

# Delegation Agreement

City of Choteau and the Choteau Area Port Authority

## Sub-Recipient Agreement

This agreement is entered into on the 21st day of October, 2025, by and between the city of Choteau, hereinafter referred to as “the city,” and the Choteau Area Port Authority, a Local Port Authority created in accordance with Montana Law TITLE 7, CHAPTER 14., Part 11, hereinafter referred to as “CAPA.”

Witnesseth that

Whereas, CAPA agrees to operate, manage and maintain the project in a manner so as to be available to all residents of the greater city area without regard to race, color, religion, creed, political ideas, gender, age, marital status, physical or mental disability or national origin and with granting agencies required guidelines; and

Whereas, the city has applied for and been awarded grant number MT-CDBG-\_\_\_\_\_ under Montana’s Community Development Block Grant Program to construct the project; and

Whereas, the parties to this agreement understand that neither party has in any way abrogated any of its individual powers, and that this agreement does not create any new organization or legal entity.

Now, therefore, the city and CAPA mutually agree as follows:

- I. Responsibilities delegated to CAPA regarding grant administration:



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- A. CAPA agrees to carry out the responsibilities assigned to it as stated in the project management plan, as approved by the Montana Department of Commerce on \_\_\_\_\_, attached hereto and specifically incorporated herein by this reference.
- B. Following the completion of the project, CAPA will submit annual reports to the city, on a date to be specified by the city, unless later excused by new regulation or agreement. These annual reports shall include: A copy of CAPA's annual treasurer's report.

## II. Duration of the agreement

- A. This agreement takes effect when the following conditions are satisfied:
  - 1. Commerce and the city have executed the CDBG grant contract extension; and
  - 2. The city's council and CAPA's board have each reviewed this agreement, agreed fully to its terms and conditions and executed the same.

## III. Administration

- A. CAPA will comply with all requirements applicable to the city's CDBG contract with Commerce, attached hereto.
- B. CAPA will carry out each activity under this agreement in compliance with all federal laws and regulations described in 24 CFR Part 570.
- C. CAPA does not assume the city's environmental responsibilities described at 24 CFR Part 58.
- D. CAPA does not assume the city's responsibility for initiating the review process under the provisions of 24 CFR Part 52.

IV. Indemnification (needed?)

CAPA waives any and all claims and recourse against the city, including the right of contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to CAPA's performance of this agreement except claims arising from the concurrent or sole negligence of the city or its officers, agents, or employees. CAPA will indemnify, hold harmless and defend the city against any and all claims, demands, damages, costs, expenses or liability arising out of CAPA's performance of this agreement except for liability arising out of the concurrent or sole negligence of the city or its officer, agents or employees.

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## V. Suspension or termination

In accordance with 24 CFR 84.61, the city may suspend or terminate this agreement if CAPA materially fails to comply with the terms and conditions of this agreement, or if CDBG grant number MT-CDBG-\_\_\_\_\_ is terminated by Commerce in accordance with the terms of the city's CDBG contract with Commerce, attached hereto.

In witness whereof, the parties hereto have executed this agreement on the \_\_\_\_\_ day of October, 2025.

City of Choteau

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

(Name, title)

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

(Name, title)

Approved as to form:

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

(Name), city attorney

State of Montana )

:

County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me \_\_\_\_\_,

a notary public for the State of Montana, personally appeared \_\_\_\_\_,

known to me to be the \_\_\_\_\_ of the city of \_\_\_\_\_ and

\_\_\_\_\_, known to me to be the \_\_\_\_\_ of the city of

\_\_\_\_\_, a Montana municipal corporation duly organized and



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incorporated and existing under the laws of the State of Montana, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said municipal corporation and acknowledged to me that such municipal corporation executed the same.

\_\_\_\_\_  
Notary public for the state of Montana (type or print name)

(Notary seal)

Residing at \_\_\_\_\_

My commission expires \_\_\_\_\_

\_\_\_\_\_  
Choteau Area Port Authority

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

(Name, title)

State of Montana )

:

County of \_\_\_\_\_ )