

## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is dated as of [\_\_\_\_], 2015 (this “**Agreement**”), among the CITY OF GREAT FALLS, a municipal corporation of the State of Montana (the “**City**”), GREAT FALLS AGRITECH PARK, LLC, a Montana limited liability company (the “**Developer**”) and GREAT FALLS AGRITECH OWNERS ASSOCIATION, LLC a Montana limited liability company (the “**Association**”).

### WITNESSETH:

WHEREAS, under the provisions of the Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “**Act**”), an industrial district may be established so that an issuer of bonds may undertake industrial infrastructure projects therein, provide for the segregation and collection of tax increment with respect to taxes collected in such district, issue its bonds to pay the costs of such projects or redeem such bonds that paid the costs of such projects, and pledge to the repayment of the bonds all or a portion of the tax increment derived from the industrial district; and

WHEREAS, the City Commission, pursuant to Ordinance No. 3105, duly adopted on May 7, 2013, after a duly called and noticed public hearing thereon, created an industrial district known as the East Industrial Park Tax Increment Financing Industrial District (the “**District**”) and adopted the East Industrial Park Comprehensive Development Plan (the “**Plan**”) containing a tax increment financing provision; and

WHEREAS, the Developer plans to develop a 196-acre, multi-tenant, rail served, heavy industrial park in the District known as the Great Falls AgriTech Park (the “**Project**”) as depicted on the map included on Exhibit A hereto; and

WHEREAS, the Developer has formed the Association, the members of which shall consist of the Developer and each Property Owner (as hereinafter defined), which shall own, operate and maintain the Rail Improvements (as hereinafter defined) pursuant to the terms and conditions of this Agreement; and

WHEREAS, the Developer and the Association submitted an application for tax increment financing assistance with respect to certain infrastructure improvements associated with the Project, consisting of road, water, sewer and rail improvements as more particularly described on Exhibit B hereto (the “**Infrastructure Improvements**”); and

WHEREAS, the City has determined that it is appropriate to reimburse the Association for the costs of the Infrastructure Improvements with Available Tax Increment (as hereinafter defined), subject to the terms and conditions set forth in this Agreement; and

WHEREAS, the City Commission, pursuant to Ordinance No. [\_\_\_\_], duly adopted on July 21, 2015, after a duly called and noticed public hearing thereon (together with Ordinance No. 3105, as either may be amended and supplemented from time to time, the “**Ordinance**”), approved the Project and the Infrastructure Improvements as an industrial development project and authorized the City to enter into this Agreement which sets forth the obligations and

commitments of the City, the Developer and the Association with respect to the Project, the Infrastructure Improvements and the Available Tax Increment (as hereinafter defined).

NOW THEREFORE, the City, the Developer and the Association, each in consideration of the representations, covenants and agreements of the other, as set forth herein, mutually represent, covenant and agree as follows:

Section 1. Definitions; Rules of Interpretation; Exhibits.

1.1. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context clearly requires otherwise, the following terms have the meanings assigned to them, respectively:

“**Act**” has the meaning given to it in the recitals.

“**Actual Taxable Value**” means the taxable value (as defined in the Act) of the Taxable Property as shown on or calculated from the assessment roll last equalized before the date of reference.

“**Agreement**” means this Development Agreement, including any amendment hereof or supplement hereto entered into in accordance with the provisions hereof.

“**Association**” has the meaning given to it in the preamble.

“**Available Tax Increment**” means 85% of the Tax Increment received by the City each year from the Taxable Property.

“**Base Taxable Value**” means the Actual Taxable Value as of January 1, 2013, as such value is adjusted from time to time in accordance with the Act.

“**BNSF Rail Line**” has the meaning given to it in Section 3.2 hereof.

“**Commission**” means the City Commission or any successor governing body of the City, however denominated by statute.

“**Developer**” has the meaning given to it in the preamble.

“**District**” has the meaning given to it in the recitals.

“**Environmental Laws and Regulations**” means and includes the Federal Comprehensive Environmental Compensation Response and Liability Act (“CERCLA” or the “Federal Superfund Act”) as amended by the Superfund Amendments and Reauthorization Act of 1986 (“SARA”), 42 U.S.C. §§ 9601 et seq.; the Federal Resource Conservation and Recovery Act of 1976 (“RCRA”), 42 U.S.C. §§ 6901 et seq.; the Clean Water Act, 33 U.S.C. § 1321 et seq.; and the Clean Air Act, 42 U.S.C. §§ 7401 et seq., all as the same may be from time to time amended, and any other federal, State, county, municipal, local or other statute, code, law, ordinance, regulation, requirement or rule which may relate to or deal with human health or the

environment including without limitation all regulations promulgated by a regulatory body pursuant to any such statute, code, law or ordinance.

**“Fiscal Year”** means the period commencing on the first day of July of any year and ending on the last day of June of the next calendar year, or any other twelve-month period authorized by law and specified by the Commission as the City’s fiscal year.

**“Incremental Taxable Value”** means the amount, if any, by which the Actual Taxable Value, as of the date of reference, exceeds the Base Taxable Value.

**“Indemnified Parties”** has the meaning given to it in Section 7 hereof.

**“Infrastructure Improvements”** means the Phase 1 Infrastructure Improvements, the Phase 2 Infrastructure Improvements and the Phase 3 Infrastructure Improvements.

**“Land”** means the real property and interests in real property described in Exhibit A hereto.

**“Land Use Regulations”** means all federal, State and local laws, rules, regulations, ordinances and plans relating to or governing the development or use of the Project Site or the Project.

**“Ordinance”** has the meaning given to it in the recitals.

**“Payment Date”** has the meaning given to it in Section 5.2 hereof.

**“Person”** means any individual, corporation, partnership, joint venture, association, committee, limited liability company, limited liability partnership, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

**“Phase 1 Infrastructure Improvements”** means those improvements in the District described as the Phase 1 Infrastructure Improvements on Exhibit B hereto.

**“Phase 2 Infrastructure Improvements”** means those improvements described on as the Phase 2 Infrastructure Improvements Exhibit B hereto.

**“Phase 3 Infrastructure Improvements”** means those improvements described as the Phase 3 Infrastructure Improvements on Exhibit B hereto.

**“Plan”** has the meaning given to it in the recitals.

**“Prevailing Wage Rates”** means the Montana Prevailing Wage Rate for public works projects as published from time to time by and available from the Montana Department of Labor and Industry, Research and Analysis Bureau, P.O. Box 1728, Helena, Montana 59624, telephone number (800) 541-3904.

**“Project”** has the meaning given to it in the recitals.

**“Project Site”** means the Land, which represents only a portion of the real property in the District.

**“Property Owners”** means the owners of record of the lots in the Project Site.

**“Rail Easement”** has the meaning given to it in Section 4.1 hereof.

**“Rail Easement Parcel”** has the meaning given to it in Section 4.1 hereof.

**“Rail Improvements”** means the rail infrastructure constituting part of the Infrastructure Improvements.

**“Reimbursement Obligation”** has the meaning given to it in Section 5.1 hereof.

**“Right of Reversion”** has the meaning given to it in Section 4.3 hereof.

**“Secondary Industries”** means those industries that use mechanical or chemical processes to transform materials or substances into new products in the manner defined as manufacturing in the North American Industry Classification System Manual.

**“Seller”** has the meaning given to it in Section 2.2(b) hereof.

**“State”** means the State of Montana.

**“Tax Increment”** means the amount received by the City pursuant to the Act from the extension of levies of Taxes against the Incremental Taxable Value of the Taxable Property and will include all payments in lieu of Taxes or beneficial use taxes attributable to the Incremental Taxable Value. If for a Fiscal Year the actual taxable value (as defined in the Act) of the District is less than the base taxable value (as defined in the Act) of the District, the amount of Tax Increment may be reduced accordingly.

**“Taxable Property”** means all real and personal property located in the Project Site and subject to Taxes, including the Project and the Rail Improvements.

**“Taxes”** means all taxes levied on an ad valorem basis by any Taxing Jurisdiction against the Taxable Property and includes all payments in lieu of taxes or beneficial use taxes received by the City with respect to the Incremental Taxable Value of the Taxable Property.

**“Taxing Jurisdiction”** means the State, the City, any school district, local government, municipal corporation, political subdivision or other government entity that levies, during any Fiscal Year during which the tax increment provision of the District is effective under the Act, ad valorem taxes against real or personal property in the District.

**“Termination Date”** has the meaning given to it in Section 8.4 hereof.

**“Unavoidable Delay”** means a delay resulting from a cause over which the party required to perform does not have control and which cannot or could not have been avoided by the exercise of reasonable care, including but not limited to acts of God, accidents, war, civil

unrest, embargoes, strikes, unavailability of raw materials or manufactured goods, litigation and the delays of the other party or its contractors, agents or employees in the performance of their duties under or incident to this Agreement.

1.2. Rules of Interpretation.

(a) The words “herein,” “hereof” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision hereof.

(b) References herein to any particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed unless otherwise indicated.

(c) “Or” is not exclusive but is intended to contemplate or encompass one, more or all of the alternatives conjoined.

1.3. Exhibits. The following Exhibits are attached to and by reference made a part of this Agreement:

Exhibit A—Legal Description of the Land and Map Thereof;

Exhibit B—Infrastructure Improvements; and

Exhibit C—Form of Reimbursement Certificate.

Section 2. Representations.

2.1. City Representations. The City hereby represents as follows:

(a) Pursuant to the Act, and after public hearing duly called and held, the City by the Ordinance has duly created the District.

(b) The City is authorized by law to enter into this Agreement and to carry out its obligations hereunder.

(c) Pursuant to the Act, and after a public hearing duly called and held, the City by Ordinance No. [ ] approved the use of Available Tax Increment to reimburse the Association for the costs of the Infrastructure Improvements in an aggregate amount not to exceed \$6,789,867, together with interest thereon, subject to the terms and conditions set forth in this Agreement.

(d) The State Department of Revenue has advised the City that as of January 1, 2013 the Base Taxable Value of the District was \$2,322 and the Base Taxable Value of the Project Site was \$1,048.

(e) Based on the representations of the Developer and the Association:

(i) the Project is projected to have a market value of at least \$35.7 million and will generate Tax Increment of at least \$671,000 by tax year 2018;

(ii) the Project is projected to have a market value of at least \$46.4 million and will generate Tax Increment of at least \$860,110 by tax year 2020; and

(iii) the Project is projected to have a market value of at least \$71.4 million and will generate Tax Increment of at least \$1.3 million by tax year 2022 and thereafter.

The City makes no representation for the benefit of the Developer or the Association as to the amount of Tax Increment the Project or any phase thereof will generate.

2.2. Developer and Association Representations. Each of the Developer and the Association hereby represents as follows:

(a) Each of the Developer and the Association is a Montana limited liability company, duly formed, validly existing and in good standing under the laws of the State and is duly qualified to do business in the State. Each of the Developer and the Association has the power to enter into this Agreement and by all necessary corporate action has duly authorized the execution and delivery of this Agreement.

(b) The Project Site is depicted on the map included on Exhibit A hereto and consists of ten lots. As of the date hereof, Pacific Hide and Fur Depot is the Property Owner with respect to lot 1 in the Project Site, MSM Properties, LLC is the Property Owner with respect to lot 2 in the Project Site, and the John R. Loy Trust B is the Property Owner with respect to lots 3 through 10 in the Project Site (the “**Seller**”). The Developer has an exclusive and enforceable option to purchase from the Seller lots 3 through 10 in the Project Site.

(c) Neither the Developer nor the Association is aware of any license, consent, approval or permit of any local, State or federal agency or other governmental body that must be obtained before constructing the Project or the Infrastructure Improvements that cannot be obtained in due course and in a timely fashion.

(d) Neither the Developer nor the Association is aware of any facts the existence of which would cause the Developer, the Association or any Property Owner to be in violation of any Environmental Laws and Regulations applicable to the Project or the Infrastructure Improvements. Neither the Developer nor the Association has received from any local, State or federal official any notice or communication indicating that the activities of the Developer, the Association or any Property Owner may be or will be in violation of any Environmental Laws and Regulations applicable to the Project or the Infrastructure Improvements.

(e) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prohibited or limited by, conflicts with or results in a breach of the terms, conditions or provisions of the certificate of formation or operating agreement of the Developer or the Association or any evidence of indebtedness, agreement or instrument of whatever nature to which the Developer or the Association is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) There is no action, suit, investigation or proceeding now pending or, to the knowledge of the Developer and the Association, threatened against or affecting the Developer

or the Association or their respective businesses, operations, properties or condition (financial or otherwise) before or by any governmental department, commission, board, authority, or agency, or any court, arbitrator, mediator or grand jury, which could, individually or in the aggregate, materially and adversely affect the business, operations, properties, or condition (financial or otherwise) of the Developer or the Association.

(g) Each of the Developer and the Association acknowledges that the estimates of Tax Increment set forth in Section 2.1 hereof are estimates only and are based on variables and assumptions that the City has no control over, including the taxable value of the Taxable Property.

### Section 3. Developer's Undertakings.

3.1. Undertaking of Project. The Developer hereby agrees and commits to the City that it will diligently undertake the Project, including the sale of the lots in the Project Site, in accordance with this Agreement, the site plan submitted to the City and all applicable federal, State and local laws, rules, regulations, ordinances and plans relating to or governing the development or use of the Project, including applicable Land Use Regulations and Environmental Laws and Regulations. In furtherance of the purpose of the District, the Developer will actively seek the growth and retention of Secondary Industries at the Project Site. The Developer will regularly update City officials with respect to the development of the Project Site, including the Developer's efforts to promote the Project to Persons engaged in Secondary Industries. At all times during the term of this Agreement, the Association will, and the Association will cause each Property Owner to, operate and maintain, preserve and keep the Project, and with the appurtenances and every part and parcel thereof, in good repair and condition. The Association will, and the Association will cause each Property Owner to, permit the City and any of its officers, employees or agents access to the Project Site for the purpose of inspection of all work being performed in connection with the Project; provided, however, that the City will have no obligation to inspect such work and shall bear no responsibility or liability resulting from any inspection that it may conduct if it chooses to inspect.

3.2. Construction of the Infrastructure Improvements. The Developer will cause the Infrastructure Improvements to be installed, constructed or otherwise provided. Each of the Developer and the Association acknowledges and agrees that the City is not responsible for installing, constructing or otherwise providing the Infrastructure Improvements. If there is an increase in the costs of the Infrastructure Improvements from that shown on Exhibit B hereto that cannot be covered by a contingency amount, the Association will notify the City of the increase and submit additional evidence in a form acceptable to the City that the Association and/or the relevant Property Owners have the financial capacity or commitments to cover such additional costs and complete the Infrastructure Improvements. The Association will, and the Association will cause each Property Owner to, obtain all licenses, consents, approvals and permits from all local, State or federal agency or other governmental body that must be obtained before constructing the Infrastructure Improvements. The Association has all licenses, consents, approvals, permits, easements and access agreements necessary for the acquisition, construction and use of the Rail Improvements, including agreements permitting the connection of the Rail Improvements to the existing Burlington Northern Santa Fe rail line (the "BNSF Rail Line").

3.3. Prevailing Wage Rates. Each of the Developer and the Association understands that the City is obligated to follow certain laws with respect to the expenditure of public funds, which includes Tax Increment. Each of the Developer and the Association agrees, and will cause each Property Owner to agree, that in the awarding of contracts for the Infrastructure Improvements that (i) it will, and it will cause its contractor to, competitively bid contracts for each component of the Infrastructure Improvements; (ii) it will, and it will cause its contractor to, pay the Prevailing Wage Rates on such contracts related to the Infrastructure Improvements; (iii) it will, and it will cause its contractor to, give preference to the employment of bona fide residents of the State, as required by Montana Code Annotated Section 18-2-403 and as such term is defined by Montana Code Annotated Section 18-2-401(1) and the Administrative Rules of the State, including but not limited to A.R.M. 24.17.147, obliging the Developer, the Association, each Property Owner and their respective contractors to hire 50% bona fide Montana residents with respect to the installation and construction of the Infrastructure Improvements; and (iv) when making assignments of work, it will, and it will cause its contractor to, use workers both skilled in their trade and specialized in their field of work for all work to which they are assigned. Each of the Developer and the Association will provide to the City all documentation requested to verify the compliance of the Developer, the Association, each Property Owner, and their respective contractors with the foregoing requirements. Failure of the Developer, the Association, each Property Owner and their respective contractors to pay the Prevailing Wage Rates on the Infrastructure Improvements will be considered a breach of this Agreement and the City will be entitled to exercise any and all measures to assure compliance and retroactive compensation plus interest to employees not paid in accordance with this Agreement, and recovery of any penalty or fine assessed by the State attributed to any failure to pay the Prevailing Wage Rates. Additionally, each of the Developer and the Association acknowledges that a violation of these requirements will result in the City not being able to pay or reimburse the Association for costs of the Infrastructure Improvements.

3.4. Utilities. Neither the Developer, the Association nor any Property Owner will interfere with, or construct any improvements over, any public street or utility easement without the prior written approval of the City. All connections to public utility lines and facilities will be subject to approval of the City and any private utility company involved. The Association at its own expense will replace any public facilities or utilities damaged during the Project by the Developer, the Association, any Property Owner or their respective agents or by others acting on behalf of or under the direction or control of the Developer, the Association or any Property Owner.

3.5. Easements. To the extent that the Infrastructure Improvements are located on the Project Site, the Association will, and the Association will cause each Property Owner to, at the request of the City, grant to the City and/or to third parties such easements, rights-of-way and similar licenses with respect to the Infrastructure Improvements as are reasonable.

3.6. Permits; Environmental Laws. Each of the Developer and the Association will, and each of the Developer and the Association will cause each Property Owner to, obtain in a timely manner all required permits, licenses and approvals, and will meet all requirements of all local, State and federal laws and regulations which must be obtained or met in connection with the acquisition and construction of the Infrastructure Improvements. Without limiting the foregoing, each of the Developer and the Association will, and each of the Developer and the



Association will cause each Property Owner to, request and obtain from the City or other appropriate governmental authority all necessary variances, conditional use permits and zoning changes with respect to the Infrastructure Improvements. Each of the Developer and the Association will, and each of the Developer and the Association will cause each Property Owner to, comply in all material respects with all Environmental Laws and Regulations applicable to the construction, acquisition and operation of the Infrastructure Improvements, obtain any and all necessary environmental reviews, licenses or clearances under, and comply in all material respects with, Environmental Laws and Regulations.

3.7. Nondiscrimination. Each of the Developer and the Association agrees that all hiring by the Developer, the Association and their respective contractors and persons performing this Agreement will be on the basis of merit and qualification and will not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, national origin, or other class protected by State and/or federal law.

#### Section 4. Rail Improvements.

4.1. Construction, Ownership and Public Purpose. The Association will own directly the Rail Improvements and shall not merge with or into, or consolidate with, or wind up into or undergo an arrangement with (whether or not the Association is the surviving entity), or sell, assign, convey, transfer, lease, encumber or otherwise dispose of the Rail Improvements, in one or more related transactions, without the prior written consent of the City. The Association shall not apply for tax-exempt status under State or federal law. Prior to commencing construction of the Rail Improvements, each of the Property Owners whose property includes a portion of the real property on which the Rail Improvements will be constructed (the “**Rail Easement Parcel**”) shall grant to the Association, for the benefit of the Association, each other Property Owner, the Other Rail Users (as hereinafter defined) and the City, a perpetual, exclusive easement for railroad purposes with respect to its respective portion of the Rail Easement Parcel, (each, a “**Rail Easement**” and collectively, the “**Rail Easements**”). Such Rail Easements shall be subject to the prior review and approval of the City. The Association shall cause the Rail Easements (which shall also reference the Right of Reversion (as hereinafter defined)) to be filed with the Clerk and Recorder for Cascade County prior to commencing construction of the Rail Improvements. The Association shall allow other rail users that are not Property Owners (“**Other Rail Users**”) to construct switches and rail extensions that connect to the Rail Improvements (provided that no Property Owner shall be required to grant additional access easements over such Property Owner’s lot for such purposes) and to use the Rail Improvements, subject to use and fee arrangements similar to those applicable to the Property Owners. All such connections shall be constructed and maintained at the sole expense of the Other Rail Users. None of the Developer, the Association or any Property Owner shall block access of such Other Rail Users to the Rail Improvements. The Association will enter into such further agreements and instruments requested by the City in order to permit access by such Other Rail Users to, over and across the Rail Improvements. The Association agrees that this Section 4.1 is enforceable by the City on behalf of the public and any private party meeting the requirements set forth above desiring such access.

4.2. Maintenance and Repair. The Association will maintain, repair and keep the Rail Easement Parcel, and any expansion thereof, and the Rail Improvements and any connections

thereto, and the appurtenances and every part and parcel thereof, in good repair and condition at its own expense and in accordance with all applicable local, State and federal laws and regulations. Each of the Developer and the Association acknowledges and agrees that the City is not responsible for the maintenance, repair or replacement of the Rail Improvements or any connections thereto. The Association will acquire and maintain, at its own expense, all agreements permitting the connection of the Rail Improvements, or any connections thereto, to the BNSF Rail Line.

4.3. Right of Reversion. Notwithstanding anything herein to the contrary, if:

(a) the Association, the Developer or any Property Owner shall default in the performance of any representation, warranty, covenant or obligation set forth in this Section 4, and fail to cure such default within sixty (60) days after receipt of notice of default from the City;

(b) the Association shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to the Association or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Association or any substantial part of the property of the Association, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against the Association, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due; or

(c) an involuntary case or other proceeding shall be commenced against the Association seeking liquidation, reorganization or other relief with respect to the Association or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Association or any substantial part of the property of the Association, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) consecutive days.

Then the City may, at any time after the expiration of such 60-day period declare a reversion to the City (the “**Right of Reversion**”) of the Rail Improvements, the connections thereto and all agreements permitting the connection of the Rail Improvements to the BNSF Rail Line, in which event the Association shall promptly transfer and convey to the City, by documents prepared by the City, without further consideration, all of the Association’s right, title and interest in the Rail Improvements.

4.4. Insurance of Rail Improvements. The Association will keep and maintain the Rail Improvements at all times insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with comparable infrastructure and the Association will carry and maintain and pay timely the premiums for direct damage insurance covering all risks of loss, including, but not limited to, the following:

1. fire
2. extended coverage perils
3. vandalism and malicious mischief

on a replacement cost basis in an amount equivalent to the full insurable value of the Rail Improvements. "Full insurable value" includes the actual replacement cost of the Rail Improvements, without deduction for architectural, engineering, legal or administrative fees or for depreciation.

In addition, the Association will keep and maintain comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of \$2,000,000. The Association will also keep and maintain workers' compensation insurance respecting all employees of the Association, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Association may be self-insured with respect to all or any part of its liability for workers' compensation.

The foregoing policies shall be taken out and maintained in responsible insurance companies selected by the Association that are authorized under the laws of the State to assume the risks covered thereby. The Association will deposit annually with the City policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. All such policies (other than workers' compensation) will name the City as an additional insured, will be subject to a no coinsurance clause or contain an agreed amount clause, and may contain a deductibility provision not exceeding \$50,000. Each policy shall contain a provision that the insurer shall not cancel nor modify it in such a way as to reduce the coverage provided below the amounts required herein without giving written notice to the Association and the City at least 30 days before the cancellation or modification becomes effective. In lieu of separate policies, the Association may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Association shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Rail Improvements.

During construction of the Rail Improvements, any and all of the foregoing insurance policies may be maintained by the applicable contractor; provided that once any portion of the Rail Improvements is placed into service, the Association will keep and maintain all of the foregoing insurance policies with respect thereto. During construction of the Rail Improvements, the applicable contractor shall also maintain builder's risk insurance written on an "all-risk" or equivalent policy form. Such insurance shall include the interests of the Association, the City, the contractor and subcontractors therein. The Association shall pay all costs not covered because of a deductible. The City will be furnished certificates and additional insured endorsements showing the existence of such insurance.

## Section 5. Reimbursement of Infrastructure Improvements.

5.1. Reimbursement Obligation. Subject to the terms and conditions of this Section 5, the City has agreed to reimburse the Association for the costs of the Infrastructure Improvements (the "**Reimbursement Obligation**"), as follows:

(a) costs of the Phase 1 Infrastructure Improvements in an amount equal to the *lesser* of \$4,635,922 and the actual amount of the Phase 1 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$35.7 million and is generating Tax Increment of at least \$671,000 annually;

(b) costs of the Phase 2 Infrastructure Improvements in an amount equal to the *lesser* of \$570,566 and the actual amount of the Phase 2 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$46.4 million and is generating Tax Increment of at least \$860,110 annually; and

(c) costs of the Phase 3 Infrastructure Improvements in an amount equal to the *lesser* of \$1,583,379 and the actual amount of the Phase 3 Infrastructure Improvements, with interest accruing thereon from the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, of at least \$71.4 million and is generating Tax Increment of at least \$1.2 million annually.

The City's Reimbursement Obligation shall not arise with respect to any phase of Infrastructure Improvements until completion and acceptance by the City of such phase of Infrastructure Improvements and approval of the costs thereof pursuant to this Section 5.1. The City's Reimbursement Obligation with respect to any phase of Infrastructure Improvements will be based on actual paid invoices for incurred costs provided by the Association, and the City may reject any invoice amounts to the extent not related to such phase of Infrastructure Improvements. A certificate signed by the Association in substantially the form attached as Exhibit C hereto will accompany any invoices submitted to the City.

5.2. Interest. With respect to each phase of the Infrastructure Improvements, interest shall accrue at the rate of 4.00% per annum on the corresponding portion of the Reimbursement Obligation described in Section 5.1 hereof beginning on the date the Taxable Property in the Project Site has a market value, as certified by the Department of Revenue, in the corresponding amount described in Section 5.1 hereof. Such interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

5.3. Payment. On January 1 and July 1 of each year (each, a "**Payment Date**"), the City shall pay by check to the Association the Available Tax Increment received by the City as of such Payment Date; provided that all representations of the Developer and the Association set forth in Section 2.2 hereof are true and correct on such Payment Date and neither the Developer nor the Association is in breach of any covenant or undertaking as set forth in Section 3 or 4 hereof on such Payment Date. The City may at any time and from time to time prepay the Reimbursement Obligation, in whole or in part, at a prepayment price equal to the principal amount so prepaid and interest accrued and unpaid thereon to the date of payment, without premium. From and after the date of such prepayment, interest on the principal amount so prepaid shall cease to accrue. Amounts paid by the City with respect to the Reimbursement Obligation shall be applied first to accrued and unpaid interest and second to outstanding principal. Such amounts shall be allocated pro rata to the portion of the Reimbursement Obligation associated with each of phase of the Infrastructure Improvements based on the

original principal amount thereof. All amounts paid by the City with respect to the Reimbursement Obligation shall be made to the Association and the Association shall be responsible for distributing funds to the Developer or Property Owners, as the case may be. The City shall not be responsible for overseeing any such distributing of funds which is entirely the responsibility of the Association. The City will not have any obligation to issue bonds, notes or other obligations in order to finance the prepayment of the Reimbursement Obligation. The City Fiscal Services Director shall keep books and records with respect to the Reimbursement Obligation, including accrued interest thereon and payments thereof, which shall be conclusive.

5.4. Termination; Limited Obligations. The City's Reimbursement Obligation, including interest thereon, shall terminate on the earlier to occur of (i) the payment in full of the Reimbursement Obligation and (ii) the Termination Date (regardless of whether or not the City has paid in full the Reimbursement Obligation and interest thereon). Each of the Developer and the Association acknowledges that the Reimbursement Obligation is a limited obligation of the City payable solely from the Available Tax Increment. The Reimbursement Obligation is not a general obligation of the City and neither the general credit nor the taxing power of the City, Cascade County or the State is pledged to the payment of the Reimbursement Obligation, including accrued interest thereon. Neither the Ordinance, this Agreement nor any other agreements or obligations of the City contained herein or therein shall be construed to constitute an indebtedness of the City, Cascade County or the State within the meaning of any constitutional or statutory provisions whatsoever. Each of the Developer and the Association understands that the City has no control over the amount of Available Tax Increment that may be available to pay the Reimbursement Obligation and that no other City funds will be available or used to pay the Reimbursement Obligation.

## Section 6. Taxes and Tax Increment.

6.1. Taxes. The Association will use reasonable efforts to cause each Property Owner to pay when due and prior to the imposition of penalty all Taxes and all installments of any special assessments payable with respect to its Taxable Property in the Project Site. The Association will pay when due and prior to the imposition of penalty all Taxes and all installments of any special assessments payable with respect to the Rail Improvements.

6.2. Maintenance of Project and Rail Improvements. Each of the Developer and the Association acknowledges the interest of the City that the Project and the Rail Improvements should be so maintained and operated so that the Incremental Taxable Value of the Project and the Rail Improvements will generate Tax Increment sufficient to pay the Reimbursement Obligation. Accordingly, each of the Developer and the Association will, and each of the Developer and the Association will cause each Property Owner to, use its commercially reasonable best efforts to maintain and operate the Project and the Rail Improvements so as to be able at all times to pay promptly and when due all property taxes levied with respect thereto.

6.3. City Not To Take Action To Reduce Tax Increment. The City agrees that it will take no action that would limit the amount of Tax Increment below the amount that would be generated absent such actions. In the event that at any time following the date hereof: (i) either (A) the Act is amended in such a manner as to reduce Tax Increment, or (B) Tax Increment is reduced as a result of changes in the law regarding the privilege of public entities to levy real

property taxes; and (ii) in lieu of such reduced Tax Increment, the City is authorized to receive and receives revenues in any form in substitution for the lost Tax Increment which additional revenues the City is authorized to spend for the same purposes and under the same conditions that apply to Tax Increment, then the share of such additional revenues attributable to the reduced Tax Increment will be deemed to be Tax Increment for all purposes of this Agreement.

## Section 7. Release, Indemnification and Insurance.

### 7.1. Release and Indemnification Covenant.

(a) Each of the Developer and the Association releases the City and the Commission members, officers, agents, servants and employees thereof (the “**Indemnified Parties**”) from, and covenants and agrees that the Indemnified Parties will not be liable for and, jointly and severally, agrees to indemnify and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person arising out of or resulting from the construction, installation, operation, ownership or maintenance of the Project Site, the Project or the Infrastructure Improvements by the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person, or which is caused by any act or omission of the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person; provided that the indemnity will not apply if and to the extent such loss or damage is caused by the gross negligence or willful misconduct of the City, its agents or employees.

(b) Each of the Developer and the Association, jointly and severally, agrees to protect, indemnify and defend the Indemnified Parties and further agrees to hold the Indemnified Parties harmless from and against, any loss, damage, cost (including reasonable attorneys’ fees), claim, demand, suit, action or other proceeding whatsoever initiated by any Person whatsoever and arising or purportedly arising out of (i) violation by the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person, of any agreement or condition of this Agreement, (ii) the acquisition, construction, installation, ownership, maintenance and operation by the Developer, the Association or any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person, of the Project Site, the Project or the Infrastructure Improvements, or (iii) from the presence on any portion of the Project Site, of any dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances, as defined in or governed by the provisions of any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating thereto, and also including ureaformaldehyde, polychlorinated biphenyls, asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject an owner of any portion of the Project Site to any damages, penalties, liabilities or expense of clean up under any applicable Environmental Laws and Regulations.

(c) The Indemnified Parties will not be liable for any damage or injury to the persons or property of the Developer, the Association, any Property Owner or their respective officers, agents, contractors, consultants or employees or any other person; provided that such damage or

injury is not caused by the gross negligence or willful misconduct of the City, its agents or employees.

7.2. Insurance. The Association will use reasonable efforts to cause each Property Owner to keep and maintain their respective property, improvements and additions at the Project Site at all times insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with comparable facilities and the Association will use reasonable efforts to cause each Property Owner to carry and maintain and pay timely the premiums for direct damage insurance covering all risks of loss, including, but not limited to, the following:

1. fire
2. extended coverage perils
3. vandalism and malicious mischief
4. boiler explosion (but only if steam boilers are present)
5. collapse

on a replacement cost basis in an amount equivalent to the full insurable value thereof. "Full insurable value" includes the actual replacement cost of the each Property Owner's respective property, improvements and additions at the Project Site, without deduction for architectural, engineering, legal or administrative fees or for depreciation.

In addition, the Association will use reasonable efforts to cause each Property Owner to keep and maintain comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in such amounts, with such deductible provisions, as are customary in connection with comparable companies.

## Section 8. General Provisions.

8.1. Conflicts of Interest; City's Representatives Not Individually Liable. No member, officer or employee of the City will have any personal interest, direct or indirect, in this Agreement, the Project or the Infrastructure Improvements, nor will any such member, officer or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is, directly or indirectly, interested. No member, officer or employee of the City will be personally liable to the Developer, the Association or any Property Owner in the event of any default under or breach of this Agreement by the City, or for any amount which may become due to the Developer or the Association for any obligation issued under or arising from the terms of this Agreement, except for any fraudulent misrepresentation made by any such member, officer or employee in violation of the first sentence of this Section 8.1.

8.2. Rights Cumulative. The parties hereto agree that all rights and remedies with respect to this Agreement, whether provided by law or by this Agreement, will be available to the parties hereto and will be cumulative, and the exercise by either party of any one or more of such remedies will not preclude the exercise by such party, at the same or different times, of any other remedy for the same default or breach or of any of its remedies for any other default or

breach of the party. No waiver made by such party with respect to the performance or the manner or time thereof, of any obligation under this Agreement, will be considered a waiver with respect to the particular obligation of the other party or a condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver of any obligations of the other party. Delay by a party hereto instituting or prosecuting any cause of action or claim hereunder will not be deemed a waiver of any rights hereunder.

8.3. Injunction; Specific Performance. The parties hereto agree that, in the event of a breach of this Agreement by any party or its successors or assigns, the non-breaching party would suffer irreparable harm. Therefore, in the event any party or its successors or assigns fails to comply with the provisions of this Agreement, the parties hereto expressly agree that the non-breaching party may pursue any remedy at law or in equity, including without limitation, the remedies of injunction and specific performance.

8.4. Term of Agreement. This Agreement will remain in effect until December 31, 2028 (the “**Termination Date**”) or such earlier date upon which the obligations under this Agreement has been satisfied or discharged. The parties hereto agree that the City is under no obligation to extend the sunset date of the District and in the event the City elects to extend the sunset date of the District, the City is under no obligation to extend the Termination Date regardless of whether or not the Reimbursement Obligation has been paid in full. Notwithstanding anything in this Agreement to the contrary, Sections 4, 7 and 8 will in all events survive the termination of this Agreement.

8.5. Limitation on City Liability. No agreements or provisions contained in this Agreement nor any agreement, covenant or undertaking by the City contained in this Agreement or any other document executed by the City in connection with the Infrastructure Improvements will give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers, or will obligate the City financially in any way except with respect to the Available Tax Increment. No failure of the City to comply with any term, condition, covenant or agreement herein will subject the City to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Available Tax Increment; and no execution on any claim, demand, cause of action or judgment will be levied upon or collected from the general credit, general funds or taxing powers of the City (except as such constitute Available Tax Increment). Nothing herein will preclude a proper party in interest from seeking and obtaining specific performance against the City for any failure to comply with any term, condition, covenant or agreement herein; provided that no costs, expenses or other monetary relief will be recoverable from the City except as may be payable from the Available Tax Increment.

8.6. Notices. All notices, certificates or other communications required to be given to the City, the Developer or the Association hereunder will be sufficiently given and will be deemed given when delivered or deposited in the United States mail in certified form with postage fully prepaid and addressed as follows:

If to the City:

City of Great Falls  
P.O. Box 5021



Great Falls, Montana 59403  
Attn: Fiscal Services Director

If to the Developer:

Great Falls AgriTech Park LLC  
300 Central Avenue, Suite 406  
Great Falls, Montana 59401  
Attn: Director, Great Falls Development Authority

If to the Association:

Great Falls AgriTech Owners Association, LLC  
300 Central Avenue, Suite 406  
Great Falls, Montana 59401  
Attn: Director, Great Falls Development Authority

The City, the Developer and the Association, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

8.7. Assignment. This Agreement is unique between the City, the Developer and the Association and no party may assign any rights or privileges or delegate any duties or obligations under this Agreement without first obtaining the written consent of the other parties hereto.

8.8. Binding Effect. The right and obligations set forth in this Agreement will inure to the benefit of and will be binding upon the City, the Developer, the Association and their respective successors and assigns.

8.9. Severability. If any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

8.10. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City, the Developer and the Association.

8.11. Governing Law. This agreement and the legal relations between the parties hereto will be governed by and construed in accordance with the laws of the State of Montana, without giving effect to any choice of law statutes, rules, or principles.

8.12. Further Assurances and Corrective Instruments. The City, the Developer and the Association agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or the Infrastructure Improvements or for carrying out the expressed intention of this Agreement.

8.13. Execution Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute one and the same instrument.

8.14. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or Sections of this Agreement.

*[remainder of page left intentionally blank]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the \_\_\_\_ day of \_\_\_\_\_, 2015.

CITY OF GREAT FALLS, MONTANA

[SEAL]

By \_\_\_\_\_  
City Manager

Attest:

\_\_\_\_\_  
City Clerk

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara Sexe, City Attorney


STATE OF MONTANA     )  
  : ss.  
County of Cascade        )

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_ by Gregory T. Doyon, Lisa Kunz and Sara Sexe, as the City Manager, City Clerk and City Attorney of the City of Great Falls, Montana, respectively.

(Notarial Seal)

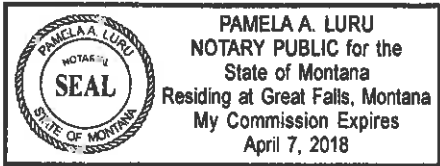
\_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Notary Public for the State of Montana  
Residing at \_\_\_\_\_, Montana  
My Commission Expires: \_\_\_\_\_

GREAT FALLS AGRITECH PARK, LLC


  
Name: Brett Doney  
Title: PRESIDENT OF GFDA,  
ITS, AUTHORIZED MEMBER

STATE OF MONTANA     )  
  : ss.  
County of Cascade     )

This instrument was acknowledged before me on JUNE 25, 2015 by BRETT DONEY of Great Falls AgriTech Park, LLC, on behalf of said limited liability company.



(Notarial Seal)

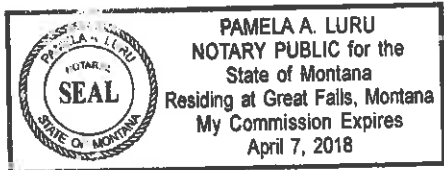
  
Printed Name: PAMELA A. LURU  
Notary Public for the State of Montana  
Residing at Great Falls, Montana  
My Commission Expires: APRIL 7, 2018

GREAT FALLS AGRITECH OWNERS  
ASSOCIATION, LLC

*P. M. M. M.*  
Name: *Brett Doney*  
Title: *AUTHORIZED MEMBER,  
GREAT FALLS AGRITECH PARK, LLC*

STATE OF MONTANA     )  
  : ss.  
County of Cascade     )

This instrument was acknowledged before me on *JUNE 25*, 20*15* by  
*BRETT DONEY* of Great Falls AgriTech Owners Association, LLC, on behalf of said  
limited liability company.



(Notarial Seal)

*Pamela A. Luru*  
Printed Name: *Pamela A. Luru*  
Notary Public for the State of Montana  
Residing at *Great Falls*, Montana  
My Commission Expires: *April 7, 2018*

## EXHIBIT A

### LEGAL DESCRIPTION OF THE LAND AND MAP THEREOF

The real property and interests in such property located in the City of Great Falls, County of Cascade, State of Montana, and described as follows:

Lots 1-10 of the AgriTech Park Addition, to the City of Great Falls, Montana, as set forth on the Plat of the AgriTech Park addition, appearing on file with the Cascade County Clerk and Recorder at P-2013-0000008 PL.



**EXHIBIT B**  
**INFRASTRUCTURE IMPROVEMENTS**

**Agritech Industrial Park - Summary of TIF Related Construction Costs**

<u>Work Description</u>	<u>Public Improvements</u>	<u>Fees</u>	<u>Total Estimated Construction Cost</u>
<i>Infrastructure Necessary for Lots 1-5A (No Rail)</i>			
Overlay 18th Ave North from 52nd St to end of Lot 5A	\$272,614	\$35,416	\$308,030.00
Extend Water from Existing Termination to end of Lot 5A	\$130,202	\$19,530	\$149,732.00
Extend Gravity Sewer and Force Main to end of Lot 5A	\$158,125	\$26,881	\$185,006.00
Stormwater Pond and 18th Ave Ditch Reconstruction	\$167,401	\$31,806	\$199,207.00
Private Utility Extensions to serve Lots 1 thru 10	\$129,030	\$0	<u>\$129,030.00</u>
<b>Subtotal</b>			<b>\$971,005.00</b>
 Construct Rail to Serve Lots 1 thru 8 except Lot 5A	 \$3,079,588	 \$585,329	 <b>\$3,664,917.00</b>
 <i>Infrastructure Necessary for Lot 6</i>			
Overlay 18th Ave North from end of Lot 5A to end of Lot 6	\$29,101	\$4,947	\$34,048.00
Water Main Extension from end of Lot 5A to end of Lot 6	\$83,026	\$14,114	\$97,140.00
Extend Gravity Sewer and Force Main to end of Lot 6	\$56,913	\$14,797	\$71,710.00
Wastewater Lift Station	\$291,800	\$75,868	\$367,668.00
<b>Subtotal</b>			<b>\$570,566.00</b>
 <i>Infrastructure Necessary for Lots 7-10 including Rail Improvements</i>			
Reconstruct 67th St N for Lots 7 thru 10	\$567,812	\$77,429	\$645,241.00
Water Main Extension for Lots 7 thru 10	\$106,260	\$26,565	\$132,825.00
Extend Gravity Sewer Main to serve Lots 7 thru 10	\$107,943	\$14,720	\$122,663.00
Construct Rail to Serve Lots 9 - 10	\$638,250	\$44,400	<u>\$682,650.00</u>
<b>Subtotal</b>			<b>\$1,583,379.00</b>
<b>Total</b>			<b>\$6,789,867.00</b>



**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

Overlay 18th Ave North from 52nd St to end of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	5,000.00	5,000.00
102	2" TH Asphalt Overlay	21005	SY	10.40	218,452.00
103	Tack Coat	2521	GAL	4.00	10,084.00
104	Traffic Control	1	LS	7,000.00	7,000.00
105	Striping - White Paint	3467	SF	0.75	2,600.00
106	Striping - Yellow Paint	3437	SF	0.75	2,577.75
107	Stop Bar	2	EA	80.00	160.00
108	RR Crossing Symbol	2	EA	300.00	600.00
109	Helmeted Bicyclist Symbol	8	EA	40.00	320.00
110	Directional Arrow	8	EA	40.00	320.00
111	Signs - Sheet Alum Refl Sht IV	33	SF	60.00	1,980.00
112	Poles - Treated Timber Class 4	64	LF	55.00	3,520.00
113	Miscellaneous Work	20000	EA	1.00	<u>20,000.00</u>
				Subtotal	\$272,614.00
				Construction Engineering (4%)	10,905.00
				City Inspection (4%)	10,905.00
				Contingency (5%)	<u>13,631.00</u>
				Total Estimated Construction Cost	<b>\$308,060.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

Extend Water from Existing Termination to End of Lot 5A

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
104	16-Inch PVC Water Main	978	LF	60.00	58,680.00
106	16-Inch Valve and Valve Box	1	EA	4,500.00	4,500.00
107	Fire Hydrant Assembly	6	EA	4,500.00	27,000.00
108	Fittings	1090	LB	8.00	8,720.00
109	Type 2 Pipe Bedding	100	CY	25.00	2,500.00
110	Extend Open Cut 24" Encasement Pipe	30	LF	350.00	10,500.00
112	Connect to Existing Water Main	1	LS	5,000.00	5,000.00
114	Surface Restoration	895	LF	2.00	1,790.00
115	Miscellaneous Work	6512	EA	1.00	<u>6,512.00</u>
				Subtotal	\$130,202.00
				Construction Engineering (5%)	6,510.00
				City Inspection (5%)	6,510.00
				Contingency (5%)	<u>6,510.00</u>
				Total Estimated Construction Cost	<b>\$149,732.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Extend Gravity Sewer and Force Main to end of Lot 5A**

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1017	LF	50.00	50,850.00
104	Sewer Force Main Pipe Bend	3	EA	800.00	2,400.00
105	48" Sanitary Sewer Manhole	3	EA	3,200.00	9,600.00
106	Sewer Force Main Slipped into Existing	1221	LF	25.00	30,525.00
107	Sewer Force Main	1017	LF	50.00	50,850.00
108	Type 2 Pipe Bedding	30	CY	30.00	900.00
137	Miscellaneous Work	1	LS	8,000.00	<u>8,000.00</u>
				Subtotal	\$158,125.00
				Construction Engineering (5%)	7,906.00
				City Inspection (5%)	7,906.00
				Contingency (7%)	<u>11,069.00</u>
				Total Estimated Construction Cost	<b>\$185,006.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Lot 10 and 18th Ave N Storm Water Facilities**

<b><u>Work Item</u></b>	<b><u>Quantity</u></b>	<b><u>Units</u></b>	<b><u>Unit Cost</u></b>	<b><u>Total Cost</u></b>
Mobilization and Permits	1	LS	10,000.00	10,000.00
18th Ave Ditch Grading	1800	LF	11.00	19,800.00
18th Ave Ditch Check Dams	1030	LF	13.50	13,905.00
Pond Excavation and Embankment	3200	CY	12.00	38,400.00
24" RCP Culvert	72	LF	58.00	4,176.00
Drainage Swale w/ Check Dams	320	LF	30.00	9,600.00
Hydraulic Structures	2	EA	14,000.00	28,000.00
Access Road from 67th St	350	LF	44.00	15,400.00
Salvage and Replace Topsoil	850	CY	12.00	10,200.00
Seeding and Fertilizing	2.1	AC	5,200.00	10,920.00
Miscellaneous Work	7,000	EA	1.00	<u>7,000.00</u>
			Subtotal	\$167,401.00
			Design Engineering (6%)	10,044.00
			Construction Engineering (7%)	11,718.00
			Contingency (6%)	<u>10,044.00</u>
			Total Estimated Construction Cost	<b>\$199,207.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Private Utility Extensions to serve Lots 1 thru 10**

<b>Work Item</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Communications (3 Rivers - Quote for Fiber)	1	LS	\$28,500.00	\$28,500.00
Natural Gas (Energy West)	1	LS	\$38,700.00	\$38,700.00
Electricity (Northwestern Energy)	1	LS	\$15,000.00	\$15,000.00
Communications (Optimum and Century Link to provide quotes)	1	LS	\$30,000.00	<u>\$30,000.00</u>
			Subtotal	\$112,200.00
			Contingency (15%)	<u>\$16,830.00</u>
			Total Estimated Construction Cost	<b>\$129,030.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Rail Serving Lots 1- 6 same cost as Lots 1- 8 (except Lot 5A)**

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Mobilization	1	LS	\$30,000	\$30,000.00
Earthwork to Reroute Existing Track at Mainline Connection	1,400	LF	\$46	\$64,400.00
Relocate 16" Water Main at Track Realignment	500	LF	\$60	\$30,000.00
Extend Water Main Encasement Pipe	35	LF	\$350	\$12,250.00
Track (115 lb track)	6,350	LF	\$200	\$1,270,000.00
Runaround siding (2,000 LF capacity)	2,268	LF	\$200	\$453,600.00
No. 9-115 lb turnout (runaround, crossover switches)	4	EA	\$65,000	\$260,000.00
Road Crossing Surface	2	EA	\$72,000	\$144,000.00
Crossing Signals	1	EA	\$270,000	\$270,000.00
Double Switch Point Derail	1	EA	\$30,000	\$30,000.00
Culverts, Seeding	1	LS	\$18,000	\$18,000.00
Miscellaneous Work	1	LS	\$80,000	\$80,000.00
			Subtotal	\$2,662,250.00
				\$18,000.00
			Signal Design and Inspection	
			Engineering (5%)	\$133,113.00
			Contingency (10%)	<u>\$266,225.00</u>
			Subtotal	\$3,079,588.00

**Sole Source BNSF Railway Costs - Lots 1 thru 8 (except Lot 5A)**

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
BNSF Mainline Switch	1	LS	\$185,005	\$185,005.00
Mainline Switch Heater and Power	1	LS	\$62,000	\$62,000.00
BNSF Reroute of Existing Mainline at Connection	1,400	LF	\$242	<u>\$338,324.00</u>
			BNSF Subtotal	\$585,329.00
			<b>Total</b>	<b>\$3,664,917.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Overlay 18th Ave North for Lot 6**

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	2" TH Asphalt Overlay	2002	SY	10.80	21,621.60
102	Tack Coat	240	GAL	7.00	1,680.00
103	Striping - White Paint	213	SF	0.75	159.75
104	Striping - Yellow Paint	213	SF	0.75	159.75
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
105	Stop Bar	1	EA	80.00	80.00
106	Helmeted Bicyclist Symbol	2	EA	40.00	80.00
107	Directional Arrow	2	EA	40.00	80.00
108	Miscellaneous Work	1	LS	5,000.00	<u>5,000.00</u>
				Rounded Subtotal	29,101.00
				Construction Engineering (5%)	1,455.00
				City Inspection (5%)	1,455.00
				Contingency (7%)	<u>2,037.00</u>
				<b>Total Estimated Construction Cost</b>	<b><u>\$34,048.00</u></b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Water Main Extensions for Lot 6**

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization (5% Max)	1	LS	10,000.00	10,000.00
103	12-Inch PVC Water Main	120	LF	54.00	6,480.00
104	16-Inch PVC Water Main	335	LF	65.00	21,775.00
105	12-Inch Valve and Valve Box	1	EA	3,400.00	3,400.00
106	16-Inch Valve and Valve Box	1	EA	4,800.00	4,800.00
107	Fire Hydrant Assembly	2	EA	5,600.00	11,200.00
108	Fittings	1162	LB	8.00	9,296.00
109	Type 2 Pipe Bedding	30	CY	30.00	900.00
114	Surface Restoration	455	LF	5.00	2,275.00
115	Miscellaneous Work	12000	EA	1.00	<u>12,000.00</u>
				Subtotal	83,026.00
				Construction Engineering (5%)	4,151.00
				City Inspection (5%)	4,151.00
				Contingency (7%)	<u>5,812.00</u>
				Total Estimated Construction Cost	<b>\$97,140.00</b>



**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Wastewater Lift Station and Lot 6 Sanitary Sewer Main Extension**

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	20,000.00	20,000.00
102	8-Inch Sanitary Sewer Main	379	LF	55.00	20,845.00
103	48" Sanitary Sewer Manhole	1	EA	3,200.00	3,200.00
104	Sewer Force Main	360	LF	55.00	19,800.00
105	Type 2 Pipe Bedding	50	CY	30.00	1,500.00
106	Trench Surface Restoration	1	LS	1,500.00	1,500.00
107	Trench Plugs	3	EA	70.00	210.00
108	Trench Insulation	328	LF	6.00	1,968.00
109	Submersible Lift Station Equipment & Installation	1	LS	32,000.00	32,000.00
110	2" Sch 80 PVC Drain Pipe	12	LF	80.00	960.00
111	2" Curb Stop with Box	1	EA	460.00	460.00
112	9' Diameter Concrete Wet-Well	1	EA	24,000.00	24,000.00
113	Lift Station & Valve Vault Excavation	1	LS	32,000.00	32,000.00
114	Lift Station & Valve Vault Backfill	1	LS	8,500.00	8,500.00
115	4" Ductile Iron Pipe	1	LS	5,000.00	5,000.00
116	6" Ductile Iron Discharge Pipe & Fittings	48	LF	70.00	3,360.00
117	8" Ductile Iron Forcemain Pipe & Fittings	5	LF	180.00	900.00
118	4" Plug Valve	1	EA	1,500.00	1,500.00
119	6" Plug Valve	2	EA	2,000.00	4,000.00
120	6" Check Valve	2	EA	2,800.00	5,600.00
121	Pre-cast Concrete Valve Vault	1	EA	16,000.00	16,000.00
122	Miscellaneous Pipe Supports	1	LS	4,500.00	4,500.00
123	Aluminum Hatch	1	EA	3,200.00	3,200.00
124	Lift Station Site Grading & Restoration	1	LS	5,500.00	5,500.00
125	14" Gravel Access Road and Parking	480	SY	30.00	14,400.00
126	Geotextile Separation Fabric	400	SY	2.00	800.00
127	Bollard	3	EA	700.00	2,100.00
128	Electrical Service, Panels & Installation	1	LS	32,000.00	32,000.00
129	Lift Station Controls & Communication	1	LS	36,000.00	36,000.00
130	Miscellaneous Work	1	LS	50,000.00	50,000.00
Subtotal					\$351,803.00
Construction Engineering (6%)					21,108.00
City Inspection (10%)					35,180.00
Contingency (10%)					<u>35,180.00</u>
Total Estimated Construction Cost					<b>\$443,271.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Reconstruct 67th St N for Lots 7 thru 10**

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED TOTAL PRICE
101	Mobilization	1	LS	8,000.00	8,000.00
102	Excavation and Embankment	3500	CY	14.00	49,000.00
103	Topsoil	700	CY	16.00	11,200.00
104	Special Borrow	3600	CY	32.00	115,200.00
105	Gravel Base Course	800	CY	38.00	30,400.00
106	Geotextile Fabric	8340	SY	2.00	16,680.00
107	5" Asphalt Surfacing	2350	TN	110.00	258,500.00
108	Striping - White Paint	2,900	SF	0.75	2,175.00
109	Striping - Yellow Paint	1,450	SF	0.75	1,087.50
110	Helmeted Bicyclist Symbol	4	EA	40.00	160.00
111	Directional Arrow	4	EA	40.00	160.00
112	Sign Panel - Aluminum Type IV	22	SF	60.00	1,320.00
113	Sign Post - 4" Timber	42	LF	55.00	2,310.00
114	Miscellaneous Work	1	LS	20,000.00	<u>20,000.00</u>
				Subtotal	\$516,192.50
				Contingency (10%)	51,619.00
				Construction Engineering (15%)	<u>77,429.00</u>
				Total Estimated Construction Cost	<b>\$645,241.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Water Main Extensions for Lots 7 thru 10**

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>ESTIMATED TOTAL PRICE</u>
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	6-Inch PVC Water Main	5	LF	32.00	160.00
103	12-Inch PVC Water Main	1200	LF	52.00	62,400.00
104	12-Inch Valve and Valve Box	2	EA	3,400.00	6,800.00
105	Fire Hydrant Assembly	3	EA	5,500.00	16,500.00
106	Fittings	500	LB	8.00	4,000.00
107	Type 2 Pipe Bedding	40	CY	25.00	1,000.00
108	Surface Restoration	1200	LF	2.00	2,400.00
109	Miscellaneous Work	8000	EA	1.00	<u>8,000.00</u>
				Subtotal	106,260.00
				Contingency (10%)	10,626.00
				Engineering and City Inspection (15%)	<u>15,939.00</u>
				Total Estimated Construction Cost	<b>\$132,825.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**

**Extend Gravity Sewer Main to serve Lots 7 thru 10**

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>ESTIMATED QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>ESTIMATED TOTAL PRICE</u>
101	Mobilization (5% Max)	1	LS	5,000.00	5,000.00
102	8-Inch Sanitary Sewer Main	1171	LF	55.00	64,405.00
103	48" Sanitary Sewer Manhole	3	EA	3,800.00	11,400.00
104	6" Sewer Service	4	EA	3,500.00	14,000.00
105	Type 2 Pipe Bedding	40	CY	30.00	1,200.00
106	Trench Surface Restoration	1	LS	3,500.00	3,500.00
107	Miscellaneous Work	1	EA	8,438.00	<u>8,438.00</u>
				Subtotal	\$107,943.00
				Engineering and City Inspection (8.5%)	9,323.00
				Contingency (5%)	<u>5,397.00</u>
				Total Estimated Construction Cost	<b>\$122,663.00</b>

**AGRITECH PARK - CONSTRUCTION COST ESTIMATE**  
**Rail Serving Lots 9-10**

<u>Work Item</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Total Cost</u>
<u>Construct Rail to Serve Lots 9 and 10</u>				
Track (115 lb track)	2,050	LF	200.00	410,000.00
Earthwork	1	LS	20,000.00	20,000.00
Road Crossing Surface	1	EA	65,000.00	65,000.00
Double switch point Derail	1	EA	30,000.00	30,000.00
Miscellaneous Work	1	LS	30,000.00	<u>30,000.00</u>
			Subtotal	\$555,000.00
			Construction Engineering (8%)	\$44,400.00
			Contingency (15%)	<u>\$83,250.00</u>
			<b>Total</b>	<b>\$682,650.00</b>

EXHIBIT C

FORM OF REIMBURSEMENT CERTIFICATE

TO: City of Great Falls, Montana (the "City")  
FROM: Great Falls AgriTech Owners Association, LLC (the "Association")  
SUBJECT: Reimbursements for Infrastructure Improvements

This represents Developer Certificate No. \_\_\_\_\_ in the total amount of \$\_\_\_\_\_ for payment of the Infrastructure Improvements.

The undersigned, as Authorized Developer Representative, intends that this certificate will satisfy the requirements of Section 5.1 of the Development Agreement, dated as of [\_\_\_\_], 2015 among the City, Great Falls AgriTech Park, LLC (the "Developer") and the Association (the "Agreement"), and does hereby certify on behalf of the Association that:

- (a) the expenditures for which reimbursement is requested are listed in summary form in the attached schedule;
- (b) the amounts requested have been paid by the Association for property or to contractors, subcontractors, materialmen, engineers, architects or other persons who will perform or have performed necessary or appropriate services or will supply or have supplied necessary or appropriate materials for the acquisition, construction, renovation, equipping and installation of the Infrastructure Improvements, as the case may be, and that, to the best of my knowledge, the fair value of such property, services, or materials is not exceeded by the amounts requested to be paid;
- (c) the cost of work to be reimbursed has been competitively bid and the contractor or subcontractor has paid the Montana prevailing wage for such work;
- (d) no part of the several amounts requested to be reimbursed, as stated in such certificate, has been or is the basis for the reimbursement of any money in any previous or pending request; and
- (e) the reimbursement of the amounts requested will not result in a breach of any of the covenants of the Developer or the Association contained in the Agreement.

Dated: \_\_\_\_\_, 20\_\_

GREAT FALLS AGRITECH OWNERS  
ASSOCIATION, LLC

By: \_\_\_\_\_  
Authorized Developer Representative

Schedule to Developer Certificate No. \_\_\_\_\_

Payee

Purpose

Amount