**MEMORANDUM OF UNDERSTANDING FOR AIRPORT LAND ACQUISITION**

This Memorandum of Understanding For Airport Land Acquisition (“MoU”) is effective May \_\_\_\_\_, 2023 (“Effective Date”), among the City of Townsend, Montana (“City”) and Broadwater County, Montana (“County”).

# Background

On June 23, 2008, the City and the County entered into the Interlocal Agreement for Townsend City-County Airport (“Agreement”), wherein the parties agreed to coordinate under one agency the operations of the City-County Airport, including, without limitation, to individually act upon a budget for operations – including capital expenditures – as recommended by the City-County Airport Board each fiscal year.

The Agreement contains an automatic renewal provision to extend the term of the Agreement for one (1) year terms after the expiration of the initial term on July 30, 2009. Neither party has served the other party written notice of termination of the Agreement.

On April 18, 2023, at a regularly scheduled meeting, the City Council considered a Montana Land Purchase and Sale Contract (“Contract”), wherein the City-County Airport proposed to purchase from Steve McCullough real property described as Tract 2 and Tract 3 located in the SE¼ of Section 28, Township 07 North, Range 02 East, as shown on Certificate of Survey recorded in Book 2 of Plats, Page 135, records of the Broadwater County, Montana (“Land”).

The County had already signed the Contract and was requesting the City approve and have the appropriate City officials sign the Contract.

Out of a specific concern for potential cost-sharing obligations for the City incurred to acquire the Land, and general concerns about the continued utility of and financial obligations under the Agreement and related to the City-County Airport, the Council voted to not sign the Contract as requested and to direct the City Attorney to research the historical ownership of land related to the City-County Airport as part of a broader effort to consider whether to continue cooperation under the Agreement.

On May 2, 2023, at a regularly scheduled meeting, the City Council once again considered the Contract. County Commissioner Darrell Folkvord (“Folkvord”) was present at the meeting. The Council reiterated its concerns with the financial implications for the City under the Contract and the Agreement. Folkvord stated the City was not required to pay any portion of the costs associated with the Land acquisition and the City-County Airport Board was prepared to pay in full the local match required as part of the overall funding for the Land acquisition.

The Council requested the City and County execute a memorandum of understanding to memorialize these discussions related to the Contract, the Agreement, and the Land.

The City and County, intending to be legally bound, agree as follows:

Terms

Background. The background stated above is true, correct, and to the extent necessary to

effectuate or interpret this MoU, incorporated into this MoU.

Financial Obligations Related to the Land Acquisition. Notwithstanding past practices regarding cost-sharing under the Agreement, the City will not incur any financial obligation related to the purchase from Steve McCullough of real property described as Tract 2 and Tract 3 located in the SE¼ of Section 28, Township 07 North, Range 02 East, as shown on Certificate of Survey recorded in Book 2 of Plats, Page 135, records of the Broadwater County, Montana. The County will pay in full any local-match costs related to the same, whether arising under the Contract, the Agreement, any task orders, or any other documents or agreements related to or required by the Land acquisition.

City Signature on Contract. The City will sign the Contract upon the County’s approval of this MoU at its regularly scheduled meeting held on May 3, 2023, and signing of the same.

Choice of Law. This MoU is governed by and shall be interpreted in accordance with the laws of the State of Montana.

Venue. Any disputes arising under this MoU shall be resolved in the First Judicial District Court, Broadwater County, in the State of Montana.

Severability. Should any one part or section of this MoU be determined by a Court of law to be invalid, only such part or section shall be affected and the remainder of this MoU shall remain valid and enforceable.

Entire Agreement. This MoU constitutes the entire agreement among the parties hereto and any amendment or modification to this MoU shall not be effective unless approved in writing by all the parties to this MoU.

**Execution and Delivery of Copies**

After an affirmative vote to adopt this MoU at properly noticed meetings of the City and County governing bodies, and subsequent execution by their appropriate and authorized officials, copies of this MoU shall be filed in the offices of the City Clerk and the County Clerk and Recorder.

The parties execute this MoU as of the Effective Date.

{signature page follows}

**CITY**:

City of Townsend, Montana

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Michael Evans

Its: Mayor

Attest: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Kari Williams

Its: Clerk and Treasurer

**COUNTY**:

Broadwater County, Montana

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Debi Randolph

Its: Chair, Board of Commissioners

Attest: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Angie Paulsen

Its: Clerk and Recorder