

AGREEMENT

Red Tiger Drilling, Inc. and CITY of Three Forks, Montana

This Agreement is entered into this 14th day of December 2021, by and between:

CITY: CITY of Three Forks, Montana (CITY) with address of PO 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: Red Tiger Drilling, Inc. PO Box 659, Manhattan, MT 59741 (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 attached as Exhibit "A".
2. **Term.** CONTRACTOR shall commence work on or within 14 days of December 14, 2021 and complete the work as set forth in the SCOPE OF WORK no later than January 31, 2021. 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 \$62,329.00. 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 Troy Hauser (406-580-6916) 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 Susan Hayes, Great West Engineering (406-431-8438) 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 Gallatin 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

CITY

Name:

Name: Sean Gifford

Title:

Title: Mayor

Exhibit 'A'



HydroSolutions®

**INVITATION TO BID
for
Replacement Well No. 6
Installation of Test Well and Completion of Pumping Test
City of Three Forks
Gallatin County, Montana**

The City of Three Forks plans to drill one test well to evaluate the feasibility of replacing its current public water supply (PWS) Well No.6. Yield from Well No. 6 has decreased since installation and the cause for this issue appears to be well completion. HydroSolutions Inc (HydroSolutions) is soliciting bids from Montana-licensed water well contractors to install one test well at the City Shop located at 306 Railway Avenue in Three Forks, Montana. In addition to drilling, the contractor will furnish and install a temporary pump and other equipment for completion of one aquifer test.

Proposed Test Well and Aquifer Test Specifications:

These specifications are for:

- (1) drilling and construction of one test well to be used for preliminary characterization of subsurface lithology and aquifer yield evaluation, and
- (2) provision and installation of a temporary pump, appurtenances, and power source to conduct an 8-hour step test and a 24-hour constant rate pumping test followed by monitoring recovery until pre-pumping water levels are reached. Well yields needed are estimated at 250 gallons per minute (gpm).

Test Well Drilling and Construction

1. The test well will be located outside the southwest corner of the current shop building at a site accessible by a drill rig. The location of the well will be finalized before drilling. All well construction work will be completed under the direction of the project hydrogeologist and shall be completed in strict accordance with the requirements of Title 37, Chapter 43, Montana Code Annotated and Administrative Rules of Montana, Title 36, Chapter 21, (Water Well Contractors Rules), Board of Water Well Contractors.
2. The City will coordinate with the selected driller and prepare the well site, including excavation of a pit capable of containing drill cuttings and discharge water. Drill cuttings and discharge water must be retained on City property.
3. The well construction will consist of a 6-inch diameter or 8-inch diameter, 0.25-inch wall steel casing installed through unconsolidated sediments to a depth up to approximately 300 feet below ground surface (bgs).
4. The test well will be completed following DEQ Circular DEQ 1, Standards for Water Works (2018), Chapter 3 and meet all DEQ PWS well completion requirements. Permanent well casing must be surrounded by a minimum of 1.5 inches of grout around the outside of the casing to a depth of at least 25 feet bgs.

5. Fifty-feet of appropriately sized manufactured stainless-steel wire wrapped screen with a neoprene K-packer will be installed. The well screen assembly shall be equipped with a 3- to 5-foot-long tail pipe with bottom end cap.
6. Screen slot size will be based on a sieve-size analysis of the formation sample(s) from the primary water bearing zone(s) as designated by the project hydrogeologist. The water well contractor is advised that determination of screen slot size may require one to two weeks.
7. The drilling contractor shall collect formation samples at 5-foot intervals in labeled bags. In addition to these samples, any significant changes in lithology shall be noted by the driller and a formation sample shall be collected. All samples shall consist of approximately one quart of material. The samples shall be stored in a clear plastic bag and clearly labeled with the depth and time of collection.
8. Logging lithologic samples and collection of geologic formation samples as the borehole is drilled will be completed by the Driller. Driller will also collect samples for sieve size analysis from the water-bearing zone(s) and submit them to geotechnical laboratory.
9. Driller may be requested by the hydrogeologist to stop drilling and conduct short term (5-15 min) yield tests from water bearing zones using air lift methods.
10. Upon completion of well construction, the well shall be developed for up to 8 hours using air lift and surge methods, or until discharge is free of sediment.
11. A copy of the driller well log shall be submitted to the Montana Bureau of Mines and Geology and a copy provided to the project hydrogeologist.
12. The drilling site will be reclaimed to the original condition per the City's direction and satisfaction.

Pumping Test

The test well shall be test pumped at a constant rate for up to 24 hours using a submersible pump. The pump and pumping rate will be determined after drilling is completed and the estimated yield the well is capable of is evaluated. The highest pumping rate obtainable will be requested. Actual discharge rates during the pumping test will be as directed by the project hydrogeologist.

Prior to commencing the constant rate pumping test, a step-drawdown test lasting up to 8-hours will be completed at the direction of the project hydrogeologist at least 24-hours prior to the constant rate pumping test to help determine the most appropriate constant pumping rate and flow control valve settings. The constant rate pumping test will not be initiated until well recovery is complete. In addition, the following tasks are required:

- Driller will assist hydrogeologist in installing electronic transducer in the test well prior to conducting well yield test.
- Driller shall furnish and install a generator, a temporary pump, piping, flow control valve and calibrated flow meter, and all appurtenances necessary to conduct an 8-hour step test and 24-hour yield test.
- Driller may be asked to extend the pumping test to a 72-hour test if the well yield is greater than 150gpm.

- Driller will be responsible to maintain operation of pumping test at all times and shut down the test after the 24-hour period is concluded.
- Discharge piping must be flexible and of sufficient length to convey the produced water up to 500 feet away from the well into a City stormwater drain so that it does not re-infiltrate into the aquifer during the pumping test. Actual distance will be evaluated, and discharge location identified following well installation.
- A temporary submersible pump will be set at a depth of 5 feet above the top of the screen. The pumping rate under total dynamic head (TDH) conditions will be estimated after well completion.
- Water level recovery will be monitored with the pressure transducer upon pump shutoff and continue for up to 24-hours or until at least 90 percent of pre-pumping water level recovery is achieved. Following completion of the recovery test, the pump and all temporary test equipment will be removed.

Schedule

Installation of the well and pumping test should be completed no later than February 1, 2022. An earlier completion date is preferred. If this is not possible, please provide an alternative proposed schedule on the Bid Form

Instructions

Thank you for your consideration of this project. Montana licensed drilling contractors are asked to carefully review the scope of work detailed above and to fill out the attached Bid Form. Questions regarding the project specifications or bid process may be directed to HydroSolutions at the phone number or preferably by e-mail at the address below.

HydroSolutions Inc

David Donohue
Phone: (406) 443-6169 x 103
davidd@hydrosi.com

Please return completed price schedules via e-mail to the above e-mail address. Bids are due no later than 5:00 pm on TUESDAY NOVEMBER 16, 2021.

Attachments:

Bid Form

TEST WELL BID FORM

City of Three Forks
 Gallatin County, Montana
 Replacement Well - PWS Well No. 6 Test Well and Aquifer Testing



HydroSolutions®

ITEM NO.	Unit	Estimated Quantity	Description	Unit Price	Extended Price	Notes (if any)
Bid Option A: 6-inch Diameter Well Construction & Testing						
A1	EA	1	Mobilization and demobilization equipment, tools, supplies and personnel for well drilling	\$ _____	\$ <u>2,800.00</u>	
A2	LF	300	Drill and case 6-inch diameter test well from ground surface to 300 feet bgs	\$ <u>95.00</u>	\$ <u>28,500.00</u>	
A3	LF	50	Install 6-inch wire-wrap telescoping screen, K-packer and tailpipe/end-cap; pull casing.	\$ <u>189.50</u>	\$ <u>9,475.00</u>	
A4	1	EA	Surface completion and grout placement to meet DEQ PWS well completion standards; 6-inch diameter well	\$ _____	\$ <u>6,950.00</u>	
A5	Hour	8	Well development	\$ <u>345.00</u>	\$ <u>2,760.00</u>	
A6	Hour	8	Conduct 8-Hour step test	\$ <u>292.00</u>	\$ <u>2,336.00</u>	
A7	EA	1	Conduct 24-Hour pumping test	\$ <u>292.00</u>	\$ <u>7,008.00</u>	
A8	EA	1	Site cleanup and reclamation: remove cuttings, grade site, seed disturbed area	\$ _____	\$ <u>2,500.00</u>	
Total Bid Option A: 6-inch diameter single well construction and testing subtotal (sum of Items A1-A8)					\$ <u>62,329.00</u>	
Bid Option B: 8-inch Diameter Well Construction & Testing						
B1	EA	1	Mobilization and demobilization equipment, tools, supplies and personnel for well drilling	\$ _____	\$ <u>2,800.00</u>	
B2	LF	300	Drill and case 8-inch diameter test well from ground surface to 300 feet bgs	\$ <u>125.00</u>	\$ <u>37,500.00</u>	
B3	LF	50	Install 8-inch wire-wrap telescoping screen, K-packer and tailpipe/end-cap; pull casing.	\$ <u>215.00</u>	\$ <u>10,750.00</u>	
B4	1	EA	Surface completion and grout placement to meet DEQ PWS well completion standards; 8-inch diameter well	\$ _____	\$ <u>8,975.00</u>	
B5	Hour	8	Well development	\$ <u>345.00</u>	\$ <u>2,760.00</u>	
B6	Hour	8	Conduct 8-Hour step test	\$ <u>292.00</u>	\$ <u>2,336.00</u>	
B7	EA	1	Conduct 24-Hour pumping test	\$ <u>292.00</u>	\$ <u>7,008.00</u>	
B8	EA	1	Site cleanup and reclamation: remove cuttings, grade site, seed disturbed area	\$ _____	\$ <u>2,500.00</u>	
Total Bid Option B: 8-inch diameter single well construction and testing subtotal (sum of Items B1-B8)					\$ <u>74,629.00</u>	

TEST WELL BID FORM

**City of Three Forks
Gallatin County, Montana
Replacement Well - PWS Well No. 6 Test Well and Aquifer Testing**



HydroSolutions®

ITEM NO.	Unit	Estimated Quantity	Description	Unit Price	Extended Price	Notes (if any)
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Additional Non-Bid Items

Hour	0		Additional pumping/aquifer testing	\$ 345.00		
Hour	0		Stand-by time	\$ 275.00		

Additional Required Information

Describe proposed drilling methods:

Under Ream Drilling, Air/Water Injection W/ Foam & Polymers.

Proposed drilling schedule 6-inch diameter well:

Jan 1st 2022 As long as Tempatures are above 10 degrees F. Drill can be Running.

Proposed drilling schedule 8-inch diameter well:

SAME

Proposed temporary test pump and maximum flow rate for use in 6-inch diameter well:

30 HP Franklin Test Pump 340 GPM @ 300' TDH

Proposed temporary test pump and maximum flow rate for use in 8-inch diameter well:

30-60 HP Franklin Test Pump 300-600 GPM Flow Range

RED TIGER DRILLING INC	406-284-6916
Company Providing Cost Estimate (print)	Phone Number
<i>TROY HAUSER</i>	11-16-2021
Signature of Company Representative	Date

troy@redtigerdrilling.com
Email Address

Notes: The above unit prices shall include all labor, supplies, equipment, and materials necessary to perform the work according to the specifications described in the Project Specifications. All quantities stipulated in the Price Schedule are approximate and are to be used only (a) as a basis for estimating the probable cost of the work and (b) for the purpose of comparing the bids submitted for the work. The actual amounts of work done and materials furnished under unit price items may differ from the estimated quantities. The basis of payment for work and materials for Unit Price Work will be the actual quantity of unit price items furnished for the project. Contractor agrees that he will make no claim for damages, anticipated profits, or otherwise on account of any difference between the amounts of work actually performed and materials actually furnished and the estimated amounts herein.