

Welcome to tonight's City Council meeting!

The elected officials of the City of Bonners Ferry are appreciative of an involved constituency. Testimony from the public is encouraged concerning issues when addressed under the Public Hearing portion of the agenda. Any individual who wishes may address the council on any issue, whether on the agenda or not, during the Public Comments period. Normal business will preclude public participation during the business portion of the meeting with the discretion left to the Mayor and Council. Special accommodations to see, hear, or participate in the public meeting should be made at City Hall within two days of the public meeting.

Vision Statement

Bonnors Ferry, "The Friendliest City", strives to achieve balanced growth, builds on community strengths, respects natural resources, promotes excellence in Government, and values quality of life. We are a city that welcomes all people.

**AGENDA
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
December 20, 2022
6:00 pm**

Join video Zoom meeting: <https://us02web.zoom.us/j/176727634>

Meeting ID: 176727634

Join by phone: 253-215-8782

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Each speaker will be allowed a maximum of three minutes, unless repeat testimony is requested by the Mayor/Council.

REPORTS

Police/Fire/City Administrator/City Engineer/Urban Renewal District/SPOT/Golf/EDC

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the December 6, 2022 Council meeting minutes
4. Treasurer's Report
5. **City** – Consider authorizing the Mayor to sign the communication renewal agreement with the Idaho Military Division for use of the City tower (attachment)
6. **Electric** – Consider authorizing the Mayor to sign the revised Owners Dam Safety Program document

NEW BUSINESS

7. **Electric** – Consider authorizing the Mayor to sign change orders for Unit 1 Overhaul (attachment) {action item}
8. **Electric** – Consider authorizing the Mayor to sign the contract with Schweitzer Engineering Laboratories for the Moyie Hydro Controls upgrades (attachment) {action item}
9. **Executive Session** - Executive Session pursuant to Idaho Code 74-206, subsection 1 (f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. The mere presence of legal counsel at an executive session does not satisfy this requirement {action item}

ADJOURNMENT



MEMO

CITY OF BONNERS FERRY
OFFICE OF THE CITY ADMINISTRATOR

TO: Mayor and City Council
FROM: Lisa Ailport, City Administrator *LMA*
DATE: December 15, 2022
RE: Admin Update

The following update is provided to the Mayor and Council for review and consideration.

COMMUNITY WORKSHOP- JANUARY 10TH

Staff has been busy preparing for the January 10th community meeting. Tentatively we have the armory reserved for that evening. The County has graciously allowed us to hold our meeting there. This location will allow more comfort for the round table workshop to commence. I will be inviting certain members of the public to attend and if there is someone that council wishes to for me to invite, please let me know.

FUNDING THE CITY POOL FOR THE 2023 SEASON:

On Monday, December 19, I have been invited to come speak with the county commissioners about helping to fund the swimming pool this next season. I plan to speak with them at 10:30 am in the commissioners room at the courthouse.

BONNERS FERRY CITY CODE- TITLE 10 UPDATES:

Draft Title 10 rewrite- Over the past two years, I have been working on updates to the Title 10- Utilities Chapter. Last year staff brought forward a rewrite to Title 10, Chapter 3 Sewer Ordinance. This year, it is my hope that we will be able to bring you a complete rewrite to Title 10, including water, and all city utilities. No projected changes are proposed to Chapter 3, since it was last updated, but overall the utilities chapter needed major updates and changes. If staff can get through the review process, we may be able to bring you the first reading and discussion of the chapter sometime in late January.

COMPREHENSIVE PLAN UPDATE:

The comprehensive plan is in full swing. The Advisory Committee and the Planning and Zoning Commission are working diligently to finish the future land use map. With that completed and some final tweaks to the plan, the consultants feel confident that this winter we could be holding public meetings to go over the plan with the community. This is a big accomplishment, since the last plan was adopted in 2006.

This concludes my report.

**MINUTES
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
December 6, 2022
6:00 pm**

Mayor Dick Staples called the Council meeting of December 6, 2022, to order at 6:00 pm. Present for the meeting were: Council Members Brion Poston, Valerie Thompson and Rick Alonzo. Also present were: City Administrator Lisa Ailport, Clerk/Treasurer Christine McNair, City Engineer Mike Klaus and Economic Development Coordinator David Sims. Members of the public present were: Marciavee Cossette, Emily Bonsant, Fay Almond and David Clark.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

No public comments were given

REPORTS

City Engineer Mike Klaus gave an update for the capital plan.

Urban Renewal District David Sims said the increment is lower this year.

EDC David Sims said the Porthill crossing hours are still being worked on. David gave an update on the broadband money available. Grant to help install a rail spur in Naples.

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the November 15, 2022 Council meeting minutes
4. **City** – Consider authorizing the Mayor to sign the 2023 Beverage Licenses pending receipt of payment and proper documentation

Rick Alonzo moved to approve the consent agenda. Valerie Thompson seconded the motion. The motion passed. Brion Poston – yes, Valerie Thompson – yes, Rick Alonzo – yes

OLD BUSINESS

5. **Electric** – Consider the Moyie Hydro Plant job description (attachment) {action item}

Rick asked if Pat Stevens has been involved in the job description at all. Lisa said no, but there has been involvement from the other hydro operator. Brion asked if we are looking to hire from within. Lisa said we have a policy that allows for internal review before looking elsewhere. Brion said the decision to go to salary instead of hourly. Lisa said it is a different job all together. Valerie likes the idea of salary since it will be easier to budget. Rick said it is similar to what is being paid now. Valerie Thompson moved to approve the Moyie Hydro Plant job description for the Moyie Hydro Facility Superintendent. Rick Alonzo seconded the motion. The motion passed. Rick Alonzo – yes, Valerie Thompson – yes, Brion Poston – yes

NEW BUSINESS

6. **Electric** – Consider authorizing the Mayor to sign the agreement with OEMR for Energy Resiliency Grant (attachment) {action item}

Mike said we applied for the grant in October. The amount is \$233,000. Brion asked if there is a match. Mike said the match is 33%. Valerie Thompson moved to authorize the Mayor to sign the agreement with OEMR for the Energy Resiliency Grant. Brion Poston seconded the motion. The motion passed. Valerie Thompson – yes, Brion Poston – yes, Rick Alonzo – yes

7. **Electric** – Consider the bids for Unit 1 overhaul and consider award of the project (attachment) {action item}

Mike Klaus said we only received one bid. The base bid is \$188,980 with alternates of \$277,000. Once the unit has been pulled change orders will be presented to Council. Brion asked about the bearings. Mike said they are Babbitt bearings. Rick Alonzo moved to approve the bid of \$188,980 for the Unit 1 project to Riverside, Inc. for the Unit 1 overhaul and authorize the Mayor to sign all contract documents required for the project. Valerie Thompson seconded the motion. The motion passed. Brion Poston – yes, Valerie Thompson – yes, Rick Alonzo – yes

8. **Planning and Zoning** – Have the first reading of Ordinance #605 by title only for Flood Damage Prevention (attachment) {action item}

Clare Marley gave a presentation of the amendments for Flood Damage Prevention. Planning and Zoning held a public hearing in September 2022. No public comments were received. Sixteen new definitions, technical bulletins, penalties and corrective acts were added. FEMA has reviewed and approved the document. Brion Poston moved to have the first reading for Ordinance #605 by title only. Valerie Thompson seconded the motion. The motion passed. Brion Poston – yes, Valerie Thompson – yes, Rick Alonzo – yes. Lisa read the ordinance by title only.

9. **Planning and Zoning** – Suspend the reading rules and adopt Ordinance #605 and authorize the publication summary {action item}

Valerie Thompson moved to suspend the reading rules and adopt Ordinance #605 and authorize the publication summary. Brion Poston seconded the motion. The motion passed. Rick Alonzo – yes, Valerie Thompson – yes, Brion Poston – yes

10. **City** – Discuss a committee for the budget shortfalls {action item}

Lisa is hoping for direction to staff as to how Council wants to proceed. Valerie likes having a committee and public meetings so there is organization. Mayor Staples likes the idea of a task force but is unsure of the number of people for that task force. Rick thinks there should be a task force to gather information and direction for this to go, then have a special Council meeting. Lisa asked if Council and the task force will meet at the same time or if staff will meet with the task force. Rick thinks the task force will formulate plans and bring those to Council. Valerie said she envisions it like the Comp Plan committee. Brion asked about having a paper that states what is needed. Valerie thinks a workshop setting might be best. A tentative date was set for January 10, 2023 at 5:00 pm. The venue will be determined.

ADJOURNMENT

The meeting adjourned at 7:09 pm.

INFORMATION

Draft Minutes – Planning and Zoning October 26, 2022 & Planning and Zoning November 17, 2022



MEMO

CITY OF BONNERS FERRY
CITY ENGINEER

TO: Mayor and City Council
FROM: Mike Klaus, City Engineer
DATE: December 15, 2022
RE: Idaho Military Division – Communication Equipment Agreement Renewal

Attached is an agreement proposed by the Idaho Military Division to continue using the City's tower for communication equipment to provide for public safety communications. This agreement is an extension of a previous agreement that expired in June of 2022. I have also attached the original base agreement for reference.

I recommend that Council approve this agreement. Please call me if you have any questions regarding this agreement.

Thank you,

A handwritten signature in blue ink that reads "Mike".

Mike

RENEWAL NO.1 TO
MEMORANDUM OF AGREEMENT
between
IDAHO MILITARY DIVISION, PUBLIC SAFETY COMMUNICATIONS
and
THE CITY OF BONNERS FERRY
(Tower Use and Access)

THIS RENEWAL NO. 1, effective the 1st day of July, 2021, by and between the Idaho Military Division, Public Safety Communications (“STATE”) and City of Bonners Ferry (“CITY”), is to the Memorandum of Agreement, dated July 1, 2016 (the “Agreement”), a true copy of which is attached and incorporated herein by reference.

WHEREAS, The Idaho Military Division, Public Safety Communications and the City of Bonners Ferry wish to renew the Agreement as follows.

NOW, THEREFORE, IN CONSIDERATION OF the mutual covenants and agreements contained herein, the Agreement is renewed as set forth herein.

1. The contract period (Term set forth in Section 2 is extended and the Agreement shall terminate on June 30, 2026.

2. ALL OTHER TERMS AND CONDITIONS PREVIOUSLY AGREED TO AND SET FORTH IN THE AGREEMENT REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the undersigned have executed this **Renewal No. 1** to be effective on the date above first written.

Idaho Military Division
Public Safety Communications
P.O. Box 83720
Boise, ID 83720-0076

City of Bonners Ferry
7232 Main Street
P.O. Box 149
Bonners Ferry, Idaho 83805

By: _____
MICHAEL J. GARSHAK
Major General
The Adjutant General, Idaho

By: _____
James R. Staples
Mayor
City of Bonners Ferry

Date: _____

Date: _____

Memorandum of Agreement
between
The Idaho Military Division, Public Safety Communications
and
The City of Bonners Ferry
(Tower Use and Access)

This Memorandum of Agreement (the "MOA") entered into this 1st day of July, 2016 by and between the City of Bonners Ferry ("CITY"), and the Idaho Military Division, Public Safety Communications ("STATE"). The STATE and CITY may hereinafter be collectively referred to as "Parties".

WHEREAS, CITY owns a communications tower, located at 101 Washington Street, Bonners Ferry, Idaho 83805. Latitude: 48:41:36.8N, Longitude: 116:18:36.7W.

WHEREAS, STATE has identified a need to establish wireless Point-to-Point (PTP) and Point-to-Multipoint (P2MP) links from the CITY's tower to the following locations: STATE's site at Black Mountain; Boundary County Extension Office (IBHS-EOC); Kootenai Tribal Police Department and the Bonners Ferry Army National Guard Armory.

WHEREAS, CITY has determined, based on information from the Tower Manager (Eric Lederhos, EL Automation), that said tower can accommodate the STATE's need without undue burden on CITY resources.

NOW, THEREFORE, in consideration of mutual promises and covenants hereinafter contained, and the recitals set forth above, the Parties to this Agreement do hereby agree as follows:

Section 1. Purpose

STATE's use of the CITY's tower for wireless communications data links to provide adequate communications services to the STATE as well as other governmental agencies as listed above.

Section 2. Term and Termination

- (a) The term of this MOA is from 1 July, 2016 through 30 June, 2017. The MOA will automatically renew for four additional one (1) year terms unless it is terminated at the conclusion of the initial term. Such termination does not require the six (6) months-notice specified in section 2(b).

- (b) Either party may terminate this MOA with or without cause so long as the terminating party gives the non-terminating party six (6) months written notice. Upon termination, the STATE shall immediately remove all of its equipment from the tower facility and surrender all rights and privileges under this MOA.

Section 3. Responsibility for Damages

Insofar as allowed by state law, STATE shall assume liability for damages, claims, expenses or injuries to the tower facility under this MOA caused as a direct result of STATE's agents or equipment. CITY understands and agrees that in no event shall any official, officer, employee or agent of STATE be personally liable or responsible for any representation, statement, covenant, warranty or obligation contained in, or made in connection with, this MOA, express or implied.

Section 4. Provision of and Installation of Equipment

STATE shall install and operate only the following equipment: Point-to-Point (PTP) 4.9 GHz link, 15" Panel Antenna, with a Cambium PTP-49650 or equivalent radio and Point-to-Multipoint (PTMP) 4.9 GHz link, 2 ft., 120 degree sector antenna, with a Ceragon FibeAir 2500 radio. The cost of installation and licensing fees shall be borne solely by STATE. The STATE will ensure all equipment is properly insured and licensed and that equipment will be operated under Part 101 of the Federal Communications Commission's rules.

Section 5. Maintenance

STATE equipment will be maintained so as not to interfere with the other users of the tower facility and will conform to any applicable guidelines governing the use of the tower facility. STATE will keep State-owned equipment operational and in good repair. CITY will provide access to State-owned communications equipment when such access is required for maintenance and or emergencies. If access to State-owned communications equipment is required for maintenance, STATE will notify the CITY before maintenance is performed.

Section 6. Uses of Tower Facility

- (a) In the event the CITY determines that the operation of the STATE's equipment causes interference to transmission or reception of any other communications systems in use within 100 ft. of the tower, the CITY shall send written notice to the STATE and the STATE shall take appropriate steps

necessary to mitigate said interference within three (3) days of having received written notice from the CITY.

- (b) In the event that either party shall default in performance of any material term, covenant, or condition of this MOA and fails to cure said default within thirty (30) days' notice from the other party, the non-defaulting party, may cancel this MOA at any point after the 30-day cure period.
- (c) This MOA does not modify the responsibilities and limitations of the parties as provided by law.

Section 7. Amendments

Amendments to this MOA shall be made by mutual consent of the parties, by the issuance of a written modification, signed and dated by all parties, prior to any changes being performed.

Section 8. Non-Appropriation

In order to comply with the requirements of Article VIII, Section 3 of the Constitution of the State of Idaho, the STATE understands and agrees that the CITY may, solely at its option, cancel this MOA for any fiscal year when the necessary funds for fulfillment of this Agreement are not budgeted for, and appropriated by, the CITY. CITY's fiscal year commences on the 1st day of October of each year and terminates on the 30th day of September of the following year. In the event of termination pursuant to this section, CITY must give thirty (30) days written notice to the STATE.

Section 9. Liability

CITY shall assume no liability for the acts, omissions to act or negligence of the STATE, its officers, agents, or employees; nor shall the STATE exclude liability for its own acts, omissions to act, or negligence to the CITY except as provided in section three (3) above.

Section 10. Party Interests

STATE agrees that this MOA creates no ownership interest in the CITY's property in favor of the STATE.

Section 11. Notice

Any notice given in connection with this Agreement shall be in writing and shall be delivered to the other party by first class mail, postage prepaid. Notice shall be deemed delivered after depositing notice or demand in the United States mail. Either party may change their address by giving written notice of the change to the other party.

Lessor: City of Bonners Ferry
7232 Main Street
PO Box 149
Bonners Ferry, ID 83805

Lessee: Idaho Military Division
Public Safety Communications
700 South Stratford Drive, Building 6
Meridian, ID 83642

Section 12. Binding Effect

This Agreement is binding upon and will run to the benefit of the heirs, executors, administrators, successors and assigns of CITY and STATE.


Section 13. Amendment

This Agreement represents the entire understanding of the parties, and may be changed, only in writing, signed by each party.

Section 14. Approvals

IN WITNESS WHEREOF, THE PARTIES HAVE HEREUNTO SUBSCRIBED THEIR NAMES ON THE DATES WRITTEN BELOW:

Accepted by:
DIRECTOR
THE ADJUTANT GENERAL
IDAHO MILITARY DIVISION


Major General Gary L. Saylor
Director

Accepted by:
MAYOR, CITY OF BONNERS FERRY


David Sims
Mayor

Date: 8 June 2016

Date: 13 June 2016

Memorandum of Agreement between
The Idaho Military Division, Public Safety Communications and the City of Bonners Ferry

Res. No. _____



MEMO

CITY OF BONNERS FERRY
CITY ENGINEER

TO: Mayor and City Council
FROM: Mike Klaus, City Engineer
DATE: October 28, 2022
RE: **Electric – Moyie Powerplant Unit 1 Overhaul – Change Orders**

On December 6th the City Council approved a contract with Riverside Inc. to overhaul Unit 1. The unit is currently being disassembled and, at the time this memo was written, the potential change order amounts are not known. It is my goal to have an estimated change order amount for you at the Council meeting, for your consideration.

Thank you,

A handwritten signature in cursive script that reads "Mike".

Mike



MEMO

CITY OF BONNERS FERRY
CITY ENGINEER

TO: Mayor and City Council
 FROM: Mike Klaus, City Engineer
 DATE: August 12, 2022
 RE: **Electric – Moyie Dam – Controls Upgrades**

The City has been working with Schweitzer Engineering Laboratories (SEL) to complete a scope of work and price for upgrades to the Moyie Hydro controls system. Below is a summary of the cost breakdown from SEL.

Summary Costs in Proposal		
(Costs based on no Hydro shutdown)		
Milestone	Activity	Price
1	Upon receipt of PO	\$ 26,385.00
2	Upon ordering hardware	\$ 68,325.00
3	Func. Design Specs and HMI screenshots	\$ 19,471.00
4	After 60% design review	\$ 24,000.00
5	After 100% design review	\$ 24,000.00
6	Successful factory acceptance testing	\$ 24,000.00
7	Commissioning Plan & Schedule	\$ 10,777.00
8	After commissioning activities	\$ 47,000.00
	Total Without Options	\$ 243,958.00
Option 1	PLC and managed switch for dam	\$ 10,120.00
Option 2	Control room computer and managed switch	\$ 10,260.00
Option 3	Commissioning without shutdowns	\$ 66,827.00
Option 4	Wiring by SEL	\$ 25,459.00
Option 5	Additional panel work	\$ 98,895.00
	Total of all Options	\$ 211,561.00
	Total cost with Options 1-5	\$ 455,519.00
	OEMR Grant	\$ 233,000.00
	Total Cost less Grant	\$ 222,519.00

At your December 6, 2022 meeting I provided Council with a summary of proposed capital projects for FY2023 and its estimated effect on the Electric Department budget, as shown below:

<u>Item</u>	<u>Estimated Cost</u>	<u>Grant/Reimbursement</u>	<u>Estimated Cost to City</u>
Unit 1 Overhaul	\$ 220,000.00	\$ -	\$ 220,000.00
Hydro Controls ¹	\$ 457,689.00	\$ 233,000.00	\$ 224,689.00
Riverside Relocation ²	\$ 100,000.00	\$ 50,000.00	\$ 50,000.00
Total	\$ 777,689.00	\$ 283,000.00	\$ 494,689.00

Notes:

1. OEMR Grant
2. Estimated 50% reimbursement from FHWA-WFL

Estimated Budgetary Impact

Current Cash (est 12-2-22)	\$ 3,000,000.00
Proposed 2023 Capital	\$ 494,689.00
Remainder	\$ 2,505,311.00
Established Reserve Amount	\$ 2,300,000.00 Estimated

Based on the Electric Department capital plan and the estimated availability of funds, I recommend the council approve the attached contract with Schweitzer Engineering Laboratories for \$455,519.00, and authorize the Mayor to sign the contract.

Thank you,



Mike

INDEPENDENT CONTRACTOR AGREEMENT

AGREEMENT made between City of Bonners Ferry, a political subdivision of the state of Idaho, herein "ENTITY" and SEL Engineering Services, Inc. herein "CONTRACTOR",

THE PARTIES AGREE AS FOLLOWS:

1. **CONTRACT:** ENTITY hereby employs CONTRACTOR as an independent contractor to complete and perform the following project and work:

CONTRACTOR agrees to provide all materials and services for the project in accordance with the attached written proposal titled: "Proposal for City of Bonners Ferry, *Control System Upgrade*, SEL ES Project #:028174.100.00 (Rev. 1) Submitted: 13 December 2022"

Including all four items and five options listed in the Scope of Services in proposal.

2. **TIME OF PERFORMANCE AND TERMINATION:** Parties agree that:

CONTRACTOR shall complete the project by December 31, 2022.

3. **COMPENSATION:** ENTITY agrees to pay CONTRACTOR as compensation:

Total not to exceed \$455,519.00 without written approval from the City.

4. **INDEPENDENT CONTRACTOR:** The parties agree that CONTRACTOR is the independent contractor of ENTITY and in no way an employee or agent of ENTITY and is not entitled to workers compensation or any benefit of employment with the ENTITY. ENTITY shall have no control over the performance of this Agreement by CONTRACTOR or its employees, except to specify the time and place of performance, and the results to be achieved. ENTITY shall have no responsibility for security or protection of CONTRACTOR'S supplies or equipment. CONTRACTOR agrees to pay and be responsible for all taxes due from the compensation received under this contract.

5. **WARRANTY: CONTRACTOR warrants that all materials and goods supplied under this Agreement shall be of good merchantable quality and that all services will be performed in a good workmanlike manner. CONTRACTOR acknowledges that it will be liable for any breach of this warranty.** CONTRACTOR warrants to ENTITY that Products are free from defects in material and workmanship for ten (10) years after shipment for all CONTRACTOR Products, including CONTRACTOR-manufactured control enclosure structures and panels. The sole and exclusive warranties for any software are set forth in the CONTRACTOR Software License Agreement. This warranty is conditioned upon proper storage and shall be void in its entirety if ENTITY modifies Products without prior written consent to and subsequent approval of any such modifications by CONTRACTOR or uses Products for any applications that require product listing or qualification not specifically included in the CONTRACTOR written quotation or proposal. If any Product fails to conform to this warranty, ENTITY properly notifies CONTRACTOR of such failure and ENTITY returns the Product to CONTRACTOR factory for diagnosis (and pays all expenses for such return), CONTRACTOR shall correct any such failure by, at its sole discretion, either repairing any defective or damaged Product part(s) or making available any necessary replacement part(s) or Product(s). CONTRACTOR will pay the freight to return the Product to the ENTITY (Carriage Paid to (CPT) ENTITY'S place of business). If CONTRACTOR is unable or unwilling to repair or replace, CONTRACTOR and ENTITY shall negotiate an equitable resolution such as a prorated refund or credit to the ENTITY'S account. Any Product repair or upgrade shall be covered by this warranty for the longer of one (1) year from date of repair or the remainder of the original warranty period. CONTRACTOR shall perform the Project in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. CONTRACTOR shall reperform (or, at CONTRACTOR'S option, pay a third party to reperform) any defective services at no cost upon receipt of notice detailing the defect(s) within one (1) year of performance of the original services. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THIS WARRANTY SHALL BE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF PERFORMANCE OR

DEALING OR USAGE OF TRADE), EXCEPT WARRANTY OF TITLE AND AGAINST PATENT INFRINGEMENT. CONTRACTOR shall, whenever possible, pass the original manufacturer warranty to ENTITY for non-CONTRACTOR products.

6. INDEMNIFICATION: CONTRACTOR agrees to indemnify, defend, and hold harmless ENTITY, and its officers, agents and employees, from and against any and all claims, losses, actions, or judgments for damages or injury to persons or property arising out of or in connection with the acts and/or any performances or activities of CONTRACTOR, CONTRACTOR'S agents, employees, or representative under this agreement and except to the extent that any such damages or injury to persons or property are caused by the acts or omissions of ENTITY or any of its officers, agents or employees.

Limitation of Liability. Contractor's liability for damages to the State for any cause whatsoever is limited to one million dollars (\$1,000,000) provided, however, that the following shall not be subject to the foregoing limit:

1. Patent and copyright indemnity required by the Contract;
2. Liquidated damages assessed under the Contract;
3. Claims for personal injury, including death;
4. Claims for damage to real property or tangible or intangible property arising from the Contractor's acts or omissions under the contract;
5. The insurance coverage required by the Contract;
6. Damages arising from the gross negligence or willful misconduct of the Contractor, its employees, its subcontractors, or its agents; and,
7. Government fines and penalties not imposed by the State

7. INSURANCE: CONTRACTOR agrees to obtain and keep in force during its acts under this agreement a comprehensive general liability insurance policy in the minimum amount of \$1,000,000 which shall name and protect CONTRACTOR, all CONTRACTOR'S employees, ENTITY and its officers, agents and employees, from and against any and all claims, losses, actions, and judgments for damages or injury to persons or property arising out of or in connection with the CONTRACTOR'S acts. CONTRACTOR shall provide proof of liability coverage as set forth above to ENTITY prior to commencing its performance as herein provided, and require insurer to notify ENTITY ten (10) days prior to cancellation of said policy.

8. WORKER'S COMPENSATION: CONTRACTOR shall maintain in full force and effect worker's compensation for CONTRACTOR and any agents, employees, and staff that the CONTRACTOR may employ, and provide proof to ENTITY of such coverage or that such worker's compensation insurance is not required under the circumstances.

9. COMPLIANCE WITH LAWS: CONTRACTOR agrees to comply with all federal, state, city, and local laws, rules and regulations.

10. CERTIFICATION CONCERNING BOYCOTT OF ISRAEL: Pursuant to Idaho Code section 67-2346, if payments under the Contract exceed one hundred thousand dollars (\$100,000) and Contractor employs ten (10) or more persons, Contractor certifies that it is not currently engaged in, and will not for the duration of the Contract engage in, a boycott of goods or services from Israel or territories under its control. The terms in this section defined in Idaho Code section 67-2346 shall have the meaning defined therein.

11. ENTIRE AGREEMENT: This is the entire agreement of the parties and can only be modified or amended in writing by the parties.

12. ATTORNEY FEES: Reasonable attorney fees shall be awarded to the prevailing party in any action to enforce this Agreement or to declare forfeiture or termination of this Agreement.

13. INTELLECTUAL PROPERTY: CONTRACTOR retains all its intellectual property rights. All documents, designs, drawings, plans, specifications and other work product (collectively "Work Product") prepared by CONTRACTOR in performing the Project shall not be deemed "works made for hire" for ENTITY. To the extent

that any such Work Product prepared by CONTRACTOR while performing the Project is integrated into the Project, CONTRACTOR hereby grants ENTITY a perpetual, worldwide, non-exclusive, non-transferable, personal, revocable, limited license to use, copy and modify such Work Product for internal business purposes only. CONTRACTOR's Work Product and/or designs for other projects shall not be used for any purpose except the applicable Project without first obtaining CONTRACTOR's written consent. ENTITY agrees to indemnify, defend and hold harmless CONTRACTOR and all related parties from and against any unauthorized use or reuse of Work Product furnished by CONTRACTOR, and any changes made by ENTITY or others relating to design documents produced by CONTRACTOR.

DATED this _____ day of _____, 20 _____.

ENTITY:

CITY OF BONNERS FERRY
(Governmental Entity)

CONTRACTOR:

By _____
(Name)

By _____
James R. Staples, Mayor

Its _____
(Title or Office)

ATTEST:

Christine McNair, Clerk

WITNESS:

(Signature of Witness or Notary Public)

Form and content approved by Andrakay Pluid as attorney for City of Bonners Ferry