

AGREEMENT

Harmon Construction, Inc. and CITY of Three Forks, Montana

This Agreement is entered into this 12th day of November, 20 24, by and between:

CITY: CITY of Three Forks, Montana (CITY) with address of P.O. Box 187, Three Forks, MT, 59752, which has the need for and the authority to contract for such materials, work and services and desires to have the CONTRACTOR perform as specified in Scope of Work.

CONTRACTOR: Harmon Construction, Inc. PO Box 400, Three Forks, MT 59752 (name, State of incorporation if applicable, address, CITY, county, zip code) (CONTRACTOR), which is authorized to do business in the State of Montana where the undersigned has authority to enter into this Agreement on CONTRACTOR'S behalf. CONTRACTOR represents it is qualified to provide materials and perform such work and services in a safe and efficient manner to the CITY.

1. **SCOPE OF WORK.** CONTRACTOR shall provide all materials and perform all work and services to complete the project described in the Scope of Work for City Hall Remodel Project attached as Exhibit "A".
2. **Term.** CONTRACTOR shall commence work on January 13, 2025 and complete the work as set forth in the SCOPE OF WORK no later than June 30, 2025. CONTRACTOR shall provide materials and perform all work and services, obligations and requirements without delay time being of the essence. Violation is a material breach.
3. **COMPENSATION.** CITY agrees to pay CONTRACTOR \$ 43,531.41. CONTRACTOR agrees that all materials, work and services specified in the Scope of Work shall be provided for this amount. The amount charged or paid under this agreement shall not exceed the agreed amount, except for change of work orders that shall be considered additional work and shall be in agreed to in writing prior to commencement of additional work.
4. **PAYMENT SCHEDULE.** Payment requests shall include a billing statement specifically detailing all materials, work or services set forth in the SCOPE OF WORK that have been completed and all expenses incurred. Expense receipts shall accompany the payment request. Upon receipt of CONTRACTOR'S written payment request, CITY will assess the work and materials and approve the payment request or provide the CONTRACTOR with a written statement detailing items not approved by the CITY and the reason for disapproval. The CITY may only disapprove the payment request or a portion thereof based upon: (i) unsatisfactory job progress; (ii) failure to remedy defective construction work or materials; (iii) disputed work or materials; (iv) failure to comply with material provisions of the contract or accompanying documents, including but not limited to payroll certifications, lien releases, warranties, material certifications, and test data; (v) failure of a contractor to make timely payment for claims, including but not limited to claims for labor, equipment, materials, subcontracts, taxes, fees, professional services, rent, and royalties; (vi) damage to the CITY; or (vii) the existence of reasonable evidence that the contract cannot be completed for the unpaid balance of the contract sum. If the CITY does not provide a such a written statement to the CONTRACTOR within 14 days of receipt of a payment request, the payment request will be considered approved. CITY shall make payment within fourteen 14 days after CONTRACTOR'S payment request is approved.
5. **CONTRACT REPRESENTATIVES.** CONTRACTOR names Rachael Harmon (406-209-6073) as contact person who shall act as the liaison between the CITY and the CONTRACTOR and respond to requests from the CITY in writing promptly to prevent unreasonable delay in the progress of the Scope of Work and Payment Schedule. CITY names George Chancellor (406-599-7294) as contact person who shall act as a liaison between the CITY and the CONTRACTOR and respond to requests from the CONTRACTOR in writing promptly to prevent unreasonable delay in the progress of the Scope of Work and Payment Schedule.

6. **INFORMATION RELEASE.** CONTRACTOR will not release information to a third party without prior written approval from CITY. "Third parties" as used in this section shall not include CONTRACTOR'S agents including subcontractors or sub-consultants. Both parties agree to use reasonable care to not use information developed during this project for the benefit of others except as may be authorized in writing. All documents, records, maps, drawings, or other papers produced or acquired by CONTRACTOR during this project shall remain the property of CITY.

7. **DEFAULT, REMEDIES and TERMINATION.** The parties agree each term and condition contained herein is material and of the essence. This agreement may be terminated by either party immediately should either party fail to perform in accordance with any term or condition of this agreement after it fails to cure within ten (10) calendar days written notice. CITY may also terminate without cause upon written notice. Should this Agreement terminate for any reason, payment to the CONTRACTOR shall be made on the basis of materials provided and services performed to the date of termination.

8. **CONTRACTOR ADDITIONAL OBLIGATIONS.** The CONTRACTOR'S additional obligations include the following: (a) provide all labor, materials, equipment, supplies and incidentals necessary to perform and complete the Scope of Work; (b) prepare and present such information as may be pertinent and necessary for the CITY to pass critical judgment on the quality of the work; (c) perform work and services in accordance with generally accepted commercial or accepted industry standards regarding similar type work or services; (d) perform all professional services in connection with the Scope of Work at a standard of similarly situated professionals in the United States, meeting all building code requirements and to the full satisfaction of the CITY; (e) maintain appropriate safety standards and keep all areas of work and adjacent areas free from foreseeable risks of harm and dangers; (f) immediately inform the CITY of the presence of any hazardous condition or waste or other toxic substance identified under the Scope of Work of this agreement; (g) allow the CITY upon reasonable notice and at reasonable times the right of review, inspect and examine the CONTRACTOR'S place of work and records pertaining to this agreement; and (h) all work and materials shall carry no less than a one year warranty.

9. **LAWS AND REGULATIONS.** In performance of its obligations herein, CONTRACTOR, its agents and subcontractors shall comply with all applicable federal, state and local laws, rules and regulations. If during the term of this Agreement new laws or regulations become applicable, CONTRACTOR shall also comply with them without notice from CITY. CONTRACTOR specifically acknowledges the following provisions of law and its responsibility to abide by the same if such provisions are applicable:

- (a) Montana Labor Preference Section 18-2-403(1), Montana Code Annotated (MCA); Equal Opportunity. Section 49-3-207, MCA;
- (b) Prevailing Wage Rates. Pursuant to Section 18-2-403, MCA, CONTRACTOR must pay the standard prevailing wage rates, fringe benefits, pension contributions and travel allowances in effect and applicable to CITY, Montana. The current standard prevailing wage rates published by the Montana Department of Labor and Industry for job classifications necessary to complete the Scope of Work are incorporated by reference into this agreement. Contractor shall maintain payroll records in a manner readily capable of being certified for not less than 3 years after completion of the work and post a statement of wages and fringe benefits. If any contract exceeds 30 months the prevailing wage must be increased 3% after the first 12 months and every 12 months thereafter. Questions regarding the requirements of this section should be directed to the Montana Department of Labor and Industry, Labor Standards Bureau.
- (c) Registration and Withholding (1% tax withholding). CONTRACTOR shall register with the Montana Department of Labor and Industry as required in accordance with Title 39, Chapter 9, MCA and comply with Title 15, Chapter 50, MCA. CONTRACTOR shall withhold and forward gross contract receipts to the State of Montana.

10. **SAFETY.** CONTRACTOR, on behalf of itself and CITY, assumes sole responsibility for initiating, maintaining and supervising all health and safety precautions and programs for all employees, subcontractors, and consultants in connection with the performance of this agreement. CONTRACTOR shall ensure that its employees, consultants, and subcontractors are adequately and appropriately trained pursuant to the Montana

Safety Culture Act, Title 39, Chapter 71, Part 15, MCA. CONTRACTOR shall also comply with the safety rules, codes, and provisions for occupational health and safety under Title 50, Chapter 71, MCA. CONTRACTOR shall post all notices necessary to ensure public safety for applications of chemicals.

11. **LIEN.** Provided that CITY has first made all payments as required herein, CONTRACTOR shall pay all valid bills and charges for material and labor incurred by it and arising out of the Scope of Work and will hold CITY free and harmless against all liens and claims of liens or services, labor and materials filed against the property upon which the Scope of Work is commenced. As evidence of payment of service providers, material men, consultants and subcontractors, CONTRACTOR may be required to file lien waivers. CONTRACTOR will also file the same for its services. CONTRACTOR shall provide the necessary information to identify all CONTRACTORS of services, materialmen, consultants and subcontractors.

12. **WAIVER AND INDEMNIFICATION.** CONTRACTOR waives any and all claims and recourse against CITY or its officers, agents or employees, including the right of contribution for loss or damage to person or property arising from, growing out of, or in any way connected with or incident to the performance of this agreement except claims arising from the intentional acts or negligence of the CITY or its officers, agents or employees.

- (a) CONTRACTOR will indemnify, hold harmless, and defend the CITY and its officers, agents, and employees against any claim, damage, liability, loss, expense, fee, action or charge (including liability where activity is inherently or intrinsically dangerous), including attorney's fees (including fees of the CITY Attorney) arising out of CONTRACTOR'S acts, errors, omissions, or negligence or from CONTRACTOR'S failure to comply with the requirements of this agreement or with any applicable law relevant to the performance of this agreement. In the event of an action filed against CITY resulting from CONTRACTOR'S performance under this agreement, CITY may elect to represent itself and incur all costs and expenses of suit.
- (b) CONTRACTOR assumes all liability for person contact with chemicals applied CITY property.
- (c) These obligations shall survive termination of this agreement.

13. **INSURANCE.** CONTRACTOR shall carry Commercial General Liability insurance in the amount no less than \$1,500,000.00 for each occurrence and Automobile Liability in the amount of \$1,500,000.00 combined single limit. If CONTRACTOR is an architect or engineer or performing other professional services it shall carry Professional Liability or Errors and Omissions coverage in the amount of \$1,500,000.00. CONTRACTOR shall disclose insurance provisions of its policies related to toxic substances or waste. CITY may require an additional policy covering toxic substances or waste. All insurance policies shall be primary and noncontributory, shall name CITY as additional insured, and shall be maintained for a period of time equal to the warranty period in the prime contract, or for a period of one (1) year after completion of work, whichever is longer. CONTRACTOR shall require all consultants and subcontractors to meet the same insurance coverage. Certificates of Insurance evidencing CITY as additional insured and endorsement thereof must be supplied with the signed return of this Agreement. Such certificate shall require no less than fifteen (15) days notice of cancellation to CITY. CONTRACTOR shall put CITY on immediate notice of any changes or cancellation in coverage.

14. **INDEPENDENT CONTRACTOR.** CONTRACTOR, its consultants and subcontractors, shall at all times be considered independent contractors engaged in an independently established business or profession and rendering work and services in the course of such business as an independent contractor. Notwithstanding its obligation to fulfill the Scope of Work, CONTRACTOR and its consultants and subcontractors have been and will continue to be free from control or direction over their performance under this agreement and in fact. CITY will not be responsible for withholding any state or federal taxes or social security, nor will the CITY extend any of the benefits to the CONTRACTOR that it extends to its employees. The CONTRACTOR is required to maintain necessary records and withholding.

15. **WORKERS COMPENSATION.** As an independent contractor, CONTRACTOR must provide Workers Compensation for all employees in the amount required by Montana law. A Certificate of Insurance

showing compliance with Montana Workers Compensation law (or exemption therefrom) must be supplied to CITY with the signed return of this Agreement.

16. **PAYMENT AND PERFORMANCE BONDS.** CONTRACTOR is required to post the following bonds in an amount no less than the sum of the contract price(check applicable boxes)

Performance Bond Payment Bond No Bond

Bond documents must be delivered to the CITY with the signed return of this Agreement.

17. **ATTORNEY'S FEES.** If it is necessary for either party to bring an action to enforce the terms, covenants, or conditions of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs, including paralegal costs, to be set by the appropriate court, including fees of the City Attorney.

18. **VENUE.** An action to enforce this Agreement shall be brought in the District Court of the Eighteenth Judicial District, Gallatin County, Montana.

19. **NOTICE.** All notices and certifications made pursuant to this agreement shall be delivered to the addresses in Paragraph 1 above by certified mail or personal delivery in care of the party's representative named above. A party shall give the other prompt notice of any change in address.

20. **INTERPRETATION.** This Agreement shall be governed and interpreted according to the laws of the State of Montana. Section headings are for convenience only and are not intended to define or limit any provisions of this Agreement. The provisions of this Agreement are independent and severable, and the invalidity, partial invalidity, or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision. Both parties having been given an opportunity to have this Agreement reviewed by others, the Rule of Construction providing that the Agreement shall be construed against the drafter will not be used in the interpretation of this Agreement.

21. **ENTIRE AGREEMENT.** This document represents the entire and integrated agreement between the CITY and CONTRACTOR and supersedes all prior negotiations, agreements or representations, either written or oral. This agreement may be amended only by written instrument signed by both CITY and CONTRACTOR.

22. **NON-WAIVER.** Delay, waiver or failure to enforce or assert any claim, defense or provision of this agreement shall not operate as a waiver of any of the CITY's rights and remedies at law or equity that are expressly reserved without limitation.

23. **NON-ASSIGNMENT.** It is expressly agreed that this Agreement shall not be assigned, in whole or in part, without the prior written consent of the CITY. Such consent shall not be unreasonably withheld.

24. **SUCCESSORS.** This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, successors, and assigns.

25. **EXECUTION OF AGREEMENT.** The CITY Clerk will keep the original agreement. An exact unaltered copy of the original agreement has the same force and effect as the original.

IN WITNESS WHEREOF the parties have signed this Agreement for Services.

CONTRACTOR

Richard Harmon

Name: *V.P. Harmon Ent. Const. Inc.*
Title:

CITY

Name: Randy Johnston
Title: Mayor



Exhibit 'A'

(Harmon Construction, Inc. Proposal #03-2589 will be attached to the printed and signed copy.)



Harmon Enterprises Construction, Inc.

PO Box 400
 Three Forks, MT 59752
 (406) 209-6073
 www.harmon-enterprises.com

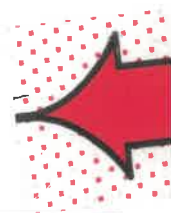
Proposal

Date	Estimate No.
10/11/2024	03-2589

Name/Address

City of Three Forks
 206 S. Main Street / PO Box 187
 Three Forks, MT 59752

Description	Total
THREE FORKS CITY HALL: Plans with engineer approved information on removing interior walls and supporting upper storage area with beams and posts will need to be provided for construction. This is a rough estimate only, not a bid.	0.00
GENERAL REQUIREMENTS: Equipment rental, porta john rental, dumpster rental, surface protection, construction clean up.	3,657.92
LABOR: Demo walls - approximately 74 lineal ft. Demo ceiling sheetrock as needed to attach beams, demo wall for pocket door frame on office. Build temp walls to support upper floor for installation of beams. Install posts and beams to support upper floor and open up space underneath.	17,688.24
LABOR: Labor to attach 2x4 lumber and plywood to block walls for hanging things on walls. Area to be 2 sheets of plywood size 64 sf. Materials included in below framing materials total.	780.00
FRAMING MATERIALS: 6x6 posts, glulam beams, 2x4 lumber for temp walls, plywood, fasteners, hardware.	4,248.42
DRYWALL HANG & FINISH: Approximate cost for installation of drywall, tape and finish for ceiling patches and pocket door area of office wall. Amount may vary and will be determined by final subcontractor pricing plus 15%.	1,668.94
PAINTING (Patched areas only): Labor and materials for interior primer and 2 coats of paint for ceiling of main area where walls will be removed and sheetrock will be patched. Primer and 2 coats of paint for pocket door wall and for new door trim around pocket door.	1,061.43
PAINTING: New paint throughout interior of building: labor and materials to prep and paint all interior walls, trim and doors with 2 coats interior latex paint. Includes 2 coats latex paint for all dry-wall ceilings - Does not include drop ceilings.	6,868.56
DOORS: Labor to install 1 new interior pocket door for office. Includes 300 allowance for door and lockset.	819.62
DOORS: Labor and materials to install weather stripping and new sweep on back exterior door to help with cold air leaks.	245.43
Total	



Signature Rachel Harmon 10/23/24
 Harmon Enterprises Construction, Inc.

Signature _____
 Owner



Harmon Enterprises Construction, Inc.

PO Box 400
 Three Forks, MT 59752
 (406) 209-6073
 www.harmon-enterprises.com

Proposal

Date	Estimate No.
10/11/2024	03-2589

Name/Address

City of Three Forks
 206 S. Main Street / PO Box 187
 Three Forks, MT 59752

Description	Total
INTERIOR FINISH WORK: Labor and materials to remove existing base trim in all areas where new flooring will be installed. Install new base (material priced as 4" vinyl mop board base). install new door trim for pocket door. Door trim to match existing as closely as possible.	1,990.21
PLUMBING: Approximate cost for rough and finish plumbing for removing existing bath sink and installing new deep sink. Includes 600.00 allowance for new sink and faucet. Final cost will depend on actual cost of subcontractor plus 15%	1,265.00
BATH SINK CABINET: Install new cabinet with countertop in bathroom. Includes 300.00 allowance for new sink cabinet with countertop.	557.64
ATTIC ACCESS: Need detail on attic access modifications. Can be done on a time and materials basis.	0.00
FLOORING: Not included in this proposal.	0.00
ELECTRICAL: Not included in this proposal.	0.00
HVAC: Not included in this proposal.	0.00
CEILING TILE REMOVAL AND REPLACEMENT: Not included in this proposal.	0.00
PROJECT MANAGEMENT: Coordination and management of any trades not included in this proposal to be billed at an hourly rate of \$67.00/hour. Approximate cost based on 40 hours.	2,680.00
Total	\$43,531.41

This proposal is limited to the specific scope of work detailed above and shall be void after 30 days. Additional labor will be charged at \$67.00/hr per supervisor, \$63.00/hr per skilled carpenter, \$52.00/hr per journeyman, \$48.00/hr per laborer. Labor for small repairs will have a 4 hour minimum charge. Materials, equipment and subcontractors will be charged at cost plus 15%. The Owner/Contractor agrees to pay for 50% of the proposal at the start of the project, with the balance due upon completion of the work and receipt of an invoice from Harmon Enterprises Construction, Inc. In the event suit is brought to collect payment, the prevailing party shall be entitled to interest on the amount due (from its date) at the highest rate allowed by law, plus attorney fees, court costs and all costs of collection. All Major credit cards accepted with 3.6% added to total invoice for transaction fees.



Signature Rachel Harmon 10/23/24
 Harmon Enterprises Construction, Inc.

Signature _____
 Owner



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/23/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).


PRODUCER First West, Inc. P.O. Box 1800 Bozeman, MT 59771	CONTACT NAME: W. Dan Cramer, CIC
	PHONE (A/C, No, Ext): (406) 922-6062 FAX (A/C, No): (406) 587-9162 E-MAIL ADDRESS: dcramer@1stwestinsurance.com
INSURED Harmon Enterprises Construction, Inc. PO Box 400 Three Forks, MT 59752	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A: The Cincinnati Specialty Underwriters Insurance Company 13037
	INSURER B: Montana State Fund 15819
	INSURER C:
	INSURER D:
	INSURER E:

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			CSU0110216	2/5/2024	2/5/2025	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	033941915	4/23/2024	4/23/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
							E.L. EACH ACCIDENT	\$ 100,000
							E.L. DISEASE - EA EMPLOYEE	\$ 100,000
							E.L. DISEASE - POLICY LIMIT	\$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER City of Three Forks c/o Crystal Turner PO Box 187 Three Forks, MT 59752	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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Montana Department of
LABOR & INDUSTRY

CERTIFICATE OF CONTRACTOR REGISTRATION

HARMON ENTERPRISES CONSTRUCTION INC
PO BOX 400
THREE FORKS, MT 59752

STATUS
Employer

REGISTRATION NO.
161985

EFFECTIVE DATE
03/17/2023

EXPIRATION DATE
03/16/2025

Visit our website at mtcontractor.mt.gov or call the
Registration Section at 406-444-7734 for more information
or to verify the validity of this certificate.