be given in a supplemental information paragraph of the auditor's report on the financial statements (9.A. above), or in a separate report. For the following supplemental information, the Contractor shall report on whether the information is fairly stated, in all material respects, "in relation to" the financial statements as a whole, unless the condition of the financial records do not allow the auditor to render such an opinion:
 - Supplemental schedule of school district enrollment required in paragraph 11.A.;
 - Supplemental schedule of school district extracurricular fund financial activities required in paragraph 11B; and
 - Supplemental schedule of expenditures of federal awards required by OMB circular A-133 and in paragraph 10.A.
- E. a report disclosing the action taken by the Entity to correct any deficiencies or implement any recommendations contained in the prior audit report. This report must be in a format that specifically identifies, by title or summary, each deficiency or recommendation contained in the prior audit report and the action taken by the Entity on each such deficiency or recommendation.
- F. If the Contractor includes audit findings in the reports referenced in 9.B. and 9.C. above or in a

9. continued:

management letter, the views of Entity officials and their planned corrective actions must also be included, as required by Government Auditing Standards, if they are available at the time the Contractor files copies of the audit report with the State. If the views and planned corrective actions are not available at that time, the Contractor shall so indicate in the reports.

10. **Single Audits:** All audit reports for single audits done in accordance with OMB Circular A-133 must also contain the following:

A. a schedule of expenditures of federal awards. As required by OMB Circular A-133, the schedule must:

- (i) list individual federal programs by federal agency. For federal programs included in a cluster of programs, list individual federal programs within a cluster of programs;
- (ii) for federal awards received as a subrecipient, include the name of the pass-through entity and identifying number assigned by the pass-through entity;
- (iii) provide total federal awards expended for each individual federal program and the CFDA number or other identifying number when the CFDA information is not available;
- (iv) include notes that describe the significant accounting policies used in preparing the schedule;
- (v) to the extent practical, for pass-through entities identification in the schedule of the total amount provided to subrecipients from each federal program; and
- (vi) in either the schedule or a note to the schedule, the value of the federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule.

B. a report on the schedule of expenditures of federal awards. This report may be combined with other reports as provided by OMB Circular A-133 and professional standards. This report must comply with applicable professional standards in effect for the fiscal year or years being audited.

C. a report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133. This report must refer to the separate schedule of findings and questioned costs described in paragraph 10.D. of the contract. This report must comply with applicable professional standards in effect for the fiscal year or years being audited.

D. a schedule of findings and questioned costs which must include the information required by OMB Circular A-133.

E. the corrective action plan required by OMB Circular A-133, if that plan is available at the time the Contractor files copies of the audit report with the State. This corrective action plan may be combined with the Entity's planned corrective actions related to findings reported in accordance with Government Auditing Standards, as provided in paragraph 9.F., above.

11. **School Districts:** School district audit reports must also include the following as supplemental

11. continued:
information/schedules:
 - A. a schedule of the district's enrollment as reported to the Office of Public Instruction for the fiscal year or years being audited. The schedule must contain the enrollment both as reported in the Fall and Spring enrollment reports and as documented by the school district's enrollment records; and
 - B. a detailed schedule of extracurricular fund financial activities.
12. **Written Report to Entity:** The Contractor shall render a single, written report for the Entity audited. **The report must include, or be accompanied by, all written reports and letters discussing findings and recommendations from the Contractor to the Entity, including but not limited to the reports and schedules referred to in paragraphs 9 and 10 above as well as any management letters that include findings and recommendations.**
13. **Exit Interview:** Before submitting the final audit report, the Contractor shall hold an exit review conference in which the audit results are discussed with those charged with governance and appropriate Entity officials and employees. **The Contractor shall ensure that all members of the governing body and key members of management are notified of this exit conference.** The Contractor further agrees that before submitting the final report, it will not discuss the audit findings with anyone other than the Entity or the State. However, once the Contractor delivers the final audit report, the report is deemed to be a public record.
14. **Report Distribution:** The Contractor and Entity shall file copies of the audit report as specified below:
 - A. The Contractor shall provide the Entity with the number of copies of the audit report specified in Appendices A, B and C and the cost of those copies is included in the total price for the engagement as set out in paragraph 2.A., above, and in the Appendices. The Contractor shall submit one of these copies to the attorney for the Entity.
 - B. Upon request by the Entity, the Contractor shall provide additional copies of the audit report at a price per copy agreed upon by the Entity and Contractor.
 - C. The Contractor shall provide the State with four copies of each audit report at no charge. **These copies must be sent to the State at the same time the Contractor delivers the final audit report to the Entity and must include any management letters that include findings and recommendations.** A letter of transmittal must accompany the State's copies, advising the State of the date of the exit conference, the date the final report was delivered to the Entity, the date of the audit report, the actual number of hours spent by the Contractor in the conduct of the audit, the total audit fees billed the Entity, whether the audit was conducted in accordance with the provisions of OMB Circular A-133, and whether there were any findings or opinion qualifications in the audit report, and, if so, whether the entity's corrective action plan or response was included as part of or submitted with the audit report.
 - D. If the Entity is a school district or associated cooperative, the Contractor shall provide copies of the audit report to the Office of Public Instruction, the county superintendent of schools, and the county attorney.
 - E. If the Entity is a city or town fire department relief association disability and pension fund, the Contractor shall provide one copy of the audit report to the city or town clerk.
 - F. If the audit is a single audit conducted in accordance with the provisions of OMB Circular A-133, the

14. continued:

Entity shall provide copies of the reporting package defined in OMB Circular A-133 and the data collection form to the federal clearinghouse designated by OMB. In addition, the Entity shall provide either a copy of the reporting package, or the alternative written notification as described by OMB Circular A-133 to all federal, state and other granting and pass-through agencies as required by Circular A-133.
15. **Entity Response:** If not included in the audit report as provided in paragraphs 9.F. and 10.E., within 30 days after receiving the audit report, the Entity shall notify the State in writing as to what action it plans to take to correct any deficiencies or implement any recommendations identified or contained in the audit report, as required by Section 2-7-515, MCA, and ARM 2.4.409. **This notification must also address any findings and recommendations contained in management letters, which are considered a part of the audit report as prescribed in paragraph 12.** If the audit is a single audit conducted in accordance with OMB Circular A-133, this corrective action plan must also meet the requirements of Circular A-133 and contain all information required by that Circular.
16. **Entity's Attorney:** If requested by the State, the attorney for the Entity shall report to the State on the actions taken or the proceedings instituted or to be instituted relating to violations of law and nonperformance of duty as required by Section 2-7-515(4), MCA. The attorney shall report to the State within 30 days after receiving the request.
17. **Certification of Auditor Independence:** The Contractor certifies that, as required by generally accepted government auditing standards, it and its principals and employees are independent in all matters with respect to this engagement. This contract shall not include non-audit services, and the Contractor shall neither arrange for nor accept non-auditing work with the Entity which could in any way impair the Contractor's independence in violation of professional standards. If required by the State, the Contractor shall document that independence has been maintained in both fact and appearance as required by professional auditing standards.
18. **Prime Contractor:** The Contractor is the prime contractor and is responsible, in total, for all work of any subcontractors. The Contractor shall obtain the **written approval of the Entity and the State before** engaging correspondent Contractors, consultants, or subcontractors to provide services in connection with this audit. **Any Contractors subcontracted to perform audit work must be on the Roster of Independent Auditors authorized to conduct audits of Montana local governments that is maintained by the Local Government Services Bureau.** The Contractor is responsible to the Entity and the State for the acts and omissions of all correspondent Contractors, consultants, subcontractors, or agents and of persons directly or indirectly employed by such correspondent Contractors, consultants, subcontractors or agents, and for the acts and omissions of persons employed directly by the Contractor. Further, nothing contained within this contract creates any contractual relationship between any correspondent Contractor, consultant, or subcontractor and the State.
19. **Entrance and Exit Conferences:** The State may participate in all entrance and exit conferences between the Entity and Contractor, as well as all major conferences dealing with audit exceptions and recommendations regarding accounting or operating procedures, management policies, or internal control changes.
20. **Access to Records:** The Contractor shall give the State and, when required by law, the Montana Legislative Audit Division, access to the Contractor's audit programs, supporting working papers, time records, and all other documents relating to the audit. Access to these documents must be provided at the State's offices in Helena, Montana. Access to working papers includes the right of the State to obtain copies of working papers, as is reasonable and necessary. The Contractor shall make the audit programs and supporting working papers

20. continued:
available to the State for use by the State or other public accounting firms as directed by the State in future audits of the Entity. The Contractor shall make the audit programs and supporting working papers available to the cognizant or oversight agency for audit or its designee, federal agencies providing direct or indirect funding, or the U.S. General Accounting Office, if requested. Access to working papers includes the right of federal agencies to obtain copies of working papers, as is reasonable and necessary. The Contractor shall retain the audit report, audit programs, and audit working papers for a minimum of five years from the date of the audit report, unless the State notifies the Contractor to extend the retention period. If professional standards or other applicable laws, rules, or regulations require a longer retention period, the Contractor shall retain the above materials for that specified period.
21. **State Review:** As provided by Section 2-7-522, MCA, the State may review the audit report submitted by the Contractor. If the State determines that reporting requirements have not been met, it will notify the Entity and the Contractor of the significant issues of noncompliance. The Contractor shall correct the identified deficiencies within 60 days of notification.
22. **Independent Contractor:** The Entity and the State recognize that the Contractor is an independent contractor and neither its principals nor its employees are employees of the State or Entity for purposes of tax, retirement system, or social security (FICA) withholding.
23. **Workers' Compensation:** The Contractor certifies that it carries Workers' Compensation for its employees and that it has either elected Workers' Compensation or has an approved Independent Contractor's Exemption covering the Contractor while performing work under this contract. (Montana Code Annotated, Title 39, Chapter 71) Neither the Contractor nor its employees are State employees for the purposes of this paragraph.
24. **Indemnification:** The Contractor agrees to protect, defend, and save the State and Entity, their elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, and causes of action of any kind or character, including the cost of defense thereof, arising in favor of the Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omission of the Contractor and/or its agents, employees, representatives, assigns, and subcontractors, except the sole negligence of the State or Entity, under this agreement.

If the Contractor is or may be obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, then to the extent that such obligation is or may be a direct or indirect result of the Entity's intentional or knowing misrepresentation or provision to the Contractor of inaccurate or incomplete information in connection with this engagement, and not any failure on the Contractor's part to comply with professional standards, the Entity shall indemnify, defend, and hold harmless the Contractor against such obligations.

25. **Insurance:** Contractor shall maintain for the duration of the contract, at its cost and expense, occurrence coverage insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Contractor, and/or its agents, employees, representatives, assigns, or subcontractors. The Contractor's insurance coverage shall be primary insurance for the Contractor's negligence as respects the State and Entity and their elected officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the State and Entity, their officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it

The Contractor shall purchase and maintain occurrence coverage to cover such claims as may be caused by any

25. continued:
act, omission, negligence of the Contractor or its officers, agents, representatives, assigns or subcontractors. Note: If occurrence coverage is unavailable or cost-prohibitive, the state will accept 'claims made' coverage provided the following conditions are met: 1) the commencement date of the contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years, and 2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

The State and Entity reserve the right to require complete copies of insurance policies at all times.

26. **Compliance with Laws:** The Contractor shall, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the Contractor subjects subcontractors to the same provisions. In accordance with Section 49-3-207, MCA, the Contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the Contract.
27. **Work Accommodations:** The Entity shall provide the Contractor with reasonable space in which to conduct the audit and respond promptly to requests for information as well as for all necessary books and records. Support for clerical, equipment, and photocopying or reproduction services shall be agreed upon by the Entity and the Contractor as specified in Appendices A, B and C.
28. **Termination before Audit Has Commenced:** Before the commencement of the audit, either the Contractor or the Entity, with the State's consent, or the State, may cancel this contract by providing 20 days' written notice to the other parties. The contract may be canceled under this paragraph for cause. Cause includes, but is not limited to, failure of any party to comply with the terms of this contract or with any Administrative Rule adopted by the State under the authority of Title 2, Chapter 7, Part 5, of the Montana Code Annotated.

In addition, if both the Contractor and the Entity mutually agree to cancel this contract before the commencement of the audit, for convenience, the State shall consent to cancellation of the contract upon written notification by the Contractor and the Entity of their agreement to cancel this contract.

The State, however, will not consent to the cancellation of an audit contract for the sole purpose of allowing the Contractor and Entity to then enter into a new contract that extends the number of fiscal years to be audited by the Contractor. Unless there are extenuating circumstances, the existing audit contract must be completed first. This provision does not prohibit the cancellation of a contract for the purpose of replacing an annual audit with a biennial audit.

29. **Termination after the Audit Has Commenced:** After the audit has commenced, but before the audit report has been issued, either the Contractor or the Entity, with the State's consent, or the State, may cancel this contract for failure of any party to comply with the terms of this contract or with any Administrative Rule adopted by the State under the authority of Title 2, Chapter 7, Part 5, MCA, or for other cause. This right of cancellation may be exercised by providing the breaching party written notice of the default and, if applicable, provide 20 days from the date of the notice to cure the default. If the Contractor is the breaching party and fails to remedy the breach, then the Contractor is not entitled to the audit fee set out in this contract. If the Entity is the breaching party, the Entity shall pay the Contractor a pro rata portion of the audit fee set out in this contract, based on the percentage of work completed at the time of cancellation. In addition, if both the

29. continued:
Contractor and the Entity mutually agree to cancel this contract for convenience; the State shall consent to cancellation of the contract upon written notification by the Contractor and the Entity of their agreement to cancel this contract.
30. **Professional Requirements:** By signing this contract, the Contractor certifies that it is in compliance with the continuing professional education requirements and the external quality control review requirements as set out in Government Auditing Standards, as established by the Comptroller General of the United States. The State may require the Contractor to provide evidence that it has met the above requirements.
31. **Single Audit Act Certification:** If the audit is required to meet the requirements of the Single Audit Act of 1984 as amended by the Single Audit Act Amendments of 1996 and OMB Circular A-133, the Contractor certifies that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from performing audits by any Federal department or agency.
32. **Governing Law and Venue:** This Contract is governed by the laws of Montana. The parties agree that any litigation concerning this Contract in which the State is named as a party must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. The parties also agree that any litigation concerning this Contract in which the State is not named as a party must be brought in the Judicial District in and for the County in which the Entity is located, and each party shall pay its own costs and attorney fees.
33. **Notice:** All notices under this contract must be in writing and will be deemed given if delivered personally, by mail, certified, return receipt requested, or by e-mail. All notices will (a) if delivered personally, be deemed given upon delivery, (b) if delivered by mail, be deemed given upon receipt, or (c) if delivered by e-mail be deemed given upon receipt.
34. **Invalid Provision:** If any provision of this contract is held to be illegal or unenforceable and the parties' rights or obligations will not be materially and adversely affected, such provision will be (1) severed from the contract, (b) the contract will be interpreted as if such provision was never a part of the contract and (c) the remaining provisions will stay in effect.
35. **Authority:** Each party represents that the person signing this contract has the authority to bind that party.
36. **Entire Agreement and Amendment:** This contract and the attached Appendices contain the entire understanding and agreement of the parties. No modification or amendment of this contract is valid unless it is reduced to writing, signed by the parties, and made a part of this contract.

IN WITNESS WHEREOF, Contractor, Entity, and State have executed this Standard Audit Contract on the date first above written:

Certified or Licensed Public Accountant

Cote & Associates CPA PLLC

Firm Name

By: *Jeanne A. Cote*
Authorized Representative

Date: 09/15/16

Governmental Entity

City of Polson

Entity Name

By: _____
Authorized Representative

Date: 09/19/16

**Montana Department of Administration,
Local Government Services Bureau**

By: _____
Approved By

Date: _____

APPENDIX A

Initial or Sole Audit under this Contract

GOVERNMENTAL ENTITY (ENTITY): _____ City of Polson _____

Telephone: _____ Address: _____ 106 1st Street E. _____
406-883-8200 _____ (Street Address or P.O. Box)

_____ Polson _____, MT 59860 _____
(City/Town) (Zip Code)

Contact Person(s): _____
Mark Shrives, City Manager _____

PUBLIC ACCOUNTANT/ACCOUNTING FIRM (CONTRACTOR): _____ Cote & Associates CPA PLLC _____

Telephone: _____ Address: _____ PO Box 430 _____
406-543-8088 _____ (Street Address or P.O. Box)

_____ Missoula _____, MT 59806 _____
(City/Town) (Zip Code)

Contact Person(s): _____
Jennifer Cote CPA _____

1. Audit Period and Dates of Engagement:

A. This audit will cover the fiscal year(s) ending
June 30 _____, 2016 (and _____).
(Month & Day) (Year) (Year)

B. Date to commence audit work: _____ October 1, 2016 _____

C. Date to submit final audit report
to Entity and State: _____ June 30, 2017 _____

2. Time and Price for Engagement:

A. Estimated total hours - _____ 200+12 for building Code AUP _____

B. Price for audit personnel \$ _____ 12,500+715 for Building Code AUP _____

Price for Travel _____ 500 _____

Price for typing, clerical
and report preparation _____ 365+35 for Building Code AUP _____

Total price for this
engagement \$ _____ 13,365+750 for AUP =14,115 _____

3. The reporting entity contains the following discretely presented component units: NONE _____

4. Date Annual Financial Report or a trial balance will be available: _____ 12/15/16 _____

5. Number of copies of audit report Contractor will provide to Entity:

6. The Entity will provide clerical, equipment, and photocopying or reproduction services to the Contractor as follows:
Room and a table to accommodate two persons and laptops, copier and supplies, access to personnel
7. The audit scope with regard to federal financial assistance received by the Entity for the above fiscal year(s) will be as indicated below:

The audit will be a single audit conducted in accordance with the provisions of OMB Circular A-133 because the Entity expended a total amount of federal awards **equal to or in excess of \$500,000** during the fiscal year(s), or such other dollar amount as may be established by OMB that is effective for the fiscal year(s) being audited.

OR

The audit will not be a single audit conducted in accordance with the provisions of OMB Circular A-133, and will not include audit coverage of any federal financial assistance in accordance with requirements of that Circular, because the Entity expended a total amount of federal awards of **less than \$500,000** during the fiscal year(s), or such other dollar amount as may be established by OMB that is effective for the fiscal year(s) being audited.

Certified or Licensed Public Accountant

Cote & Associates CPA PLLC
 Firm Name

By:  Date: 09/15/16
 Authorized Representative

Governmental Entity

City of Polson
 Entity Name

By: _____ Date: 09/19/16
 Authorized Representative

**Montana Department of Administration,
 Local Government Services Bureau**

By: _____ Date: _____
 Approved By

APPENDIX B

Subsequent Audit under this Contract

GOVERNMENTAL ENTITY (ENTITY): City of Polson

Telephone: 406-883-8200 Address: 106 1st Street E.
(Street Address or P.O. Box)

Polson, MT 59860
(City/Town) (Zip Code)

Contact Person(s): Mark Shrives, City Manager

PUBLIC ACCOUNTANT/ACCOUNTING FIRM (CONTRACTOR): Cote & Associates CPA PLLC

Address: PO Box 430
(Street Address or P.O. Box)

Telephone: 406-543-8088 Missoula, MT 59860
(City/Town) (Zip Code)

Contact Person(s): Jennifer Cote CPA

1. Audit Period and Dates of Engagement:

A. This audit will cover the fiscal year(s) ending
June 30 _____, 2017 _____ (and _____).
(Month & Day) (Year) (Year)

B. Date to commence audit work: October 1, 2017

C. Date to submit final audit report
to Entity and State: June 30, 2018

2. Time and Price for Engagement:

A. Estimated total hours - 225 + 12 for Building Code AUP

B. Price for audit personnel \$ 14,000+715 for Building Code AUP
Price for Travel 500

Price for typing, clerical
and report preparation 365+35 for Building Code AUP

Total price for this
engagement \$ 14,865+715=15,615

3. The reporting entity contains the following discretely presented component units: NONE

4. Date Annual Financial Report or a trial balance will be available: 12/15/17

5. Number of copies of audit report Contractor will provide to Entity:
Up to 20

6. The Entity will provide clerical, equipment, and photocopying or reproduction services to the Contractor as follows:

Room and a table to accommodate two persons and laptops, copier and supplies, access to personnel

7. The audit scope with regard to federal financial assistance received by the Entity for the above fiscal year(s) will be as indicated below:

The audit will be a single audit conducted in accordance with the provisions of OMB Circular A-133 because the Entity expended a total amount of federal awards **equal to or in excess of \$500,000** during the fiscal year(s), or such other dollar amount as may be established by OMB that is effective for the fiscal year(s) being audited.

OR

The audit will not be a single audit conducted in accordance with the provisions of OMB Circular A-133, and will not include audit coverage of any federal financial assistance in accordance with requirements of that Circular, because the Entity expended a total amount of federal awards of **less than \$500,000** during the fiscal year(s), or such other dollar amount as may be established by OMB that is effective for the fiscal year(s) being audited.

Certified or Licensed Public Accountant

Cote & Associates CPA PLLC

Firm Name

By: _____

Jennifer J. Cote
Authorized Representative

Date: 09/15/16 _____

Governmental Entity

City of Polson

Entity Name

By: _____

Authorized Representative

Date: 09/19/16 _____

**Montana Department of Administration,
Local Government Services Bureau**

By: _____

Approved By

Date: _____