CITY OF MILES CITY

Regular Council Meeting Agenda

June 23, 2026 at 6:00 PM

City Council Chambers and online at zoom.us

Zoom ID: 4062343462 | Passcode: 59301

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

1. REQUEST OF CITIZENS AND PUBLIC COMMENT

2. SCHEDULE MEETINGS

3. STAFF REPORTS & OTHER COMMITTEE MINUTES

A. Fire Department June Report

4. CITY COUNCIL COMMENTS

5. MAYOR COMMENTS

6. PUBLIC HEARINGS

A. ORDINANCE NO. 1405 -*(second reading)* AN ORDINANCE ADOPTING AMENDMENTS TO THE OFFICIAL MILES CITY ZONING DISTRICT MAP TO DESIGNATE LONG-TERM ZONING DISTRICTS FOR THE RECENTLY ANNEXED LAST CHANCE SUBDIVISION, AND PROVIDING FOR A HEARING THEREON.

7. UNFINISHED BUSINESS

A. ORDINANCE NO. 1405 -*(second reading)* AN ORDINANCE ADOPTING AMENDMENTS TO THE OFFICIAL MILES CITY ZONING DISTRICT MAP TO DESIGNATE LONG-TERM ZONING DISTRICTS FOR THE RECENTLY ANNEXED LAST CHANCE SUBDIVISION, AND PROVIDING FOR A HEARING THEREON.

B. RESOLUTION NO. 4691 - A RESOLUTION APPROVING A MONTANA DEPARTMENT OF COMMERCE EMERGENCY TOURISM ASSISTANCE GRANT IN THE AMOUNT OF $50,000.00 TOWARD A PURCHASE OF FIRE ENGINE AND ACCESSORIES.

8. NEW BUSINESS

A. ORDINANCE NO. 1406 - (*first reading*) AN ORDINANCE ENACTING "SECTION 5-4. BUILDING PERMIT AND PLAN REVIEW FEES" TO THE CODE OF ORDINANCES OF MILES CITY, MONTANA.

B. ORDINANCE NO. 1407 - (*first reading*) AN ORDINANCE CHANGING THE ZONING OF LOT 5 OF BLOCK 13 OF EAST SIDE ADDITION FROM THE RESIDENTIAL A DISTRICT TO THE GENERAL COMMERCIAL DISTRICT, AND PROVIDING FOR A HEARING THEREON.

C. RESOLUTION NO. 4695 - A RESOLUTION AUTHORIZING THE CITY OF MILES CITY TO ENTER INTO A SERVICE AGREEMENT WITH TIMECLOCK PLUS, LLC, FOR TIME & ATTENDANCE MANAGEMENT SOFTWARE & HARDWARE

D. RESOLUTION NO. 4696 - A RESOLUTION APPROVING AN ICC PLAN REVIEW SERVICES CONTRACT WITH INTERNATIONAL CODE COUNCIL, INC., FOR BUILDING A PLAN REVIEW SERVICES.

9. ADJOURNMENT

Public comment on any public matter that is not on the agenda of this meeting can be presented under Request of Citizens, provided it is within the jurisdiction of the City to address. Public comment will be entered into the minutes of this meeting. The City Council cannot take any action on a matter unless notice of the matter has been made on an agenda and an opportunity for public comment has been allowed on the matter. Public matter does not include contested cases and other adjudicative proceedings

Miles City Fire Rescue

City of Miles City

www.milescityfirerescue.com

2800 Main Street
Miles City, MT 59301

Telephone (406) 234-2235
Email: Firechief@milescity-mt.org
Fax (406) 874-8666

June 23, 2026

Staffing:

1. Two Open Positions frozen due to City Finance. Recently hired 3, now have 13 FTE approved.
    a. Thirteenth position not filled yet but will be interviewing in June for new list
    b. Two Full Time Fire fighters put in resignation, we are down to 10 FTE currently

Training

1. Endorsement class for new hires
2. Swift Water Rescue

Apparatus/Equipment:

a. Capital Improvement Inventory List.
    i. Looking for replacement Fire Engine
    ii. Response Staff vehicles – used
    iii. Need for a single Type VI wildland response apparatus
        1. Urban interface response within city boundaries
        2. Looking into options aside from purchasing
b. E-9 at Brush to be repaired
c. R-1 getting parts to fix

Community:

1. Tourism Grant awarded $50,000 for purchase of Engine
2. ISO will be evaluating the city this year
3. Coal board grant for Mini Pumper

Facility:

a. New fire station building:
    a. In Process of working on Punch list
b. Logistics plan for relocation back:
    a. Working on plan for moving back into new facility

Responses:

a. Call Volume ytd: 768 (As of 6-18-26 Down 26 from last year)
b. Total call Volume last year: 1640 (increase of 36 from previous year)

ORDINANCE NO. 1405

AN ORDINANCE ADOPTING AMENDMENTS TO THE OFFICIAL MILES CITY ZONING DISTRICT MAP TO DESIGNATE LONG-TERM ZONING DISTRICTS FOR THE RECENTLY ANNEXED LAST CHANCE SUBDIVISION, AND PROVIDING FOR A HEARING THEREON.

WHEREAS, the City of Miles City has annexed all lots on the Plat of Last Chance Subdivision, including all streets, avenues and rights-of-ways shown on said Plat; and

WHEREAS, the official Miles City zoning district map referenced in Sec. 24-11 of the zoning code does not yet provide zoning district classifications for the land previously located outside the City limits; and

WHEREAS, it is necessary to amend the official Miles City zoning district map to provide zoning district classifications for all lots within the Last Chance Subdivision; and

WHEREAS, John Peila, the developer of the subdivision and owner of Lot 1 of Block 2 of the subdivision, has filed an application to zone Lot 1 of Block 2 as General Commercial (GC) District; and

WHEREAS, for the rest of the lots in the Last Chance Subdivision, the City staff is proposing zoning district designations, including the Residential C (RC) District for Lot 1 of Block 1, the Residential B (RB) District for Lots 2 & 3 of Block 1, and the Residential A (RA) District for Lots 2 – 17 of Block 2; and

WHEREAS, said lots are situated within the City limits of the City of Miles City, Montana, and subject to the zoning jurisdiction of the City of Miles City; and

WHEREAS, Section 24-96 of the Code of Ordinances of Miles City, Montana requires that such application be referred to the City Zoning Commission for public hearing and recommendation to the City Council prior to any action by the City Council upon such application; and

WHEREAS, the Miles City Zoning Commission, on April 22, 2026, upon public hearing and deliberation, recommended to the City Council that such amendments to the zoning district map be approved; and

WHEREAS, Ordinance No. 1398 was adopted as an interim zoning ordinance to apply to the Last Chance Subdivision, which was extended by Ordinance No. 1402 for a period of one year, and is set to expire March 24, 2027; however, the zoning district map amendments adopted by this ordinance will supersede and replace Ordinance No. 1398 and Ordinance No. 1402 upon the amendments adopted by this ordinance becoming effective.

THEREFORE BE IT ORDAINED, by the City Council of the City of Miles City, Montana, as follows:

Section 1. The official Miles City zoning district map referenced in Sec. 24-11 of the zoning code shall be amended to apply to the real property described in this ordinance that is located within the City of Miles City, Montana. The official zoning district map shall be amended as follows:

- Lot 1 of Block 2 of the Last Chance Subdivision shall be zoned General Commercial (GC) District;

- Lot 1 of Block 1 of the Last Chance Subdivision shall be zoned Residential C (RC) District;

- Lots 2 & 3 of Block 1 of the Last Chance Subdivision shall be zoned Residential B (RB) District; and

- Lots 2 – 17 of Block 2 of the Last Chance Subdivision shall be zoned Residential A (RA) District.

Section 2. The Final Report of the Zoning Commission of the City of Miles City, prepared as part of the review of this application, and attached hereto as Exhibit "A," is hereby adopted as Findings of Fact to support the Council's decision.

Section 3. Prior to final passage, a public hearing shall be held upon this proposed zone change before the City Council at 6:00 P.M. on the 26th day of May, 2026, in the Council Chambers at City Hall, 17 S. Eighth Street, Miles City, Montana.

Section 4. The City Clerk shall give notice of the date, time and place of such City Council hearing by publication twice in the Miles City Star, with the first notice published at least 15 business days prior to the date of such hearing, as well as notice by certified mail at least 15 calendar days prior to such hearing to the applicant, landowners, all adjoining property owners, and owners of land within 150 feet of the subject property.

Section 5. This ordinance shall be in full force and effect thirty (30) days after its final passage and approval.

Section 6. The zoning district map amendments adopted by this ordinance shall supersede and replace Ordinance No. 1398 and Ordinance No. 1402 upon the amendments adopted by this ordinance becoming effective.

Said Ordinance read and put on its first passage this 26th day of May, 2026.

____

C.A. Grenz, Mayor

ATTEST:

____

Mary Rowe, City Clerk

FINALLY PASSED AND ADOPTED this _____ day of ________________, 2026.

____

C.A. Grenz, Mayor

ATTEST:

____

Mary Rowe, City Clerk

Final Report of the Miles City Zoning Commission
Last Chance Subdivision Zoning Petition and City-Initiated Zoning
April 22, 2026

I. GENERAL INFORMATION

A. Meetings

1. **Zoning Commission Hearing:** Wednesday, April 22, 2026
2. **City Council 1st Reading & Public Hearing:** Tuesday, May 26, 2026 at 6:00 pm in the City Hall Conference Room
3. **City Council 2nd Reading:** Tuesday, June 9, 2026 at 6:00 pm in the City Hall Conference Room (tentative)

B. Project Proponents/Landowners:

1. **Applicants:**
   -John Peila (Lot 1 of Block 2)
   -Miles City Planning Department/staff (all other lots)
2. **Landowners:**
   -**John C. Peila** (Lot 1 of Block 2, proposed by Mr. Peila for General Commercial (GC) District)
   ~~-John C. Peila~~ **Saddlehorn Apartments, LLLP**[1] (Lot 1 of Block 1, proposed by Planning Department as Residential C (RC) District)
   -John C. Peila (Lots 2 & 3 of Block 1, proposed by Planning Department as Residential B (RB) District)
   -**Alfred Jordan** (Lots 2 & 3 of Block 2, proposed by Planning Department as Residential A (RA) District)
   -**Mindie Cox** (Lot 9 of Block 2, proposed by Planning Department as Residential A (RA) District)
   -**Michael Struck and Dena Struck, as Trustees of the Struck Family Trust** (Lot 12 of Block 2, proposed by Planning Department as Residential A (RA) District)
   -John C. Peila (Lots 4 – 8, Lots 10 & 11, Lots 13 – 17 of Block 1, proposed by Planning Department as Residential A (RA) District)

C. Property Descriptions

The Last Chance Subdivision is a 20 lot major subdivision that was submitted to and reviewed and approved by Custer County from 2023 through June 2025. The subdivision was of a ±14.9-acre tract that was wholly surrounded by the City of Miles City until annexed by the

[1] Lot 1 of Block 1 was conveyed to Saddlehorn Apartments, LLLP per Warranty Deed recorded April 30, 2026 as Document No. 188617, records of the Custer County Clerk & Recorder's Office

City in 2025. The Last Chance Subdivision is situated in the S ½ NW ¼ NE ¼ SE ¼, SW ¼ NE ¼ SE ¼ of Section 34, T8N, R47E, P.M.M., in Custer County, Montana.

The lots in the subdivision are located between S. Sewell Avenue and S. Moorehead Avenue and between Stower Street and Comstock Street (Block 1) as well as between S. Sewell Avenue and S. Moorehead Avenue, south of the Miles Community College campus (Block 1). The subdivision is undeveloped with the exception of infrastructure and a home under construction on Lot 9 of Block 2.

D. Project Description

John Peila, the developer of the subdivision and owner of Lot 1 of Block 2 of the subdivision (and most other lots), has filed an application to zone Lot 1 of Block 2 as General Commercial (GC) District. Mr. Peila recently obtained approval of amendments to the 2025 Miles City Growth Policy to provide for the requested GC District designation on Lot 1 of Block 2.

For the rest of the lots in the Last Chance Subdivision, the Miles City Planning Department and City staff are proposing residential zoning district designations, including the Residential C (RC) District for Lot 1 of Block 1, the Residential B (RB) District for Lots 2 & 3 of Block 1, and the Residential A (RA) District for Lots 2 – 17 of Block 2.

The reason the Miles City Planning Department and staff are proposing the zoning districts for all but the above Lot 1 of Block 2 is that the City initiated the annexation proceedings and Mr. Peila only applied for zoning for Lot 1 of Block 2 well after the time of annexation. The residential districts proposed are based on accordance with the 2025 Growth Policy, as amended in 2026, as the future land use map in the growth policy designates the proposed residential lots as "Residential".

The entirety of the subdivision is currently regulated by City codes and the zoning regulations through interim zoning Ordinance No. 1398, extended by Ordinance No. 1402 for one year in March 2026.

E. Area Zoning and Land Uses

The subdivision is surrounded to the northwest, east, southwest, south, and southeast by the RA District where the primary use is single-family residential and on the north side by the RA District where the Miles Community College campus is located, with student housing adjacent to the Last Chance Subdivision. To the northeast is a privately-owned tract zoned RB District, which is developed with multi-family dwellings. Directly to the east across S. Moorehead Avenue is the Highway Commercial (HWC) District, where commercial uses are located, including Albertsons supermarket, Ace Hardware, the Mexico Lindo restaurant, and other commercial uses.

F. Maps

The following pages and figures include maps pertinent to the proposal.

Figure 1: Zoning Map in the area:

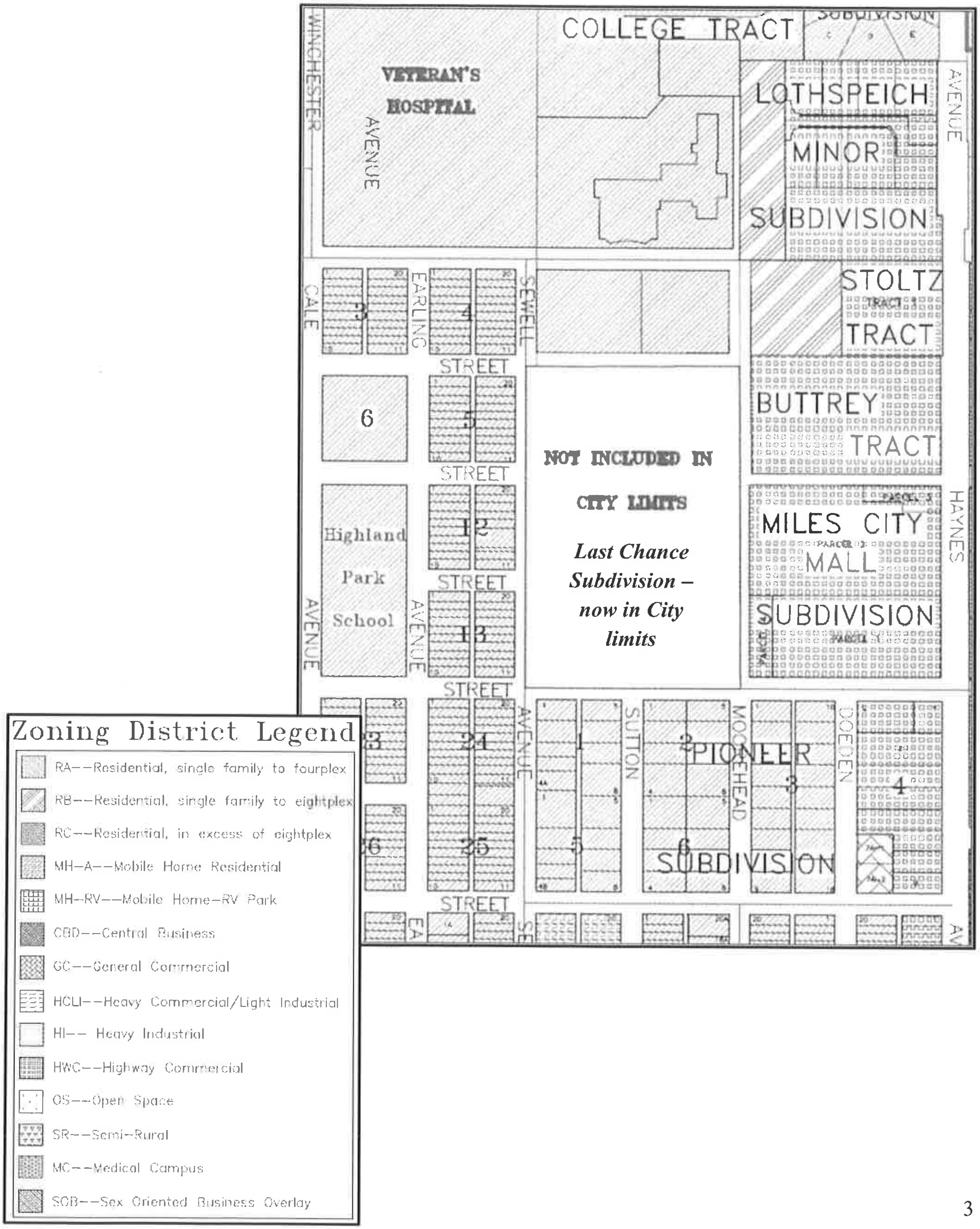


Figure 2: Zoning Map in the area with the proposed zoning districts under consideration:

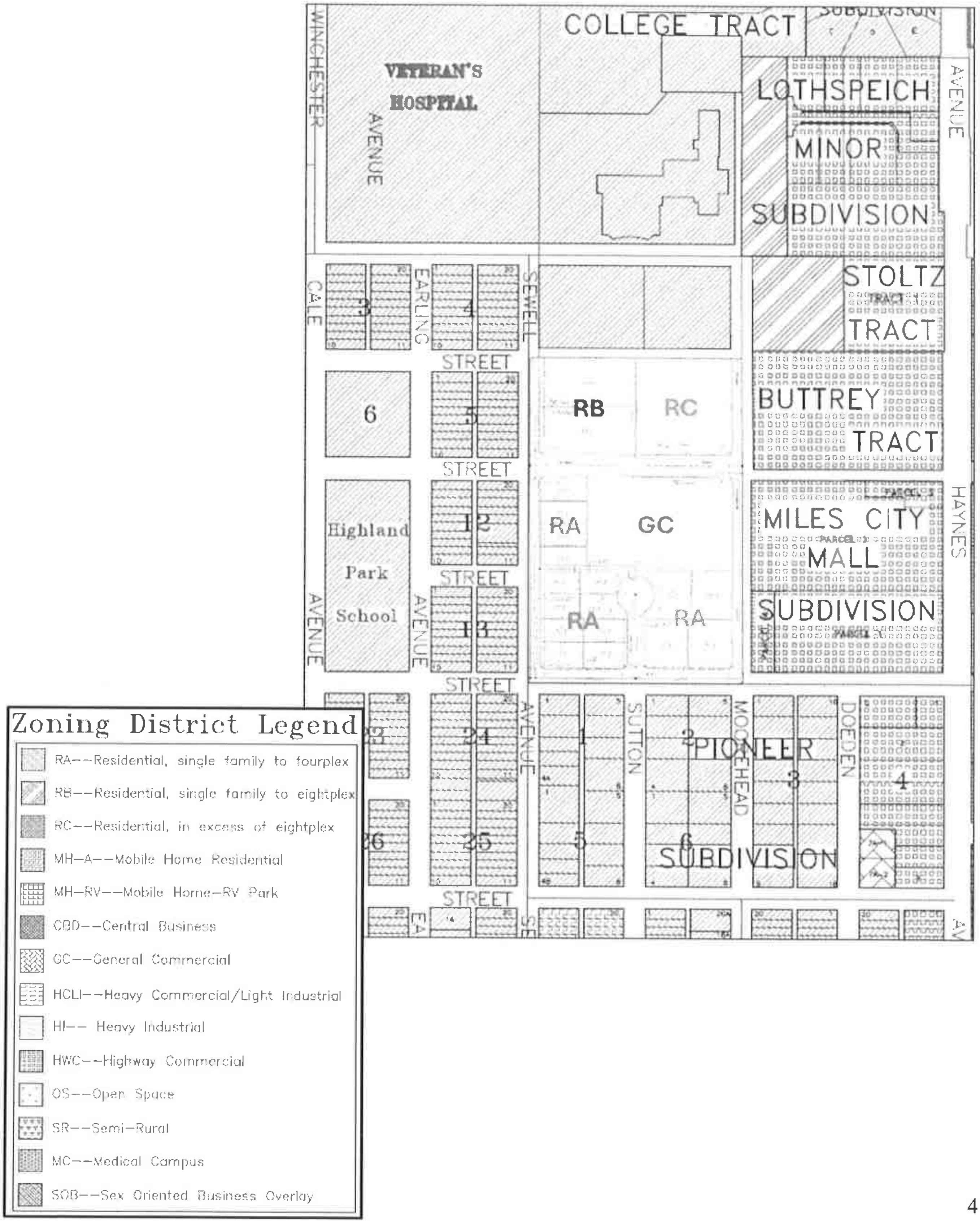


Figure 3: Map 14, Future Land Use Map of the 2025 Miles City Growth Policy as amended in 2026, page 66:

Map 14. Future Land Use

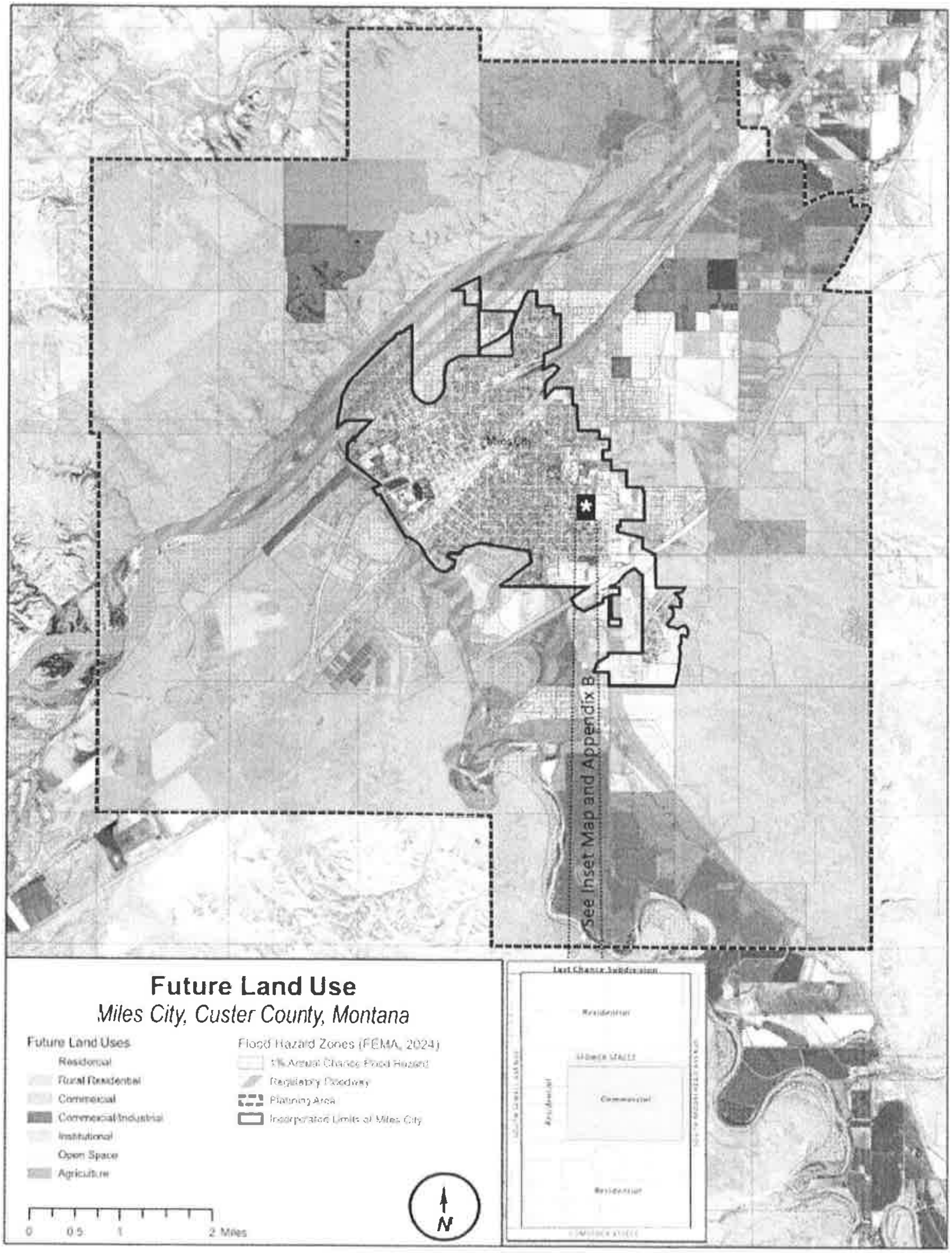


Figure 4: Larger inset map of the Future Land Use Map of the 2025 Miles City Growth Policy as amended in 2026, page 75:

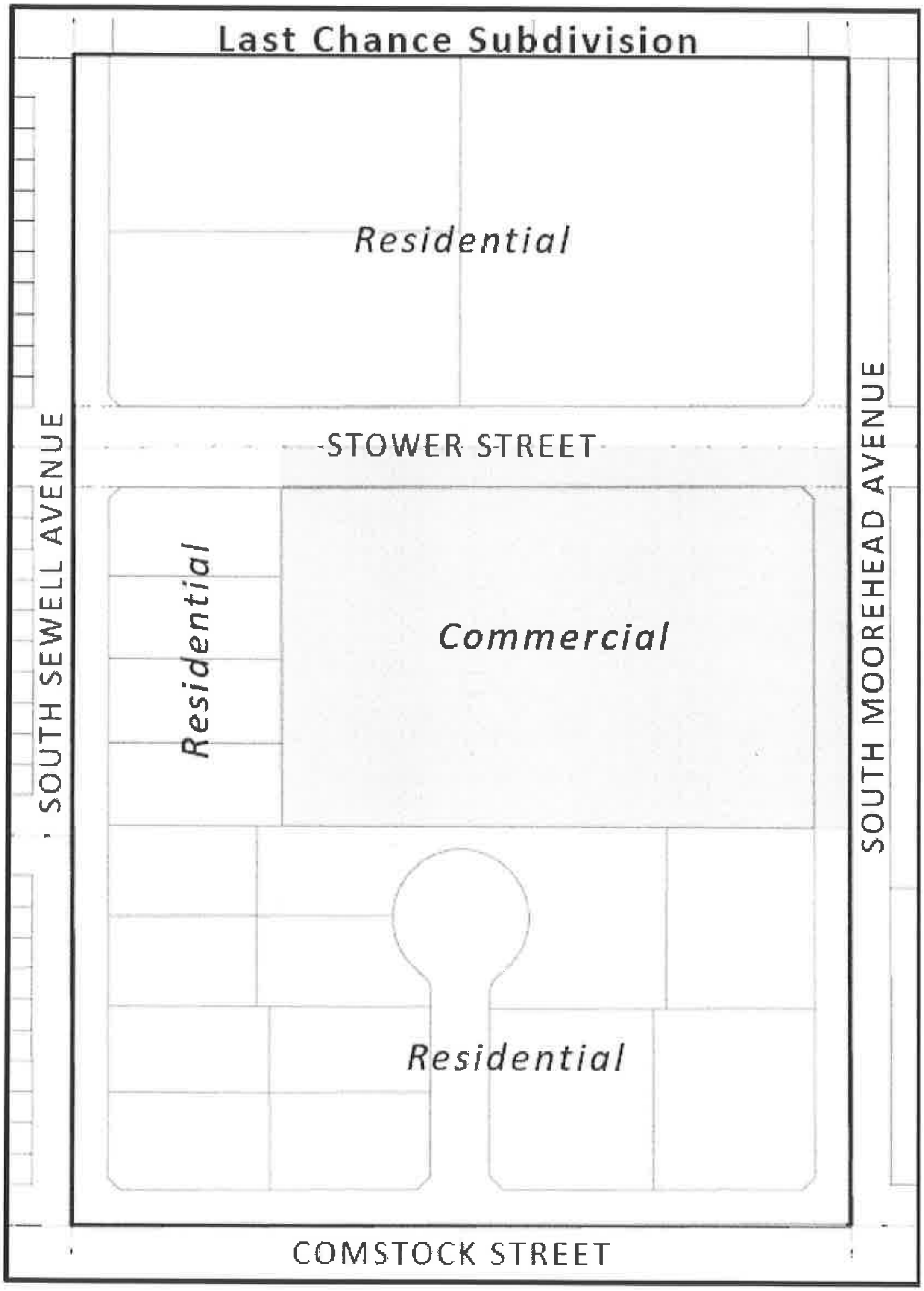
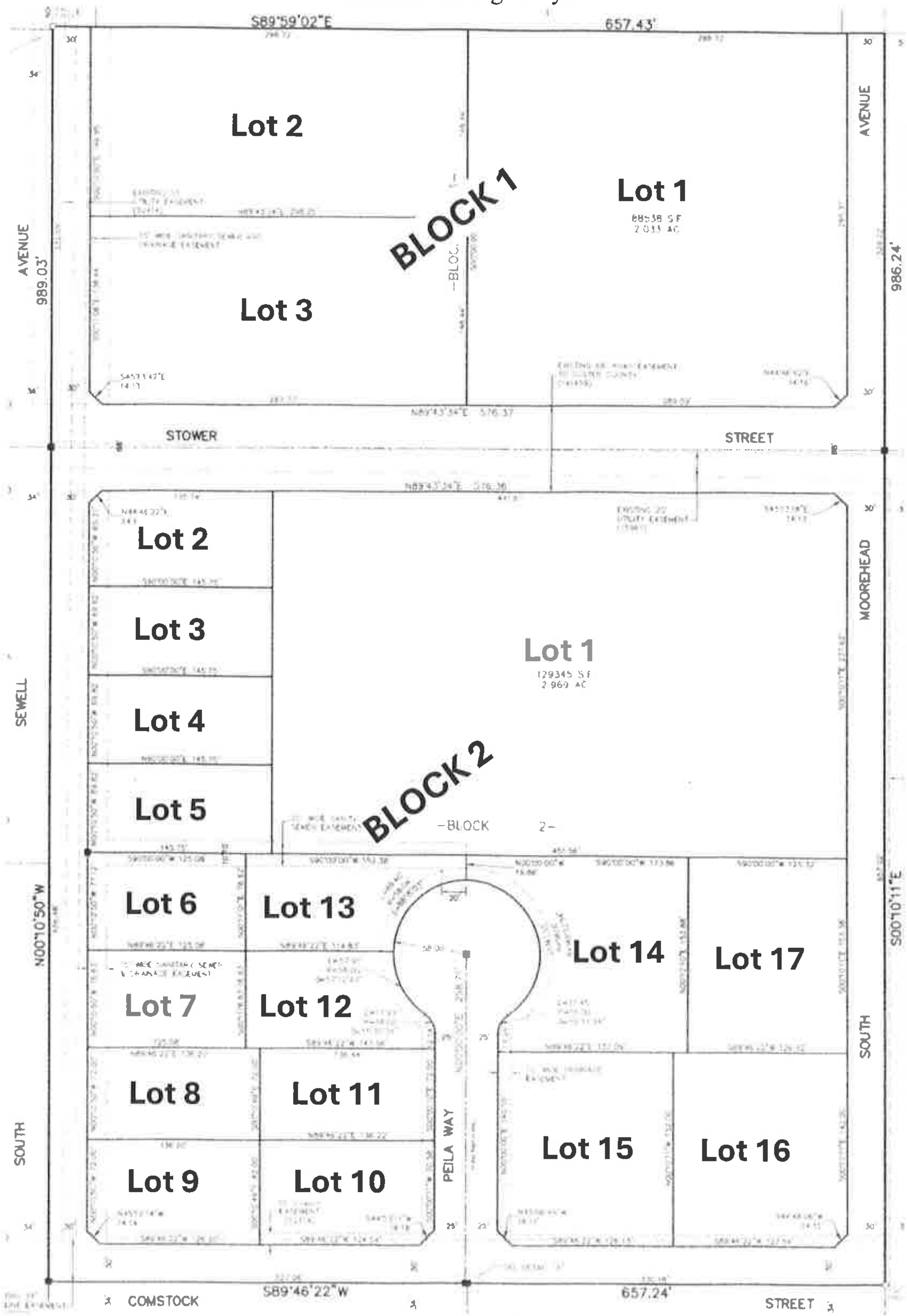


Figure 5: Excerpt of the Last Chance Subdivision plat, with lot/block numbering labeled by the reviewer for legibility:



G. Attachments

The following are attached to this report:

1. Attachment 1: John Peila's zoning petition and narrative responses to the zoning criteria.
2. Attachment 2: Draft ordinance for the proposed zoning.
3. Attachment 3: Draft meeting minutes from April 22, 2026 Zoning Commission meeting/hearing.

II. APPLICABLE REGULATIONS AND RECOMMENDED FINDINGS

A. Zone changes and zoning amendments – Purpose and Process

Administration of petitions for amendments to the official zoning district map is outlined in Sec. 24-96 of the zoning code. The following are the 'purpose' and 'amendment process' for review of zone changes and zoning amendments. Other sections applicable to the review, with recommended findings based on the criteria for zoning, are provided in the next section.

(a) *Purpose.* Any person may petition for the amendment of the zoning district map and/or these regulations. The amendment procedure shall be as provided here and in MCA 76-2-303. Amendments may also be initiated by the zoning commission or administrator, in which cases steps subsections (b)(1) through (b)(3) below, will not be required.

(b) *Amendment process.*

(1) The applicant shall submit a properly completed application form, the required supporting materials, including a narrative evaluating the amendment request under the amendment criteria in (c) below, and the required application fee at city hall.

(2) The administrator shall determine whether the application is complete and sufficient. When an application is determined incomplete or insufficient, the administrator shall provide written notice to the applicant indicating what information must be submitted for the review to proceed.

(3) After the application is determined to be complete and sufficient, the administrator shall schedule a public hearing on the application for a zoning amendment on the agenda of the next zoning commission meeting for which the notice requirements can be met (section 24-97), and at which time allows for its proper consideration.

(4) The administrator shall give notice of the public hearing in accordance with section 24-97.

(5) The administrator shall prepare, or contract for the preparation of, a report that describes the proposed amendment and how it complies, or fails to comply, with the amendment criteria. The report shall include a recommendation for approval, approval with modifications or denial.

(6) The zoning commission shall conduct at least one public hearing on the proposed amendment. At the hearing, the zoning commission shall make a report regarding the proposed zone change and consider whether the proposed amendment meets the amendment criteria. The zoning commission shall review the particular facts and circumstances of the proposed amendment and develop findings and conclusions that support its recommendation that the city council approve, approve with modifications, or disapprove it accordingly.

(7) The zoning commission's action on a proposed amendment may be tabled, but for no more than 35 days.

(8) The administrator shall convey the zoning commission's recommendation and all public comments to the city council and, unless the application is withdrawn, place a hearing on the agenda of the next city council meeting for which the notice requirements can be met (Section 24-97), and at which time allows for its proper consideration. The city council shall not hold its public hearing or take action until it has received the report of the zoning commission.

(9) The administrator shall give notice of the city council's public hearing in accordance with section 24-97.

(10) The city council shall conduct a public hearing on the proposed amendment. At the hearing, the city council shall consider the recommendation of the zoning commission and all testimony received, then approve, reject, or modify and approve the amendment. Action on the proposed amendment may be tabled, but for no more than 35 days.

(11) If approved or approved with modifications, the city council shall pass an ordinance effectuating the amendment to the zoning map or regulations, as applicable.

(12) An amendment to the zoning may not become effective except upon favorable vote of two-thirds of the present and voting members of the city council if a protest against a change is signed by the owners of 25 percent or more of:

a. The area of the lots included in the proposed change; or

b. Those lots or units, as defined in MCA 70-23-102, 150 feet from a lot included in a proposed change. For purposes of this protest provision, each unit owner is entitled to have the percentage of the unit owner's undivided interest in the common elements of the condominium, as expressed in the declaration, included in the calculation of the protest. If the property, as defined in MCA 70-23-102, spans more than one lot, the percentage of the unit owner's undivided interest in the common elements must be multiplied by the total number of lots upon which the property is located. The percentage of the unit owner's undivided interest must be certified as correct by the unit owner seeking to protest or by the presiding officer of the association of unit owners.

(13) At the conclusion of the amendment process, the administrator shall notify the applicant of the city council decision within ten days.

-NOTE: 2025 Legislation amended several sections of state law pertaining to municipal zoning and notices; the process and draft ordinance have followed the effective and current provisions of Montana Code Annotated (MCA); where conflict exists between state law and the zoning code, the stricter requirements have been followed.

B. Amendment Criteria and Recommended Findings

Sec. 21-96(c) of the Zoning Code provides the "Amendment criteria" for zone changes and zoning amendments. The evaluation criteria are listed below, followed by the reviewer's and Zoning Commission's recommended findings in *italics*.

(c) Amendment criteria.

(1) Zoning amendments shall be made:

a. In accordance with the growth policy;

Finding 1-a: *The applicant for the zoning of Lot 1 of Block 2 as GC District recently petitioned the City to amend the 2025 Growth Policy's future land use map to provide for the "Commercial" designation, which was approved by the City Council and the amendments are now incorporated into the Growth Policy and effective. The amended Growth Policy's future land use map designation of "Commercial" makes the proposed GC District for Lot 1 of Block 2 accord to that element of the Growth Policy.*

The rest of the lots in the Last Chance Subdivision are still designated as "Residential" on the 2025 Growth Policy's future land use map. The proposed mixture of the RA, RB, and RC districts accord to the amended Growth Policy's future land use map designation of Residential.

There are other implementation measures in the 2025 Growth Policy that are applicable to zoning for the subdivision. The following are additional growth policy findings.

- *Land Use Objective LU.3.a: "Protect private property rights and respect property owners' wishes to enjoy and gain economic return from their properties and investments while ensuring that other public and private interests are not unreasonably compromised or impacted by land uses and development projects." This objective is to promote Land Use Goal LU.3: "Balance property rights with the common interests of the community.".*
- *Land Use Objective LU.4.b: "Develop and implement zoning that guides future development but also protects existing development from unwanted impacts." This objective is to promote Land Use Goal LU.4: "Provide for the*

logical expansion of the City's boundaries that is compatible with existing development and is fiscally responsible.".

- *Housing Objective H.4.a: "Update zoning regulations to allow for appropriate density and housing diversity in residential, commercial, and mixed-use districts.". This objective is to promote Housing Goal H.1: "Encourage a mix of housing types.".*
- *Section 7, Land Use (page 65) states the following: "A key tool for Miles City to be resilient to these expected projections will be to guide future land uses through the Miles City zoning codes. The zoning text must be revised to provide clear guidelines so that the zoning map and regulations can be a more effective tool to implement this growth policy. The zoning map must be revised to reflect current conditions and expected future trends. The zoning map will be revised as proponents of future development proposals, and land uses to approach the city with zone change requests, and the city will work on revising the zoning map to guide the planning area with land use designations in appropriate geographic, physical, and social settings."*

Approval of the proposed zoning districts would support the above-listed policies, goals and objectives. As such, the proposed zoning is in accordance with the 2025 Miles City Growth Policy.

b. To secure safety from fire and other dangers;

Finding 1-b: *The Last Chance Subdivision was developed in substantial compliance with City standards for infrastructure that pertain to safety from fire, such as streets and fire hydrants. The subdivision was planned for commercial uses on Lot 1 of Block 1 and Lot 1 of Block 2, and residential on the other lots. Development of individual lots in accordance with the proposed zoning designations and Miles City zoning code and other City requirements will ensure safety from fire and other dangers*

c. To promote public health, safety, and general welfare; and

Finding 1-c: *The implementation of the City zoning code and provision of City services will promote public health, safety, and general welfare, likely regardless of specific zoning designations, as long as zoning is deemed appropriate for this particular setting. Given the surrounding zoning designations and land uses relative to the subject property, the proposed mixture of zoning designations will provide for continuity in land uses and an appropriate transition from the highway-oriented commercial uses to the east to the residential uses to the west and south, and institutional and student housing uses to the north, promoting the general welfare of the community with sound community planning.*

d. To facilitate the adequate provision of transportation, water, sewerage, schools, parks and other public requirements.

Finding 1-d: *The Last Chance Subdivision was planned and developed for adequate provision of transportation, water, sewerage, and similar public requirements. Municipal water and sewer infrastructure was installed to serve the lots. Surrounding and onsite public streets were improved to City standards to serve the subdivision, and Peila Way was built to serve several lots in Block 2. Sidewalks will be required upon individual lot development. Stormwater from the subdivision is accommodated by stormwater infrastructure installed for the development. Schools are nearby to serve students that will reside in the development, and the subdivision may provide additional housing for the adjacent Miles Community College. The subdivider was required by Custer County to pay a cash-in-lieu of parkland donation to the City of Miles City (instead of Custer County) based on subdivision requirements – those funds can be used for improvements to area City parks that future residents are likely to utilize, such as Wibaux Park, which is as close as four blocks to the northwest of the subdivision. In short, the public requirements for the development were substantially addressed during subdivision review, and the proposed zoning and other City codes will further facilitate adequate provision of public requirements.*

(2) In reviewing and making recommendations or decisions on zoning amendments, the administrator, zoning commission, and city council shall also consider:

a. Reasonable provision of adequate light and air;

Finding 2-a: *The proposed zoning districts will reasonably provide for adequate light and air through application of the various zoning districts' minimum setbacks and yards, maximum lot coverage, and building height requirements. The applicant for the proposed GC District lot notes the maximum building height for the GC District is 40' as opposed to the RC District's maximum building height of 60', while permitted lot coverage is slightly higher in the GC District relative to the residential zones. The specifications and standards for all of the zoning districts were designed to provide for reasonable light and air.*

b. The effect on motorized and non-motorized transportation systems;

Finding 2-b: *All lots in the subdivision are well served by the area streets accessing the subdivision, several of which were improved to City standards specifically for this subdivision. The Residential A District over much of the property, which allows for single-family dwellings and up to fourplexes per lot, will not significantly contribute to traffic on the streets.*

The proposed GC, RC, and RB districts on the other lots will provide for higher density development and increased expected traffic generation. Comparing expected traffic generation resulting from potential development on the lots proposed for the GC District and RC District is not entirely possible. The GC District allows general commercial uses up to 15,000 square feet as permitted *uses, and general commercial uses in excess of 15,000 square feet as conditional uses. GC also allows for multifamily dwellings as permitted uses. Both the GC and RC districts do not limit the density of multifamily dwellings, and the number of residential dwelling units potentially allowed in either district is limited by the specification standards relative to the lots, such as setbacks, lot coverage, and building heights. While it cannot be predicted very precisely how many dwelling units could be proposed on Lot 1 of Block 2 under either a GC or RC scenario, the number is substantial, and therefore traffic generation could also be substantial. A large apartment complex on the lot under either scenario could result in traffic generation as high and impactful as many of the general commercial uses that could be proposed and/or developed on Lot 1 of Block 2. In short, if comparing development scenarios between a GC or RC designation for Lot 1 of Block 2, expected traffic generation and effect on the motorized transportation system are not entirely predictable; there are residential development scenarios on the lot that could have a greater impact than many potential commercial development scenarios. For example, a 500 unit apartment complex (which could be possible with either GC or RC, although that is not a scale expected in Miles City) could generate an estimated ±3,000 vehicle trips per day. There are few if any commercial uses in Miles City that would be expected to have similar traffic counts. It should also be noted that the driving surface width of each street Lot 1 of Block 2 may use for access exceeds the minimum driving surface width standard of the highest classification of street, "Arterial", which is 30 feet, which suggests the streets are capable of accommodating any expected development under a residential or commercial scenario. Other standards also do not appear to be of concern; both Stower Street and South Moorehead Avenue should be capable of accommodating the traffic from potential development scenarios that could result from the proposed zoning districts or similar variations.*

Regarding the effect on non-motorized transportation system, the subdivision is lacking in sidewalks, which was addressed during subdivision review by tying sidewalk installations to individual lot development. Sec. 20-41*(e) of City code states, "Areas where construction required. All persons who reside within a six-block radius of a church, school, convenience store or supermarket shall construct a city sidewalk." City staff administers this provision and determines when it is applied, and sidewalks will be required along the streets abutting all lots when developed. Considering this factor, there should be no or little effect on non-motorized transportation system as a result of the proposed zoning districts.*

c. The promotion of compatible urban growth;

Finding 2-c: *Given the surrounding zoning designations and land uses relative to the subject property, the proposed mixture of zoning designations will provide for continuity in land uses and an appropriate transition from the highway-oriented* *commercial uses to the east to the residential uses to the west and south, and institutional and student housing uses to the north, promoting compatible urban growth. It is consistent with the general discussion in the 2025 Growth Policy, Section 7, "Land Use" on Page 60 that states:*

"Miles City also intends to ensure that new development is compatible with existing development by:

- *Adopting zoning that generally extends the existing pattern of development (i.e., more residential near existing residential areas and more commercial near existing commercial areas); and*
- *Planning and working with developers to extend water, sewer, street, sidewalk, parks and other services to development so the services are available when the demand occurs."*

The proposed zoning district does promote compatible urban growth by extending adjacent residential areas with residential zoning designations and adjacent commercial designations with a commercial zoning designation consistent with the 2025 Growth Policy as amended in 2026.

d. The character of the district, and its peculiar suitability for particular uses; and

Finding 2-d: *This subdivision was considered a "hole" in the City prior to annexation, and given its location outside of the 100 year floodplain, proximity to surrounding developed areas, services, and adequate public infrastructure, much of which was provided at the expense of the subdivision developer, the subdivision is a prime area for infill development and a coordinated continuation of surrounding development patterns. The City is in need of sites for all types of residential uses and more commercial opportunities near commercial centers, which this subdivision has been planned for.*

The zoning districts in Miles City are somewhat unique in that each of the residential districts are different than one another, but in a transitional way. For example, the RA District allows for primarily residential uses, with standards to provide for low intensity development such as larger lot sizes and single-family uses through fourplexes; then the RB District has more flexibility to provide for increased development; and the RC District allows for further increased intensity. Similarly, the adjacent HWC District to the east is a relatively high intensity commercial area, with the GC District being very similar, but at a smaller scale. These aspects are key elements to the Miles City zoning code to not completely separate uses like traditional Euclidean zoning tends to do, but instead to have districts that provide transition, with form-based elements like landscaping buffers between uses, providing for neighborhood commercial uses, and similar provisions.

Further, there are limited vacant RC and RB District lots available for development, and the proposed districts would provide for additional multifamily housing opportunities. The proposed GC District lot is central to the transition from the HWC District to what should be expected to be where multi-family development projects will start. The proposed arrangement of districts gives due consideration to the character of each of the districts and the suitability of the lots for the uses allowed in the districts under consideration.

e. Conserving the value of buildings and encouraging the most appropriate use of the land throughout the jurisdictional area.

Finding 2-e: *The subdivision is surrounded to the northwest, east, southwest, south, and southeast by the RA District where the primary use is single-family residential and on the north side by the RA District where the Miles Community College campus is located, with student housing adjacent to the Last Chance Subdivision. To the northeast is a privately-owned tract zoned RB District, which is developed with multi-family dwellings. Directly to the east across S. Moorehead Avenue is the Highway Commercial (HWC) District, where commercial uses are located, including Albertsons supermarket, Ace Hardware, the Mexico Lindo restaurant, and other commercial uses.*

The value of residential buildings in the adjacent RA District should be protected by the continuation of the RA and RB districts into the subdivision adjacent to the RA District. The value of the buildings to the northeast in the small, adjacent RB District should not be impacted with the addition of the RC District on Lot 1 of Block 1; the multi-family and similar residential development will be compatible with that use and the other uses on the adjacent Community College buildings zoned RA. The transitional nature of the involved zoning districts, along with the specific uses in place being compatible to the planned uses will reasonably be expected to conserve the value of buildings. As discussed in other findings, the proposed zoning districts provide for compatibility of land uses; this should in turn encourage the most appropriate land throughout the jurisdictional area. In the areas of transition between commercial and residential uses, and denser residential development to lower density existing residential development, effective landscaping implemented as required by Sec. 24-49 of the zoning code for commercial and multi-family dwellings will further protect the values of existing buildings, enhance land use compatibility, and encourage appropriate land uses in the community.

f. Whether the proposal might be considered illegal spot zoning. Factors to be considered include whether the proposed land use is significantly different from the prevailing use in the area; whether the area of the proposed zone change is relatively small not only in terms of acreage, but from the perspective of the number of separate landowners who would benefit from the proposed change; and whether the change would amount to special legislation designed to benefit only one or a few landowners at the expense of the surrounding landowners or general public. In order for spot zoning to be considered illegal, all three of the factors must be present.

Finding 2-f: *The following is a spot zoning analysis, with findings:*

- *Whether the proposed land use is significantly different from the prevailing use in the area: Given the surrounding zoning designations and land uses relative to the subject property, the proposed mixture of zoning designations will provide for continuity in land uses and an appropriate transition from the highway-oriented commercial uses to the east to the residential uses to the west and south, and institutional and student housing uses to the north. No land uses are being proposed that are significantly different from the prevailing land uses in the area. To the contrary, the proposed zoning districts would provide for continuations of surrounding land uses as infill development occurs. Single-family residences and other allowed uses of the RA District to the general west and south directions will continue on those sides of the subdivision. The community college and associated student housing to the north zoned RA will be compatible with the RB and RC districts proposed for the northern three lots of the subdivision. The proposed GC District lot will be allowed typically smaller scale general commercial uses compared to the adjacent HWC District and highway oriented uses to the east. This factor is therefore not present.*

- *Whether the area of the proposed zone change is relatively small not only in terms of acreage, but from the perspective of the number of separate landowners who would benefit from the proposed change: The area proposed for zoning is not small – approximately 15-acres, with a mix of four different zoning districts compatible with surrounding zoning and uses. Perhaps it could be stated that only the applicant and owner of Lot 1 of Block 2 would benefit from the approval of the GC District for Lot 1 of Block 2, but considering accordance with the Growth Policy, the mix of uses contemplated being compatible with surrounding development being of benefit to more than the applicant, and the effort taken by the applicant to develop the subdivision to the benefit of the community, this factor is largely inapplicable and therefore not present.*

- *Whether the change would amount to special legislation designed to benefit only one or a few landowners at the expense of the surrounding landowners or general public: With a mix of four different zoning districts compatible with surrounding land uses and zoning, and with appropriate transitions from surrounding uses and districts through the property that was formerly wholly-surrounded by the City and zoning districts, there is not an area that should be* *considered "spot zoning"; there is no "spot" or specific property being uniquely zoned in any way incompatible with the uses allowed in adjacent districts. Further, it does not appear there would be an "expense" to the surrounding landowners or general public due to the compatibility of the proposed districts, particularly given the transitional natures of the various districts and the zoning structure in Miles City.*

Because no spot zoning factors are present, and all three of the above factors must be present for it to be considered illegal spot zoning, the proposed zoning would not be illegal spot zoning.

(3) Other criteria include whether the amendment:

a. Corrects an inconsistency in the zoning; and

Finding 3-a: *The proposed zoning does not correct an inconsistency in the zoning, but is to apply long-term zoning designations to recently annexed property.*

b. Addresses changing conditions or furthers a specific public challenge such as the need for affordable housing, economic development, mixed use development or sustainable environmental features.

Finding 3-b: *The proposed zoning addresses the changing condition of the property being recently annexed.*

Conclusion on the above findings:
Based on the above findings, the proposed zoning districts substantially comply with the applicable criteria, and is therefore appropriate.

III. ZONING COMMISSION RECOMMENDATION

The Zoning Commission adopted the preliminary report and reviewer-recommended findings as the Zoning Commission's findings of fact and recommends the City Council approve the zoning districts as proposed and per the draft ordinance attached to this report. This report is the Zoning Commission's final report to be transmitted to the City Council. Upon final passage of the ordinance by City Council, the official Miles City zoning district map adopted under Sec. 24-11 of the zoning code will be amended by the City of Miles City.

Attachment 1

PETITION FOR ZONE CHANGE

Community Services & Planning

City of Miles City 17 S. 8th Street, P.O Box 910 Miles City, MT 59301 406-234-3493

Date Received: ______________ (to be filled out by City)

Note: If more than one property/petitioner a list of signatures and legal descriptions may be attached to this application.

I, ______________ (Signature) is/are petitioning the City of Miles City to rezone the following property:

LEGAL DESCRIPTION OF PROPERTY:

Street Address or General Location ______________

Tract/s ______________ in Section____ Township ____ Range____

OR

Lot/Tract/s Lot 1/Block 2 of Last Chance Subdivision (Subdivision Name) in Section 34 Township 08N Range 47E

Assessor Number/s or Geocode 14-1740-34-4-35-01-0000

PRIMARY CONTACT:

Applicant Name: John Peila (Please print) If a business: Contact Name ______________ (Please print)

Address: 200 Kinsey Road

Miles City, MT 59301

Phone: 406-234-1504 Cell Phone: 406-951-1504 Email: diamondjconstruction@live.com

DESCRIPTIVE DATA:

Total area in acres: 2.969

Existing Zoning: Residential C Proposed Zoning: General Commercial

Existing Use: Vacant Lot

___Yes X No Purpose of the zone change is for pending development/sale. If so please explain the nature of the proposal or state any other reason for requested change: I am proposing this zone change because this lot was approved to be developed as a commercial lot by Custer County before being annexed by the City of Miles City. Further, it is too large to be a residential lot and cannot be subdivided again. The lot will sell in a more timely manner if it is zoned commercial and create a tax base the City of Miles City will benefit from.

Note: All information must be filled in for the application to be complete. Submission of an application is not a guarantee that a zone change will be approved.

Questions related to the criteria for zone changes and zoning amendments:

How would the proposed zone change be in accordance with the growth policy?

The proposed change is not in accordance with the growth policy, however of the entire Last Chance Subdivision, every other lot is residential, in accordance with the Growth Policy and this lot was approved as commercial by Custer County, prior to being annexed. I am submitting a petition to amend the growth policy in accordance with this petition for zone change.

How would the proposed zone change secure safety from fire and other dangers?

When the Last Chance Subdivision was developed the streets were improved and fire hydrants were installed in compliance with city codes. Future development in compliance with city codes, such as building codes and zoning regulations, will secure safety whether commercial or residential development occurs.

How would the proposed zone change promote public health, safety, and general welfare?

The proposed change will have no effect on public health, safety or general welfare, as I stated in the previous question, this subdivision was developed in accordance with all city codes and regulations, the street improvements and fire hydrant installations will promote health, safety and general welfare for residents regardless of zoning.

How would the proposed zone change facilitate the adequate provision of transportation, water, sewerage, schools, parks and other public requirements?

Changing the zoning to commercial will be beneficial because that is how the lot was developed, it has water, sewer and storm drainage required for that size of commercial lot.

How would the proposed zone change ensure the reasonable provision of adequate light and air?

The max building height for RC is 60 feet whereas the max for GC is only 40 feet and although the maximum lot coverage does increase from 70% in RC to 80% in GC, with setbacks and City landscaping requirements for either designation will ensure adequate light and air.

How would the proposed zone change affect motorized and non-motorized transportation systems?

As part of the development of the Last Chance Subdivision, Stower Street on the north side of this lot as widened and paved and curb and gutter was installed which was a huge improvement for motorized transportation, once the lot is purchased the landowner is required to install sidewalks per the covenants which will be beneficial for non-motorized transportation.

How would the proposed zone change promote compatible urban growth?

The proposed change will be very beneficial for urban growth, there are only approximately 10 commercial lots available in Miles City as of November 20, this will be an opportunity for the city to earn more property taxes by zoning the lot commercial and potentially bring more jobs to Miles City.

How would the proposed zone change impact the character of the district, and its peculiar suitability for particular uses?

The lot is located directly across the street from both Ace Hardware and Albertsons; this lot is suitable for commercial property.

How would the proposed zone change work to conserve the value of buildings and encourage the most appropriate use of the land throughout the jurisdictional area?

As I stated in the previous statement, this lot borders two businesses which is why this is an appropriate use for this land.

Describe whether the proposal might be considered illegal spot zoning. Factors to be considered include whether the proposed land use is significantly different from the prevailing use in the area; whether the area of the proposed zone change is relatively small not only in terms of acreage, but from the perspective of the number of separate landowners who would benefit from the proposed change; and whether the change would amount to special legislation designed to benefit only one or a few landowners at the expense of the surrounding landowners or general public. In order for spot zoning to be considered illegal, all three of the factors must be present.

Changing the zoning of this lot to commercial would not be considered illegal spot zoning, as it is located just one block off Haynes Ave., which is entirely commercial, so it would not be significantly different from the prevailing use of the area. This is the largest lot of the Last Chance Subdivision, so it is not small in terms of acreage at 2.979 acres, and it will not benefit only some landowners at the expense of others.

Would the proposed zone change correct an inconsistency in the zoning?

No.

Is the zone change intended to address changing conditions or further a specific public challenge such as the need for affordable housing, economic development, mixed use development or sustainable environmental features?

The zone change is not intended to address a specific challenge, however by making the change it will benefit the City of Miles City with an increased tax base, whereas if the lot is zoned Residential, it is unlikely to sell anytime soon, if ever, therefore the City of Miles City is going to lose the opportunity to take advantage of the income from property taxes.

CITY OF MILES CITY

Zoning Commission

PO Box 910
Miles City, MT 59301

Public Hearing & Meeting Minutes

April 22, 2026
5:30 pm

The Miles City Zoning Commission met at 5:30 pm in the City Hall Conference Room. Public Works Director/Recorder Samantha Malenovsky called the meeting to order at 5:30 pm and requested a roll call. Zoning Members (ZM) present were Leif Ronning, Melynda Hould, Amber Rainey-Stein and Steve Palmeri. ZM Leroy Meidinger was absent. Also present were Planner Joel Nelson (via Zoom) and Public Works Director (PWD) Samantha Malenovsky as she served as recorder. A quorum was present. Refer to attached sign-in sheet for visitors/citizens present.

Election of Officers: PWD Malenovsky asked for any nominations for a chairperson, ZM Hould nominated ZM Ronning, seconded by ZM Palmeri.

** *Motion for ZM Ronning to stay as Chairperson approved 4-0.*

CP Ronning asked for any nominations for a vice chairperson, CP Ronning nominated ZM Rainey-Stein, seconded by Palmeri.

** *Motion for ZM Rainey-Stein approved 4-0.*

Approval of Minutes: CP Ronning called for approval of the minutes from the November 6, 2025 meeting.

** *ZM Hould moved to approve the minutes from the November 6th meeting, as written, second by CP Ronning. Motion approved 4-0.*

Citizen/Visitor Request: None

New Business:

Public Hearing: Zoning for Last Chance Subdivision

Planner Nelson gave an overview on how the subdivision was annexed and an interim zoning ordinance adopted, and there were previous joint meetings between the planning and zoning boards. In November, the board did not recommend growth policy amendments and recommended keeping the residential designations. After those meetings, Mr. Peila, developer, petitioned the City for a growth policy amendment and zoning petition to allow for Lot 1 Block 2 to become General Commercial. He did not petition to change the other lots, so staff proposes the other lots to remain Residential, as shown on Page 6, Figure 4 of the staff report. Planner Nelson stated that the zoning designations currently being proposed are compliant with zoning criteria, so the staff recommendation is to approve the zone change as presented with the draft findings.

Developer John Peila stated that the area was subdivided and zoned by the county, before being annexed by the City. When the subdivision was annexed into the City, the zoning changed all Residential to match the Growth Policy. Mr. Peila went through years and multiple meetings to try and work with the city and county and have it zoned with commercial and residential properties. He is hoping that this subdivision would be a good fit for the whole town by allowing for a mixed use in this subdivision and bring additional tax dollars into the City.

Mindie Cox, 724 N. Sewell, commented that she is happy with the subdivision. She purchased a piece of the property and currently has a house being built in the subdivision.

Tami Askin, 2312 Pearl owns 2700 Comstock, questioned about sidewalks being put in. It was explained that when a parcel is developed that property owner is required to put in sidewalks as per City standards. There is no sidewalk being placed by the City either in the development or in the surrounding area.

Recommendation to City Council: *ZM Hould made the motion to approve the reviewer's recommendation to adopt and approve the proposed draft and ordinance attached to the report, seconded by CP Palmeri. Motion passed 4-0.*

Unfinished Business: None

Any Other Comments/Discussion: PWD Malenovsky asked to set up a zoning meeting for June as there is a rezone and some changes to the zoning ordinance that staff would like to present.

Adjournment: With no further business, on motion, the meeting adjourned at 5:45 pm. Next proposed meeting scheduled for June 10th at 5:30pm.

[DRAFT]
Leif Ronning
Zoning Commission Chair

[DRAFT]
Samantha Malenovsky
Recorder/Public Works Director

ORDINANCE NO. 1405

AN ORDINANCE ADOPTING AMENDMENTS TO THE OFFICIAL MILES CITY ZONING DISTRICT MAP TO DESIGNATE LONG-TERM ZONING DISTRICTS FOR THE RECENTLY ANNEXED LAST CHANCE SUBDIVISION, AND PROVIDING FOR A HEARING THEREON.

WHEREAS, the City of Miles City has annexed all lots on the Plat of Last Chance Subdivision, including all streets, avenues and rights-of-ways shown on said Plat; and

WHEREAS, the official Miles City zoning district map referenced in Sec. 24-11 of the zoning code does not yet provide zoning district classifications for the land previously located outside the City limits; and

WHEREAS, it is necessary to amend the official Miles City zoning district map to provide zoning district classifications for all lots within the Last Chance Subdivision; and

WHEREAS, John Peila, the developer of the subdivision and owner of Lot 1 of Block 2 of the subdivision, has filed an application to zone Lot 1 of Block 2 as General Commercial (GC) District; and

WHEREAS, for the rest of the lots in the Last Chance Subdivision, the City staff is proposing zoning district designations, including the Residential C (RC) District for Lot 1 of Block 1, the Residential B (RB) District for Lots 2 & 3 of Block 1, and the Residential A (RA) District for Lots 2 – 17 of Block 2; and

WHEREAS, said lots are situated within the City limits of the City of Miles City, Montana, and subject to the zoning jurisdiction of the City of Miles City; and

WHEREAS, Section 24-96 of the Code of Ordinances of Miles City, Montana requires that such application be referred to the City Zoning Commission for public hearing and recommendation to the City Council prior to any action by the City Council upon such application; and

WHEREAS, the Miles City Zoning Commission, on April 22, 2026, upon public hearing and deliberation, recommended to the City Council that such amendments to the zoning district map be approved; and

WHEREAS, Ordinance No. 1398 was adopted as an interim zoning ordinance to apply to the Last Chance Subdivision, which was extended by Ordinance No. 1402 for a period of one year, and is set to expire March 24, 2027; however, the zoning district map amendments adopted by this ordinance will supersede and replace Ordinance No. 1398 and Ordinance No. 1402 upon the amendments adopted by this ordinance becoming effective.

THEREFORE BE IT ORDAINED, by the City Council of the City of Miles City, Montana, as follows:

Section 1. The official Miles City zoning district map referenced in Sec. 24-11 of the zoning code shall be amended to apply to the real property described in this ordinance that is located within the City of Miles City, Montana. The official zoning district map shall be amended as follows:

- Lot 1 of Block 2 of the Last Chance Subdivision shall be zoned General Commercial (GC) District;
- Lot 1 of Block 1 of the Last Chance Subdivision shall be zoned Residential C (RC) District;
- Lots 2 & 3 of Block 1 of the Last Chance Subdivision shall be zoned Residential B (RB) District; and
- Lots 2 – 17 of Block 2 of the Last Chance Subdivision shall be zoned Residential A (RA) District.

Section 2. The Final Report of the Zoning Commission of the City of Miles City, prepared as part of the review of this application, and attached hereto as Exhibit "A," is hereby adopted as Findings of Fact to support the Council's decision.

Section 3. Prior to final passage, a public hearing shall be held upon this proposed zone change before the City Council at 6:00 P.M. on the 26th day of May, 2026, in the Council Chambers at City Hall, 17 S. Eighth Street, Miles City, Montana.

Section 4. The City Clerk shall give notice of the date, time and place of such City Council hearing by publication twice in the Miles City Star, with the first notice published at least 15 business days prior to the date of such hearing, as well as notice by certified mail at least 15 calendar days prior to such hearing to the applicant, landowners, all adjoining property owners, and owners of land within 150 feet of the subject property.

Section 5. This ordinance shall be in full force and effect thirty (30) days after its final passage and approval.

Section 6. The zoning district map amendments adopted by this ordinance shall supersede and replace Ordinance No. 1398 and Ordinance No. 1402 upon the amendments adopted by this ordinance becoming effective.

Said Ordinance read and put on its first passage this 26th day of May, 2026.

____
C.A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

FINALLY PASSED AND ADOPTED this _____ day of __________________, 2026.

____
C.A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

Final Report of the Miles City Zoning Commission
Last Chance Subdivision Zoning Petition and City-Initiated Zoning
April 22, 2026

I. GENERAL INFORMATION

A. Meetings

1. **Zoning Commission Hearing:** Wednesday, April 22, 2026
2. **City Council 1st Reading & Public Hearing:** Tuesday, May 26, 2026 at 6:00 pm in the City Hall Conference Room
3. **City Council 2nd Reading:** Tuesday, June 9, 2026 at 6:00 pm in the City Hall Conference Room (tentative)

B. Project Proponents/Landowners:

1. **Applicants:**
   -John Peila (Lot 1 of Block 2)
   -Miles City Planning Department/staff (all other lots)
2. **Landowners:**
   -**John C. Peila** (Lot 1 of Block 2, proposed by Mr. Peila for General Commercial (GC) District)
   ~~-John C. Peila~~ **Saddlehorn Apartments, LLLP**[1] (Lot 1 of Block 1, proposed by Planning Department as Residential C (RC) District)
   -John C. Peila (Lots 2 & 3 of Block 1, proposed by Planning Department as Residential B (RB) District)
   -**Alfred Jordan** (Lots 2 & 3 of Block 2, proposed by Planning Department as Residential A (RA) District)
   -**Mindie Cox** (Lot 9 of Block 2, proposed by Planning Department as Residential A (RA) District)
   -**Michael Struck and Dena Struck, as Trustees of the Struck Family Trust** (Lot 12 of Block 2, proposed by Planning Department as Residential A (RA) District)
   -John C. Peila (Lots 4 – 8, Lots 10 & 11, Lots 13 – 17 of Block 1, proposed by Planning Department as Residential A (RA) District)

C. Property Descriptions

The Last Chance Subdivision is a 20 lot major subdivision that was submitted to and reviewed and approved by Custer County from 2023 through June 2025. The subdivision was of a ±14.9-acre tract that was wholly surrounded by the City of Miles City until annexed by the

[1] Lot 1 of Block 1 was conveyed to Saddlehorn Apartments, LLLP per Warranty Deed recorded April 30, 2026 as Document No. 188617, records of the Custer County Clerk & Recorder's Office

City in 2025. The Last Chance Subdivision is situated in the S ½ NW ¼ NE ¼ SE ¼, SW ¼ NE ¼ SE ¼ of Section 34, T8N, R47E, P.M.M., in Custer County, Montana.

The lots in the subdivision are located between S. Sewell Avenue and S. Moorehead Avenue and between Stower Street and Comstock Street (Block 1) as well as between S. Sewell Avenue and S. Moorehead Avenue, south of the Miles Community College campus (Block 1). The subdivision is undeveloped with the exception of infrastructure and a home under construction on Lot 9 of Block 2.

D. Project Description

John Peila, the developer of the subdivision and owner of Lot 1 of Block 2 of the subdivision (and most other lots), has filed an application to zone Lot 1 of Block 2 as General Commercial (GC) District. Mr. Peila recently obtained approval of amendments to the 2025 Miles City Growth Policy to provide for the requested GC District designation on Lot 1 of Block 2.

For the rest of the lots in the Last Chance Subdivision, the Miles City Planning Department and City staff are proposing residential zoning district designations, including the Residential C (RC) District for Lot 1 of Block 1, the Residential B (RB) District for Lots 2 & 3 of Block 1, and the Residential A (RA) District for Lots 2 – 17 of Block 2.

The reason the Miles City Planning Department and staff are proposing the zoning districts for all but the above Lot 1 of Block 2 is that the City initiated the annexation proceedings and Mr. Peila only applied for zoning for Lot 1 of Block 2 well after the time of annexation. The residential districts proposed are based on accordance with the 2025 Growth Policy, as amended in 2026, as the future land use map in the growth policy designates the proposed residential lots as "Residential".

The entirety of the subdivision is currently regulated by City codes and the zoning regulations through interim zoning Ordinance No. 1398, extended by Ordinance No. 1402 for one year in March 2026.

E. Area Zoning and Land Uses

The subdivision is surrounded to the northwest, east, southwest, south, and southeast by the RA District where the primary use is single-family residential and on the north side by the RA District where the Miles Community College campus is located, with student housing adjacent to the Last Chance Subdivision. To the northeast is a privately-owned tract zoned RB District, which is developed with multi-family dwellings. Directly to the east across S. Moorehead Avenue is the Highway Commercial (HWC) District, where commercial uses are located, including Albertsons supermarket, Ace Hardware, the Mexico Lindo restaurant, and other commercial uses.

F. Maps

The following pages and figures include maps pertinent to the proposal.

Figure 1: Zoning Map in the area:

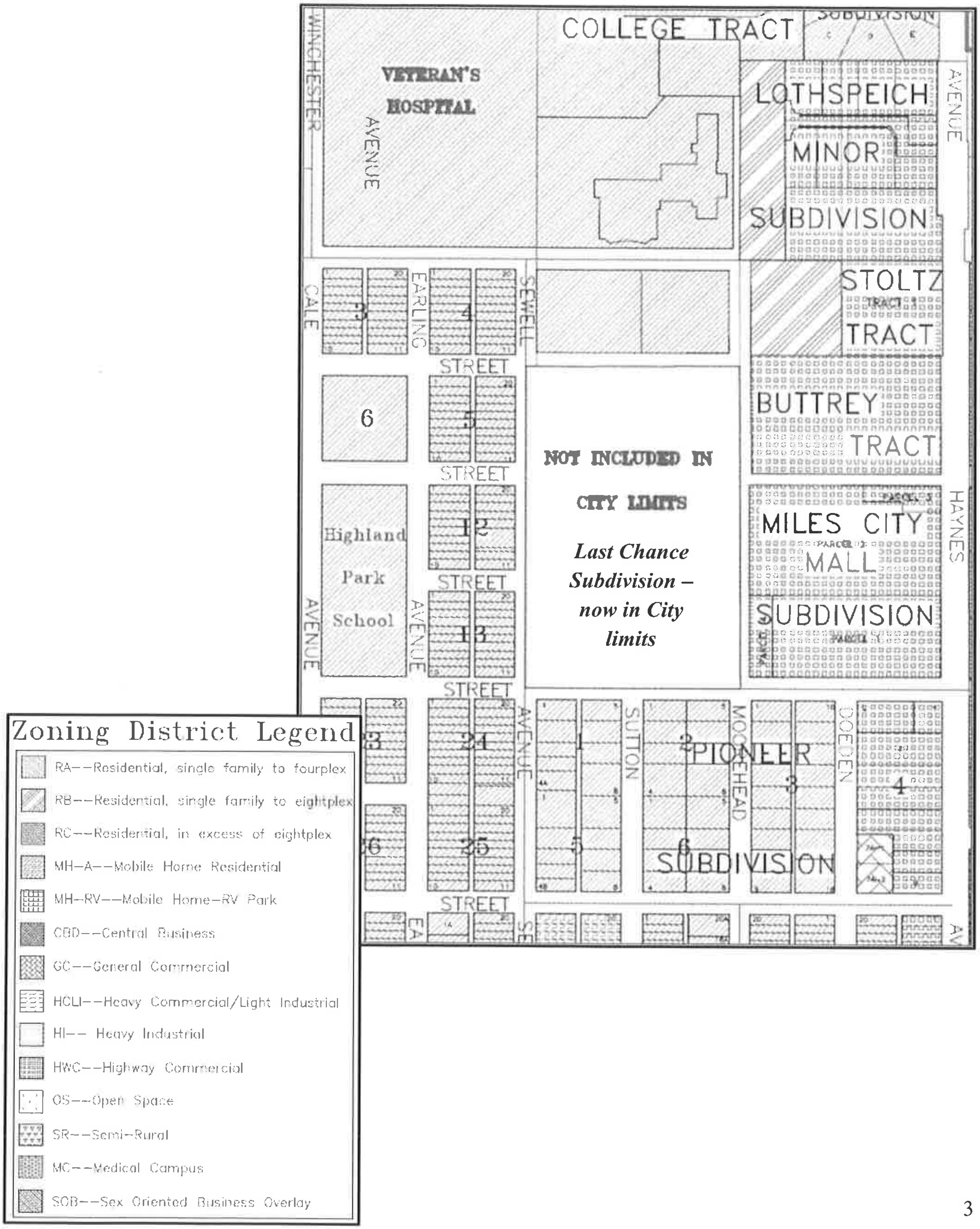


Figure 2: Zoning Map in the area with the proposed zoning districts under consideration:

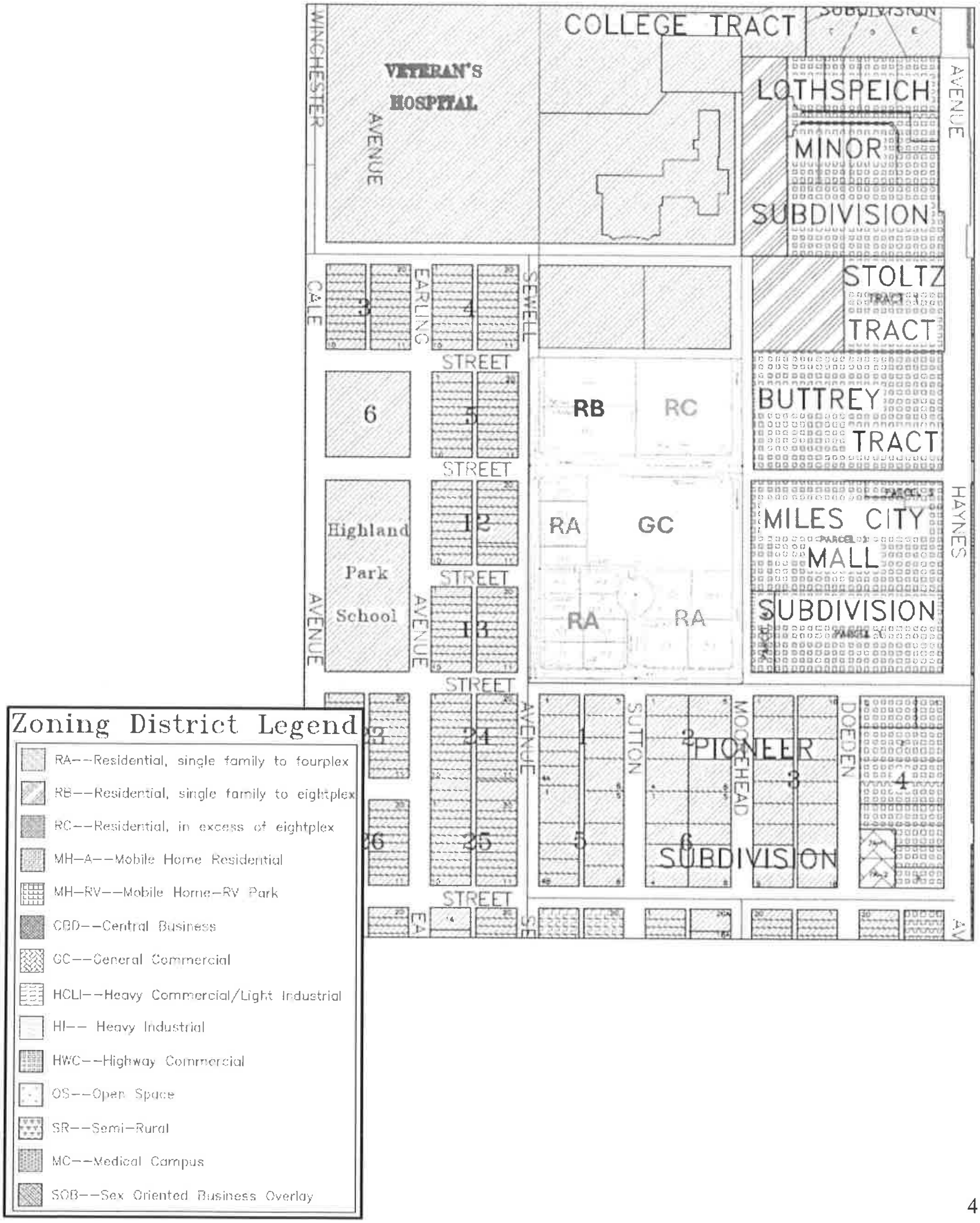


Figure 3: Map 14, Future Land Use Map of the 2025 Miles City Growth Policy as amended in 2026, page 66:

Map 14. Future Land Use

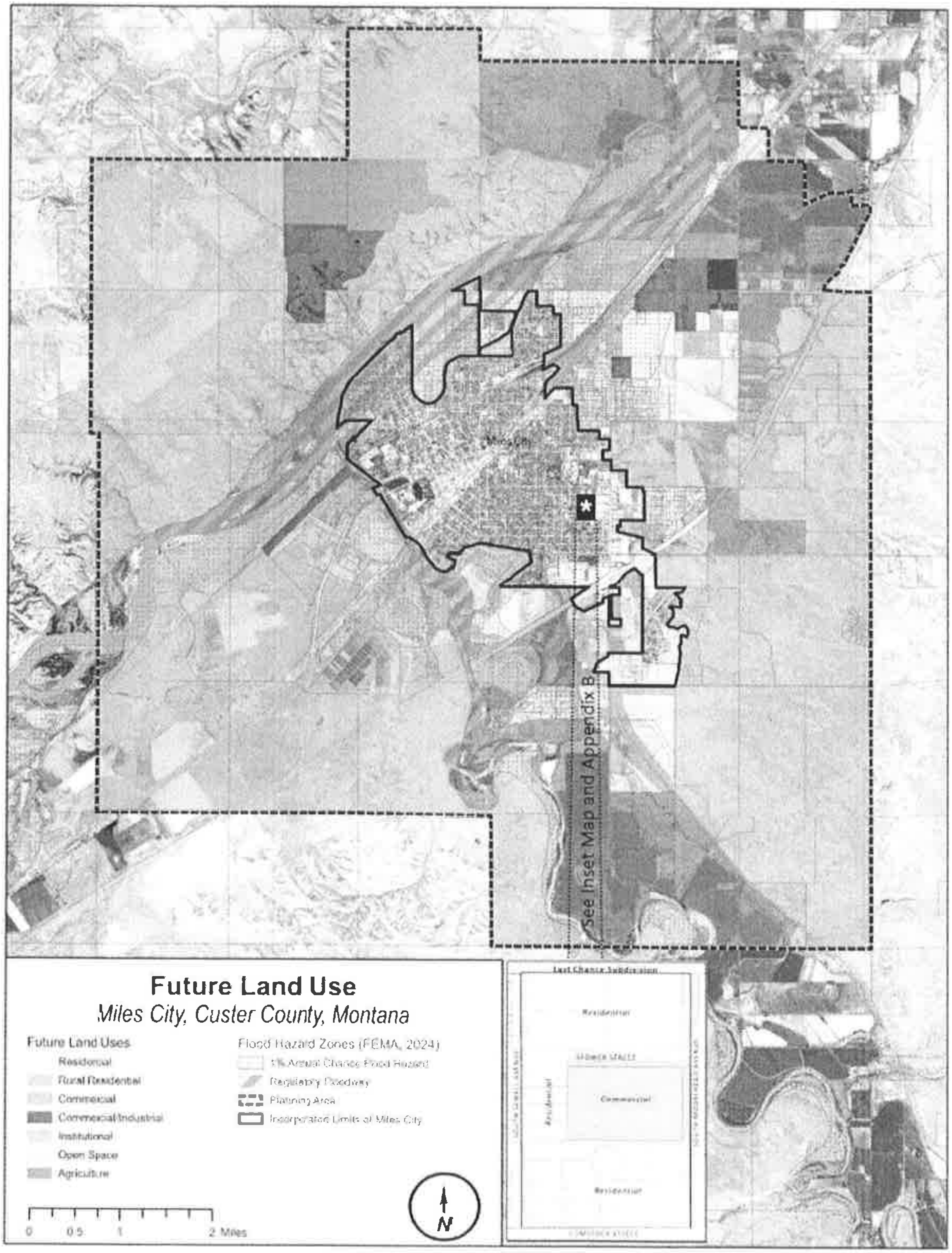


Figure 4: Larger inset map of the Future Land Use Map of the 2025 Miles City Growth Policy as amended in 2026, page 75:

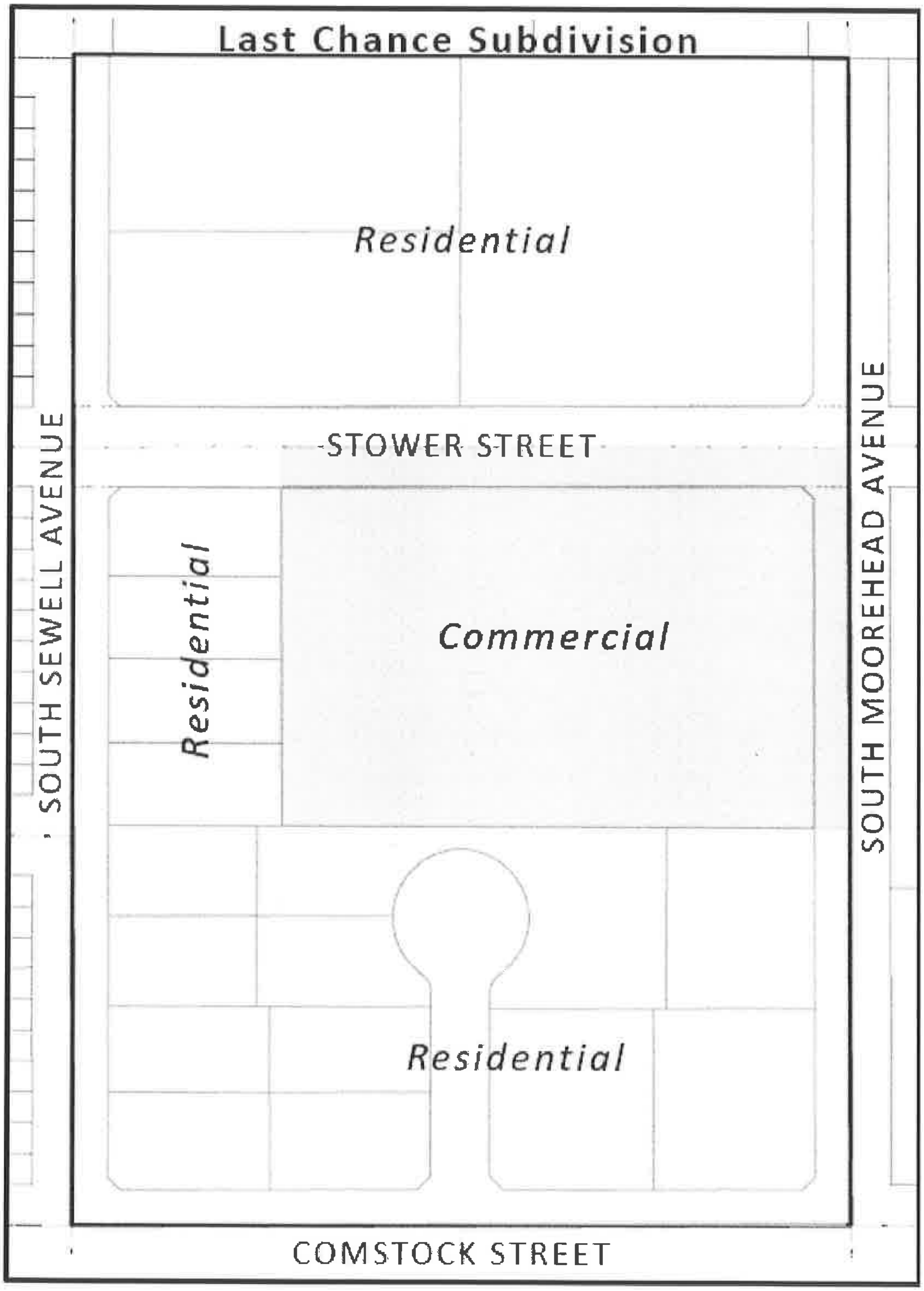
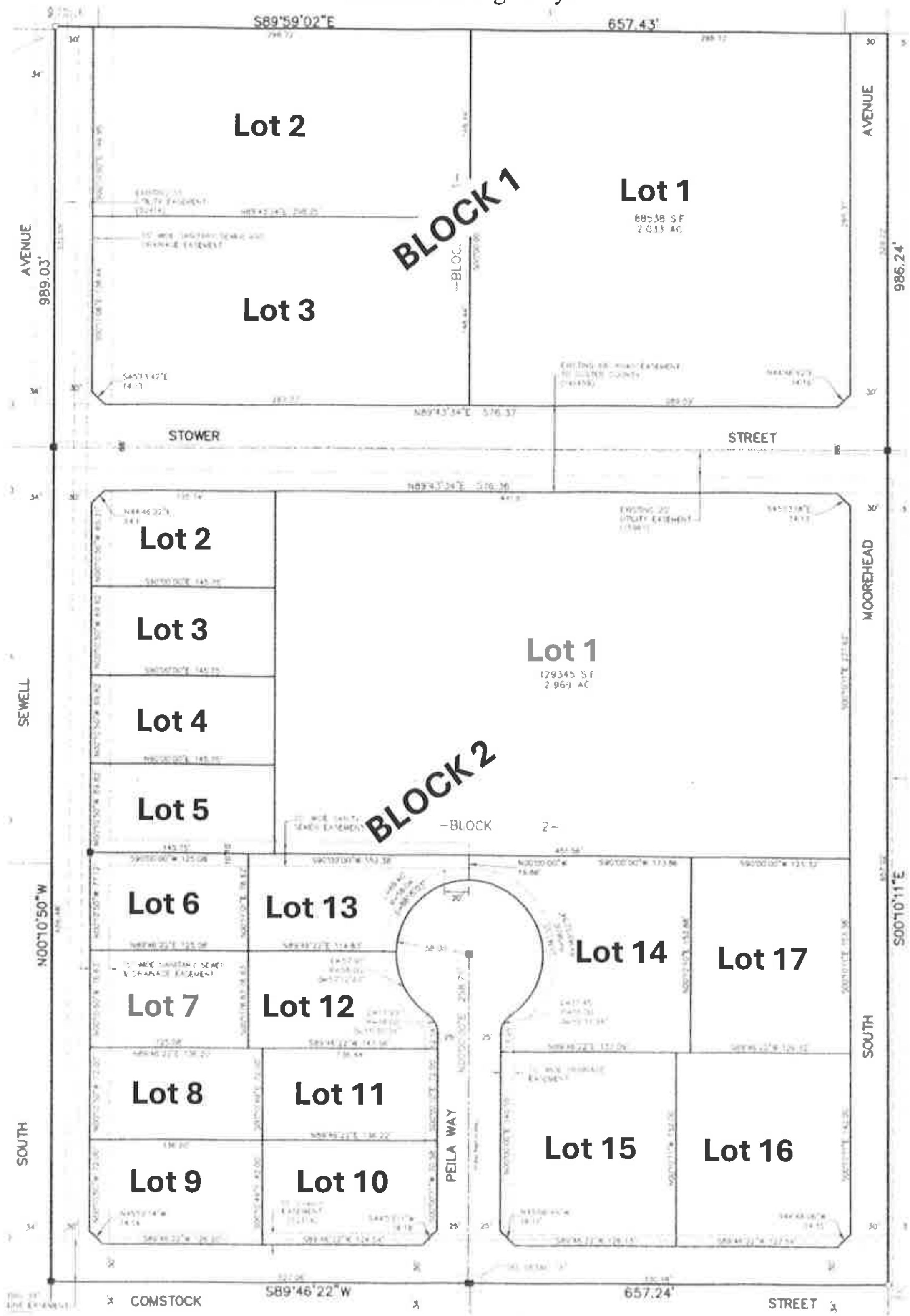


Figure 5: Excerpt of the Last Chance Subdivision plat, with lot/block numbering labeled by the reviewer for legibility:



G. Attachments

The following are attached to this report:

1. Attachment 1: John Peila's zoning petition and narrative responses to the zoning criteria.
2. Attachment 2: Draft ordinance for the proposed zoning.
3. Attachment 3: Draft meeting minutes from April 22, 2026 Zoning Commission meeting/hearing.

II. APPLICABLE REGULATIONS AND RECOMMENDED FINDINGS

A. Zone changes and zoning amendments – Purpose and Process

Administration of petitions for amendments to the official zoning district map is outlined in Sec. 24-96 of the zoning code. The following are the 'purpose' and 'amendment process' for review of zone changes and zoning amendments. Other sections applicable to the review, with recommended findings based on the criteria for zoning, are provided in the next section.

(a) *Purpose.* Any person may petition for the amendment of the zoning district map and/or these regulations. The amendment procedure shall be as provided here and in MCA 76-2-303. Amendments may also be initiated by the zoning commission or administrator, in which cases steps subsections (b)(1) through (b)(3) below, will not be required.

(b) *Amendment process.*

(1) The applicant shall submit a properly completed application form, the required supporting materials, including a narrative evaluating the amendment request under the amendment criteria in (c) below, and the required application fee at city hall.

(2) The administrator shall determine whether the application is complete and sufficient. When an application is determined incomplete or insufficient, the administrator shall provide written notice to the applicant indicating what information must be submitted for the review to proceed.

(3) After the application is determined to be complete and sufficient, the administrator shall schedule a public hearing on the application for a zoning amendment on the agenda of the next zoning commission meeting for which the notice requirements can be met (section 24-97), and at which time allows for its proper consideration.

(4) The administrator shall give notice of the public hearing in accordance with section 24-97.

(5) The administrator shall prepare, or contract for the preparation of, a report that describes the proposed amendment and how it complies, or fails to comply, with the amendment criteria. The report shall include a recommendation for approval, approval with modifications or denial.

(6) The zoning commission shall conduct at least one public hearing on the proposed amendment. At the hearing, the zoning commission shall make a report regarding the proposed zone change and consider whether the proposed amendment meets the amendment criteria. The zoning commission shall review the particular facts and circumstances of the proposed amendment and develop findings and conclusions that support its recommendation that the city council approve, approve with modifications, or disapprove it accordingly.

(7) The zoning commission's action on a proposed amendment may be tabled, but for no more than 35 days.

(8) The administrator shall convey the zoning commission's recommendation and all public comments to the city council and, unless the application is withdrawn, place a hearing on the agenda of the next city council meeting for which the notice requirements can be met (Section 24-97), and at which time allows for its proper consideration. The city council shall not hold its public hearing or take action until it has received the report of the zoning commission.

(9) The administrator shall give notice of the city council's public hearing in accordance with section 24-97.

(10) The city council shall conduct a public hearing on the proposed amendment. At the hearing, the city council shall consider the recommendation of the zoning commission and all testimony received, then approve, reject, or modify and approve the amendment. Action on the proposed amendment may be tabled, but for no more than 35 days.

(11) If approved or approved with modifications, the city council shall pass an ordinance effectuating the amendment to the zoning map or regulations, as applicable.

(12) An amendment to the zoning may not become effective except upon favorable vote of two-thirds of the present and voting members of the city council if a protest against a change is signed by the owners of 25 percent or more of:

   a. The area of the lots included in the proposed change; or

   b. Those lots or units, as defined in MCA 70-23-102, 150 feet from a lot included in a proposed change. For purposes of this protest provision, each unit owner is entitled to have the percentage of the unit owner's undivided interest in the common elements of the condominium, as expressed in the declaration, included in the calculation of the protest. If the property, as defined in MCA 70-23-102, spans more than one lot, the percentage of the unit owner's undivided interest in the common elements must be multiplied by the total number of lots upon which the property is located. The percentage of the unit owner's undivided interest must be certified as correct by the unit owner seeking to protest or by the presiding officer of the association of unit owners.

(13) At the conclusion of the amendment process, the administrator shall notify the applicant of the city council decision within ten days.

-NOTE: 2025 Legislation amended several sections of state law pertaining to municipal zoning and notices; the process and draft ordinance have followed the effective and current provisions of Montana Code Annotated (MCA); where conflict exists between state law and the zoning code, the stricter requirements have been followed.

B. Amendment Criteria and Recommended Findings

Sec. 21-96(c) of the Zoning Code provides the "Amendment criteria" for zone changes and zoning amendments. The evaluation criteria are listed below, followed by the reviewer's and Zoning Commission's recommended findings in *italics*.

(c) Amendment criteria.

(1) Zoning amendments shall be made:

a. In accordance with the growth policy;

Finding 1-a: *The applicant for the zoning of Lot 1 of Block 2 as GC District recently petitioned the City to amend the 2025 Growth Policy's future land use map to provide for the "Commercial" designation, which was approved by the City Council and the amendments are now incorporated into the Growth Policy and effective. The amended Growth Policy's future land use map designation of "Commercial" makes the proposed GC District for Lot 1 of Block 2 accord to that element of the Growth Policy.*

The rest of the lots in the Last Chance Subdivision are still designated as "Residential" on the 2025 Growth Policy's future land use map. The proposed mixture of the RA, RB, and RC districts accord to the amended Growth Policy's future land use map designation of Residential.

There are other implementation measures in the 2025 Growth Policy that are applicable to zoning for the subdivision. The following are additional growth policy findings.

- *Land Use Objective LU.3.a: "Protect private property rights and respect property owners' wishes to enjoy and gain economic return from their properties and investments while ensuring that other public and private interests are not unreasonably compromised or impacted by land uses and development projects." This objective is to promote Land Use Goal LU.3: "Balance property rights with the common interests of the community.".*
- *Land Use Objective LU.4.b: "Develop and implement zoning that guides future development but also protects existing development from unwanted impacts." This objective is to promote Land Use Goal LU.4: "Provide for the*

logical expansion of the City's boundaries that is compatible with existing development and is fiscally responsible.".

- *Housing Objective H.4.a: "Update zoning regulations to allow for appropriate density and housing diversity in residential, commercial, and mixed-use districts.". This objective is to promote Housing Goal H.1: "Encourage a mix of housing types.".*
- *Section 7, Land Use (page 65) states the following: "A key tool for Miles City to be resilient to these expected projections will be to guide future land uses through the Miles City zoning codes. The zoning text must be revised to provide clear guidelines so that the zoning map and regulations can be a more effective tool to implement this growth policy. The zoning map must be revised to reflect current conditions and expected future trends. The zoning map will be revised as proponents of future development proposals, and land uses to approach the city with zone change requests, and the city will work on revising the zoning map to guide the planning area with land use designations in appropriate geographic, physical, and social settings."*

Approval of the proposed zoning districts would support the above-listed policies, goals and objectives. As such, the proposed zoning is in accordance with the 2025 Miles City Growth Policy.

b. To secure safety from fire and other dangers;

Finding 1-b: *The Last Chance Subdivision was developed in substantial compliance with City standards for infrastructure that pertain to safety from fire, such as streets and fire hydrants. The subdivision was planned for commercial uses on Lot 1 of Block 1 and Lot 1 of Block 2, and residential on the other lots. Development of individual lots in accordance with the proposed zoning designations and Miles City zoning code and other City requirements will ensure safety from fire and other dangers*

c. To promote public health, safety, and general welfare; and

Finding 1-c: *The implementation of the City zoning code and provision of City services will promote public health, safety, and general welfare, likely regardless of specific zoning designations, as long as zoning is deemed appropriate for this particular setting. Given the surrounding zoning designations and land uses relative to the subject property, the proposed mixture of zoning designations will provide for continuity in land uses and an appropriate transition from the highway-oriented commercial uses to the east to the residential uses to the west and south, and institutional and student housing uses to the north, promoting the general welfare of the community with sound community planning.*

d. To facilitate the adequate provision of transportation, water, sewerage, schools, parks and other public requirements.

Finding 1-d: *The Last Chance Subdivision was planned and developed for adequate provision of transportation, water, sewerage, and similar public requirements. Municipal water and sewer infrastructure was installed to serve the lots. Surrounding and onsite public streets were improved to City standards to serve the subdivision, and Peila Way was built to serve several lots in Block 2. Sidewalks will be required upon individual lot development. Stormwater from the subdivision is accommodated by stormwater infrastructure installed for the development. Schools are nearby to serve students that will reside in the development, and the subdivision may provide additional housing for the adjacent Miles Community College. The subdivider was required by Custer County to pay a cash-in-lieu of parkland donation to the City of Miles City (instead of Custer County) based on subdivision requirements – those funds can be used for improvements to area City parks that future residents are likely to utilize, such as Wibaux Park, which is as close as four blocks to the northwest of the subdivision. In short, the public requirements for the development were substantially addressed during subdivision review, and the proposed zoning and other City codes will further facilitate adequate provision of public requirements.*

(2) In reviewing and making recommendations or decisions on zoning amendments, the administrator, zoning commission, and city council shall also consider:

a. Reasonable provision of adequate light and air;

Finding 2-a: *The proposed zoning districts will reasonably provide for adequate light and air through application of the various zoning districts' minimum setbacks and yards, maximum lot coverage, and building height requirements. The applicant for the proposed GC District lot notes the maximum building height for the GC District is 40' as opposed to the RC District's maximum building height of 60', while permitted lot coverage is slightly higher in the GC District relative to the residential zones. The specifications and standards for all of the zoning districts were designed to provide for reasonable light and air.*

b. The effect on motorized and non-motorized transportation systems;

Finding 2-b: *All lots in the subdivision are well served by the area streets accessing the subdivision, several of which were improved to City standards specifically for this subdivision. The Residential A District over much of the property, which allows for single-family dwellings and up to fourplexes per lot, will not significantly contribute to traffic on the streets.*

The proposed GC, RC, and RB districts on the other lots will provide for higher density development and increased expected traffic generation. Comparing expected traffic generation resulting from potential development on the lots proposed for the GC District and RC District is not entirely possible. The GC District allows general commercial uses up to 15,000 square feet as permitted *uses, and general commercial uses in excess of 15,000 square feet as conditional uses. GC also allows for multifamily dwellings as permitted uses. Both the GC and RC districts do not limit the density of multifamily dwellings, and the number of residential dwelling units potentially allowed in either district is limited by the specification standards relative to the lots, such as setbacks, lot coverage, and building heights. While it cannot be predicted very precisely how many dwelling units could be proposed on Lot 1 of Block 2 under either a GC or RC scenario, the number is substantial, and therefore traffic generation could also be substantial. A large apartment complex on the lot under either scenario could result in traffic generation as high and impactful as many of the general commercial uses that could be proposed and/or developed on Lot 1 of Block 2. In short, if comparing development scenarios between a GC or RC designation for Lot 1 of Block 2, expected traffic generation and effect on the motorized transportation system are not entirely predictable; there are residential development scenarios on the lot that could have a greater impact than many potential commercial development scenarios. For example, a 500 unit apartment complex (which could be possible with either GC or RC, although that is not a scale expected in Miles City) could generate an estimated ±3,000 vehicle trips per day. There are few if any commercial uses in Miles City that would be expected to have similar traffic counts. It should also be noted that the driving surface width of each street Lot 1 of Block 2 may use for access exceeds the minimum driving surface width standard of the highest classification of street, "Arterial", which is 30 feet, which suggests the streets are capable of accommodating any expected development under a residential or commercial scenario. Other standards also do not appear to be of concern; both Stower Street and South Moorehead Avenue should be capable of accommodating the traffic from potential development scenarios that could result from the proposed zoning districts or similar variations.*

Regarding the effect on non-motorized transportation system, the subdivision is lacking in sidewalks, which was addressed during subdivision review by tying sidewalk installations to individual lot development. Sec. 20-41*(e) of City code states, "Areas where construction required. All persons who reside within a six-block radius of a church, school, convenience store or supermarket shall construct a city sidewalk." City staff administers this provision and determines when it is applied, and sidewalks will be required along the streets abutting all lots when developed. Considering this factor, there should be no or little effect on non-motorized transportation system as a result of the proposed zoning districts.*

c. The promotion of compatible urban growth;

Finding 2-c: *Given the surrounding zoning designations and land uses relative to the subject property, the proposed mixture of zoning designations will provide for continuity in land uses and an appropriate transition from the highway-oriented* *commercial uses to the east to the residential uses to the west and south, and institutional and student housing uses to the north, promoting compatible urban growth. It is consistent with the general discussion in the 2025 Growth Policy, Section 7, "Land Use" on Page 60 that states:*

"Miles City also intends to ensure that new development is compatible with existing development by:

- *Adopting zoning that generally extends the existing pattern of development (i.e., more residential near existing residential areas and more commercial near existing commercial areas); and*
- *Planning and working with developers to extend water, sewer, street, sidewalk, parks and other services to development so the services are available when the demand occurs."*

The proposed zoning district does promote compatible urban growth by extending adjacent residential areas with residential zoning designations and adjacent commercial designations with a commercial zoning designation consistent with the 2025 Growth Policy as amended in 2026.

d. The character of the district, and its peculiar suitability for particular uses; and

Finding 2-d: *This subdivision was considered a "hole" in the City prior to annexation, and given its location outside of the 100 year floodplain, proximity to surrounding developed areas, services, and adequate public infrastructure, much of which was provided at the expense of the subdivision developer, the subdivision is a prime area for infill development and a coordinated continuation of surrounding development patterns. The City is in need of sites for all types of residential uses and more commercial opportunities near commercial centers, which this subdivision has been planned for.*

The zoning districts in Miles City are somewhat unique in that each of the residential districts are different than one another, but in a transitional way. For example, the RA District allows for primarily residential uses, with standards to provide for low intensity development such as larger lot sizes and single-family uses through fourplexes; then the RB District has more flexibility to provide for increased development; and the RC District allows for further increased intensity. Similarly, the adjacent HWC District to the east is a relatively high intensity commercial area, with the GC District being very similar, but at a smaller scale. These aspects are key elements to the Miles City zoning code to not completely separate uses like traditional Euclidean zoning tends to do, but instead to have districts that provide transition, with form-based elements like landscaping buffers between uses, providing for neighborhood commercial uses, and similar provisions.

Further, there are limited vacant RC and RB District lots available for development, and the proposed districts would provide for additional multifamily housing opportunities. The proposed GC District lot is central to the transition from the HWC District to what should be expected to be where multi-family development projects will start. The proposed arrangement of districts gives due consideration to the character of each of the districts and the suitability of the lots for the uses allowed in the districts under consideration.

e. Conserving the value of buildings and encouraging the most appropriate use of the land throughout the jurisdictional area.

Finding 2-e: *The subdivision is surrounded to the northwest, east, southwest, south, and southeast by the RA District where the primary use is single-family residential and on the north side by the RA District where the Miles Community College campus is located, with student housing adjacent to the Last Chance Subdivision. To the northeast is a privately-owned tract zoned RB District, which is developed with multi-family dwellings. Directly to the east across S. Moorehead Avenue is the Highway Commercial (HWC) District, where commercial uses are located, including Albertsons supermarket, Ace Hardware, the Mexico Lindo restaurant, and other commercial uses.*

The value of residential buildings in the adjacent RA District should be protected by the continuation of the RA and RB districts into the subdivision adjacent to the RA District. The value of the buildings to the northeast in the small, adjacent RB District should not be impacted with the addition of the RC District on Lot 1 of Block 1; the multi-family and similar residential development will be compatible with that use and the other uses on the adjacent Community College buildings zoned RA. The transitional nature of the involved zoning districts, along with the specific uses in place being compatible to the planned uses will reasonably be expected to conserve the value of buildings. As discussed in other findings, the proposed zoning districts provide for compatibility of land uses; this should in turn encourage the most appropriate land throughout the jurisdictional area. In the areas of transition between commercial and residential uses, and denser residential development to lower density existing residential development, effective landscaping implemented as required by Sec. 24-49 of the zoning code for commercial and multi-family dwellings will further protect the values of existing buildings, enhance land use compatibility, and encourage appropriate land uses in the community.

f. Whether the proposal might be considered illegal spot zoning. Factors to be considered include whether the proposed land use is significantly different from the prevailing use in the area; whether the area of the proposed zone change is relatively small not only in terms of acreage, but from the perspective of the number of separate landowners who would benefit from the proposed change; and whether the change would amount to special legislation designed to benefit only one or a few landowners at the expense of the surrounding landowners or general public. In order for spot zoning to be considered illegal, all three of the factors must be present.

Finding 2-f: *The following is a spot zoning analysis, with findings:*

- *Whether the proposed land use is significantly different from the prevailing use in the area: Given the surrounding zoning designations and land uses relative to the subject property, the proposed mixture of zoning designations will provide for continuity in land uses and an appropriate transition from the highway-oriented commercial uses to the east to the residential uses to the west and south, and institutional and student housing uses to the north. No land uses are being proposed that are significantly different from the prevailing land uses in the area. To the contrary, the proposed zoning districts would provide for continuations of surrounding land uses as infill development occurs. Single-family residences and other allowed uses of the RA District to the general west and south directions will continue on those sides of the subdivision. The community college and associated student housing to the north zoned RA will be compatible with the RB and RC districts proposed for the northern three lots of the subdivision. The proposed GC District lot will be allowed typically smaller scale general commercial uses compared to the adjacent HWC District and highway oriented uses to the east. This factor is therefore not present.*

- *Whether the area of the proposed zone change is relatively small not only in terms of acreage, but from the perspective of the number of separate landowners who would benefit from the proposed change: The area proposed for zoning is not small – approximately 15-acres, with a mix of four different zoning districts compatible with surrounding zoning and uses. Perhaps it could be stated that only the applicant and owner of Lot 1 of Block 2 would benefit from the approval of the GC District for Lot 1 of Block 2, but considering accordance with the Growth Policy, the mix of uses contemplated being compatible with surrounding development being of benefit to more than the applicant, and the effort taken by the applicant to develop the subdivision to the benefit of the community, this factor is largely inapplicable and therefore not present.*

- *Whether the change would amount to special legislation designed to benefit only one or a few landowners at the expense of the surrounding landowners or general public: With a mix of four different zoning districts compatible with surrounding land uses and zoning, and with appropriate transitions from surrounding uses and districts through the property that was formerly wholly-surrounded by the City and zoning districts, there is not an area that should be* *considered "spot zoning"; there is no "spot" or specific property being uniquely zoned in any way incompatible with the uses allowed in adjacent districts. Further, it does not appear there would be an "expense" to the surrounding landowners or general public due to the compatibility of the proposed districts, particularly given the transitional natures of the various districts and the zoning structure in Miles City.*

Because no spot zoning factors are present, and all three of the above factors must be present for it to be considered illegal spot zoning, the proposed zoning would not be illegal spot zoning.

(3) Other criteria include whether the amendment:

a. Corrects an inconsistency in the zoning; and

Finding 3-a: *The proposed zoning does not correct an inconsistency in the zoning, but is to apply long-term zoning designations to recently annexed property.*

b. Addresses changing conditions or furthers a specific public challenge such as the need for affordable housing, economic development, mixed use development or sustainable environmental features.

Finding 3-b: *The proposed zoning addresses the changing condition of the property being recently annexed.*

Conclusion on the above findings:
Based on the above findings, the proposed zoning districts substantially comply with the applicable criteria, and is therefore appropriate.

III. ZONING COMMISSION RECOMMENDATION

The Zoning Commission adopted the preliminary report and reviewer-recommended findings as the Zoning Commission's findings of fact and recommends the City Council approve the zoning districts as proposed and per the draft ordinance attached to this report. This report is the Zoning Commission's final report to be transmitted to the City Council. Upon final passage of the ordinance by City Council, the official Miles City zoning district map adopted under Sec. 24-11 of the zoning code will be amended by the City of Miles City.

Attachment 1

PETITION FOR ZONE CHANGE

Community Services & Planning

City of Miles City 17 S. 8th Street, P.O Box 910 Miles City, MT 59301 406-234-3493

Date Received: ____________________
(to be filled out by City)

Note: If more than one property/petitioner a list of signatures and legal descriptions may be attached to this application.

I, ____________________ (Signature) is/are petitioning the City of Miles City to rezone the following property:

LEGAL DESCRIPTION OF PROPERTY:

Street Address or General Location ____________________

Tract/s ____________ in Section_____ Township _____ Range_____

OR

Lot/Tract/s Lot 1/Block 2 of Last Chance Subdivision (Subdivision Name) in Section 34 Township 08N Range 47E

Assessor Number/s or Geocode 14-1740-34-4-35-01-0000

PRIMARY CONTACT:

Applicant Name: John Peila (Please print) If a business: Contact Name ____________ (Please print)

Address: 200 Kinsey Road
Miles City, MT 59301

Phone: 406-234-1504 Cell Phone: 406-951-1504 Email: diamondjconstruction@live.com

DESCRIPTIVE DATA:

Total area in acres: 2.969

Existing Zoning: Residential C Proposed Zoning: General Commercial

Existing Use: Vacant Lot

___Yes X No Purpose of the zone change is for pending development/sale. If so please explain the nature of the proposal or state any other reason for requested change: I am proposing this zone change because this lot was approved to be developed as a commercial lot by Custer County before being annexed by the City of Miles City. Further, it is too large to be a residential lot and cannot be subdivided again. The lot will sell in a more timely manner if it is zoned commercial and create a tax base the City of Miles City will benefit from.

Note: All information must be filled in for the application to be complete. Submission of an application is not a guarantee that a zone change will be approved.

Questions related to the criteria for zone changes and zoning amendments:

How would the proposed zone change be in accordance with the growth policy?

The proposed change is not in accordance with the growth policy, however of the entire Last Chance Subdivision, every other lot is residential, in accordance with the Growth Policy and this lot was approved as commercial by Custer County, prior to being annexed. I am submitting a petition to amend the growth policy in accordance with this petition for zone change.

How would the proposed zone change secure safety from fire and other dangers?

When the Last Chance Subdivision was developed the streets were improved and fire hydrants were installed in compliance with city codes. Future development in compliance with city codes, such as building codes and zoning regulations, will secure safety whether commercial or residential development occurs.

How would the proposed zone change promote public health, safety, and general welfare?

The proposed change will have no effect on public health, safety or general welfare, as I stated in the previous question, this subdivision was developed in accordance with all city codes and regulations, the street improvements and fire hydrant installations will promote health, safety and general welfare for residents regardless of zoning.

How would the proposed zone change facilitate the adequate provision of transportation, water, sewerage, schools, parks and other public requirements?

Changing the zoning to commercial will be beneficial because that is how the lot was developed, it has water, sewer and storm drainage required for that size of commercial lot.

How would the proposed zone change ensure the reasonable provision of adequate light and air?

The max building height for RC is 60 feet whereas the max for GC is only 40 feet and although the maximum lot coverage does increase from 70% in RC to 80% in GC, with setbacks and City landscaping requirements for either designation will ensure adequate light and air.

How would the proposed zone change affect motorized and non-motorized transportation systems?

As part of the development of the Last Chance Subdivision, Stower Street on the north side of this lot as widened and paved and curb and gutter was installed which was a huge improvement for motorized transportation, once the lot is purchased the landowner is required to install sidewalks per the covenants which will be beneficial for non-motorized transportation.

How would the proposed zone change promote compatible urban growth?

The proposed change will be very beneficial for urban growth, there are only approximately 10 commercial lots available in Miles City as of November 20, this will be an opportunity for the city to earn more property taxes by zoning the lot commercial and potentially bring more jobs to Miles City.

How would the proposed zone change impact the character of the district, and its peculiar suitability for particular uses?

The lot is located directly across the street from both Ace Hardware and Albertsons; this lot is suitable for commercial property.

How would the proposed zone change work to conserve the value of buildings and encourage the most appropriate use of the land throughout the jurisdictional area?

As I stated in the previous statement, this lot borders two businesses which is why this is an appropriate use for this land.

Describe whether the proposal might be considered illegal spot zoning. Factors to be considered include whether the proposed land use is significantly different from the prevailing use in the area; whether the area of the proposed zone change is relatively small not only in terms of acreage, but from the perspective of the number of separate landowners who would benefit from the proposed change; and whether the change would amount to special legislation designed to benefit only one or a few landowners at the expense of the surrounding landowners or general public. In order for spot zoning to be considered illegal, all three of the factors must be present.

Changing the zoning of this lot to commercial would not be considered illegal spot zoning, as it is located just one block off Haynes Ave., which is entirely commercial, so it would not be significantly different from the prevailing use of the area. This is the largest lot of the Last Chance Subdivision, so it is not small in terms of acreage at 2.979 acres, and it will not benefit only some landowners at the expense of others.

Would the proposed zone change correct an inconsistency in the zoning?

No.

Is the zone change intended to address changing conditions or further a specific public challenge such as the need for affordable housing, economic development, mixed use development or sustainable environmental features?

The zone change is not intended to address a specific challenge, however by making the change it will benefit the City of Miles City with an increased tax base, whereas if the lot is zoned Residential, it is unlikely to sell anytime soon, if ever, therefore the City of Miles City is going to lose the opportunity to take advantage of the income from property taxes.

CITY OF MILES CITY

Zoning Commission

PO Box 910
Miles City, MT 59301

Public Hearing & Meeting Minutes

April 22, 2026
5:30 pm

The Miles City Zoning Commission met at 5:30 pm in the City Hall Conference Room. Public Works Director/Recorder Samantha Malenovsky called the meeting to order at 5:30 pm and requested a roll call. Zoning Members (ZM) present were Leif Ronning, Melynda Hould, Amber Rainey-Stein and Steve Palmeri. ZM Leroy Meidinger was absent. Also present were Planner Joel Nelson (via Zoom) and Public Works Director (PWD) Samantha Malenovsky as she served as recorder. A quorum was present. Refer to attached sign-in sheet for visitors/citizens present.

Election of Officers: PWD Malenovsky asked for any nominations for a chairperson, ZM Hould nominated ZM Ronning, seconded by ZM Palmeri.

** *Motion for ZM Ronning to stay as Chairperson approved 4-0.*

CP Ronning asked for any nominations for a vice chairperson, CP Ronning nominated ZM Rainey-Stein, seconded by Palmeri.

** *Motion for ZM Rainey-Stein approved 4-0.*

Approval of Minutes: CP Ronning called for approval of the minutes from the November 6, 2025 meeting.

** *ZM Hould moved to approve the minutes from the November 6th meeting, as written, second by CP Ronning. Motion approved 4-0.*

Citizen/Visitor Request: None

New Business:

Public Hearing: Zoning for Last Chance Subdivision

Planner Nelson gave an overview on how the subdivision was annexed and an interim zoning ordinance adopted, and there were previous joint meetings between the planning and zoning boards. In November, the board did not recommend growth policy amendments and recommended keeping the residential designations. After those meetings, Mr. Peila, developer, petitioned the City for a growth policy amendment and zoning petition to allow for Lot 1 Block 2 to become General Commercial. He did not petition to change the other lots, so staff proposes the other lots to remain Residential, as shown on Page 6, Figure 4 of the staff report. Planner Nelson stated that the zoning designations currently being proposed are compliant with zoning criteria, so the staff recommendation is to approve the zone change as presented with the draft findings.

Developer John Peila stated that the area was subdivided and zoned by the county, before being annexed by the City. When the subdivision was annexed into the City, the zoning changed all Residential to match the Growth Policy. Mr. Peila went through years and multiple meetings to try and work with the city and county and have it zoned with commercial and residential properties. He is hoping that this subdivision would be a good fit for the whole town by allowing for a mixed use in this subdivision and bring additional tax dollars into the City.

Mindie Cox, 724 N. Sewell, commented that she is happy with the subdivision. She purchased a piece of the property and currently has a house being built in the subdivision.

Tami Askin, 2312 Pearl owns 2700 Comstock, questioned about sidewalks being put in. It was explained that when a parcel is developed that property owner is required to put in sidewalks as per City standards. There is no sidewalk being placed by the City either in the development or in the surrounding area.

Recommendation to City Council: *ZM Hould made the motion to approve the reviewer's recommendation to adopt and approve the proposed draft and ordinance attached to the report, seconded by CP Palmeri. Motion passed 4-0.*

Unfinished Business: None

Any Other Comments/Discussion: PWD Malenovsky asked to set up a zoning meeting for June as there is a rezone and some changes to the zoning ordinance that staff would like to present.

Adjournment: With no further business, on motion, the meeting adjourned at 5:45 pm. Next proposed meeting scheduled for June 10th at 5:30pm.

[DRAFT]
Leif Ronning
Zoning Commission Chair

[DRAFT]
Samantha Malenovsky
Recorder/Public Works Director

RESOLUTION NO. 4691

A RESOLUTION APPROVING A MONTANA DEPARTMENT OF COMMERCE EMERGENCY TOURISM ASSISTANCE GRANT IN THE AMOUNT OF $50,000 TOWARD PURCHASE OF FIRE ENGINE AND ACCESSORIES.

WHEREAS, the City of Miles City has been awarded a Montana Department of Commerce – Montana Emergency Tourism Assistance Grant in the amount of $50,000 to be used to help fund the purchase of a fire engine and accessories;

AND WHEREAS, a contract governing said grant has been presented to the City for approval;

NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:

1. The "MONTANA DEPARTMENT OF COMMERCE MONTANA EMERGENCY TOURISM ASSISTANCE PROGRAM CONTRACT #MT-METAP-26-006" agreement, attached hereto as Exhibit "A," is hereby approved and adopted by this Council.

2. The Fire Chief is hereby authorized to execute the same, and to bind the City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING THIS 23rd DAY OF JUNE, 2026.

____
C.A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

MONTANA DEPARTMENT OF COMMERCE
MONTANA EMERGENCY TOURISM ASSISTANCE PROGRAM
CONTRACT #MT-METAP-26-006

This agreement ("Contract") is entered into by the Montana Department of Commerce ("Department"), and the City of Miles City ("Grantee"), (collectively, the "Parties").

The Grantee and the Department hereby agree to the following terms:

Section 1. PURPOSE

The purpose of the Contract is to provide funding to the Grantee for activities approved by the Department through the Montana Emergency Tourism Assistance Program ("METAP" or "Program"), which the 2025 Montana Legislature authorized by passing Senate Bill 409 ("SB 409") and which later was signed into law by Governor Greg Gianforte on May 13, 2025 (Chapter 605, Laws 2025).

Section 2. AUTHORITY

This Contract is issued under authority of § 90-1-122 and 15-65-121(2)(g), Montana Code Annotated ("MCA").

Section 3. APPLICATION INCORPORATED BY REFERENCE

Grantee's application for Program assistance, including any written modifications or reports resulting from the review of the application by the Department (collectively, the "Project") is incorporated into this Contract by this reference and the representations made therein are binding upon the Grantee.

Section 4. ACCEPTANCE OF PROGRAM REQUIREMENTS

(a) The Grantee will comply with all applicable local, state, and federal laws as well as all applicable regulations, ordinances, and resolutions now in effect or as may be amended during the term of this Contract. Grantee will comply with all administrative directives and procedures that may be established or amended by the Department for the Program, including the most current version of the *METAP Grant Application and Guidelines* maintained by the Department.

(b) The Grantee agrees that all contracts and subcontracts it enters into for the completion of the activities described in Section 7 will require such contractors, subcontractors, and subrecipient entities to also comply with all requirements placed on the Grantee in paragraph (a) of this Section.

(c) The Grantee agrees to repay to the Department any funds advanced under this Contract that the Grantee, its contractors, subcontractors, or subrecipient entities, or any public or private agent or agency to which it delegates authority to carry out any portion of this Contract expends in violation of: (i) the terms of this Contract; (ii) the statutes, and regulations governing the Program; (iii) or any applicable local, state, or federal requirements.

Section 5. EFFECTIVE DATE AND TIME OF PERFORMANCE

(a) This Contract shall take effect upon execution by the Parties and will terminate on May 31, 2027 or upon approval of Grantee's Project completion report by the Department, whichever is later, unless otherwise terminated in accordance with this Contract.

(b) All authorized expenses to be reimbursed must be incurred by the Grantee between March 31, 2026 and March 31, 2027. All requests for reimbursement must be submitted to the Department within sixty (60) days before May 31, 2027.

(c) Project activities to be performed by the Grantee will be completed according to the implementation schedule set forth in Exhibit A. The Grantee may modify the implementation schedule set forth in Exhibit A only with prior written approval of the Department.

(d) The Department may grant an extension to this Contract upon request by the Grantee if the Department determines, in its sole discretion, that the Grantee has demonstrated progress toward completion of the Project, has engaged in a good faith effort to comply with the duties, terms, and conditions of this Contract, and that the failure to comply with any of those services, duties, terms, or conditions resulted from circumstances beyond the Grantee's control. A written request for an extension must be submitted at least sixty (60) days prior to May 31, 2027.

Section 6. SCOPE OF WORK

The Grantee agrees to engage in Project activities as set forth in the Grantee's application for Program assistance. The Grantee will use Program funds for the following major components of the Project:

- Purchase fire engine and accessories for the City of Miles City Fire and Rescue

Section 7. BUDGET

(a) The total amount to be awarded to the Grantee under this Contract shall not exceed $50,000.

(b) A copy of the Project budget is attached as Exhibit B and specifically incorporated herein by this reference. Any changes to the budget as proposed and incorporated within this Contract require a written request and Department approval.

(c) Any authorized funds not expended under this Contract or otherwise accounted for in accordance with the provisions of this Section will revert to the Department and may be used to finance other Program projects.

Section 8. LIAISONS

All project management and coordination on behalf of the Department shall be through a single point of contact designated as the Department's liaison. The Grantee shall designate a liaison that will provide the single point of contact for management and coordination of Grantee's work. All work performed pursuant to this Contract shall be coordinated between the Department's liaison and the Grantee's liaison. The liaisons for this Contract are:

For the Department:
Paige Bowsher (or successor)
Program Specialist, MDOC
301 S. Park Ave.
P.O. Box 200523
Helena, MT 59620-0523
406-841-2752
paige.bowsher2@mt.gov

For the Grantee:
Eddy Kanduch (or successor)
Fire Chief, City of Miles City
17 S. 8th Street
Miles City, MT 59301
406-436-2235
ekanduch@milescity-mt.org

Section 9. METHOD OF REIMBURSEMENT

(a) The Department will use Program funds to fund Project activities for Grantees that have received a notice of award from the Department. The Grantee acknowledges that its access to Program funds is subject to their availability.

(b) The Department agrees that, if and when the funds described in paragraph (a) of this Section are available, the Department will authorize the Grantee to request reimbursement of funding awarded for the Project.

(c) The Department agrees to reimburse the Grantee on an actual cost basis for eligible Project costs incurred on or after the date identified in Section 6(b) upon the successful completion of activities set forth in Section 7. All reimbursements must be supported by adequate documentation requested by the Department and provided by the Grantee and require Department approval of the Grantee's request for reimbursement. In requesting reimbursement, the Grantee will follow the instructions supplied by the Department.

(d) The Department will not reimburse the Grantee for any expenses not included in Exhibit B or an approved adjustment thereto, any ineligible expenses as set forth in the most current version of the *METAP Grant Application and Guidelines*, or any expenses not adequately supported in writing by the Grantee's records.

(e) As set forth in Section 18. Termination of Contract, if the Grantee fails to or is unable to comply with any of the terms and conditions of this Contract, any costs incurred will be the Grantee's sole responsibility.

(f) The Department is allowed thirty (30) business days to process a request for reimbursement once adequate supporting documentation has been received by the Department. The Grantee shall provide banking information before or at the time of Contract execution in order to facilitate electronic funds transfer payments.

(g) The Department may reduce the Grantee’s amount of Project funds provided by this Contract if actual Project expenses are lower than projected by the Grantee in Exhibit B or the Grantee obtains a greater amount of grant funds from other sources than as presented in the Project application.

(h) If the Department, in its sole discretion, determines that the Grantee has failed to satisfactorily carry out its responsibilities under this Contract or has breached the terms of this Contract, the Department may withhold reimbursement to the Grantee until such time as the Department and the Grantee agree on a plan to remedy the deficiency.

(i) Requests for reimbursement for contracted or subcontracted services must include appropriate documentation demonstrating compliance with contract requirements.

(j) The Grantee may not use monies provided through this Contract as payment for Project costs that are reimbursed from other sources.

Section 10. ACCESS TO AND RETENTION OF RECORDS

(a) The Grantee agrees to create and maintain records supporting the services covered by this Contract, including but not limited to, financial records, supporting documents, and such other records as are required by law or other authority, for a period of five (5) years after either the termination date of the Contract or the conclusion of any claim, litigation, or exception relating to the Contract taken by the State of Montana or third party, whichever is later. These records will be kept in the Grantee’s office.

(b) The Grantee agrees to provide the Department, Montana Legislative Auditor, or their authorized agents, information relevant to this Contract or access to any records related to the Project or otherwise necessary to determine Contract compliance at no cost to the Department, the Montana Legislative Auditor, or their authorized agents.

Section 11. REPORTING REQUIREMENTS

Quarterly Progress Report: During the term of this Contract, Grantee will submit quarterly Project progress reports as described in the *METAP Grant Application and Guidelines* to the Department.

Project Completion Report: Upon completion of the Project, the Grantee will submit a final Project completion report as described in the *METAP Grant Application and Guidelines* for Department approval. Upon approval of the Project completion report the Department will issue a notice of Project close-out to the Grantee.

Section 12. PROJECT MONITORING

The Department or any of its authorized agents may monitor and inspect all phases and aspects of the Grantee's performance to determine compliance with Section 7 of this Contract, including the adequacy of the Grantee's records and accounts. The Department may advise the Grantee of any specific areas of concern and provide the Grantee with an opportunity to propose corrective actions acceptable to the Department.

Section 13. NOTICE

All notices required under the provisions of the Contract must be in writing and delivered to the Parties' liaisons identified herein either by first class mail, electronic mail, or personal service.

Section 14. REFERENCE TO CONTRACT

The Contract number must appear on all invoices, reports, and correspondence pertaining to the Contract. If the number is not provided, the Department is not obligated to pay the invoice.

Section 15. ASSIGNMENT, TRANSFER AND SUBCONTRACTING

The Grantee may not assign, transfer or subcontract any portion of this Contract without the Department's prior written consent. (§ 18-4-141, MCA). The Grantee is responsible to the Department for the acts and omissions of all Grantee's subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Grantee. No contractual relationships exist between any subcontractor and the Department under this Contract.

Section 16. CONTRACT AMENDMENT

The Contract may not be enlarged, modified, amended, or altered without a written agreement signed by all Parties to the Contract.

Section 17. TERMINATION OF CONTRACT

This Contract may only be terminated in whole or in part as follows:

(a) Termination Due to Loss or Reduction of Funding: The Department, at its sole discretion, may terminate or reduce the scope of this Contract if any funding sources are eliminated or reduced for any reason, including as permitted by § 18-4-313(4), MCA. If a termination or modification is required, the Department may, if sufficient Program funds are available, compensate the Grantee for eligible services rendered and actual, necessary, and eligible expenses incurred as of the revised termination date. The Department will notify the Grantee of the effective date of the termination or modification of this Contract and, if a reduction in funding is required, provide the Grantee with a modified Project budget.

(b) Termination for Cause with Notice to Cure Requirement: The Department may terminate this Contract for failure of the Grantee, its contractors, subcontractors, or subrecipient entities to perform or comply with any of the services, duties, terms, or conditions contained in this Contract after giving the Grantee written notice of the stated failure. The written notice will demand performance of the stated failure within a specified period of time not less than thirty (30) calendar days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

(c) Effect of Termination: In the event of termination due to the Grantee's, its contractors', subcontractors', or subrecipient entities' failure to perform or comply with any of the services, duties, terms, or conditions of this Contract, any costs incurred will be the sole responsibility of the Grantee. However, at its sole discretion, the Department may approve written requests by the Grantee for reimbursement of eligible expenses incurred. The Department's decision to authorize payment of any costs incurred or to recover expended Program funds will be based on a consideration of the extent to which the expenditure of those funds represented a good faith effort of the Grantee to comply with any of those services, duties, terms, or conditions of this Contract, and on whether the failure to comply with any of those services, duties, terms, or conditions resulted from circumstances beyond the Grantee's control.

Section 18. COMPLIANCE WITH APPLICABLE LAWS

Grantee shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, 2 CFR Part 200, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. The Grantee is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Grantee subjects subcontractors to the same provisions. In accordance with § 49-3-207, MCA, and Executive Order No. 04-2016, Grantee agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, vaccination status, or marital status by the persons performing this Contract.

Section 19. ACCOUNTING, COST PRINCIPLES, AND AUDITING

(a) The Grantee must maintain for the purposes of this Contract an accounting system of procedures and practices that conforms to Generally Accepted Accounting Principles (GAAP).

(b) The Department or any other legally authorized governmental entity or their authorized agents may, at any time during or after the term of this Contract, conduct, in accordance with Sections 2-7-503, 5-13-304, and 18-1-118, MCA and other authorities, audits for the purposes of ensuring the appropriate administration, expenditure of the monies, and delivery of services provided through this Contract, at no cost to the Department.

Section 20. AVOIDANCE OF CONFLICT OF INTEREST

(a) The Grantee will comply with the applicable provisions of §§ 2-2-121, 2-2-201, 7-3-4256, 7-3-4367, 7-5-2106, and 7-5-4109, MCA, regarding the avoidance of conflict of interest.

(b) The Grantee agrees that none of its officers, employees, or agents will solicit or accept gratuities, favors, or anything of monetary value from contractors, subcontractors, or potential contractors and subcontractors, who provide or propose to provide services relating to the Project funded under this Contract.

(c) The Grantee shall promptly refer to the Department any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted any false claim or has committed any criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Contract.

Section 21. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Grantees shall comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with §§ 39-71-401, 39-71-405, and 39-71-417, MCA. The Grantee accepts responsibility for supplying, and requiring all subcontractors to supply, the Department proof of compliance with the Montana Workers' Compensation Act while performing work for the State of Montana. The Grantee agrees that neither the Grantee nor its employees are employees of the State. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. This insurance/exemption must be valid for the entire term of the Contract. Proof of compliance and renewal documents must be sent to the Department within thirty (30) days of Contract execution.

Section 22. OWNERSHIP AND PUBLICATION OF MATERIALS

All reports, information, data, and other materials prepared by the Grantee or any of its contractors or subcontractors in furtherance of this Contract are the property of the

Grantee and the Department. Both the Grantee and the Department have the royalty-free, nonexclusive, and irrevocable right to reproduce, publish, authorize others to use, and to otherwise use, in whole or part, such property and any information relating thereto. No material produced in whole or part under this Contract may be copyrighted or patented in the United States or in any other country without the prior written approval of both the Department and the Grantee.

Section 23. INSURANCE

(a) General Requirements: Grantee must maintain and assure for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the duties and obligations in the Contract by Grantee, its agents, employees, representatives, assigns, or subcontractors. This insurance must cover such claims as may be caused by any negligent act or omission. The State, its officers, officials, employees, and volunteers must be covered as additional insureds for all claims arising out of the use of grant proceeds provided by the State of Montana.

(b) General Liability Insurance: At its sole cost and expense, the Grantee shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of $1,000,000 per occurrence and $2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the Grantee or its officers, agents, representatives, assigns, or subcontractors. The State, the Department, and their officers, officials, employees, and volunteers are to be covered and listed as additional insured’s; for liability arising out of activities performed by or on behalf of the Grantee, including the insured's general supervision of the Grantee; products and completed operations; premises owned, leased, occupied, or used.

(c) Professional Liability Insurance: Grantee shall assure that any representatives, assigns, and subcontractors performing professional services under this Contract purchase occurrence coverage with combined single limits for each wrongful act of $1,000,000 per occurrence and $2,000,000 aggregate per year. *Note: if "occurrence" coverage is unavailable or cost prohibitive, the contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the Contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three (3) year tail for claims that are filed after the cancellation or expiration date of the policy.*

(d) General Provisions: All insurance coverage must be with a carrier licensed to do business in the State of Montana and with a Best's rating of no less than A-. The Department, P.O. Box 200523, Helena, MT 59620-0523, must receive all required certificates and endorsements within 10 days prior to the start date of the Project. The Grantee must notify the Department immediately of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc. The Department reserves the right to require complete copies of insurance policies at all times.

Section 24. HOLD HARMLESS AND INDEMNIFICATION

To the fullest extent permitted by law, the Grantee shall indemnify and hold harmless State, its elected and appointed officials, officers, agents, directors, and employees from and against all claims, damages, losses and expenses, including the cost of defense thereof, to the extent caused by or arising out of the Grantee's negligent acts, errors, or omissions in work or services performed under this Contract, including but not limited to, the negligent acts, errors, or omissions of any subcontractor or anyone directly or indirectly employed by any subcontractor for whose acts subcontractor may be liable.

Claims under this provision also include those arising out of or in any way connected with the Grantee's breach of this contract, including any Claims asserting that any of the Grantee's employees are actually employees or common law employees of the State or any of its agencies, including but not limited to, excise taxes or penalties imposed on the State under Internal Revenue Code ("Code") §§ 4980H, 6055 or 6056.

Section 25. DEFAULT

Failure on the part of either party to perform the provisions of this Contract constitutes default. Default may result in the pursuit of remedies for breach of contract as set forth herein or as otherwise legally available, including but not limited to damages and specific performance.

Section 26. DEBARMENT

The Grantee certifies and agrees to ensure during the term of this Contract that neither it nor its principals, contractors, subcontractors, or subrecipient entities are debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the Contract by any governmental department or agency. If the Grantee cannot certify this statement, attach a written explanation for review by the Department.

Section 27. FORCE MAJEURE

Neither party will be liable for any failure or delay in performing its duties in this agreement due to Force Majeure Events. "Force Majeure Event" means an event or circumstance beyond a party's reasonable control, such as natural catastrophes and acts of terrorism or war, and the consequences of that event or circumstance. Force Majeure Event does not include a strike or other labor unrest that affects only that party, an increase in prices or other change in general economic conditions, a change in law, or an event or circumstance that results in that Party's not having sufficient funds to comply with an obligation to pay. If a Force Majeure Event continues for thirty (30) days, the other party may terminate this agreement or suspend payments while the event continues.

Section 28. SEVERABILITY

A declaration by any court, or any other binding legal forum, that any provision of the

Contract is illegal, or void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually dependent.

Section 29. ARBITRATION

Unless otherwise agreed to in writing or provided for by law, arbitration is not available to the Parties as a method of resolving disputes that would arise under this Contract.

Section 30. NO WAIVER OF BREACH

No failure by the Department to enforce any provisions hereof after any event of breach will be deemed a waiver of its rights regarding that event, or any subsequent event. No express failure of any event of breach will be deemed a waiver of any provision hereof. No such failure or waiver will be deemed a waiver of the right of the Department to enforce each and all the provisions hereof upon any further or other breach on the part of the Grantee.

Section 31. JURISDICTION AND VENUE

This Contract is governed by the laws of Montana. The Parties agree that any litigation concerning the Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees, except as provided in Section 25, Hold Harmless and Indemnification.

Remainder of the page intentionally left blank.

Section 32. INTEGRATION

The Contract contains the entire agreement between the Parties. No statements, promises, or inducements of any kind made by either party, or the agents of either party, not contained herein or in a properly executed amendment hereto are valid or binding. This Contract supersedes all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by all Parties.

The Parties through their authorized agents have executed this Contract on the dates set out below.

GRANTEE:

Eddy Kanduch, Fire Chief — Date
City of Miles City

ATTEST:

Taran Harbaugh, Battalion Chief — Date

DEPARTMENT:

Mandy Rambo, Deputy Director — Date
Montana Department of Commerce

Exhibit A
Implementation Schedule

TASK	MONTH
PROJECT START UP	
Preparation of MDOC Contract	**April 2026**
PROCUREMENT OF PROFESSIONAL ASSISTANCE	
Submit Request for Proposals to DOC for approval, if required	**June 2026**
Publish RFP	**June 2026**
Select professional	**July 2026**
Execute agreement with professional	**July 2026**
PROJECT IMPLEMENTATION	
Prepare draft deliverables	**August 2026**
Submit interim Request for Funds, Progress Report and draft deliverables	**August 2026**
Public review and comment	**November 2026**
Finalize deliverables	**January 2027**
PROJECT CLOSE OUT	
Submit final deliverables	**April 2027**
Submit final Request for Funds and Completion Report	**May 2027**

Exhibit B
Budget

	SOURCE: ***METAP***	**SOURCE:** ***Local***	**TOTAL**
Professional Services	**$50,000**	**$150,000**	**$200,000**

ORDINANCE NO. 1406

AN ORDINANCE ENACTING "SECTION 5-4. BUILDING PERMIT AND PLAN REVIEW FEES" TO THE CODE OF ORDINANCES OF MILES CITY, MONTANA.

WHEREAS, the City of Miles City has adopted a fee schedule for building permit issuance, and desires to reference the same within the City's ordinances pertaining to the adoption of building codes, and to add a provision for plan review fees for certain building projects;

BE IT ORDAINED, by the City Council of the City of Miles City, Montana, as follows:

Section 1. Section 5.4, is amended to read as follows:

Sec. 5-4. – Building Permit and Plan Review Fees. The City Council shall establish by appropriate Resolution the fees to be charged by the City for the issuance of building permits, as well as for associated building plan review.

Section 2. This Ordinance shall become effective thirty (30) days after its final passage.

Said Ordinance read and put on its passage this 23rd day of JUNE, 2026.

____
C.A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

FINALLY PASSED AND ADOPTED this ____ day of _______________, 2026.

____
C.A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

ORDINANCE NO. _______

AN ORDINANCE CHANGING THE ZONING OF LOT 5 OF BLOCK 13 OF EAST SIDE ADDITION FROM THE RESIDENTIAL A DISTRICT TO THE GENERAL COMMERCIAL DISTRICT, AND PROVIDING FOR A HEARING THEREON.

WHEREAS, Olivia Prewitt of IMEG Consultants Corp has made application for the property described as Lots 5 & 6 and the north 10’ of Lot 7, Block 13 of East Side Addition, such that the request is for Lot 5 to be rezoned from the Residential A (RA) District to the General Commercial (GC) District so that the entirety of the property is to be zoned as GC District;

AND WHEREAS, such property is situated within the city limits of the City of Miles City, Montana, and subject to the zoning jurisdiction of the City of Miles City;

AND WHEREAS, Section 24-96 of the Code of Ordinances of Miles City, Montana requires that such application be referred to the City Zoning Commission for public hearing and recommendation to the City Council prior to any action by the City Council upon such application;

AND WHEREAS, the Miles City Zoning Commission, on June 10, 2026, upon public hearing and deliberation, recommended to the City Council that such zone change be approved.

BE IT ORDAINED, by the City Council of the City of Miles City, Montana, as follows:

Section 1. Zoning for the following described real property located within the City of Miles City, Custer County, Montana, is hereby rezoned from the Residential A (RA) District to the General Commercial (GC) District, to wit:

> Lot 5 of Block 13 of East Side Addition, located in Section 34, Township 8 North, Range 47 East, City of Miles City, Custer County, Montana. Said zone change shall provide for the entirety of Lots 5 & 6 and the north 10’ of Lot 7, Block 13 of East Side Addition to be zoned General Commercial (GC) District.

Section 2. The Final Report of the Zoning Commission of the City of Miles City, prepared as part of the review of this application, and attached hereto as Exhibit “A,” is hereby adopted as Findings of Fact to support the Council’s decision.

Section 3. Prior to final passage, a public hearing shall be held upon this proposed zone change before the City Council at 6:00 P.M. on the 14th day of July, 2026, in the Council Chambers at City Hall, 17 S. Eighth Street, Miles City, Montana.

Section 4. The City Clerk and/or zoning Administrator shall give notice of the date, time and place of such hearing in accordance with Sections 76-2-303 and 7-1-4127(7)(b), MCA, as well as Section 24-97 of the Code of Ordinances of Miles City, Montana. Said notice shall include publication twice in the Miles City Star, with the first notice published at least 15 business days prior to the date of such hearing, as well as notice by first class mail seven calendar days before the hearing to the applicant, landowners, all adjoining property owners, and owners of land within 150 feet of the subject property.

Section 5. This ordinance shall be in full force and effect thirty (30) days after its final passage and approval.

Said Ordinance first read and put on its passage this 23rd day of June, 2026.

____
C. A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

FINALLY PASSED AND ADOPTED this _____ day of __________________, 2026.

____
C. A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

RESOLUTION NO. 4695

A RESOLUTION AUTHORIZING THE CITY OF MILES CITY TO ENTER INTO A SERVICE AGREEMENT WITH TIMECLOCK PLUS, LLC, FOR TIME & ATTENDANCE MANAGEMENT SOFTWARE & HARDWARE.

WHEREAS, the City of Miles City desires to make use of certain software related to time & attendance management, and would like to engage TimeClock Plus to subscribe to certain services as set forth in the attached agreements;

NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:

1. The Agreement between the City and TimeClock Plus LLC, attached hereto as Exhibit "A" and made a part hereof, is hereby approved and adopted by the Council.

2. The Mayor of the City of Miles City is hereby empowered and authorized to execute said documents on behalf of the City of Miles City and to bind the City of Miles City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 23rd DAY OF JUNE, 2026.

____
C.A Grenz, Mayor

ATTEST:

____

Mary Rowe, City Clerk

tcp™

TIMECL
LLC
1 TIMECLOCK DRIVE
SAN ANGELO, TX 76904

QUOTE # : Q061108

CONTRACT START DATE : 06/23/2026

CLIENT INFORMATION

Shipping Method: UPS Ground

Purchased for: City of Miles City
Bill To: City of Miles City

Billing Address: 2420 Bridge St
Miles City, Montana 59301
United States

Billing Contact Name: Tamara Ellsworth

Billing Contact Email: deputyclerk@milescitymt.gov

Billing Contact Phone: (406) 874-8609

Contract Contact Name: Chris Grenz

Contract Contact Email:

BILLING TERMS

INITIAL TERM	RENEWAL TERM	PAYMENT TERM	PAYMENT METHOD
36 MONTHS	36 MONTHS	NET 15	ACH

ITEM DESCRIPTION	PRICE PER UNIT	QUANTITY	CHARGE TYPE	ORDER TOTAL
TIMECLOCK PLUS ENTERPRISE LICENSE (ANNUAL)	$42.00	99	RECURRING	$4,158.00
HARDWARE SUPPORT & MAINTENANCE	$3,501.75	1	RECURRING	$3,501.75
RDT + FINGERPRINT	$1,875.83	9	ONE-TIME	$16,882.47
POWER OVER ETHERNET (POE)	$285.75	9	ONE-TIME	$2,571.75
HARDWARE S&H	$196.44	1	ONE-TIME	$196.44
TIMECLOCK PLUS IMPLEMENTATION SERVICES (PREPAID HOURS)	$189.00	32	ONE-TIME	$6,048.00

SUBTOTAL	$33,358.41
TAXES	$0.00
GRAND TOTAL	$33,358.41
CURRENCY	USD

QUOTE EXPIRATION DATE : 06/30/2026

SPECIAL TERMS: OMNIA CONTRACT: R250903
CONTRACT LENGTH: 60 MONTHS

SERVICE TERMS & CONDITIONS

TimeClock Plus, LLC ("TCP"), a Delaware limited liability company, will provide Client and its authorized Employees and Users access to the Services during the Initial Service Term in accordance with the complete terms and conditions (collectively the "Licensing Agreement") found at: https://www.tcpsoftware.com/legal

TCP reserves the right to modify the Licensing Agreement at TCP's sole discretion provided that changes shall not materially decrease the Services features and functionalities that Client has subscribed to during the then-current term. Should TCP make any modifications to the Licensing Agreement, TCP will post the amended terms on the applicable URL link and will update the "Last Updated Date" within such documents to notify Client of said changes.

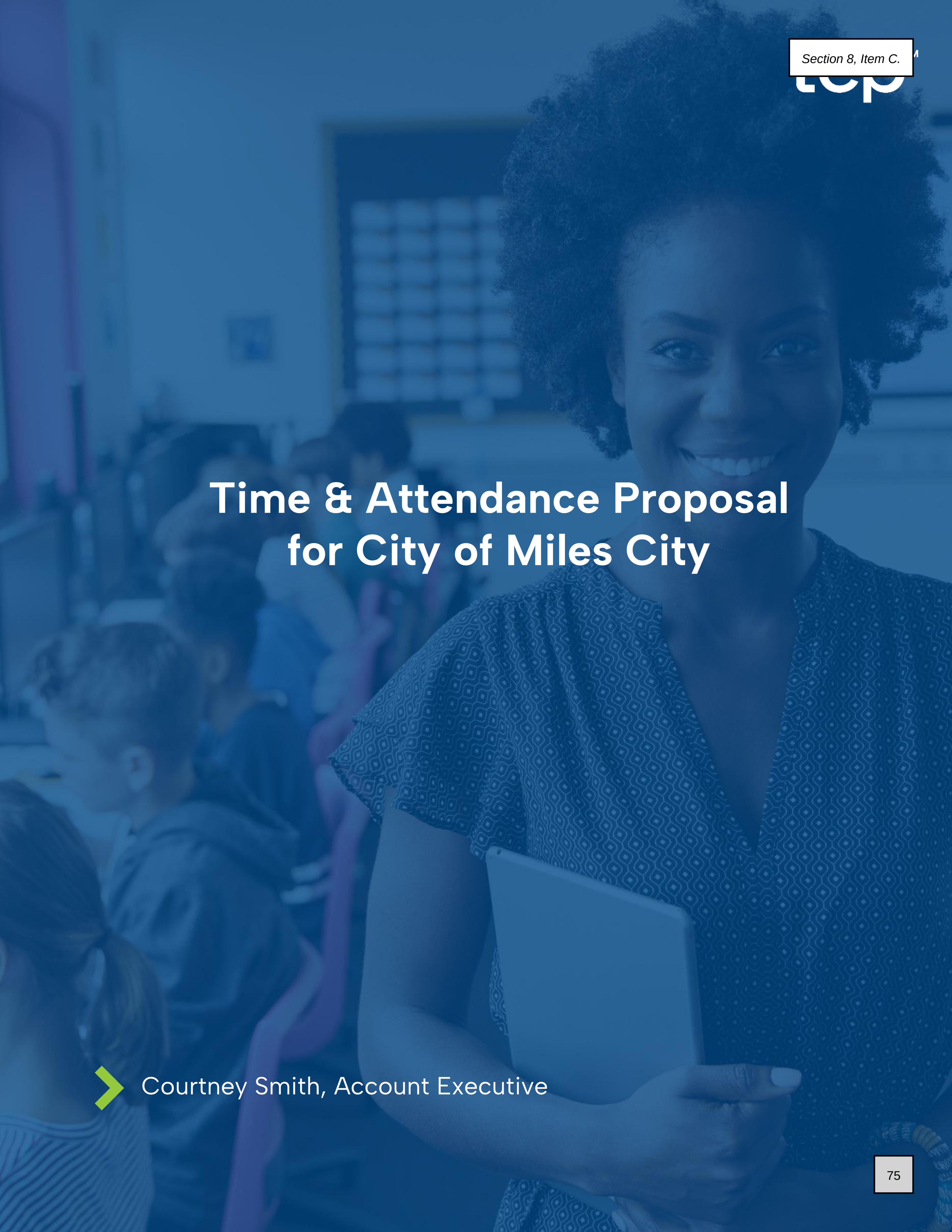
This Order Form is entered into as of the Contract Start Date contained herein (the "Effective Date") by and between TimeClock Plus, LLC and the entity named in the Bill To section herein (the "Client"), and is subject to the Licensing Agreement. In the event of any conflict between the Order Form and the Terms and Conditions (as applicable), the terms of the Order Form shall control.

Client shall pay all fees or charges in accordance with those outlined on the Order Form. Except for cases of TCP breach, all fees are committed and non-cancelable during the term of the agreement.

The individuals executing this Agreement on behalf of each Party represent and warrant to the other Party that they are fully authorized and legally capable of executing this Agreement on behalf of such Party and that such execution is binding upon such Party.

Accepted by:

Client		TimeClock Plus, LLC	
By:	______________________	By:	______________________
Name:	______________________	Name:	______________________
Title:	______________________	Title:	______________________



Time & Attendance Proposal for City of Miles City

Courtney Smith, Account Executive

May 20, 2026

Tamara Ellsworth
City of Miles City
7 S. 8th St
Miles City, Montana 59301

RE: TCP Software proposal

Thank you for the opportunity to present our proposal to City of Miles City. We appreciate your consideration and are eager to demonstrate how TCP Software's proven experience and innovative solutions can support your goals.

For more than 37 years, TCP Software has been dedicated to improving workforce management through precision, automation, and adaptability, qualities that align perfectly with City of Miles City's search for a modern time & attendance system.

Today, over 37,000 organizations trust TCP Software to simplify complex workforce processes through advanced yet intuitive solutions. This confidence reflects our ongoing commitment to delivering exceptional value and fostering lasting partnerships built on integrity and results.

Our platform integrates with over 400 Payroll and ERP systems, ensuring accurate data exchange across existing business operations. This interoperability empowers managers with the comprehensive insights they need for effective analysis and decision-making.

Central to our success, and to what we propose for City of Miles City is our well-established implementation methodology. Drawing on decades of experience and informed by best practices, our process ensures a customized, efficient, and smooth transition from planning to deployment. Throughout, our team provides dedicated guidance and responsive support to guarantee your satisfaction.

Our experience the government sector, and a wide range of clients across other industries, has equipped us with the depth of knowledge and adaptability required to deliver solutions that meet the specific challenges of your organization.

We welcome the opportunity to discuss this proposal further and answer any questions you may have. I am available at your convenience and look forward to the possibility of collaborating with you and your team.

Sincerely,

Courtney Smith
Account Executive
(915) 223-6044 | Csmith@tcpsoftware.com

Table of Contents

City of Miles City's Solution Requirements

Here is a breakdown of the key solution requirements you have shared with our team, along with a description of how TCP Software addresses each challenge.

Identified Challenges:

- Inconsistent time capture across departments
  - **Payroll and department leaders are left researching time cards, chasing approvals and manually interperting codes, notes and exeptions instead of relying on clean, real-time data**
- Manual handling of complex pay rules
  - **Increased risk of payroll errors, inconsistent application of pay rules and added administrative burden**
- Limited controls around overtime and pay accuracy
  - **Excessive overtime and concerns around buddy-punching increase budget pressure, delayed processing and reduced accuracy of time records**

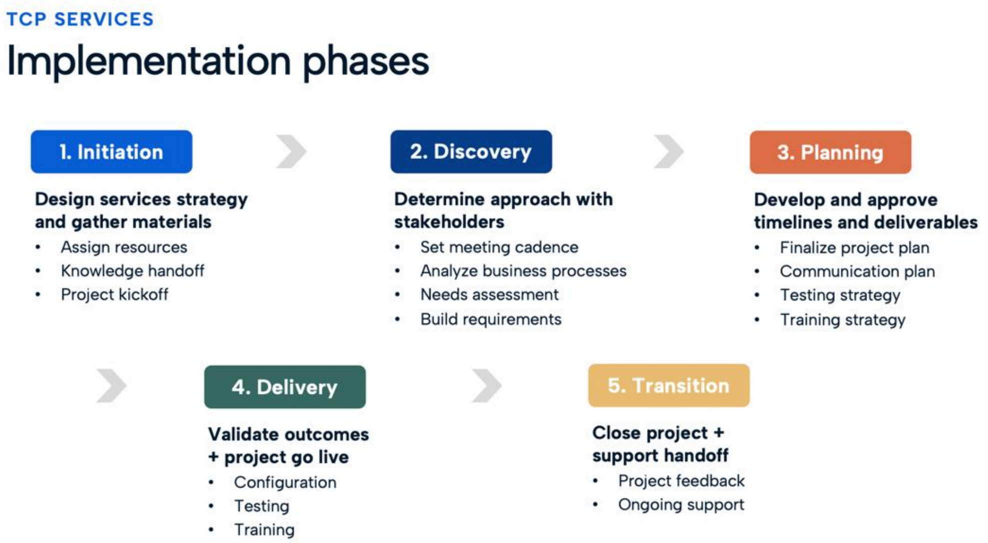
Implementation & Support Overview

TCP Software helps organizations simplify employee time tracking and workforce management with reliable, easy-to-use solutions. Our Professional Services team follows a structured train-the-trainer implementation approach, shaped by thousands of successful projects, to ensure accurate setup and a smooth rollout tailored to your environment and goals.

City of Miles City will work with our Services team, who will act as your primary implementation partner. They collaborate with your account team to:

- Define requirements and success criteria
- Configure and test the system
- Coordinate training and change management
- Guide your organization through go live

Their experience with large, complex deployments helps ensure your solution is configured correctly and ready to deliver value quickly.



After go-live, our Support team continues to help you get the most from your TCP solution. They provide fast, knowledgeable assistance for questions, troubleshooting, and best-practice guidance, so your team can stay focused on operations rather than system issues.

In 2025, our Support team delivered:

- 177,787 support cases resolved
- 97.7% Customer Satisfaction (CSAT)
- 74.2 Net Promoter Score (NPS)
- Average response times of under 45 seconds by phone and under 15 seconds by chat

These results reflect our commitment to being a dependable, long-term partner, supporting City of Miles City from implementation through ongoing daily use.

Pricing

TCP Software is pleased to present City of Miles City with the following proposal:

Item Description	Per Unit Cost	Quantity	Charge Type	Order Total
TimeClock+ Enterprise License	$42.00	99	Recurring	$4,158.00
Hardware Support & Maintenance	$3,501.75	1	Recurring	$3,501.75
RDT + Fingerprint	$1,875.83	9	One-Time	$16,882.43
Power over Ethernet (PoE) 802.3af	$285.75	9	One-Time	$2,571.75
Shipping & Handling	$196.44	1	One-Time	$196.44
TimeClock+: Professional Services	$189.00	32	One-Time	$6,048.00
			Recurring Total	$7,659.75
			One-Time Total	$25,698.62
			Order Total	$33,358.37

Special Terms

- Includes: Implementation, Training, Support & Maintenance
- OMNIA Contract: R250903
- Contract Length: 60 Months

Return on Investment

10.9 Months	$103,941	7.7x	$509,978
Payback Period	Average Annual Savings	5-Year Return	5-Year Savings

Annual Savings by Category

Payroll Efficiency	Error Prevention	Lost Time	Scheduling Efficiency	Overtime Reduction
$14,625	$43,243	$54,054		

Investment & Savings Breakdown

Year 1 Investment	Year 1 Savings	Net Year 1 Benefit	Year 1 Return
$33,358	$111,922	$68,834	1.1x

Cost Comparison: Status Quo vs TCP Solution

Current Annual Cost

Manual Payroll Processing	$19,500
Payroll Errors	$57,658
Time Theft / Lost Time	$72,072
Manual Scheduling	
Unplanned Overtime	
Total	$149,230

Annual Cost with TCP Software

Manual Payroll Processing	$4,875
Payroll Errors	$14,414
Time Theft / Lost Time	$18,018
Manual Scheduling	
Unplanned Overtime	
Total	$37,307

Cumulative 5-Year Savings Breakdown

Year 1	Year 2	Year 3	Year 4	Year 5
$68,834	$175,479	$284,534	$396,026	$509,978

Assumptions

Assumes payroll staff collectively spend 30.0 hours each pay period to calculate and finalize payroll for all employees.

Assumes a 1.0% payroll error rate, which falls within the commonly referenced 1–8% range reported by the American Payroll Association.

Assumes each employee loses an average of 6.0 minutes of paid time per day due to rounding, late punches, and other time-tracking gaps.

TCP Team Members

At TCP Software, we pride ourselves on assembling a team of exceptional professionals dedicated to delivering unparalleled service and support. Our diverse team brings together expertise from various departments to ensure the success of our clients. Meet a few of the individuals driving our mission forward:

- **Courtney Smith**
  - Account Executive
  - (915) 223-6044
  - Csmith@tcpsoftware.com

- **Mike O'Malley**
  - Lead Solutions Consultant
  - (325) 223-9500
  - mo'malley@tcpsoftware.com

- **Dillon Dimartino**
  - Mid-Market Sales Manager
  - (325) 223-9500
  - ddimartino@tcpsoftware.com

- **Zackery Hoag**
  - VP of Mid-Market Sales
  - (325) 223-9500
  - zhoag@tcpsoftware.com

TCP Master Services Agreement

THIS TCP MASTER SERVICES AGREEMENT (the "Agreement") is entered into as of June 23rd 2026, by and between **TimeClock Plus, LLC**, a Delaware limited liability company with its principal office located at 1 Time Clock Drive, San Angelo, TX 76904 ("TCP"), and City of Miles City, with its principal office located at 17 S 8th Street, Miles City, MT 59301.

WHEREAS TCP and the City of Miles City desire to enter into this Agreement for the provision of hosted services by TCP to Client, as provided herein.

NOW, THEREFORE, in reliance on the mutual covenants, promises, representations, and agreements set forth herein, the Parties agree as follows:

1. **Definitions**.

1.1 "Active License" means an Employee or Designated User that has not been marked as either terminated or suspended within TCP Services for whom Client is required to pay a fee under this Agreement.

1.2 "Affiliate" means any parent or subsidiary corporation, and any corporation or other business entity controlling, controlled by, or under common control with a Party.

1.3 "Biometric Data" means any information based on an individual's retina or iris scan, fingerprint, voiceprint, or scan of hand or face geometry, which is used to identify an individual, regardless of how it is captured, converted, stored, or shared.

1.4 "Client Data" means all of Client's data processed or stored by or transmitted to TCP in connection with the TCP Services, including, without limitation, all Personal Data contained therein.

1.5 "Data Processing Addendum" means TCP's Data Processing Addendum located at https://www.tcpsoftware.com/legal, as updated from time to time.

1.6 "Designated User" means an individual Employee who is authorized by Client to access the administrative features of the TCP Services, and whose Personal Data may be processed or stored by or transmitted to TCP in connection with the TCP Services.

1.7 "Employee" means Client's individual employee, manager, administrator, worker, consultant, substitute, or contractor.

1.8 "Hardware Support and Maintenance Agreement" means any agreement that extends services to current TimeClock Plus terminals, clocks, and biometric devices, and maintenance releases for related products purchased or licensed by the Client from TCP or a registered reseller, as applicable.

1.9 "Initial Term" has the meaning set forth in Section 10.

1.10 "Monthly License Fee" means TCP's then current fees applicable for each of Client's Active Licenses based on the aggregated Permissions to access and use the TCP Services measured over the course of each calendar month, as outlined on an invoice or Order Form. This fee may be prorated during the first month of the Initial Term and prorated for the last month of the Initial Term.

1.11 "Order Form" means a written document, including, but not limited to, a TCP issued invoice, a TCP issued order form, or a Client issued purchase order, which has been mutually agreed upon and executed by the Parties for ordering products and/or services, and which expressly incorporates the terms of this Agreement.

1.12 "Permissions" means the permission(s) granted to Client's Employees to access features within TCP Services, as outlined on an invoice or Order Form. Permissions are applied within the TCP Services by Client's Designated Users.

1.13 "Personal Data" means any information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular Employee or Designated User.

1.14 "Privacy Policy" means TCP's Global Data Privacy Policy located at https://www.tcpsoftware.com/legal, as updated from time to time.

1.15 "Service Level Agreement" means the Service Level Agreement that serves as an addendum to this Agreement. The Service Level Agreement is located at https://www.tcpsoftware.com/legal, as updated from time to time.

1.16 "Subprocessor" means any third-party entity that processes Personal Data on behalf of TCP and to which TCP discloses Personal Data for a business purpose pursuant to a written contract, provided that the contract prohibits such entity from retaining, using, or disclosing the Personal Data for any purpose other than for the specific purpose of performing the services identified in such contract.

1.17 "Supported Hardware" means any hardware purchased or leased from TCP that is coverable under a Hardware Support and Maintenance Agreement located at https://www.tcpsoftware.com/legal, as updated from time to time.

1.18 "TCP Services" means the TCP software application(s) hosted by TCP in accordance with TCP's then-current hosting environment, any associated documentation, and any ancillary services described in this Agreement or an Order Form.

1.19 "TCP Technology" means the computer hardware, software, and other tangible equipment and intangible computer code contained therein used by TCP in the provision of the TCP Services.

1.20 "Term" has the meaning set forth in Section 10.

1.21 "Use Fees" means the fees set forth on the applicable invoice or Order Form, including, but not limited to, Monthly License Fees and Hardware Support and Maintenance Agreement Fees.

2. **Delivery of Services**.

2.1 TCP Services. Subject to the terms and conditions of this Agreement and the Privacy Policy, TCP grants to Client, its Affiliates and their Designated Users a limited, non-transferable (except in compliance with Section 22), nonexclusive right and subscription license to access and use the TCP Services during the Term only for the internal business purposes of processing, storing, and maintaining Client Data. TCP shall provide to Client the TCP Services during the Term in accordance with the terms and conditions of this Agreement, the Privacy Policy, the Service Level Agreement, the Hardware Support and Maintenance Agreement (if applicable), and any additional terms outlined in an Order Form.

2.2 Client Responsibilities. Client's use of the TCP Services is subject to the terms of this Agreement, the Privacy Policy, the Service Level Agreement, the Hardware Support and Maintenance Agreement (if applicable), and any additional terms outlined in an Order Form. The aforementioned documents are available to view at http://www.tcpsoftware.com/legal.

2.2.1 Access. Client is responsible for maintaining the confidentiality of Client's account and password and for restricting access to its computer systems, and Client agrees to accept responsibility for all activities that occur under Client's account or password, including but not limited to any acts or omissions by Designated Users. Client shall inform each Designated User of the terms and conditions governing such Designated User's use of the TCP Services as set forth herein and shall cause each Designated User to comply with such terms and conditions.

2.2.2 Restrictions on Use. Client acknowledges and agrees that Client will not use the TCP Services for the benefit of any third party. Client agrees not to, not to attempt to, nor allow any third party to: (i) use the TCP Services in any manner that could damage, disable, overburden, or impair TCP's servers or networks or interfere with any other party's use and enjoyment of the TCP Services; (ii) attempt to gain unauthorized access to any services, user accounts, computer systems, or networks through hacking, password mining, or any other means; (iii) copy, distribute, rent, lease, lend, sublicense, transfer the TCP Services, make the TCP Services available to any third party, or use the TCP Services on a service bureau or time sharing basis, (iv) decompile, reverse engineer, or disassemble the TCP Services or otherwise attempt to reconstruct or discover any source code, underlying ideas, algorithms, file formats, or programming interfaces of the TCP Services, (v) create derivative works based on the TCP Services; (vi) modify, remove, or obscure any copyright, trademark, patent, or other notices or legends that appear on the TCP Services or during the use and operation thereof; (vii) publicly disseminate performance information or analysis (including benchmarks) relating to the TCP Services; or (viii) use the TCP Services in a manner which violates or infringes any laws, rules, regulations, third party intellectual property rights, or third party privacy rights.

Client may not use any automated means, including agents, robots, scripts, or spiders to access or manage the TCP Services, except solely to the extent as may be specifically enabled and authorized by TCP in writing. TCP may take any legal and technical measures to prevent the violation of this provision and to enforce this Agreement.

2.3 Third Party Services.

2.3.1 Client may require the TCP Services to interoperate with platforms or other online services operated by third parties ("Third-Party Platforms") pursuant to an agreement between TCP and the operators of such Third-Party Platforms, an agreement between Client and the operators of such Third-Party Platforms, or through application programming interfaces ("APIs") or other means of interoperability which are generally made available by such operators.

2.3.2 As applicable, Client hereby grants TCP the limited right to access such Third-Party Platforms with Client's credentials and on behalf of the Client in connection with the performance of the TCP Services. Client acknowledges and agrees that TCP's agreements with the operators of such Third-Party Platforms and the terms governing the use of APIs may be modified, suspended, or terminated at any time, and TCP shall have no liability with respect to any such modification, suspension, or termination. Client is responsible for ensuring that its use of the TCP Services in connection with any Third-Party Platform, and TCP's access to such Third-Party Platforms on Client's behalf, complies with all agreements and terms applicable to such Third-Party Platform.

2.4 Client Data.

2.4.1 General. Client hereby grants TCP a worldwide, royalty-free, non-exclusive, limited license to use, host, copy, transmit, display, modify, and create derivative works of Client Data for the express purpose of providing the TCP Services. Client acknowledges and agrees that it will determine the means and purposes of processing Client Data and that TCP acts solely as a service provider that processes Client Data on behalf of and at the direction of Client for the sole purpose of performing the TCP Services under this Agreement and pursuant to the TCP Data Processing Addendum. Client is responsible for ensuring that all Designated Users who provide instructions to TCP on Client's behalf are authorized. Client shall have sole responsibility for the accuracy, quality, content, legality, and use of Client Data and the means by which any Personal Data is obtained from Designated Users and Employees and transferred to TCP, and Client is solely responsible for any transfer of Personal Data to any third-party data controller or data processor (*e.g.*, human resources or payroll application), and TCP shall have no liability in connection therewith. Client agrees to implement data protectionrelated procedures that will not be less protective than those imposed on TCP by this Agreement and the Privacy Policy.

2.4.2 Restrictions on TCP's Processing of Client Data. TCP is expressly prohibited from processing any Client Data for any purpose other than for the specific purpose of performing the TCP Services unless requested by Client or required by applicable law. TCP is prohibited from selling Personal Data under any circumstances and for any purpose. No other collection, use, disclosure, or transfer (except to Subprocessors in accordance with Section 22) of Client Data is permitted without Client's express prior written instruction. TCP acknowledges and agrees that it understands and will comply with each of the restrictions and obligations set forth in this Section 2.4.2.

2.4.3 Subprocessors. TCP has appointed Subprocessors for the purpose of providing data hosting and security services. Client acknowledges and agrees that Subprocessors may process Client Data in accordance with the terms of this Agreement, the Privacy Policy and any Order Form. TCP's agreements with its Subprocessors impose data protection-related processing terms on such Subprocessors that are no less protective than the terms imposed on TCP in this Agreement and the TCP Data Processing Addendum. The TCP Data Processing Addendum contains an overview of the categories of Subprocessors involved in the performance of the relevant TCP Services. The appointment of a Subprocessor to perform part or all the TCP Services hereunder shall not relieve TCP of any liability under this Agreement.

3. **Data Security**.

3.1 Security Standards.

3.1.1 TCP shall implement reasonable security procedures consistent with industry standards to protect Client Data from unauthorized access, including without limitation (i) industry-standard encryption of data at rest within TCP's data centers; (ii) web application firewalls; (iii) virus detection and anti-virus software; (iv) authentication techniques, such as user names and passwords, or authorization formats, which limit access to particular TCP personnel; and (v) additional security controls consistent with SOC 2 Type II reporting standards.

3.1.2 The Parties shall implement administrative, technical and physical security procedures consistent with industry standards and applicable data protection laws to protect Client Data from unauthorized access, including by adopting access policies that prevent the internal sharing or inadvertent communication of login credentials.

3.1.3 Client is responsible for reviewing the information made available by TCP relating to data security and making an independent determination as to whether the TCP Services meet Client's requirements and obligations under applicable data protection laws. Client acknowledges that data security measures taken by TCP are subject to technical progress and development and TCP may update or modify such security measures from time to time, provided that such updates and modifications do not result in the degradation of the overall security of the TCP Services.

3.2 Security Breach Notifications. TCP will promptly report to Client any unauthorized access to Client Data within TCP's or its Subprocessors' systems upon discovery and in accordance with applicable data breach notification laws. TCP will use diligent efforts to promptly remedy any breach of security that permitted such unauthorized access. TCP's notification of or response to any security incident under this Section 3.2 shall not be construed as an acknowledgment by TCP of any fault or liability with respect to such security incident.

3.3 Data Backup and Retention. TCP shall undertake commercially reasonable efforts to backup Client Data with a restore point objective of twenty-four (24) hours. Client Data shall be backed up and retained in accordance with TCP's retention policy as set forth in the Privacy Policy.

4. **Data Privacy**. TCP will process Employee Personal Data in accordance with the terms of this Agreement, the Privacy Policy and all applicable data protection laws. Client must maintain its own data collection, disclosure, retention, and storage policies in compliance with applicable law.

4.1 Biometric Data. To the extent that Client collects, captures, stores, or otherwise uses Biometric Data relating to an individual, Client must (i) first inform the individual from whom Biometric Data will be collected, in writing and prior to collecting his or her Biometric Data, that Biometric Data is being collected, stored, and/or used; (ii) indicate, in writing, the specific purpose(s) (which may not be other than employmentrelated purposes) and length of time for which Biometric Data is being collected, stored, and/or used; and (iii) receive a written release from the individual (or his or her legally authorized representative) authorizing the Client, TCP, TCP's third-party service providers (who are subject to restrictions no less restrictive than those imposed on TCP herein) to collect, store, and/or use the Biometric Data and authorizing the Client to disclose such Biometric Data to TCP and TCP's third-party service providers

4.2 Requests. Client agrees to adopt a commercially reasonable policy for managing data requests from Designated Users and Employees, which policy shall safeguard the rights of such data subjects and respect the original purpose of such data collection. Client, as the Party which determines the means and purposes for processing Client Data, shall be responsible for receiving, investigating, documenting, and responding to all Designated User and Employee requests for inspection or erasure of Personal Data.

4.3 Assistance. If Client receives a request from a Designated User or Employee to exercise such individual's rights under applicable data protection laws, and Client requires TCP's assistance to respond to such request in accordance with applicable data protection laws, TCP shall assist the Client by providing any necessary information and documentation that is under TCP's control. TCP shall be given reasonable time to assist the Client with such requests in accordance with applicable law.

4.4 Client's Privacy Policy. Where required by law, Client agrees to adopt a privacy policy in alignment with this Agreement and all applicable laws governing the collection, use, transfer and retention of Personal Data. Client agrees to provide TCP, upon reasonable request, Client's adopted privacy policy.

5. **Confidential Information**.

5.1 Each Party (the "Receiving Party") acknowledges that it will have access to certain confidential information of the other Party (the "Disclosing Party") concerning the Disclosing Party's business, plans, customers, software, technology and products, other information held in confidence by the Disclosing Party, and Personal Data. In addition, a Disclosing Party's confidential information will include (i) all information in tangible or intangible form that is marked or designated as confidential or that, under the circumstances of its disclosure, should be considered confidential, and (ii) the TCP Technology and related algorithms, logic, design, specifications, and coding methodology, and to the extent permitted by law, the terms and conditions of this Agreement, but not its existence (all of the foregoing being referred to as "Confidential Information").

5.2 The Receiving Party agrees that it will not use in any way, for its own account or the account of any third party, except as expressly permitted by, or required to achieve the purposes of, this Agreement, nor disclose to any third party (except as required by law or to that party's attorneys, accountants and other advisors as reasonably necessary), any of the Disclosing Party's Confidential Information, and will take reasonable precautions to protect the confidentiality of such Confidential Information in at least the same manner as is necessary to protect its own Confidential Information and in accordance with applicable data protection laws. To the extent that the Receiving Party is permitted to retransmit any Confidential Information it receives from the Disclosing Party, the mode of retransmission must be at least as secure as the mode by which the Disclosing Party transmitted the Confidential Information to the Receiving Party.

5.3 Information will not be deemed Confidential Information hereunder if such information: (i) is known to the Receiving Party prior to receipt from the Disclosing Party, whether directly or indirectly, from a source other than one having an obligation of confidentiality to the Disclosing Party; (ii) becomes known (independently of disclosure by the Disclosing Party) to the Receiving Party, whether directly or indirectly, from a source other than one having an obligation of confidentiality to the Disclosing Party; (iii) becomes publicly known or otherwise ceases to be secret or confidential, except through a breach of this Agreement by the Receiving Party; or (iv) is independently developed by the Receiving Party without use of or reference to the Confidential Information.

6. **Cooperation With Authorities**. If either Party is requested to disclose all or any part of any Confidential Information under a subpoena or inquiry issued by a court of competent jurisdiction or by a judicial or administrative agency or legislative body or committee, the Receiving Party shall (i) immediately notify the Disclosing Party of the existence, terms and circumstances surrounding such request (ii) consult with the Disclosing Party on the advisability of taking legally available steps to resist or narrow such request and cooperate with the Disclosing Party on any such steps it considers advisable; and (iii) if disclosure of the Confidential Information is required or deemed advisable, exercise its best efforts to obtain an order, stipulation or other reasonably acceptable assurance that the Confidential Information or part thereof required to be disclosed shall retain its confidentiality and remain otherwise subject to this Agreement.

Although TCP will not systematically monitor the Client Data, TCP reserves the right, upon prior written notice to Client, to remove access to Client Data to comply with applicable law, provided, however, that access to such Client Data will be restored upon a mutual determination of the Parties that such Client Data is in compliance with, or has been modified to be in compliance with, applicable law.

7. **Supplemental Services; Master Agreement**.

7.1 TCP may provide to Client supplemental services in accordance with a Statement of Work or a separate services agreement.

7.2 Client may elect to purchase additional products and services via Order Forms from time to time. The Parties agree that this Agreement is a master agreement such that additional transactions, excluding leased hardware, will be governed by the terms and conditions hereof. Pricing for additional transactions shall be in accordance with TCP's then-current pricing schedule. Client agrees that absent TCP's express written acceptance thereof indicated by execution by an officer of TCP, the terms and conditions contained in any purchase order or other document issued by Client to TCP for the purchase of additional services, shall not be binding on TCP to the extent that such terms and conditions are additional to or inconsistent with those contained in this Agreement.

7.3 Hardware purchased from TCP and incorporated into TCP Services requires the purchase of a Hardware Support and Maintenance Agreement, which shall be renewed for the term of this Agreement.

8. **Use Fees**.

8.1 In consideration for the performance of the TCP Services, Client shall pay TCP the Use Fees. During the Term, Client will be billed in advance an amount equal to charges as indicated in the applicable invoice or Order Form. All other charges for TCP Services received and expenses incurred during a month will be billed at the end of the month in which the TCP Services were provided. Payment by Client for all Use Fees is due upon receipt of each TCP invoice, and in no event shall such payment be received by TCP later than thirty (30) days after the invoice, except in cases where a Net Terms Agreement has been authorized by TCP. All payments will be made to TCP in U.S. dollars.

8.2 TCP Services charges will be equal to the number of total Active Licenses multiplied by the Monthly License Fee which is based on the aggregated Permissions for each Active License. Client is responsible for Monthly License Fees for the maximum number of Active Licenses during any calendar month. Client may add additional Employees, Designated Users and Permissions as desired each month by paying the Monthly License Fees on the next billing cycle. Client agrees to promptly update the status in the TCP Services for any Active License which has been terminated or suspended.

8.3 Employees and Designated Users in excess of the Active License count can be added at any time during a calendar month and will be charged in full for that billing period. Because Client is billed in advance for TCP Services, if Client increases its Active License count or increases Permissions during a calendar month, Client will receive an invoice reflecting the increased Active License count with overage charges incurred from the previous month and prorated over the number of months remaining in the Term.

8.4 Hardware Support and Maintenance charges, if applicable, will be equal to the amount stated in the applicable Order Form.

8.5 After the first anniversary of this Agreement, TCP may increase the Use Fees at any time effective thirty (30) days after providing notice to Client; provided, however, that any such increase will not occur more than once in a consecutive twelve (12) month period.

9. **Taxes**. As applicable, Client shall, in addition to the other amounts payable under this Agreement, pay all applicable sales, use, value added or other taxes, whether federal, state or local, however named, arising out of the transactions contemplated by this Agreement, except that Client shall not be liable for taxes based on TCP's aggregate income. If Client qualifies for an exemption for taxes, Client will not be required to pay such taxes once a valid tax exemption certificate is provided to TCP.

10. **Term; Guaranteed Payment**. This Agreement commences on the Effective Date and, unless terminated earlier in accordance with Section 11, will remain in effect for the term specified in the applicable Order Form ("Initial Term") and then shall automatically renew for subsequent terms consistent with the Initial Term thereafter, unless either Party gives written notice of non-renewal at least thirty (30) days prior to the end of the then current term (the Initial Term and subsequent renewal terms being referred to as the "Term"). For avoidance of doubt, except as otherwise set forth in the terms and conditions of this Agreement, all fees mutually agreed to in an Order Form are committed and noncancelable.

11. **Termination.**

11.1 **Termination for Cause**. A Party may terminate this Agreement for cause if (i) the other Party breaches any material term or condition of this Agreement and fails to cure such breach within thirty (30) days after receipt of written notice of the same, or in the case of failure to pay Use Fees, thirty (30) days; (ii) the other Party becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation or composition for the benefit of creditors; or (iii) the other Party becomes the subject of an involuntary petition in bankruptcy or any involuntary proceeding relating to insolvency, receivership, liquidation or composition for the benefit of creditors, and such petition or proceeding is not dismissed within sixty (60) days of filing.

Notwithstanding the foregoing, if a material breach by Client, by its nature, cannot be cured, TCP may terminate this Agreement immediately.

11.2 **Termination for Non-appropriations.** In jurisdictions where a clause such as this 11.2 is required by law, then notwithstanding any other provision of this Agreement, if funds for the continued fulfillment of this Agreement are at any time not forthcoming or are insufficient, through failure of the governing body to appropriate funds, then the Client will have the right to terminate this Agreement at no additional cost and with no penalty whatsoever by giving prior written notice documenting the lack of funding. The Client will provide at least thirty (30) days advance written notice of such termination. The Client will use reasonable efforts to ensure appropriated funds are available. Notwithstanding the above, both parties agree that the sole outcome of this clause is to allow the Client to terminate the Agreement upon each anniversary date of the Effective date when the subscription billing commences and for the sole reason of NonAppropriation of funds.

12. **Effect of Termination**. Without prejudice to any right or remedy of a Party with respect to the other Party's breach hereunder, upon the effective date of any termination of this Agreement:

12.1 TCP's obligation to provide the TCP Services shall immediately terminate;

12.2 after such termination and upon Client's reasonable request, no later than thirty (30) days from termination, TCP shall provide Client Data to Client in a SQL database file format; and

12.3 within thirty (30) days of such termination, each Party will destroy or return all additional Confidential Information of the other Party in its possession and will not make or retain any copies of such Confidential Information except as required to comply with any applicable legal or accounting record keeping requirement.

13. **Intellectual Property Ownership**. Subject to the limited rights expressly granted hereunder, TCP reserves all right, title, and interests in and to the TCP Services and TCP Technology, including all intellectual property rights embodied therein, which shall remain the sole and exclusive property of TCP or its licensors. No rights are granted to Client hereunder other than as expressly set forth herein. This Agreement does not transfer from TCP to Client any ownership interest in the TCP Services or TCP Technology and does not transfer from Client to TCP any ownership interest in Client Data.

14. **Client Representations and Warranties**.

14.1 Client represents and warrants that (i) it has the legal right to enter into this Agreement and perform its obligations hereunder, and (ii) the performance of Client's obligations and use of the TCP Services by Client, its Designated Users and Employees will not violate any applicable laws, including all applicable domestic and international data protection laws, or cause a breach of duty to any third party, including Employees.

14.2 Client represents and warrants that all Personal Data included in the Client Data has been collected from all Employees and Designated Users and will be transferred to TCP in accordance with all applicable data protection laws, including, but not limited to, the EU General Data Protection Regulation 2016/679 and the Illinois Biometric Information Privacy Act, to the extent applicable. Client acknowledges and agrees that (i) TCP is a service provider and processes Client Data solely on behalf of and at the direction of Client, and exercises no control whatsoever over the content of the Client Data passing through the TCP Services or that is otherwise transferred by Client to TCP, and (ii) it is the sole responsibility of Client to ensure that the Client Data passing through the TCP Services or that is otherwise transferred by Client to TCP complies with all applicable laws and regulations, whether now in existence or hereafter enacted and in force.

14.3 Client represents and warrants that its Affiliates' use of the TCP Services, if any, shall not relieve Client of any liability under this Agreement, and Client shall be responsible and liable for the acts and omissions of its Affiliates hereunder as if performed or omitted by Client.

14.4 In the event of any breach of any of the foregoing representations or warranties in this Section 14, in addition to any other remedies available at law or in equity, TCP will have the right to suspend immediately any TCP Services if deemed reasonably necessary by TCP to prevent any harm to TCP and its business. TCP will provide notice to Client and an opportunity to cure, if practicable, depending on the nature of the breach. Once cured, TCP will promptly restore the TCP Services.

15. **TCP Representations and Warranties**. TCP represents and warrants that (i) it has the legal right to enter into this Agreement and perform its obligations hereunder, and (ii) the performance of its obligations and delivery of the TCP Services to Client will not violate any applicable laws or regulations of the United States or cause a breach of any agreements between TCP and any third parties.

16. **Mutual Representations and Warranties.** Each Party represents and warrants that it has implemented a comprehensive written information security program that includes appropriate administrative, technical and physical safeguards to: (i) ensure the safety and confidentiality of Personal Data; (ii) protect against unauthorized access to and use of Personal Data; (iii) protect against anticipated

threats or hazards to the security or integrity of Personal Data, and (iv) comply with applicable data protection laws.

17. **Limited Warranty**. TCP represents and warrants that the TCP Services and related products, as described with this Agreement, will perform in accordance with all TCP published documentation, contract documents, contractor marketing literature, and any other communications attached to or referenced in this Agreement and that the TCP Services will be free of errors and defects that materially affect the performance of the TCP Services ("Limited Warranty"). Client's sole and exclusive remedy for breach of the Limited Warranty shall be the prompt correction of non-conforming TCP Services at TCP's expense.

18. **Warranty Disclaimer**. EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH IN SECTION 17 (LIMITED WARRANTY), THE TCP SERVICES ARE PROVIDED BY TCP ON AN "AS IS" BASIS, AND CLIENT'S USE OF THE TCP SERVICES IS AT CLIENT'S OWN RISK. TCP AND ITS SUPPLIERS DO NOT MAKE, AND HEREBY DISCLAIM, ANY AND ALL OTHER EXPRESS AND/OR IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AGAINST HIDDEN DEFECTS, AND ANY WARRANTIES
ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE. TCP DOES NOT WARRANT THAT THE TCP SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. NOTHING STATED OR IMPLIED BY TCP WHETHER THROUGH THE TCP SERVICES OR OTHERWISE SHOULD BE CONSIDERED LEGAL COUNSEL. TCP HAS NO RESPONSIBILITY TO NOTIFY CLIENT OF ANY CHANGES IN THE LAW THAT MAY AFFECT USE OF THE TCP SERVICES. ANY ORAL STATEMENT OR IMPLICATION BY ANY PERSON CONTRADICTING THE FOREGOING IS UNAUTHORIZED AND SHALL NOT BE BINDING ON TCP. CLIENT ACKNOWLEDGES THAT IN ENTERING INTO THIS AGREEMENT, CLIENT HAS RELIED UPON CLIENT'S OWN EXPERIENCE, SKILL AND JUDGMENT TO EVALUATE THE TCP SERVICES AND THAT CLIENT HAS SATISFIED ITSELF AS TO THE SUITABILITY OF SUCH SERVICES TO MEET CLIENT'S BUSINESS AND LEGAL REQUIREMENTS.

19. Indemnification.

19.1 Client hereby acknowledges and agrees that TCP may not be aware of all rights available to Client's Designated Users or Employees under all data protection regimes. Client, to the extent permitted by law, shall indemnify, defend and hold harmless TCP, its Affiliates, Subprocessors, officers, managers, directors, employees, agents, advisors and other representatives (the "TCP Indemnitees") from and against any lawsuit, liability, loss, cost or expense (including reasonable attorneys' fees) actually incurred or suffered by TCP Indemnitees of every kind and nature to the extent caused by or resulting from (i) any breach of a representation or warranty made by Client under this Agreement; or (ii) a third-party claim made against a TCP Indemnitee arising from or related to Client's failure to comply with any applicable domestic or foreign data protection laws or regulations. Client shall have the right to control any defense provided pursuant to this Section 19.1, provided, however, that Client shall not, without TCP's prior written consent, (A) enter into any settlement or compromise or consent to the entry of any judgment that does not include the delivery by the claimant or plaintiff to the applicable TCP Indemnitee of a written release from all liability in respect of such third party claim, or (B) enter into any settlement or compromise with respect to any third party claim that may adversely affect the applicable TCP Indemnitee other than as a result of money damages or other monetary payments that are indemnified hereunder.

19.2 TCP will indemnify, defend and hold harmless Client and its Affiliates (the "Client Indemnitees") from and against any lawsuit, liability, loss, cost or expense actually incurred or suffered by a Client Indemnitee of every kind and nature to the extent caused by or resulting from a third-party claim made against a Client Indemnitee that the TCP Technology infringes on any U.S. intellectual property right of a third party; provided, however, that TCP is notified in writing of such claim promptly after such claim is made upon Client. TCP shall have the right to control any defense provided pursuant to this Section 19.2. In no event shall Client settle any such claim without TCP's prior written approval. If such a claim is made or if the TCP Technology, in TCP's opinion, is likely to become subject to such a claim, TCP may, at its option and expense, either (i) procure the right to continue using the TCP Technology or portion thereof, or (ii) replace or modify the TCP Technology or portion thereof so that it becomes non-infringing. If TCP determines that neither alternative is reasonably practicable, TCP may terminate this Agreement with respect to the portion of the TCP Technology infringing or alleged to infringe. TCP shall have no liability or obligation under this Section 19.2 if the claim arises from (i) any alteration or modification to the TCP Technology other than by TCP, (ii) any combination of the TCP Technology with other programs or data not furnished by TCP, or (iii) any use of the TCP Technology prohibited by this Agreement or otherwise outside the scope of use for which the TCP Technology is intended.

20. **Liability Limitation**. Except for claims arising out of Section 19.2 (TCP's Intellectual Property Indemnity) and Section 5 (Confidential Information), in no event shall TCP's aggregate liability, if any, including liability arising out of contract, negligence, strict liability in tort or warranty, or otherwise, exceed the sum of amounts paid by Client to TCP during the twelve (12) months immediately prior to the date of the claim.

21. **Notices**. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by email (provided delivery is confirmed), or U.S. Mail (registered or certified only), return receipt requested, to the address set forth on the initial page hereof.

22. **Assignment**. This Agreement shall not be assigned by either Party without the prior written consent of the other Party, which shall not be unreasonably withheld;

provided, however, that either Party may, without the prior consent of the other, assign all of its rights under this Agreement to (i) such Party's parent company or a subsidiary of such Party, (ii) a purchaser of all or substantially all of such Party's assets related to this Agreement, or (iii) a third party participating in a merger, acquisition, sale of assets or other corporate reorganization in which such Party is participating. This Agreement shall bind and inure to the benefit of the Parties and their respective successors and permitted assigns.

23. **Continuing Obligations**. Those clauses, the survival of which is necessary for the interpretation or enforcement of this Agreement, shall continue in full force and effect in accordance with their terms notwithstanding the expiration or termination hereof, such clauses to include the following: (i) any and all warranty disclaimers, limitations on or limitations of liability and indemnities granted by either Party herein; (ii) any terms relating to the ownership or protection of intellectual property rights or Confidential Information of either Party, or any remedy for breach thereof; and (iii) the payment of taxes, duties, or any money to either Party hereunder.

24. **Marketing**. During the Term hereof, Client agrees that TCP may publicly refer to Client, orally and in writing, as a customer of TCP. Any other reference to Client by TCP requires the written consent of Client.

25. **Force Majeure**. Except for the obligation to make payments, neither Party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including acts of war, terrorism, acts of God, epidemic, earthquake, flood, embargo, riot, sabotage, labor shortage or dispute, governmental act or complete or partial failure of the Internet (not resulting from the actions or inactions of TCP), provided that the delayed Party: (i) gives the other Party prompt notice of such cause, and (ii) uses its reasonable commercial efforts to promptly correct such failure or delay in performance.

26. **Dispute Resolution**. For any dispute, controversy or claims arising out of or relating to this Agreement or the breach, termination, interpretation or invalidity thereof or any Invoice, or Order Form, the Parties shall endeavor for a period of two (2) weeks to resolve the Dispute by negotiation. This period may be extended by mutual agreement of the Parties. In the event the Dispute is not successfully resolved, the Parties agree to submit the Dispute to litigation in a court of competent jurisdiction.

27. **Waiver of Jury Trial**. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING ANY EXHIBITS, SCHEDULES, AND APPENDICES ATTACHED TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED

HEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) IT HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) IT MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 27.

28. Class Action Waiver. THE PARTIES WAIVE ANY RIGHT TO ASSERT ANY CLAIMS AGAINST THE OTHER PARTY AS A REPRESENTATIVE OR MEMBER IN ANY CLASS OR REPRESENTATIVE ACTION, EXCEPT WHERE SUCH WAIVER IS PROHIBITED BY LAW OR DEEMED BY A COURT OF LAW TO BE AGAINST PUBLIC POLICY. TO THE EXTENT EITHER PARTY IS PERMITTED BY LAW OR COURT OF LAW TO PROCEED WITH A CLASS OR REPRESENTATIVE ACTION AGAINST THE OTHER, THE PARTIES AGREE THAT: (I) THE PREVAILING PARTY SHALL NOT BE ENTITLED TO RECOVER ATTORNEYS' FEES OR COSTS ASSOCIATED WITH PURSUING THE CLASS OR REPRESENTATIVE ACTION (NOT WITHSTANDING ANY OTHER PROVISION IN THIS AGREEMENT); AND (II) THE PARTY WHO INITIATES OR PARTICIPATES AS A MEMBER OF THE CLASS WILL NOT SUBMIT A CLAIM OR OTHERWISE PARTICIPATE IN ANY RECOVERY SECURED THROUGH THE CLASS OR REPRESENTATIVE ACTION.

29. Applicable Law; Jurisdiction; Limitations Period. This Agreement shall be construed under the laws of the State of Texas, without regard to its principles of conflicts of law. To the extent permitted by law, no action, regardless of form, arising out of this Agreement may be brought by either Party more than one (1) year after the cause of action has arisen.

30. Counterparts; Facsimile Signatures. This Agreement may be executed in multiple counterparts, each of which, when executed and delivered, shall be deemed an original, but all of which shall constitute one and the same instrument. Any signature page of any such counterpart, or any email transmission thereof, may be attached or appended to any other counterpart to complete a fully executed counterpart of this Agreement, and any email transmission of any signature of a Party shall be deemed an original and shall bind such Party.

31. Miscellaneous. This Agreement constitutes the entire understanding of the Parties with respect to the subject matter of this Agreement and merges all prior communications, understandings, and agreements. This Agreement may be modified only by a written agreement signed by the Parties. In the event of a conflict between any of the aforementioned documents, the following order of priority shall control: 1) the Data Processing Addendum, 2) the Privacy Policy, 3) the Order Form, 4) this Agreement, 5) the Service Level Agreement, then 6) the Hardware Support and Maintenance Agreement (if applicable). The failure of either Party to enforce any of the provisions hereof at any time shall not be a waiver of such provision, any other provision, or of the right of such Party thereafter to enforce any provision hereof. If any provision of this Agreement is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary and possible to render it valid and enforceable. In any event, the unenforceability or invalidity of any provision shall not affect any other provision of this Agreement, and this Agreement shall continue in full force and effect and be construed and enforced as if such provision had not been included or had been modified as above provided.

[Signature Page Follows]

Accepted by:

Client	**TimeClock Plus, LLC**
By: City of Miles city ______________________	______________________
Name: ______________________	______________________
Title: Mayor ______________________	______________________

RESOLUTION NO. 4696

A RESOLUTION APPROVING AN ICC PLAN REVIEW SERVICES CONTRACT WITH INTERNATIONAL CODE COUNCIL, INC., FOR BUILDING PLAN REVIEW SERVICES.

WHEREAS, the Miles City desires to engage International Code Council, Inc., for credit building plan review services;

AND WHEREAS, the terms of said engagement are laid out in the "ICC PLAN REVIEW SERVICES CONTRACT."

NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:

1. The "ICC PLAN REVIEW SERVICES CONTRACT" attached hereto as Exhibit "A," is hereby approved and adopted by this Council.

2. The Mayor shall have the authority to execute the same, and to bind the City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING THIS 23rd DAY OF JUNE, 2026.

____
C.A. Grenz, Mayor

ATTEST:

____
Mary Rowe, City Clerk

INTERNATIONAL CODE COUNCIL®

ICC Plan Review Services Contract

Gabe Martinsen - City of Miles City
17 S. 8th Street
Miles City, Montana 59301

Contact: Gabe Martinsen
Phone: 406-853-8737
E-Mail: gmartinsen@milescitymt.gov

This agreement between International Code Council, Inc. ("ICC") and the Client named above addresses ICC plan review services, as more specifically provided for herein, for which the Client has engaged ICC:

I. Services to be performed by ICC (the "Services"):

1. Third-party plan review services as detailed in sections (i) and (ii) below, whether for limited scope, preliminary, or full-scope reviews for building, accessibility, mechanical, electrical, plumbing, energy conservation, or fire sprinkler systems, to wit:

   i. ICC will perform specified construction plan reviews of specified systems and disciplines for compliance to applicable codes and standards, as specified in the scope of work. Fees will be charged pursuant to ICC's fees schedules and/or published hour rates.
   ii. ICC will provide additional consulting services related to client's project under review, including scheduled remote meetings with interested parties. Fees for such services will be billed at normal hourly rates, save and except any necessary pre or post-review meetings with client pursuant to Section II below.

2. ICC will make reasonable efforts to provide accurate information regarding the plans and construction documents that are submitted to ICC. However, except as expressly stated herein, ICC makes no guarantees or warranties, express or implied, as to the accuracy of any such information, including, without limitation, any warranty of merchantability or fitness for a particular purpose.
3. ICC's review of plans and construction documents is limited to the information that is provided to ICC, ICC's published codes, as same may be amended locally. ICC does not review any other statutes, rules or regulations.
4. ICC does not make any judgments or offer any opinions as to whether the project to which the documents relate should be approved. Approval is the responsibility of the appropriate officials in the jurisdiction in which approval is being sought.
5. If ICC identifies deficiencies in documents submitted to ICC by an entity (such as a state or local jurisdiction) to whom the documents have been presented for approval, it is the responsibility of that jurisdiction's appropriate officials to make sure that necessary corrections are made before any approvals are given.
6. If ICC identifies deficiencies in documents submitted to ICC by any other person or entity, it is the responsibility of the submitter of the documents to make sure that necessary corrections are made before the documents are presented to any regulatory authority for approval.

II. Fee Schedule:

1. For design review of the subject projects, the Client agrees to pay $150.00 per hour as necessary to complete each review and report. For each project, a single meeting to discuss the review comments will be conducted at no charge. A single re-review of revised construction documents is included at no charge and will address only the comments identified in the original review. Additional work included beyond addressing prior review comments will require a new review with applicable fees. Engineering and Inspection services are excluded from this contract.

2. Where requested, “ICC Reviewed”, stamping fees start at $300 for the first 20 sheets and $0.25 for each sheet thereafter. Stamping is provided at the close of the project after all comments have been satisfied.

3. Consultation beyond that described in (1) above will be billed at the rate of $150.00 per hour and will be limited to scheduled remote communications with Client and interested third parties. Such consultations will be limited to discussion of the issued plan review report. Consultations will cease upon issuance of a building permit by the authority having jurisdiction, or the termination of this agreement, whichever occurs first.

4. Other expenses, including but not limited to expedited review fees, project report consulting, director level consulting, and other service fees associated with the design review will be billed in addition to the above.

As consideration for providing the Services, Client agrees to pay ICC the applicable fees set forth in this contract. All fees are due Net 30 days from the invoice date. Should invoices exceed aging of 30 days, ICC reserves the right to put said Client account on HOLD, which will suspend services until past due invoices are satisfied. For each project, initial invoicing is made at the conclusion of the first review by ICC and at the conclusion of each major step.

5. If any portion of payment is received after the late payment date, a monthly late charge may be applied. The monthly late charge will be 1.5% of the entire outstanding balance for each month or portion thereof, (18% per annum) for which the balance remains.

6. Unless otherwise prohibited by state or federal law, for all payments made by credit card a surcharge of 3.5% (.035) for handling shall be paid by Client to ICC.

III. Client Responsibilities

1. The Client agrees to review and incorporate all report comments and details into a final document to then be provided to the end user, if any. ICC is providing its comments as related to the applicable codes. It is the Client’s responsibility to determine how these comments are to be used and what is to be forwarded to the end user, so long as such presentation to the end user is a true and accurate reflection of ICC’s Services provided hereunder.
2. Client shall provide ICC with any necessary or requested information in a timely and responsive manner. Such Client-provided information shall be true and accurate. ICC shall not be responsible or liable for any delay or failure of performance caused in whole

or in part by Client's delay in performing, or failure to perform, any of its obligations under this Agreement, which shall include providing responsive information to ICC necessary for ICC 's timely performance hereunder.

IV. Liability

1. Client agrees to fully indemnify, protect, save, defend, and hold harmless ICC, its employees, agents, auditors, attorneys, officers, members, directors, successors, assigns and/or affiliates (and its affiliates' employees, agents, officers, directors, members, successors and/or assigns) from and against all third party claims, demands, suits, actions, damages, or expenses of any kind, including, but not limited to legal expenses, court costs, expert fees, and reasonable attorney's fees, resulting from, arising out of, or in any way connected with:

    a. The Client's acts or omissions, occurring at any time, whether or not such acts are committed in accordance with designs approved by ICC; and/or
    b. Any claims that the Services or Client materials provided and/or reviewed hereunder do not conform to applicable codes and standards, including but not limited to any statute, code, administrative rule of any government agency, or any industry standard, whether recommended by ICC or not; and/or
    c. Any and all breach of warranty claims, whether express or implied; and/or
    d. Any and all strict liability in tort claims.

3. To the extent permitted by applicable law, any liability of ICC, its agents, employees and other personnel, officers, directors, members, affiliates, successors or assigns for damages, whether for negligence, breach of warranty, or otherwise, shall be limited to an amount equal to the fees paid to ICC for review of the documents that are the subject of any such claim, regardless of whether the alleged liability arises from contract, tort or any other form of claim.
4. In no event shall ICC be liable for any consequential, incidental, indirect, special, punitive or exemplary damages, including without limitation costs or procurement of substitute services, loss of profits, business or goodwill, or loss of use of data or interruption of business, even if ICC or Client have been or is advised of the possibility of such damages.
5. The indemnity and limitations on liability provisions of this Agreement shall survive the completion, cancellation, revocation, failure, and/or the termination of this Agreement.

IV. General Provisions

1. This agreement shall be binding upon Client and upon Client's heirs, administrators, representatives, executors, successors, subsidiaries, parent corporation and assigns, and shall inure to the benefit of ICC, its officers, directors, shareholders, agents, employees, and attorneys, and each of them, and their successors and assigns.

2. This agreement is made and entered into under the laws of the District of Columbia, United States of America, and shall in all respects be interpreted, enforced and governed

under the laws of the District of Columbia. The language of all parts of this agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. Any action for enforcement and or interpretation of this agreement shall take place in courts within the District of Columbia. Venue for any and all proceedings arising out of this agreement shall be in the District of Columbia.

3. Should any provision of this agreement be declared or determined to be null, void, inoperative, illegal, or invalid for any reason, the validity of the remaining parts, terms, or provisions of this agreement shall not be affected thereby and they shall retain their full force and effect, and said null, void, inoperative, illegal, or invalid part, term or provision shall be deemed not to be a part of this agreement.

4. This document sets forth the entire agreement between the parties and fully supersedes any and all prior negotiations, agreements or understandings between the parties pertaining to the subject matter hereof. This agreement may not be modified or amended except by written agreement signed by the parties hereto.

5. If collection efforts by ICC are necessary to recover funds owed by the Client to ICC for services rendered pursuant to this agreement, the Client shall be liable for all costs, court costs, expert fees, and attorney's fees for such debt collection efforts by ICC.

6. There are no intended third-party beneficiaries to this Agreement.

7. Neither Party may assign its respective rights or obligations under this Agreement without the express consent of the other party; provided, however, that ICC may freely assign its rights and obligations under this Agreement to any affiliated entity.

V. Duration and Termination of Agreement

1. The signing of this agreement constitutes a valid and legally binding contract between ICC and the Client for an initial term of (1) year; it shall automatically renew each year on the anniversary date of execution unless either party provides written notice otherwise at least 30 days prior to the termination date of the initial term or any renewal term. This agreement shall also terminate upon completion of the Services if this occurs prior to the expiration of the initial term or any renewal term. The termination or expiration of this Agreement will not discharge or relieve either Party of any obligations that are intended to survive the termination of this Agreement.

2. ICC or the Client may terminate this agreement for any reason by providing at least thirty (30) calendar days' prior written notice of its intent to terminate this contract. However, in the event that this agreement is suspended or revoked, the previous sentence shall be inoperative, and this agreement shall immediately terminate. In the event of termination for any reason, ICC shall be entitled to payment of all fees accrued up until the date of termination.

The above terms and conditions are agreed and stipulated to by the duly authorized representatives of the Parties below:

ICC Representative: ________________________ Date: _06-12-2026___

Client Representative: ______________________________ Date: _______________

Print:Name,Company,& Title:
____

Print:Name,Company,&Title:
_SVP of Operations - ICC Conformity Assessment Group ______

Reviewed By: Phil Jones______________________________ Date: 6-12-2026