

## INTER-LOCAL AGREEMENT

This AGREEMENT, effective July 17<sup>th</sup>, 2020, is entered into by and between the TOWN OF BELT a municipal corporation of the State of Montana, herein after called the "TOWN", and the COUNTY OF CASCADE, MONTANA, herein called the "COUNTY".

### Recitals

WHEREAS the TOWN and COUNTY have cooperated in operation of a public library in the Town of BELT since at least 1998; and

WHEREAS the TOWN and COUNTY desire to clarify the terms under which the the TOWN and COUNTY will continue to cooperate in the library operation, both parties wish to enter into an Interlocal Agreement in accordance with Montana Code Annotated (MCA) Title 7, Chapter 11, Part 1, and MCA Title 22, Chapter 1, Part 3 for the purpose of operation and maintaining the Belt Library.

### Agreement

The TOWN and COUNTY hereby agree to operate and maintain the BELT Library herein called "LIBRARY", in accordance with the following:

1. **DURATION:** This Agreement is entered into for the fiscal year 2020-2021, effective July 17, 2020, after which it will be automatically renewed each year on July 1 on the same terms unless otherwise mutually amended in writing or terminated as herein provided.
2. **SEPARATE LEGAL ENTITIES:** The operation of the LIBRARY is presently governed by a Board of Trustees, the precise organization, composition, and nature of which is set forth in Paragraph 8 of this Agreement and must comply with MCA Sections 22-1-309 and 22-1-317. It is not contemplated or intended by the parties that any separate legal entity, other than the previously established Board of Trustees, shall be created by this Agreement.
3. **PURPOSE:** The purpose of this Agreement is to provide a basis for cooperation between the TOWN and COUNTY which will result in equitable and free library services to all residents of Cascade County, Montana, and to provide a means of funding and administering the operation and maintenance of the LIBRARY pursuant to the laws of the State of Montana.
4. **FINANCING:**
  - (a) The LIBRARY Board of Trustees ("Board of Trustees") shall submit its operational budget to the Town Council. The budget will be submitted prior to the beginning of each fiscal year and in sufficient time for the Town Council to include the recommended budget in their annual budget considerations;

- (b) The COUNTY shall provide \$51,000 annually for library operations – to be used for librarian salaries and benefits, maintenance of the building and property, utilities, internet connectivity, and for purposes of maintaining the collections;
- (c) Pursuant to MCA Section 22-1-316(3), the TOWN and COUNTY may impose a mill levy sufficient to increase the amount of the LIBRARY budget for inflation, pursuant to MCA Section 15-10-420;
- (d) This Agreement will be amended to comply with any statutory change enacted by the Montana Legislature for support of libraries;
- (e) To assist with communication and tracking of the funds, the COUNTY’S annual contribution shall be paid to the Town of Belt and delivered to the TOWN’S treasurer for deposit in the BELT LIBRARY fund. This COUNTY money shall not be used for any purpose except those authorized by the Board of Trustees for LIBRARY operations, administration, maintenance, and services as provided by the laws of the State of Montana;
- (f) The terms of this Agreement shall in no way prevent either party from providing additional funding to the LIBRARY from sources other than mill levies, i.e. revenue sharing or other grants or funds available to the parties. Contributions of this type are solely at the discretion of the TOWN and shall not be computed in determining the operation costs of the LIBRARY.
- (g) All public funds for the LIBRARY will be managed by the TOWN. The LIBRARY shall use the TOWN’S tax identification number and the TOWN shall continue to include the LIBRARY in its yearly audits; and
- (g) The Board of Trustees may establish a library depreciation reserve fund as provided for in MCA Sections 22-1-305 – 22-1-307.

5. **INDEPENDENT CONTRACTOR:** The TOWN represents and warrants that it is an independent contractor and that its employees, agents and subcontractors are not employees of the COUNTY. The Town may not in any manner represent or maintain the appearance of being employees of COUNTY. The TOWN assumes the cost of all personnel required to operate the LIBRARY. and understands that provisions of law, including worker’s compensation, unemployment insurance, wage and hour as well as all applicable taxes for such personnel are the taxes for such personnel are the exclusive responsibility of the TOWN.

6. **BUILDING AND PROPERTY:** In furtherance of the TOWN’S ability to manage and operate the LIBRARY, COUNTY agrees to divest itself of all of its ownership interests in the real and personal property which collectively comprise the LIBRARY. A copy of the fully

executed Quit Claim Deed to the real property and Bill of Sale for all personal property shall be attached hereto and incorporated herein by reference as though fully set forth herein. Accordingly, the Town shall be responsible for providing day-to-day maintenance and all general, substantial, and structural repair for the LIBRARY'S real property, fixtures and personal property

7. **DEPOSITS AND INVESTED FUNDS:** COUNTY recognizes that LIBRARY may have established one or more separate bank accounts not including those with the Cascade County Treasurer, and may have LIBRARY funds invested in CDs or other interest bearing accounts. Regardless of the sum thereof, COUNTY makes no claim to such funds nor does it seek division of such funds as part of any consideration for this AGREEMENT.
8. **TERMINATION:** Either party to this Agreement may terminate the same by giving notice in writing of its intention at least 90 days prior to the beginning of the next fiscal year. Termination shall be effective the last day of the fiscal year in which notice was properly given. In the event termination of this Agreement results in dissolution of the BELT LIBRARY, or at any time the BELT LIBRARY ceases to operate as a LIBRARY, the real property shall be deeded to COUNTY via Quit Claim Deed any of the LIBRARY'S original collection donated by COUNTY shall be returned to the COUNTY. The remainder of the collection shall be returned to the TOWN and all other property, material and equipment acquired by the LIBRARY shall be divided equitably by the Board of Trustees, subject to the approval of the BELT Town Council. This paragraph shall survive termination of the AGREEMENT and the parties acknowledge that the conditions contained in this paragraph are an integral part of the consideration of the AGREEMENT.
9. **ADMINISTRATION:** The Board of Trustees shall be composed of five (5) members: two (2) of whom shall be appointed by the Board of County Commissioners of Cascade County, Montana; two (2) of whom shall be appointed by the Mayor and the BELT Town Council; and the fifth member shall be the Mayor of the TOWN or his designee. A trustee may be removed only by a majority vote of the appointing legislative body, and shall serve in accordance with the following:
  - (a) Trustee's terms of office shall not exceed five (5) years. Initial appointments must be made for 1-, 2-, 3-, 4-, and 5-year terms. Annually thereafter, there must be appointed before July 1 of each year, in the same manner as the original appointments for a 5-year term, a trustee to take the place of the retiring trustee. Vacancies in the board must be filled for the unexpired term in the same manner as original appointments;
  - (b) Trustee shall serve no more than two (2) full terms in succession;
  - (c) Trustee shall serve without compensation, but their actual and necessary expenses incurred in the performance of their official duties may be paid from LIBRARY funds;

- (d) Trustees shall meet each June and elect a Chairman and such other officers as they consider necessary for one (1) year terms;
- (e) The Board of Trustees shall have the powers and duties provided by MCA Section 22-1-309, the provisions of which by this reference are incorporated herein; and
- (f) As a tax-supported public library, the Board of Trustees must be aware of and ensure that all laws and regulations which relate to public libraries are properly followed. *See Montana Library Laws, Rules, and Public Library Standards* as a resource on laws specific to governing public libraries in Montana.

10. **INSURANCE:**

- (a) Board of Trustee members: The TOWN shall provide liability protection for the Board of Trustees as a whole. The COUNTY shall provide liability protection for COUNTY appointed individual board members in accordance with the requirements and limitations of the Montana Tort Claims Act and the TOWN shall provide liability protection for the TOWN appointed individual board members, in accordance with the requirements and limitations of the Montana Tort Claims Act. Specifically, the TOWN shall provide liability protection and workers compensation protection for the Chief Librarian, the Substitute Librarian and any volunteers in accordance with the requirements and limitations of the Montana Tort Claims Act;
- (b) TOWN: The TOWN shall provide general and comprehensive liability coverage for any of its obligations under this Agreement. Specifically, the TOWN shall provide and maintain the physical space for the LIBRARY and shall provide comprehensive property and liability insurance for the building. The TOWN shall also insure the contents of the LIBRARY, as to the content's replacement value. Once the LIBRARY is deeded over to the TOWN, the TOWN shall also provide and maintain comprehensive property and liability insurance for the LIBRARY building and property.

11. **HOLD HARMLESS:** The TOWN and COUNTY agree to a mutual indemnification in which each party will indemnify the other for the negligent acts of its employees, agents and/or subcontractors. Each party shall indemnify, hold harmless and defend the other party, at that party's own expense, against any and all claims made for any accident, injury, or damage that occurs in, on, or about the LIBRARY that is caused by an act or omission of that party's employee, agent and/or subcontractors.

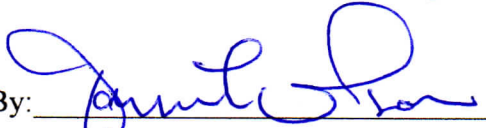
12. **MANAGEMENT AND APPLICATION OF LAW:** The LIBRARY Board of Trustees shall oversee and responsibly manage and care for the LIBRARY assets for the good of Cascade County's citizens and shall in general exercise such other powers necessary for the effective use, administration, and management of the LIBRARY, in accordance with applicable Montana Law.
13. **SEPARATE FUNDS:** It is understood that this Agreement relates only to the TOWN and COUNTY'S portion of the LIBRARY'S funds; and that separate funds available to the LIBRARY, including but not limited to coal tax severance funds, LSTA funds, and private or public grants shall not be included in determining the TOWN and COUNTY'S portion of the LIBRARY budget.
14. **LEGAL BASIS:** This Agreement is authorized by the provisions of MCA Section 7-11-104, "Interlocal Agreements."
15. **EXECUTION AND DELIVERY OF COPIES:** Upon authorization and execution by the appropriate authorized of officials in accordance with Montana Law, copies of this Agreement shall be filled in the office of:


(a) The Clerk and Recorder of Cascade County; and

(b) The Secretary of State.

DATED this 15<sup>th</sup> day of July, 2020

TOWN OF BELT, a Municipal Corporation

By:   
Mayor

  
Town of BELT Clerk

DATED this 15<sup>th</sup> day of July, 2020



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**Cascade County:**

BOARD OF COUNTY COMMISSIONERS,  
CASCADE COUNTY, MONTANA

James L. Larson  
James L. Larson, Chairman

Jane Weber  
Jane Weber, Commissioner

Joe Briggs  
Joe Briggs, Commissioner

Attest

On this 13<sup>th</sup> day of July, 2020, I hereby attest the above-written signatures of the Board of Cascade County Commissioners.

Rina Fontana Moore  
Rina Fontana Moore  
Cascade County Clerk and Recorder



\* APPROVED AS TO FORM:

Josh Racki  
Josh Racki, County Attorney  
Josh Racki  
DEPUTY COUNTY ATTORNEY

\* THE COUNTY ATTORNEY HAS PROVIDED ADVICE AND APPROVAL OF THE FOREGOING DOCUMENT LANGUAGE ON BEHALF OF THE BOARD OF CASCADE COUNTY COMMISSIONERS, AND NOT ON BEHALF OF OTHER PARTIES OR ENTITIES. REVIEW AND APPROVAL OF THIS DOCUMENT BY THE COUNTY ATTORNEY WAS CONDUCTED SOLELY FROM A LEGAL PERSPECTIVE AND FOR THE EXCLUSIVE BENEFIT OF CASCADE COUNTY. OTHER PARTIES SHOULD NOT RELY ON THIS APPROVAL AND SHOULD SEEK REVIEW AND APPROVAL BY THEIR OWN RESPECTIVE COUNSEL.

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