



# CITY OF MILES CITY

## Regular Council Meeting Agenda

April 28, 2026 at 6:00 PM

City Council Chambers and online at zoom.us

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Zoom ID: 4062343462 | Passcode: 59301

### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### ROLL CALL

#### 1. REQUEST OF CITIZENS AND PUBLIC COMMENT

A. Approve 4th of July Committee Requests of the following four items:

- 1- City covered Insurance
- 2- City provided road barricades and Road Closure
- 3- Police Escort for Parade
- 4- City Provided Park Permit with Waived Fees

#### 2. SCHEDULE MEETINGS

#### 3. APPOINTMENTS

A. BOARD OF APPEALS - STEVE PALMERI

#### 4. STAFF REPORTS & OTHER COMMITTEE MINUTES

A. Public Utilities Staff Report

B. MCPD APRIL 2026 REPORT

#### 5. CITY COUNCIL COMMENTS

#### 6. MAYOR COMMENTS

#### 7. PUBLIC HEARINGS

A. APPROVE RESOLUTION 4682 - A RESOLUTION APPROVING AMENDMENTS TO THE CONDITIONS OF APPROVAL FOR THE CITY VIEW SUBDIVISION, GRANTING A

VARIANCE TO THE MILES CITY SUBDIVISION REGULATIONS, AND PROVIDING FOR A PUBLIC HEARING ON THE VARIANCE REQUEST.

**8. UNFINISHED BUSINESS**

- A. Review and Recommend Business License Ordinance Revisions

**9. NEW BUSINESS**

- A. RESOLUTION 4682 - A RESOLUTION APPROVING AMENDMENTS TO THE CONDITIONS OF APPROVAL FOR THE CITY VIEW SUBDIVISION, GRANTING A VARIANCE TO THE MILES CITY SUBDIVISION REGULATIONS, AND PROVIDING FOR A PUBLIC HEARING ON THE VARIANCE REQUEST.
- B. RESOLUTION NO. 4683 - A RESOLUTION APPROVING A FOURTH AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT FOR CITY VIEW SUBDIVISION, ACCEPTANCE OF CERTAIN SUBDIVISION IMPROVEMENTS, AND A PARTIAL RELEASE OF FUNDS.
- C. RESOLUTION NO. 4684 - A RESOLUTION APPROVING A LETTER OF AGREEMENT FOR ENGINEERING SERVICES BETWEEN THE CITY OF MILES CITY AND SIMPLICITY CONSULTING ENGINEERING & DESIGN, LLC FOR THE PURPOSE OF DEVELOPING SPECIFICATIONS, BIDDING DOCUMENTS AND ADMINISTERING CONSTRUCTION FOR THE REPLACEMENT OF ROOF TOP HEATING UNITS AT THE CITY'S EXISTING WATER TREATMENT PLANT.
- D. RESOLUTION NO. 4685 - A RESOLUTION APPROVING A CHANGE ORDER WITH JACKSON CONTRACTOR GROUP, INC. RELATED TO THE MILES CITY FIRE HALL CONSTRUCTION PROJECT.
- E. FINANCE COMMITTEE RECOMENDS REPLACING ENGINE 9 ENGINE WITH A REMANUFACTURED ENGINE FROM BRUSH TRUCKING.

**10. 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

**From:** Steve Palmeri <[spalmeri@mwfbi.com](mailto:spalmeri@mwfbi.com)>  
**Sent:** Wednesday, April 22, 2026 5:33 PM  
**To:** Samantha Malenovsky <[smalenovsky@milescity-mt.org](mailto:smalenovsky@milescity-mt.org)>  
**Subject:** Boar of appeals

Hi Sam,

Consider this my submission of interest to fill the board seat on the board of appeals.

Thank you for letting me know about the vacancy.

*Steve Palmeri*

Agent  
Farm Bureau Financial Services  
1200 Pleasant St.  
Miles City, MT 59301  
406 234 4493 (office)  
406 591-8357 (cell)  
[spalmeri@mwfbi.com](mailto:spalmeri@mwfbi.com)

<https://www.fbfs.com/landing-page/life-insurance-calculator>

Registered Representative/  
Securities & services offered through  
FBL Marketing Services, LLC+  
5400 University Avenue

**Public Utilities Staff Report**  
For April, 2026

**Current work:**

Utilities Crew – Working on curbstops replacements, maintaining asphalt cuts from winter. Replaced two sewer barrels. Explored for water leak next to building at Water Treatment Plant. Weekly and monthly sewer checks.

Water Treatment Plant – Normal operation and maintenance tasks. Currently conducting the annual cleaning of the intake structure wet well.

WWTP – Normal operations and maintenance at the plant and lift stations. Replace a pump at Wilson lift and currently working on broken pump mount at Nue Vue Lift and bad pump at Riverside Park lift.

Water Office – Normal duties. Tier 3 Public notice will be sent out with April water/sewer bills, see attached. Working on replacing all our meter radios as the majority of the ones we have in use are over 20 years old and are no longer supported by Sensus

**Current Projects:**

WTP Reroof and replace unit heaters. –SDI is currently producing specifications and bid documents. Anticipating going out to bid early summer. Contract on agenda for Simplicity Consulting Engineers & design to produce specifications and bid package. Project will be coordinated with reroof.

WWTP Generator Replacement –Generator is installed. Still need switch gear installation and start up.

Montana Lift generator replacement. – New generator is on hand will install once WWTP generator is complete.

WWTP Oxidation rotor replacement- One oxidation rotor failed last summer and was replaced with a rotor from the ditch we are not currently using. As all of the rotors are the same age, RPA Engineering is currently working on design specifications in order to replace all 4 rotors and drive units.

**Projects (2-5 yrs) Preliminary Planning Phase:**

Darling Addition Phase IV – KLJ is currently working on the design for the project.

Tongue River Force Main –

Soil Stabilization/Erosion repair on east side of Southgate Tank Hill – KLJ is working on ideas for this.

WTP Intake replacement – PER complete. Looking for funding. This will be approximately 7-8 million dollar project.

**Major Equipment Purchases Next 6 months:**

Backhoe will be going out to bid as it is approaching max hours for buyback program. Funds were budgeted for this purchase



# CITY OF MILES CITY

## PUBLIC UTILITIES

17 S. 8th, P.O. Box 910  
Miles City, MT 59301-0910

Telephone: 406-234-3493

### IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER

#### Monitoring and Reporting Requirements Not Met for

#### City of Miles City (MT0000291)

We are required to continuously monitor individual filter water for turbidity (cloudiness). This tells us whether we are effectively filtering the water supply and meeting health standards. On July 2, 2025 a power surge damaged the controller for the continuous turbidity monitoring equipment. The manufacturer informed us that a replacement part would not be available until mid August. We collected manual samples every four hours however this is only allowed for a maximum of 14 days. The replacement part was received and installed on August 18, 2025. Since we exceeded the 14 day limit in both July and August our system received a violation notice for each month.

#### What should I do?

- There is nothing you need to do at this time.

#### What does this mean?

Turbidity has no health effects. However, turbidity can interfere with disinfection and provide a medium for microbial growth. Turbidity may indicate the presence of disease causing organisms such as bacteria, viruses, and parasites which can cause symptoms such as nausea, cramps, diarrhea and associated headaches.

#### What is being done?

The turbidity monitoring equipment was repaired as soon as we received the repair part and put back into service, resuming the continuous monitoring as required.

For more information, please contact Tom Speelmon at 406-234-3493.

*Please share this information with all the other people who drink this water, especially those who may not have received this notice directly. You can do this by posting this notice in a public place or distributing copies by hand or mail.*

This notice is being sent to you by the City of Miles City Water System.

State Water System ID#: MT0000291.

Date distributed: \_\_\_\_\_.



MILES CITY POLICE DEPARTMENT  
Doug Colombik, Chief of Police

Section 4, Item B.

419 N. 7<sup>th</sup> Street  
Miles City, MT 59301  
Phone: (406) 232-3411  
Fax: (406) 234-4270

To: City Council

From: Chief Colombik

Ref: April 2026 Council Report

Officer Fredrickson has graduated from the Montana Law Enforcement Academy on April 21, 2026 in Helena. She has completed the 12-week training and is now POST certified.

Officer Michael Nord will start the same 12-week training (Basic Session 190) on April 28, 2026. He is scheduled to graduate MLEA on July 21, 2026.

Carter Scott has been hired and started April 16, 2026. He is from California and has several years of first responder experience. Officer Scott filled our 15<sup>th</sup> position. We are currently in the process of filling our final budgeted position. This would put us at 16 fully sworn law enforcement officers.

The MCPD was not chosen by the Montana Department of Commerce for any award funding under the Emergency Tourism Grant. We had applied for \$20,000.00 with matching funds in order to replace our aged-out animal control vehicle. Something of interest, of the ten agencies awarded \$50,000.00, only one of them was a law enforcement agency.

The following is our updated felony list. Since the last report, we have taken on another 24 felony cases. Some of these cases are embezzlement and financial fraud, which take up an enormous amount of time by our investigators.

1. Assault 1/1/26
2. SIWOC 1/1/26
3. CPDD 1/4/26
4. Child abuse 1/6/26
5. Child porn 1/19/26
6. Child abuse 1/20/26
7. TOP violation 1/23/26
8. Child porn 1/24/26

MILES CITY POLICE DEPARTMENT  
Doug Colombik, Chief of Police

9. Death investigation 1/28/26
10. Fraud 2/4/26
11. Child abuse 2/9/26
12. Child abuse 2/10/26
13. Child abuse 2/11/26
14. Assault with a weapon 2/11/26
15. Child porn 2/13/26
16. Child abuse 2/18/26
17. Burglary 2/20/26
18. Assault with a weapon 2/23/26
19. Fraud 2/26/26
20. Burglary 2/26/26
21. SIWOC 3/3/26
22. Child abuse 3/5/26
23. Embezzlement/Fraud 3/7/26
24. Theft 3/9/26
25. Child porn 3/10/26
26. Child abuse 3/10/26
27. CPDD 3/16/26
28. Embezzlement 3/18/26
29. Elder abuse 3/19/26
30. CPDD 3/20/26
31. Burglary 3/25/26
32. Theft 3/25/26
33. Criminal mischief 3/25/26
34. SIWOC 3/26/26
35. Fraud/exploitation of a vulnerable adult 3/27/26 victim #1
36. Fraud/exploitation of a vulnerable adult 3/27/26 victim #2
37. Fraud/exploitation of a vulnerable adult 3/27/26 victim #3
38. Fraud/exploitation of a vulnerable adult 3/27/26 victim #4
39. Fraud/exploitation of a vulnerable adult 3/27/26 victim #5
40. Fraud/exploitation of a vulnerable adult 3/27/26 victim #6
41. Fraud/exploitation of a vulnerable adult 3/27/26 victim #7
42. Fraud/exploitation of a vulnerable adult 3/27/26 victim #8
43. Fraud/exploitation of a vulnerable adult 3/27/26 victim #9
44. Fraud/exploitation of a vulnerable adult 3/27/26 victim #10
45. Assault with a weapon 3/27/26
46. Fraud/exploitation of a vulnerable adult 3/27/26 victim #11
47. Fraud/exploitation of a vulnerable adult 3/27/26 victim #12

MILES CITY POLICE DEPARTMENT  
Doug Colombik, Chief of Police

- 48. Fraud/exploitation of a vulnerable adult 3/27/26 victim #13
- 49. Fraud/exploitation of a vulnerable adult 3/27/26 victim #14
- 50. Fraud/exploitation of a vulnerable adult 3/27/26 victim #15

\*\*\* all above victims have different financial loss amounts and varying dates of loss \*\*\*

- 51. Child porn 4/9/26
- 52. SIWOC 4/17/26

Doug Colombik  
Chief of Police  
Miles City Police Department  
(406) 874-8632 Office  
(406) 232-3411 Dispatch

## RESOLUTION NO. 4682

### A RESOLUTION APPROVING AMENDMENTS TO THE CONDITIONS OF APPROVAL FOR THE CITY VIEW SUBDIVISION, GRANTING A VARIANCE TO THE MILES CITY SUBDIVISION REGULATIONS, AND PROVIDING FOR A PUBLIC HEARING ON THE VARIANCE REQUEST.

*WHEREAS*, the City Council has reviewed requests by the agents for L & L Development LLC for approval of a variance to the Miles City Subdivision Regulations and to the conditions of approval for the City View Subdivision;

*AND WHEREAS*, the City Council held a properly noticed public hearing on the variance request and considered comments on the request;

*AND WHEREAS*, after considering the requests and public comments elicited at the public hearing and meeting on the amendments, the City Council finds that approval of the variance request and amendment requests for said City View Subdivision should be approved.

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

1. The subdivider for the City View Subdivision is hereby granted a variance to Sec. 21-18(a)(8)(h) of the Miles City Subdivision Regulations to allow Horizon Parkway to have up to a 270-foot segment with grades from 6% to 8%, in excess of the maximum street grade of 5% for “Arterial” streets; this approval is based on the findings of fact attached hereto as Exhibit “A” and made a part hereof, which are hereby approved and adopted by this council.
2. The council hereby amends Condition 18 of the preliminary, conditional approval for the City View Subdivision as follows: (additions are underlined; deletions are ~~stricken~~)

All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards, with the exception of the street grade of Horizon Parkway, which a variance has been granted for, to allow maximum street grades of 6 to 8% for a segment of approximately 275 feet as represented by the roadway as-builts dated 10/8/2025 by Brosz Engineering, Inc. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer.

3. The council hereby amends Condition 23 of the preliminary, conditional approval for the City View Subdivision as follows:

Electrical utilities shall be installed ~~to each lot~~ in the subdivision in accordance with Sec. 21-18(a)(13) MCSR, and the proposed Utility Easement document prepared by Wilhelm Land Surveying dated 12/19/2025 or a substantially similar easement document shall be recorded at the Custer County Clerk & Recorder's Office within 30 days of this approval. Prior to final plat approval (unless secured by SIA), the subdividers shall submit letters from the electrical utility service providers indicating utilities have been installed to their specifications and within appropriate easements as shown on the final plat. Telecommunications services may be provided by extensions of utilities from those existing in the Horizon Parkway right-of-way in accordance with Sec. 21-18(a)(13) MCSR or the occupants may rely upon other services providers, such as satellite service providers.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 28<sup>TH</sup> DAY OF APRIL, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk



# CITY OF MILES CITY

## *PLANNING & COMMUNITY SERVICES*

17 S. 8<sup>th</sup> Street, PO Box 910  
Miles City, MT 59301-0910

Telephone: 406-234-3493  
Fax: 406-234-6392

**Date:** April 23, 2026

**To:** City Council, Mayor

**From:** Joel Nelson, Contract Planner and Subdivision Administrator

**Re:** City View Subdivision matters for City Council consideration on April 28, 2026

### Introduction:

This memo is regarding the City View Subdivision agenda items for the April 28, 2026 City Council meeting. On April 28<sup>th</sup>, the City Council will consider multiple items pertaining to the City approvals of the City View Subdivision and associated Subdivision Improvements Agreement, and a public hearing on a variance request further described below.

The City View Subdivision is a subsequent minor subdivision of Lot 2 of Block 5 Amended, Southgate Meadows Subdivision, located in the SW  $\frac{1}{4}$  SE  $\frac{1}{4}$  of Section 2, T7N, R47E, PMM, City of Miles City, Custer County, Montana. The City View Subdivision is located along the south side of Horizon Parkway at the SE corner of its intersection with Park Hill Drive, approximately 0.3 mile east of Montana Highway 59. The City View Subdivision has been platted since February 2022, with an initial Subdivision Improvements Agreement (SIA) to secure the completion of various subdivision improvements that were incomplete at the time of final plat approval and recording of the final subdivision plat. The SIA has since been amended and extended by the subdividers and City Council three times; the Third Amended SIA expired on July 1, 2025, at which time the City enforced the terms of the SIA due to incomplete improvements and lack of certifications, and the City now holds the funds for improvements that have been completed by the subdivider and improvements that remain incomplete.

The City Council will hold a public hearing on a variance request from the Miles City Subdivision Regulations (MCSR), specifically the maximum street grade standard of 5% for “Arterial” streets found in Table 1 of Sec. 21-18(a)(8)(h) MCSR. Horizon Parkway, a City street, was improved by the subdivider, but the conditional approval required the street improvements to be built to applicable city standards, including street grade. The subdivider’s engineer has provided as-built certification of the street improvements showing Horizon Parkway was improved to City standards with the exception of a  $\pm 200$ - to 275-foot segment with grades from 6% to 8%. Therefore, the subdivider, L & L Development LLC, represented by Matthew Lothspeich, has requested a variance to the street grade standard and an amendment to the conditional approval to allow for the increased street grade. The subdivision administrator has determined the amendment is non-material. The City Council will

also consider whether to accept the improvements to Horizon Parkway as complete, which would allow for an associated partial release of the funds the City is holding for completion of the street improvements to Horizon Parkway.

After the public hearing on the above variance request, the City Council will hold a public meeting to accept comments on the subdivider's requested amendment to the preliminary, conditional approval for the subdivision to allow for electrical utilities to not be installed to each lot as required by the approval and effective SIA, a non-material amendment. The extensions of electrical utilities for the subdivision have been completed, but the utilities end approximately 25 feet south of Lots 2B and 2C; therefore, the subdivider has requested an amendment to that requirement of the conditional approval, and is instead proposing to establish a utility easement to allow for future extensions of electrical utilities to Lots 2B and 2C. The amendment would allow for an associated partial release of the funds the City is holding for completion of the electrical utilities to each lot.

The City Council will also consider resolutions to accept completion and certifications of the improvements to Horizon Parkway and the turnaround for Park Hill Drive, installation of a 'no parking' sign along the turnaround for Park Hill Drive, and to approve a partial release of funds for those improvements and certifications as well as a Fourth Amended Subdivision Improvements Agreement to secure remaining improvements and certifications pertaining to installation of USPS-approved mail delivery facilities for the subdivision and provide for a new deadline of August 31, 2026 to do so as requested by the subdivider.

Background:

The preliminary plat of City View Subdivision was reviewed by the City in 2020 and 2021, with conditional, preliminary plat approval granted by the City Council on May 11, 2021. The preliminary approval letter was issued to subdivider L & L Developers, LLC on May 17, 2021. The preliminary approval was subject to 29 conditions of approval.

In late 2021, the final plat application was submitted to the City along with a proposed Subdivision Improvements Agreement (SIA). A typical SIA such as the subject SIA is an agreement between a subdivider and local governing body that defers completion of subdivision improvements to a later date, subject to a form of financial security, which allows a final plat of a subdivision to be recorded before completion of the improvements. This mechanism allows a developer to sell lots before a subdivision is fully built and completed.

On February 8, 2022, the City Council approved the final plat of City View Subdivision, amended Condition 23 to allow telecommunications utilities to not be installed, and approved the initial SIA. The SIA and associated letter of credit secured completion of remaining improvements. The letter of credit was established in the amount of \$1,142,596.98, which was based on 150% of the estimated total cost of construction and engineering certifications being \$761,731.32. The remaining improvements at that time included the following:

- Remaining erosion control, reseeding, and weed treatment.
- Electrical utilities to each lot.
- All water mains and fire hydrants.
- All sewer mains and related facilities.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and
- paving from end of current pavement to and including the approach to Lot 2D.

- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs (a “No Parking” sign was determined to be needed along the turnaround for Parkhill Drive)
- Mail Facilities (the USPS approved plans for installation of cluster mailboxes at two locations).
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting.

The initial SIA gave the subdivider a deadline of February 9, 2023 (one year) to complete and provide certifications for the above improvements.

After final plat approval and the establishment of the initial SIA, the final plat was recorded and L & L Developers LLC conveyed the City View Subdivision lots to L & L Development LLC, with L & L Development LLC assuming the responsibilities of the subdivider to complete the subdivision improvements in accordance with the SIA.

On February 14, 2023, the City Council accepted the completed water and sewer infrastructure into the City’s municipal water and sewer systems (Resolution No. 4496). The Council also approved an Amended SIA (Resolution No. 4497), which included acceptance of the completion of erosion control, reseeding, and weed treatment, the water mains and fire hydrants, and sewer mains and related facilities, which had all been certified complete, and therefore allowed for a partial release of funds. The Amended SIA provided for a reduction in the financial security through an amended letter of credit with a new amount of \$605,865.48, which was based on 150% of the estimated cost of \$403,910.32 for the remaining improvements. The approval and Amended SIA also granted the subdivider an extension to complete the remaining improvements, giving a new deadline of December 31, 2023 for the subdivider to complete the improvements and submit the required certifications. The remaining improvements at that time included the following:

- Electrical utilities to each lot.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D.
- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs (a “No Parking” sign was determined to be needed along the turnaround for Parkhill Drive)
- Mail Facilities (the USPS approved plans for installation of cluster mailboxes at two locations).
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting.

On January 9, 2024, with Resolution No. 4547, the City Council approved the subdivider’s request for an extension to allow until November 1, 2024 to complete the remaining improvements, and a Second Amended SIA. The letter of credit was extended again by Stockman Bank to reflect the new deadline; the minimum financial security remained at \$605,865.48.

On December 30, 2024, with Resolution No. 4594, the City Council approved the subdivider’s request for an additional extension to allow until July 1, 2025 to complete the remaining improvements, and a Third Amended SIA. The letter of credit was extended again by Stockman Bank to reflect the new deadline; the minimum financial security remained at \$605,865.48. The Third Amended SIA was intended to be the final extension, and explicitly authorized the Subdivision Administrator and City Attorney to act without delay and draft the remaining funds from the letter of credit if the

improvements were not completed and certified in full compliance with this agreement by the deadline of July 1, 2025.

Leading up to and after the July 1, 2025 deadline, the subdivision administrator and City Attorney were continually in correspondence with the subdivider Matthew Lothspeich and Mitch Grove at Stockman Bank about the deadline and the remaining improvements and certifications that were required. Some improvements appeared complete, but no certifications were submitted before the deadline. The letter of credit was set to expire on September 5, 2025. Accordingly, on August 18, 2025, the subdivision administrator, City Attorney, and Mayor directed a letter to the subdivider and Stockman Bank enforcing the SIA and withdrawing the full amount of the letter of credit funds, being \$605,866 (the required minimum financial security of \$605,865.48, rounded up). On August 19, 2025, Stockman Bank issued a check to the City of Miles City in the amount of \$605,866.00.

The City Clerk's Office and Treasurer then held the check without cashing or depositing it while the subdivision administrator, Public Works Director, and City Attorney worked through the matter with the subdivider and the project engineers at Brosz Engineering.

As all of the above played out, the Public Works Director conducted site visits to monitor the status of the improvements. It had become apparent at the time of the deadline that the Horizon Parkway improvements were likely complete (but not certified, and built to unknown construction standards) and the electrical utilities had been installed per TRECO (but not certified, and not known to be extended 'to each lot' as required), but the other improvements were not done, including the paving of the Parkhill Drive turnaround, mailbox installations, and installation of the 'No Parking' sign. It was also determined that the project engineers had not been involved in the Horizon Parkway improvements and had not been present during construction, all at the direction of the subdivider. This appeared to be why no certifications were submitted.

The subdivision administrator continued to correspond with the subdivider and the project engineers about the required certifications and remaining improvements. At some point, the Parkhill Drive turnaround was paved (with asphalt millings like the rest of the road's surface, which was allowed) and the 'no parking' sign installed.

In October 2025, Brosz Engineering provided 'as-builts' for the Horizon Parkway improvements, indicating the project had been complete and certified, with as-built plans. The submittal also provided confirmation that the Parkhill Drive turnaround was completed and met the required dimensions (the engineer was not required to certify the construction standards of the turnaround, but it was required to be certified complete).

The October submittal of road certifications explained that Brosz Engineering was not onsite during the roadway construction, but the contractor submitted haul sheets that showed the amount of asphalt, base course, and subbase used during construction. Based on the quantities provided by the contractor it was determined (by Brosz) that the roadway was installed to the proposed typical section. The submittal also described how the east end of Horizon Parkway was raised in elevation due to a rock shelf that was discovered during construction which changed the proposed grade from 5% to grades varying from 6% - 8%.

Other partial certifications and other materials were submitted to the subdivision administrator by Brosz Engineering on October 28, 2025. An inquiry regarding use of PO boxes instead of the onsite

mail delivery facilities approved by the Postmaster and required by the subdivision regulations, subdivision approvals, and SIA approvals was also submitted.

As the November 17 deadline approached for the City to deposit the check before the check became voided after 90 days, and in response to the partial certifications and mailbox inquiry, the subdivision administrator emailed the subdivider and engineer with a comprehensive response on November 12, 2025, outlining what needed to be addressed and accomplished, and potential amendments and variances that may be needed based on the ongoing correspondences. The email informed them the check would be deposited and the funds held in a specific account for the City to utilize to complete the remaining improvements and certifications, if necessary.

The November 12 email to the subdivider and project engineer also explained that in dealing with all of the past extension requests, the drawn-out partial certifications and failure to complete improvements, the SIA enforcement, potential amendments/variances, etc., the City was losing money every step of the way. The email informed them that the City may begin implementing the following provision from the attached fee schedule by keeping those amounts from the check to cover some of the administration costs:

**N. In addition to the fees set forth in Subsections A through L above, there shall be charged the actual fees and expenses charged by consultants, including, but not limited to attorneys, examining land surveyors, planners, engineers, sanitarians, and other specialists and professionals involved in such review.**

The subdivision administrator advised the subdivider and project engineer that whether that provision for assessing third party review fees and the start date were yet to be determined. The potential third party review fees will be further discussed later in this memo.

Also on November 12, the check from the letter of credit was deposited by City administration, and remains in an account, which provides for completion of the remaining improvements and certifications by the City, unless the subdivider is able to follow through on his responsibilities per the effective SIA.

Then on November 21, 2025, Brosz Engineering submitted certification of the sign installation, along with two variance requests pertaining to the Miles City Subdivision Regulations' design and improvement standards – for the grade of Horizon Parkway and to allow the development to use post office boxes instead of onsite mail delivery facilities as required by the subdivision regulations. The email also advised the subdivision administrator that they were drafting an easement for the electrical utilities for Lots 2B and 2C, which had been determined to be installed  $\pm 28$  feet short of the lots. The draft easement document was later submitted and then revised on December 19, 2025, and is included in the attached material.

The subdivision administrator then reviewed the above submittals, and responded with a letter dated December 19, 2025. The letter outlined the additional information that would be necessary for City Council review of amendments, variances, and partial release(s) of funds for completed/certified improvements. As had been discussed previously by the subdivision administrator, the letter requested the engineer provide additional information regarding certifying Horizon Parkway without the engineer observing the construction and whether this is a standard engineering practice.

Then on January 26, 2026, Brosz Engineering submitted amendment requests pertaining to the conditions of preliminary plat approval. These included (1) a request pertaining to the condition requiring the improvements to be completed and certified to City standards, specifically the grade of Horizon Parkway, which they had already submitted a variance request for, and (2) a request to amend the condition requiring the electrical utilities to be installed ‘to each lot’, accompanied by a draft easement dated 12/19/2025 (previously reviewed and commented on by the subdivision administrator, with the comments addressed in the new draft). The submittal also included a withdrawal of the previously-submitted variance request for the mail facilities, stating L & L Developers “instead would like the City to take the cost for installing the mail facilities from the bond”. Finally, the submittal also included a revised certificate of completion of improvements signed by L & L Developers (later replaced).

On January 26, 2026, the subdivision administrator again pointed out to Brosz Engineering that the submittal still did not address the questions regarding Brosz not being present through construction of the Horizon Parkway improvements but still providing engineer certification. Brosz Engineering responded on January 27, 2026 with an explanation of the calculations of materials hauled to the site during construction of both Horizon Parkway and the private City View Drive that accesses the condominium development on Lot 2D (not a required subdivision improvement and not involved with the SIA). The engineer and subdivision administrator later met to discuss the information and to resolve what appeared to the subdivision administrator to be discrepancies, but the apparent discrepancies were substantially resolved.

Brosz Engineering has never comprehensively addressed whether certifying Horizon Parkway without the engineer observing the construction is a standard engineering practice. The engineer has verbally indicated that it is not standard practice, which the subdivision administrator understands to be the case. The engineer has chosen not to further explain that, and has not proposed to take boring samples to determine the construction specifications for Horizon Parkway. The subdivision administrator has told the project engineer that the acceptance of the engineer certification will be subject to approval by the City Council, and advised him that the question may continue to be raised at the Council level.

The subdivision administrator then began working through the matter of the subdivider wanting to leave the mailbox facilities installations to the City by providing for the City withholding sufficient funds to do so. This would have involved purchasing CBU mailboxes and contracting with an engineer and a construction contractor as well as administering the project. This process would slow the process for City Council review of the potential release of funds for the other improvements. After additional meetings and discussions, on February 16, 2026, the engineer informed the subdivision administrator that L&L Developers, LLC intends to install the mailboxes, and the anticipated completion date for the installation is August 31, 2026.

It was then determined through internal discussions that the request for a Fourth Amended SIA to allow a partial release of funds for the completed and certified improvements, and to give a new deadline for the mailbox installations would be carried forward to City Council for consideration. The subdivision then continued reviewing the material submitted for the requests, and scheduling and noticing a Council meeting.

Attachments:

Attached, please find the following:

1. Draft Resolution No. 4682, a Resolution approving amendments to the conditions of approval for the City View Subdivision, granting a variance to the Miles City Subdivision Regulations, and providing for a public hearing on the variance request;
2. Draft Resolution No. 4683, a Resolution approving a Fourth Amended Subdivision Improvements Agreement for City View Subdivision, acceptance of certain subdivision improvements, and a partial release of funds;
3. Draft Fourth Amended Subdivision Improvements Agreement;
4. Third Amended Subdivision Improvements Agreement;
5. Certificate of Completion of Improvements dated 2/23/26, signed by Matthew J. Lothspeich, Subdivider;
6. City View Subdivision Roadway As-Builts dated October 8, 2025 by Brosz Engineering, Inc.
7. January 27, 2026 email from Rylan Limesand, PE with Brosz Engineering, explaining the rationale of how the engineering certifications of road improvements were based on materials hauled to the subdivision and a paving bill, along with the paving bill and information from Diamond J Companies;
8. Variance request for the grade of Horizon Parkway;
9. Amendment request for the grade of Horizon Parkway;
10. Amendment request for the electrical utilities not being installed to each lot, along with proposed utility easement; and
11. Signed statement from Rylan Limesand, PE with Brosz Engineering, that the NO PARKING ANY TIME sign at Parkhill Drive has been installed.

Summary of Requests to be Acted on by City Council:

The following is a list of requests to be acted on by City Council and what should be accomplished at the April 28 meeting:

1. Variance request and public hearing: The City Council will hold a public hearing on the variance request to allow Horizon Parkway to have a ±200- to 270-foot segment with grades from 6% to 8%. The attached Resolution No. 4682 has been drafted to provide an approval of the requested variance.
2. Amendment request for Horizon Parkway not being improved to City standards: The City Council will consider an amendment to Condition 18 of the conditional approval to allow for the increased street grade; this amendment is contingent upon the granting of the above variance. The subdivision administrator has determined the amendment is non-material; however, per Sec. 21-14(b)(8)(a)(3), MCSR, if the governing body (City Council) determines the changes are material at the public meeting or before the changes are approved, it may direct the subdivision administrator to require the changes to be reviewed starting at any point contemplated by subsection (8)a. (this contemplates the ability to start at any point as far back as the very beginning of the subdivision process with a pre-application meeting.) The attached Resolution No. 4682 has been drafted to provide approvals of the amendments.
3. Acceptance of Horizon Parkway improvements: The City Council will also consider whether to accept the improvements to Horizon Parkway as complete, which would allow for an associated partial release of the funds the City is holding for completion of the street improvements to Horizon Parkway. The attached Resolution No. 4683 has been drafted to provide acceptance of the Horizon Parkway improvements.
4. Acceptance of Parkhill Drive turnaround improvements: The City Council will also consider

whether to accept the paving of the Parkhill Drive turnaround as complete, which would allow for an associated partial release of the funds the City is holding for paving of the turnaround. The attached Resolution No. 4683 has been drafted to provide acceptance of the Parkhill Drive turnaround improvements.

5. Acceptance of ‘no parking’ sign installation: The City Council will also consider whether to accept the sign installation as complete, which would allow for an associated partial release of the funds the City is holding for the sign and installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the ‘no parking’ sign installation.
6. Amendment request for electrical utilities not being installed ‘to each lot’: The City Council will also consider an amendment to Condition 23 of the conditional approval to allow the electrical utilities to not be installed ‘to each lot’. This amendment is also subject to acceptance of the proposed Utility Easement. The attached Resolution No. 4682 has been drafted to provide approvals of the amendment.
7. Acceptance of electrical utilities installation: The City Council will also consider whether to accept the electrical utilities as complete, which would allow for an associated partial release of the funds the City is holding for the installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the ‘no parking’ sign installation.
8. Acceptance of certifications for the completed improvements: The City Council will also consider whether to accept the subdivider’s certifications, as well as the engineering certifications as complete, which would allow for an associated partial release of the funds the City is holding for the engineering certifications. The attached Resolution No. 4683 has been drafted to provide acceptance of the certifications.
9. Extension request for installation of mailbox facilities: The City Council will also consider whether to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer. The attached Resolution No. 4683 and Fourth Amended SIA have been drafted to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer.
10. Fourth Amended Subdivision Improvements Agreement: The City Council will also consider whether to approve a Fourth Amended Subdivision Improvements Agreement, which would accept the above improvements as complete, with the exception of the mailbox facilities, provide the subdivider a new deadline of August 31, 2026 to complete and provide certifications of the mailbox facilities, and allow a partial release of funds. The attached Resolution No. 4683 and Fourth Amended SIA have been drafted to accomplish the above.

The actions above could be accomplished by City Council reviews and approvals of Resolution No. 4682 and Resolution No. 4683

Public comments on the variance request should be accepted during the public hearing. Public comments on other items should also be provided for prior to actions being taken by City Council.

Each of the above items under consideration are discussed further in the following sections.

Variance Request and Amendment Request for Street Grade of Horizon Parkway:

Table 1 of Sec. 21-18(a)(8)(h) of the Miles City Subdivision Regulations (MCSR) outlines the Street Design Standards for streets in Miles City. For Arterial streets, which Horizon Parkway was determined to be during preliminary plat review in 2020/2021, the maximum street grade is 5%. The engineered improvement plans submitted for the preliminary plat application that the City approval

was based upon indicated Horizon Parkway would be improved to City standards with a maximum street grade of 5%. During administration of the Third Amended SIA, when final certifications were submitted for the improvements to Horizon Parkway, the reviewer noted the as-built plans showed a segment of 200+ feet of Horizon Parkway with a grade of 6% to 8%, and the engineer's letter stated, "The east end of Horizon Parkway was raised in elevation due to a rock shelf that was discovered during construction. This changed the proposed grade from 5% to grades varying from 6%-8%...". For this reason, the Subdivider's engineer submitted a variance request using the City's Variance Request Form.

If the requested variance for street grade is approved by the City Council, an amendment to Condition 18 of the preliminary plat approval could also be approved by Council to allow for the modified standard. Condition 18 is as follows:

*"18. All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer. [Planning Board Report III.A & B; Sec. 21-18(a)(5), Sec. 21-18(a)(8), Sec. 21-18(a)(9) – (12), MCSR; and 76-3-608(3)(a), MCA, impacts on public health and safety]"*

The written amendment request dated January 26, 2026 adds that it wasn't feasible to excavate the rock shelf. The request clarifies that the increased grade is a segment of approximately 275 feet.

If Condition 18 is amended to allow the noncompliant street grade, the City Council could in turn accept the improvements to Horizon Parkway as complete, which would allow for an associated partial release of the funds the City is holding for completion of the street improvements to Horizon Parkway.

The segment of Horizon Parkway with excessive grades is between Lot 2C's and Lot 2D's approaches to Horizon Parkway. This is east of Ponderosa Drive, which serves Southgate Meadows to the north. The segment serves primarily the condominium development on Lot 2D and minimally developed properties to the east.

The need for the street grade variance stems in part from the lack of engineer oversight during construction. While the subdivision approval and SIAs explicitly required the improvements to Horizon Parkway be certified by the subdividers' engineer, the City learned late during administration of the SIAs that Brosz Engineering was not onsite during the roadway construction. Had the engineers been present during construction or otherwise involved, the "rock shelf" that was encountered during construction and the resulting need for modified grade would have likely come to light much earlier; by the time the City staff and subdivision administrator became aware of the situation was well after the Horizon Parkway improvements were completed. At this time, there's little that can be economically and practically done to physically correct the street grade.

The reviewer has investigated the soil types in this location to provide verification that bedrock could be encountered during excavations. Using the online [Web Soil Survey](#) of USDA's Natural Resources Conservation Service (NRCS), the reviewer found that the predominant soil type in this location of Horizon Parkway is Map Unit 386F, "Cabbart-Rock outcrop-Delpoint complex, 15 to 50 percent slopes---Custer County Area, Montana". Per the USDA map unit description, these soils types include shallow paralithic bedrock at depths ranging from 10 to 60 inches. This information supports the

statement that a rock shelf was encountered during construction. The reviewer notes that USDA soils information describes paralithic bedrock as a partially weathered, consolidated material that is soft enough to be dug with hand tools but still retains rock structure and cannot be considered soil, as opposed to lithic bedrock that is hard, unweathered rock that generally requires blasting or hammering. The reviewer cannot speculate as to the level of effort or methods that could have been applied to overcome the rock shelf; but the existence of the rock shelf appears to be the basis of the variance request for grade.

The requested variance must be reviewed according to Sec. 21-22(a) MCSR, “Variances”. Procedurally, the section requires the subdivider to include with the submission of the preliminary plat<sup>1</sup> a written statement describing and justifying the requested variance. The subdivision administrator and/or planning board<sup>2</sup>, as applicable, will consider the requested variance and recommend its approval or denial to the governing body. The governing body may grant the variance(s) if it meets the specific variance criteria, as discussed below. In granting variances, the governing body may impose reasonable conditions to secure the objectives of these regulations, and when a variance is granted, the motion to approve the proposed subdivision must contain a statement describing the variance and the facts and conditions upon which the issuance of the variance is based.

Sec. 21-22(a)(1), MCSR, “Variances authorized”: The governing body may grant variances from section 21-18, design and improvement standards, of these regulations when, due to the characteristics of land proposed for subdivision, strict compliance with these standards would result in undue hardship and would not be essential to the public welfare. A variance will not be granted if it would have the effect of nullifying the intent and purpose of these regulations. The governing body will not approve a variance unless it finds that (note: all four criteria must be met):

- a. The granting of the variance will not be detrimental to the public health, safety, or general welfare or injurious to other adjoining properties;
- b. Due to the physical surroundings, shape, or topographical conditions of the property involved, strict compliance with the regulations will impose an undue hardship on the owner. Undue hardship does not include personal or financial hardship, or any hardship that is self-imposed;
- c. The variance will not cause a substantial increase in public costs; and
- d. The variance will not place the subdivision in nonconformance with any adopted zoning regulations.

The variance review criteria are listed and underlined below, followed by *the Subdivision Administrator’s analysis and recommended findings in italics*.

- a. The granting of the variance will not be detrimental to the public health, safety, or general welfare or injurious to other adjoining properties;

<sup>1</sup> Variance requests are typically submitted with preliminary plat applications, and although the subdivision regulations indicate the subdivider must include the written variance request with the submission of the preliminary plat application, it is not unusual for a variance request to be submitted later in the process, such as with a situation like this.

<sup>2</sup> The subdivision administrator found the variance request and required amendment to Condition 18 to be a non-material amendment and found that Planning Board review would be an unnecessary burden for both the subdivider and City. The street grade is a matter of acceptance by the City Council upon a public hearing, consideration of public comments, and adoption of findings of fact in support of the variance decision.

*Subdivision Administrator Analysis: In response to this criterion, the Subdivider's engineer states, "The road grade installed does not create any hazards, and still meets AASHTO design requirements." The submittal does not provide supporting material or specific citations of AASHTO standards, but based on the reviewer's research, it appears the typical maximum grade for arterials based on AASHTO-derived sources is  $\pm 5$  to 8%, and up to 10% for collectors. The 5% maximum grade standard has been in place in the MCSR since at least 2008. The reviewer was the primary drafter of the 2014 updates, which was the year of the last revisions to the street design standards. The reviewer recalls that during the update process, the reviewer considered recommending updates to the various grade standards due to the restrictive standards that existed at the time, but given the relatively flat topography of the vast majority of the City, it did not appear necessary to revise the grade standards. Road/street grade standards are often more flexible in western Montana and other locations where topography is more challenging to provide for grades as low as 5%.*

*The reviewer concurs that AASHTO standards could provide for the 6 to 8% grades for a small  $\pm 275'$  segment of Horizon Parkway. Further, given the relatively short segment of increased grade, as well as typical low vehicle traffic speeds in this location, the grade is unlikely to create hazards. Public health will not be impacted by a street grade. Public safety is unlikely to be impacted as indicated by the Subdivider's engineer. The general welfare of the public is unlikely to be impacted by a relatively short segment of street with 8% or less grade. There is no evidence that the street grade would be injurious to other adjoining properties, and the reviewer cannot imagine what aspect of the slightly increased street grade could be injurious to other properties.*

*In summary, the granting of the variance to allow for a  $\pm 270$  foot segment of Horizon Parkway to contain grades of 6% to 8% would not be detrimental to the public health, safety, or general welfare, and would not be injurious to other adjoining properties.*

- b. Due to the physical surroundings, shape, or topographical conditions of the property involved, strict compliance with the regulations will impose an undue hardship on the owner. Undue hardship does not include personal or financial hardship, or any hardship that is self-imposed;

*Subdivision Administrator Analysis: In response to this criterion, the Subdivider's engineer states, "The road grade needed to be altered due to a rock shelf discovered during construction, making it not feasible to grade the road to 5% or less."*

*The increased street grade appears to be the result of the topographical conditions of Horizon Parkway and geological conditions. Horizon Parkway exists within a dedicated City street right-of-way, and improvements to the street were limited by its platted and constructed location. The reviewer is concerned that the subdivider apparently instructed the project engineer to not be involved in or oversee the construction of the improvements. This creates a hardship that was self-imposed by the subdivider. However, at this point, the street would need to be entirely reconstructed to meet the maximum grade of 5%, which would be not only financially unfeasible, but also likely unwarranted given the relatively gentle grades of 6 to 8% for a distance of  $\pm 275$  feet. While the hardship could be overcome with reconstruction, indicating a financial hardship, reconstruction of Horizon Parkway to reduce the grade to 5% or less overall would require reconstruction of substantially more than 275 feet of road.*

*Horizon Parkway is at the maximum 5% grade for at least 400 feet west of the start of the 6 – 8% grade segment. The result is that without rebuilding the portions of Horizon Parkway that were paved prior to this project, the reduction in grade to bring Horizon Parkway to 5% grade or less would need to be accomplished by excavating the grade down toward the east until the 5% grade is reached. That would likely require regrading of Horizon Parkway beyond City View Drive (where the Horizon Parkway improvements terminated), and perhaps beyond the publicly-dedicated portion of Horizon Drive. Had the variance been requested during the preliminary plat review, the reviewer likely would have supported it due to the required extent of excavation required to reach 5% grade and the minimal deviation that results from a 6 to 8% grade. With the additional factor of reaching bedrock, and the potential need for hammering and/or blasting to reach grade requirements, the noise from the activities could be contrary to the public welfare and injurious to other adjoining properties.*

*Given these factors, the hardship of strict compliance with the maximum 5% grade standard is due to the physical conditions of the site, primarily topography and geology. The subdivider did not impose the topography or bedrock conditions on the project; rather, bedrock was encountered during construction, which was overcome with the increased grade for a relatively short segment. The hardship of strict compliance with the grade standard is therefore undue, and the variance is appropriate.*

- c. The variance will not cause a substantial increase in public costs; and

*Subdivision Administrator Analysis: The variance, if approved, would not cause a substantial increase in public costs because a grade of up to 8% as opposed to the standard 5% does not measurably impact the costs of maintenance of the street, as stated by the project engineer.*

- d. The variance will not place the subdivision in nonconformance with any adopted zoning regulations.

*Subdivision Administrator Analysis: The street grade standard has no impact on or relationship with the zoning regulations, thus approval of the variance will not place the subdivision in nonconformance with any adopted zoning regulations.*

*Summary and Recommendation on Variance Request: In light of the above analyses and recommended findings on the variance request, the Subdivision Administrator recommends approval of the variance request.*

Condition 18 Amendment:

If the City Council approves of the variance request for maximum street grade, it would be reasonable to amend Condition 18 as follows (underlined language are additions):

- 18. All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards, with the exception of the street grade of Horizon Parkway, which a variance has been granted for, to allow maximum street grades of 6 to 8% for a segment of approximately 275 feet as represented by the roadway as-builts dated 10/8/2025 by Brosz Engineering, Inc. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer.

Alternatives to Grade Variance and Condition 18 Amendment:

Should the variance not be granted and if Condition 18 is not amended, the City Council should provide direction as to what actions should be taken to achieve compliance with the 5% street grade standard, such as:

1. Directing the staff to seek an engineer for the City to contract with to utilize the funds to have Horizon Parkway engineered to comply with City standards, and a contractor to rebuild Horizon Parkway with said funds (Note: It is very possible there would be insufficient funds to contract with an engineer and road builder to bring the street in compliance with the 5% maximum road grade standard); OR,
2. Granting the subdivider an extension to complete the improvements per the engineer's design that complied with the 5% maximum grade standard, subject to keeping the street improvements part of the Fourth Amended SIA, requiring new bids for the completion of the improvements and associated certifications; and providing additional security, if required; this would require additional review by the City Council at a later date.

Acceptance of Horizon Parkway improvements:

The attached Resolution No. 4683 has been drafted to provide City Council acceptance of the Horizon Parkway improvements. For the City Council to accept the improvements at this time, the above variance would need to be granted and the amendment to Condition 18 would need to be approved. Based on the reviewer's and Public Works Director's reviews of the as-built plans, the improvements substantially comply with City standards with the exception of the street grade.

Upon approval of the variance and amendment requests, the reviewer recommends the Council accept the Horizon Parkway improvements as complete, and release the portion of the funds being withheld for those portions of the improvements to the subdivider.

The estimated costs of the Horizon Parkway improvements remaining at the time of approval of the Third Amended SIA was \$284,772.75. That amount multiplied by 150% per the MCSR is \$427,159.125, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Acceptance of Parkhill Drive turnaround improvements: The City Council will also consider whether to accept the paving of the Parkhill Drive turnaround as complete, which would allow for an associated partial release of the funds the City is holding for paving of the turnaround. The attached Resolution No. 4683 has been drafted to provide acceptance of the Parkhill Drive turnaround improvements.

The estimated costs of the Parkhill Drive turnaround improvements remaining at the time of approval of the Third Amended SIA was \$27,650. That amount multiplied by 150% is \$41,475, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Acceptance of 'no parking' sign installation: The City Council will also consider whether to accept the sign installation as complete, which would allow for an associated partial release of the funds the City is holding for the sign and installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the 'no parking' sign installation.

The estimated costs of the ‘no parking’ sign improvement remaining at the time of approval of the Third Amended SIA was \$150. That amount multiplied by 150% is \$225, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Amendment request for electrical utilities not being installed ‘to each lot’: The City Council will also consider an amendment to Condition 23 of the conditional approval to allow the electrical utilities to not be installed ‘to each lot’. This amendment is also subject to acceptance of the proposed Utility Easement. The attached Resolution No. 4682 has been drafted to provide approvals of the amendment.

Acceptance of electrical utilities installation: The City Council will also consider whether to accept the electrical utilities as complete, which would allow for an associated partial release of the funds the City is holding for the installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the ‘no parking’ sign installation.

The estimated costs of the electrical utilities installation remaining at the time of approval of the Third Amended SIA was \$43,637.57. That amount multiplied by 150% is \$65,456.355, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Acceptance of certifications for the completed improvements: The City Council will also consider whether to accept the subdivider’s certifications, as well as the engineering certifications as complete, which would allow for an associated partial release of the funds the City is holding for the engineering certifications. The attached Resolution No. 4683 has been drafted to provide acceptance of the certifications.

The estimated costs of the engineering certifications remaining at the time of approval of the Third Amended SIA was \$35,000. That amount multiplied by 150% is \$52,500; however, because the mailbox facilities remain incomplete and uncertified, the subdivision administrator has inquired with the engineer about the cost of the remaining engineering/certification and that was estimated to be approximately \$5,000, that amount multiplied by 150% is \$7,500; therefore that amount should be withheld in association with the mailbox facilities. Resolution No. 4683 has been drafted to adjust for that amount to be withheld for the mailbox installations and certifications. Please see further discussion below.

Extension request for installation of mailbox facilities: The City Council will also consider whether to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer. The attached Resolution No. 4683 and Fourth Amended SIA have been drafted to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer.

Fourth Amended Subdivision Improvements Agreement: The City Council will also consider whether to approve a Fourth Amended Subdivision Improvements Agreement, which would accept the above improvements as complete, with the exception of the mailbox facilities, provide the subdivider a new deadline of August 31, 2026 to complete and provide certifications of the mailbox facilities, and allow a partial release of funds. The attached Resolution No. 4683 and Fourth Amended SIA have been

drafted to accomplish the above.

The following table outlines the estimated costs of each of the improvements that appear to be completed and certified, with the 150% adjustment for financial security per the MSCR, for calculating the potential partial release of funds and amount to withhold for the mailbox facilities.

<b>Completed Improvement</b>	<b>Estimated Cost, \$</b>	<b>Estimate \$ x 150%</b>	
<b>Horizon Parkway improvements</b>	284,772.75	427,159.125	
<b>Parkhill Drive turnaround</b>	27,650	41,475	
<b>No parking sign</b>	150.00	225.00	
<b>Electrical utilities</b>	43,637.57	65,456.355	
<b>Brosz Engineering final certification</b>	35,000	52,500	
<b>Totals</b>	<b>391,210.32</b>	<b>586,815.48*</b>	*amount to release for acceptance of above improvements*

\*The amount currently being held by the City is \$605,866.00. Based on acceptance of the above improvements, the amount that could be released is \$586,815.48, and the amount to withhold for mailboxes would be \$19,050.52; however, per Rylan Limesand via an email dated 2/23/26, *“The engineering cost for the mailboxes is approximately \$5,000. The total cost for the mail facilities would be \$17,700. Based on the 150% of the estimated costs, the withhold amount would be \$26,550.”*

With the estimated costs of \$8,700 for the mailboxes, \$4,000 for the concrete and installation, and \$5,000 for the engineering/certification, the total cost for the mail facilities would be \$17,700. The reviewer concurs with the engineer that based on the 150% of the estimated costs, the withhold amount would be \$26,550. Therefore, the recommended release amount contemplated by Resolution No. 4683 and the Fourth Amended SIA is \$579,316.

Potential third party review fees:

As mentioned previously, the November 12 email from the subdivision administrator to the subdivider and project engineer explained that in dealing with all of the past extension requests, the drawn-out partial certifications and failure to complete improvements, the SIA enforcement, potential amendments/variances, etc., the City was losing money. By having to pay the contract planner (subdivision administrator) to review every change and deviation from the original agreement, the subdivider could be deemed responsible for the costs of administration of the ever-changing agreements. The subdivision administrator informed the subdivider that the City may begin implementing the following provision from the fee schedule adopted by Resolution No. 4022 by keeping those amounts from the check to cover some of the administration costs:

N. In addition to the fees set forth in Subsections A through L above, there shall be charged the actual fees and expenses charged by consultants, including, but not limited to attorneys, examining land surveyors, planners, engineers, sanitarians, and other specialists involved in such review.

The subdivision administrator advised the subdivider and project engineer that whether that provision for assessing third party review fees and the start date were yet to be determined. Those determinations should be made by Council, as they have not been applied to subdivision reviews over the past 10+ years if ever.

**The attached resolutions do not include the City applying the above provision or withholding funds for third party review.** The Council would likely need to table Resolution No. 4683 and the Fourth Amended SIA to accomplish this, or provide a basis for what will be withheld for third party review.

The subdivision administrator has reviewed past invoicing from Geoplant LLC for contract planning services associated with administration of the City View SIAs since the start of 2023, when Geoplant was assigned the planning services contract and at the approximate time when the subdivider began requesting extensions and other changes to the SIAs:

- 2023: 33.75 hours in 2023 x \$96/hour = \$3,240
- 2024: 20.5 hours x \$96/hour = \$1,968
- 2025: 40.5 hours x \$96/hour = \$3,888, of which 5.5 hours followed the day the subdivider was advised of the potential 3<sup>rd</sup> party review fees on November 12; 5.5 hours \$96 = \$528
- Jan/Feb 2026: 8 hours x \$96/hour = \$768
- March/April 2026 to date, as of April 22, 2026 which has yet to be invoiced, and does not include full completion of the April 28 Council packet: 21.25 hours x \$96/hour = \$2,040

Since November 13, 2025, the costs for planning services for administration of this review are at \$3,336, but not including 4/23 through anything else required to close out the SIA.

These figures also do not contemplate other unrecoverable costs of administration of the SIA, such as City Attorney and Public Works Department involvement, the Clerk's Office time, printing, Council time, publishing legal notices and mailing notices, etc. For example, the cost of the newspaper notice alone for this Council review was \$556.99.

## RESOLUTION NO. 4682

**A RESOLUTION APPROVING AMENDMENTS TO THE CONDITIONS OF APPROVAL FOR THE CITY VIEW SUBDIVISION, GRANTING A VARIANCE TO THE MILES CITY SUBDIVISION REGULATIONS, AND PROVIDING FOR A PUBLIC HEARING ON THE VARIANCE REQUEST.**

***WHEREAS***, the City Council has reviewed requests by the agents for L & L Development LLC for approval of a variance to the Miles City Subdivision Regulations and to the conditions of approval for the City View Subdivision;

***AND WHEREAS***, the City Council held a properly noticed public hearing on the variance request and considered comments on the request;

***AND WHEREAS***, after considering the requests and public comments elicited at the public hearing and meeting on the amendments, the City Council finds that approval of the variance request and amendment requests for said City View Subdivision should be approved.

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

1. The subdivider for the City View Subdivision is hereby granted a variance to Sec. 21-18(a)(8)(h) of the Miles City Subdivision Regulations to allow Horizon Parkway to have up to a 270-foot segment with grades from 6% to 8%, in excess of the maximum street grade of 5% for “Arterial” streets; this approval is based on the findings of fact attached hereto as Exhibit “A” and made a part hereof, which are hereby approved and adopted by this council.
2. The council hereby amends Condition 18 of the preliminary, conditional approval for the City View Subdivision as follows: (additions are underlined; deletions are ~~stricken~~)

All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards, with the exception of the street grade of Horizon Parkway, which a variance has been granted for, to allow maximum street grades of 6 to 8% for a segment of approximately 275 feet as represented by the roadway as-builts dated 10/8/2025 by Brosz Engineering, Inc. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer.

3. The council hereby amends Condition 23 of the preliminary, conditional approval for the City View Subdivision as follows:

Electrical utilities shall be installed ~~to each lot~~ in the subdivision in accordance with Sec. 21-18(a)(13) MCSR, and the proposed Utility Easement document

prepared by Wilhelm Land Surveying dated 12/19/2025 or a substantially similar easement document shall be recorded at the Custer County Clerk & Recorder's Office within 30 days of this approval. Prior to final plat approval (unless secured by SIA), the subdividers shall submit letters from the electrical utility service providers indicating utilities have been installed to their specifications and within appropriate easements as shown on the final plat. Telecommunications services may be provided by extensions of utilities from those existing in the Horizon Parkway right-of-way in accordance with Sec. 21-18(a)(13) MCSR or the occupants may rely upon other services providers, such as satellite service providers.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 28<sup>TH</sup> DAY OF APRIL, 2026.**

---

C.A. Grenz, Mayor

ATTEST:

---

Mary Rowe, City Clerk

**RESOLUTION NO. 4683**

**A RESOLUTION APPROVING A FOURTH AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT FOR CITY VIEW SUBDIVISION, ACCEPTANCE OF CERTAIN SUBDIVISION IMPROVEMENTS, AND A PARTIAL RELEASE OF FUNDS.**

*WHEREAS*, the City of Miles City subdivision administrator and City Council have reviewed requests by L & L Development LLC to extend the Subdivision Improvements Agreement associated with the City View Subdivision, accept portions of the improvements as complete, and release portions of the financial security for improvements that have been completed to date; and

*WHEREAS*, the Subdivider and Subdivider’s engineer have certified completion of portions of the improvements required by the City’s approval of the City View Subdivision; and

*WHEREAS*, the City Council accepts the portions of improvements that are certified by the Subdivider and Subdivider’s engineer as complete, and as such is allowing the financial security to be reduced accordingly; and

*WHEREAS*, the City Council finds that it is in the City’s best interest to grant an extension to allow the Subdivider until August 31, 2026 to complete the remaining improvements; and

*WHEREAS*, the City Council finds that a Fourth Amended Subdivision Improvements Agreement for said City View Subdivision should be approved.

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

1. The City Council hereby accepts as complete the portions of improvements that are certified complete by the Subdivider and Subdivider’s engineer, and as such is allowing the financial security to be reduced accordingly; said improvements accepted as complete include the following:
  - a. Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D;
  - b. Parkhill Drive Extension: Paving of the turnaround;
  - c. Traffic Signs (a “No Parking” sign along the turnaround for Parkhill Drive);
  - d. Electrical utilities, subject to recording of the proposed Utility Easement; and
  - e. Engineering Costs for the above: Design, Inspection, Certified As-Built, and Permitting;and
  
2. Based on the above acceptance of improvements, the City will release to the Subdivider the amount of \$579,316.00 from the funds from the Letter of Credit that the City is now holding in an account for the City View Subdivision improvements; and

3. The following improvements have not been completed or certified: Mail Facilities per the USPS-approved plans installed at two locations, with concrete; and
4. Because the mail facilities are not complete or certified, the City shall continue to hold and maintain in a bank account a financial security of no less than \$26,550.00, which is 150% of the estimated cost of completing the remaining improvements stated above; and
5. The City Council hereby grants an extension to allow the Subdivider until August 31, 2026 to complete the remaining improvements; and
6. A Fourth Amended Subdivision Improvements Agreement for the City View Subdivision, attached hereto and made a part hereof, is hereby approved and adopted by this council; and
7. The Mayor of the City of Miles City is hereby empowered and authorized to execute said Fourth Amended Subdivision Improvements Agreement on behalf of the City of Miles City, and 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 28<sup>TH</sup> DAY OF APRIL, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

*Return after recording to:*  
City of Miles City  
PO Box 910  
17 S 8<sup>th</sup> Street  
Miles City, MT 59301

**FOURTH AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT**

**THIS AGREEMENT**, made and entered into this \_\_\_\_ day of April, 2026 by and between the City Council of the City of Miles City, Montana, Party of the First Part and hereinafter referred to as the City, and L & L Development LLC, a Limited Liability Company, located at 2323 South Haynes Avenue, Miles City, MT 59301, Party of the Second Part and hereinafter referred to as the Subdivider.

**WHEREAS**, the Subdivider is the Subdivider of a platted subdivision known as City View Subdivision, recorded in Envelope 592A, Document No. 179435, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council of the City of Miles City and the Subdivider entered into a Subdivision Improvements Agreement to allow the Subdivider to bond for certain improvements on February 9, 2022; and

**WHEREAS**, the Subdivision Improvements Agreement dated February 9, 2022 gave a period of one year and a deadline of February 9, 2023 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into an Amended Subdivision Improvements Agreement in February 2023, which gave a deadline of December 31, 2023 for the required improvements to be completed; said agreement was recorded as Document No. 181829, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council and Subdivider entered into a Second Amended Subdivision Improvements Agreement in February 2024, which gave a new deadline of November 1, 2024 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into a Third Amended Subdivision Improvements Agreement in January 2025, which gave a new deadline of July 1, 2025 for the required improvements to be completed; said agreement was recorded as Document No. 185458, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the improvements specified in the Third Amended Subdivision Improvements Agreement were secured by an Letter of Credit in the amount of \$605,866.00, and on August 18, 2025, the City informed the Subdivider that the Subdivider had failed to comply with the terms of the Third Amended Subdivision Improvements Agreement and was therefore drafting the entire funds of the Letter of Credit pursuant to the Third Amended Subdivision Improvements Agreement; and

**WHEREAS**, the City has been holding 100% of the funds from the Letter of Credit until such time as the Subdivider complies with the terms of the Third Amended Subdivision Improvements Agreement or the City completes and provides for installation and certifications of the required improvements according to the Third Amended Subdivision Improvements Agreement; and

**WHEREAS**, the Subdivider has since completed and certified some of the improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the Subdivider’s engineer has since certified some of the improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the Subdivider has requested a variance to the Miles City Subdivision Regulations, amendments to the conditions of approval for the City View Subdivision, and a partial release of funds for the improvements and associated certifications of improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the City Council has granted the Subdivider a variance to the Miles City Subdivision Regulations, amendments to the conditions of approval for the City View Subdivision, and accepted the improvements that have been certified by the Subdivider and engineer as complete, and therefore has granted a partial release of funds for of the improvements and associated certifications of improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the required improvements listed in Exhibit A have not been completed and certified at this time; and

**WHEREAS**, the Subdivider has requested additional time, until August 31, 2026, to complete and certify the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to grant additional time to allow the Subdivider until August 31, 2026 to complete the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to authorize the City

staff, Subdivision Administrator, and City Attorney to act without delay and cause the remaining funds from the letter of credit being held by the City of Miles City to be utilized to complete and have certified by an engineer if the improvements are not completed and certified in full compliance with this agreement by the deadline of August 31, 2026; and

**WHEREAS**, the City Council intends for this to be the final extension of the deadline to complete the improvements; and

**WHEREAS**, the City Council requires a financial security of 150% of the estimated cost of the remaining improvements, which is calculated in Exhibit A; and

**WHEREAS**, the estimated cost of construction and final engineering certification of said remaining improvements is the sum of \$17,700.00, and 150% of the estimated cost of the remaining improvements is \$26,550.00, which is the amount of the required financial security at this time.

**NOW THEREFORE**, in consideration of the above along with the material reviewed by the City Council at the April 28, 2026 meeting, the City Council and Subdivider hereby agree as follows:

1. The City shall release to the Subdivider the amount of \$579,316.00 from the funds from the Letter of Credit that the City is now holding in an account for the City View Subdivision improvements.
2. The City shall continue to hold and maintain in a bank account a financial security of no less than \$26,550.00, which is 150% of the estimated cost of completing the remaining improvements listed in Exhibit A.
3. Said required improvements shall be fully completed by August 31, 2026, which is intended to be the final deadline.
4. If the Subdivider fails to complete the specified improvements within the required period, the City staff, Subdivision Administrator, and City Attorney shall act without delay and cause the remaining funds being held by the City of Miles City to be utilized to complete and have certified by an engineer the improvements listed in Exhibit A.
5. Upon completion of the required improvements, the Subdivider shall submit to the City statements certifying that:
  - i. All required improvements are complete.
  - ii. The improvements are in compliance with the minimum standards specified by the City for their construction and that the Subdivider warrants said improvements against any and all defects for a period of one (1) year from the date of acceptance of the completion of those improvements by the City.
  - iii. The Subdivider knows of no defects in those improvements.
  - iv. These improvements are free and clear of any encumbrances or liens.

- v. All applicable fees and surcharges have been paid.
- 6. The Subdivider shall provide for inspection of all required improvements by a registered professional engineer before the Subdivider shall be released from the Subdivision Improvement Agreement.
- 7. The Subdivider shall submit to the Miles City Community Service and Planning Department copies of final plans, profiles, grades and specifications of said improvements, with the certification of the registered professional engineer responsible for their preparation that all required improvements have been installed in conformance with said specifications.
- 8. If the City determines that any improvements are not constructed in compliance with the specifications, it shall furnish the Subdivider with a list of specific deficiencies and may withhold collateral sufficient to ensure such compliance. If the City determines that the Subdivider will not construct any or all of the improvements in accordance with the specifications, or within the required time limits, it may withdraw the collateral in the financial security and employ such funds as may be necessary to construct the improvement or improvements in accordance with the specifications. The unused portions of the collateral shall be returned to the Subdivider.

**IN WITNESS WHEREOF**, the Parties have hereunto set their hands and seals the day and year herein before written.

City of Miles City (Party of the First Part):

Mayor C.A. Grenz	Date
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Attest:

Mary Rowe, City Clerk	Date
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Subdivider (Party of the Second Part), L & L Development LLC, by: Matthew J. Lothspeich and Roger L. Lothspeich:

Matthew J. Lothspeich, Subdivider	Date
-----------------------------------	------

Roger L. Lothspeich, Subdivider	Date
---------------------------------	------



**EXHIBIT A**

**LIST OF INCOMPLETE IMPROVEMENTS FOR CITY VIEW SUBDIVISION**

The following improvements, required by the conditions of approval for City View Subdivision, are not complete as of April 28, 2026:

- Mail Facilities, including Post Office approved cluster boxes in two locations, along with associated concrete and appurtenant improvements, with USPS approval.
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting/Approvals of the above.

USPS compliant cluster mailboxes as approved by USPS = \$8,700.00

Concrete/installation of mailboxes = \$4,000.00

Brosz Engineering Costs = \$5,000.00

Total Estimated Cost of Remaining Improvements/Engineering = \$17,700.00

**Total Cost x 150% = \$26,550.00**

Return after recording to:  
City of Miles City  
PO Box 910  
17 S 8<sup>th</sup> Street  
Miles City, MT 59301

**THIRD AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT**

**THIS AGREEMENT**, made and entered into this 3<sup>rd</sup> day of January, 2025 by and between the City Council of the City of Miles City, Montana, Party of the First Part and hereinafter referred to as the City, and L & L Development LLC, a Limited Liability Company, located at 2323 South Haynes Avenue, Miles City, MT 59301, Party of the Second Part and hereinafter referred to as the Subdivider.

**WHEREAS**, the Subdivider is the Subdivider of a platted subdivision known as City View Subdivision, recorded in Envelope 592A, Document No. 179435, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council of the City of Miles City and the Subdivider entered into a Subdivision Improvements Agreement to allow the Subdivider to bond for certain improvements on February 9, 2022; and

**WHEREAS**, the Subdivision Improvements Agreement dated February 9, 2022 gave a period of one year and a deadline of February 9, 2023 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into an Amended Subdivision Improvements Agreement in February 2023, which gave a deadline of December 31, 2023 for the required improvements to be completed; said agreement was recorded as Document No. 181829, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council and Subdivider entered into a Second Amended Subdivision Improvements Agreement in February 2024, which gave a new deadline of November 1, 2024 for the required improvements to be completed; and

**WHEREAS**, the required improvements listed in Exhibit A have not been completed and certified at this time; and

**WHEREAS**, the Subdivider has requested an extension to allow additional time to complete and certify the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to grant an extension to allow the Subdivider until July 1, 2025 to complete the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to authorize the Subdivision Administrator and City Attorney to act without delay and draft the remaining funds from the letter of credit to the City of Miles City if the improvements are not completed and certified in full compliance with this agreement by the deadline of July 1, 2025; and

**WHEREAS**, the City Council intends for this to be the final extension of the deadline to complete the improvements; and

**WHEREAS**, the City Council requires a financial security of 150% of the estimated cost of the remaining improvements, which is calculated in Exhibit A; and

**WHEREAS**, the estimated cost of construction and final engineering certification of said remaining improvements is the sum of \$403,910.32, and 150% of the estimated cost of the remaining improvements is \$605,865.48, which is the amount of the required financial security at this time.

**NOW THEREFORE**, in consideration of the approval of the final plat of said Subdivision by the City, the Subdivider hereby agrees as follows:

1. The Subdivider shall maintain a financial security of a letter of credit from Stockman Bank of Miles City, Montana in the amount of no less than \$605,865.48. Said financial security shall have an expiration date of not less than sixty (60) days following the date set for completion of the improvements.
2. The financial security shall guarantee funds in the sum of \$605,865.48, 150% of the estimated cost of completing the remaining improvements listed in Exhibit A.
3. Said required improvements shall be fully completed by July 1, 2025, which is intended to be the final deadline.
4. If the Subdivider fails to complete the specified improvements within the required period, the financial security will be payable to the City immediately. Immediately after July 1, 2025, if the improvements are not completed and certified in full compliance with this agreement, the City Council has authorized the Subdivision Administrator and City Attorney to act without delay and draft the remaining funds from the letter of credit to the City of Miles City.
5. Upon completion of the required improvements, the Subdivider shall submit to the City statements certifying that:

- i. All required improvements are complete.
  - ii. The improvements are in compliance with the minimum standards specified by the City for their construction and that the Subdivider warrants said improvements against any and all defects for a period of one (1) year from the date of acceptance of the completion of those improvements by the City.
  - iii. The Subdivider knows of no defects in those improvements.
  - iv. These improvements are free and clear of any encumbrances or liens.
  - v. All applicable fees and surcharges have been paid.
6. The Subdivider shall provide for inspection of all required improvements by a registered professional engineer before the Subdivider shall be released from the Subdivision Improvement Agreement.
7. The Subdivider shall submit to the Miles City Community Service and Planning Department copies of final plans, profiles, grades and specifications of said improvements, with the certification of the registered professional engineer responsible for their preparation that all required improvements have been installed in conformance with said specifications.
8. If the City determines that any improvements are not constructed in compliance with the specifications, it shall furnish the Subdivider with a list of specific deficiencies and may withhold collateral sufficient to ensure such compliance. If the City determines that the Subdivider will not construct any or all of the improvements in accordance with the specifications, or within the required time limits, it may withdraw the collateral in the financial security and employ such funds as may be necessary to construct the improvement or improvements in accordance with the specifications. The unused portions of the collateral shall be returned to the Subdivider.

**IN WITNESS WHEREOF**, the Parties have hereunto set their hands and seals the day and year herein before written.

City of Miles City (Party of the First Part):

Dwayne Andrews  
Mayor Dwayne Andrews

Jan 3, 2025  
Date

Attest:

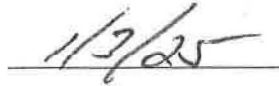
Mary Rowe  
Mary Rowe, City Clerk

1/3/2025  
Date

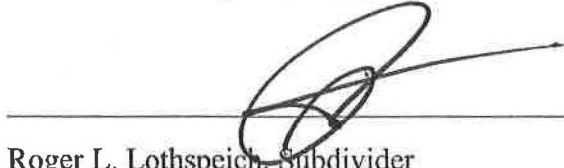
Subdivider (Party of the Second Part), L & L Development LLC, by: Matthew J. Lothspeich and Roger L. Lothspeich:



Matthew J. Lothspeich, Subdivider



Date



Roger L. Lothspeich, Subdivider



Date

STATE OF MONTANA )

) ss

COUNTY OF CUSTER )

On this 3rd day of January, 2025, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Matthew J. Lothspeich and Roger L. Lothspeich, who executed the within instrument and acknowledged to me that they executed the same on behalf of L & L Development LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.



Signature of Notary Public

(NOTARIAL SEAL)

**EXHIBIT A**

**LIST OF INCOMPLETE IMPROVEMENTS FOR CITY VIEW SUBDIVISION**

The following improvements, required by the conditions of approval for City View Subdivision, are not complete as of December 24, 2024:

- Electrical utilities to each lot.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D.
- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs.
- Mail Facilities.
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting.

Remaining Items from Diamond J Construction Bid = \$325,122.75

Brosz Engineering Bid = \$35,000.00

Tongue River Electric = \$43,637.57

City Signage Bid = \$150.00

Total Estimated Cost of Remaining Improvements/Engineering = \$403,910.32

**Total Cost x 150% = \$605,865.48**

*Return after recording to:*  
City of Miles City  
PO Box 910  
17 S 8<sup>th</sup> Street  
Miles City, MT 59301

**Certificate of Completion of Improvements  
L & L Development LLC**

Pursuant to Section 5 of the Third Amended Subdivision Improvements Agreement associated with the City View Subdivision, I, Matthew Lothspeich of L & L Development LLC, the Subdivider, hereby certify that the following improvements, required as conditions of approval of the City View Subdivision, have been installed in conformance with the City of Miles City's requirements:

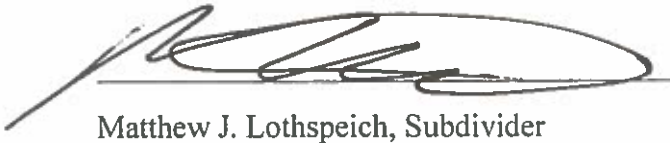
- Electric utilities are not installed on each lot; an amendment request is submitted that would allow access to lots 2B and 2C access with an easement.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D.
- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs.
- Mail Facilities are not installed, proposed completion date August 31<sup>st</sup>, 2026
- Engineering Costs: Design, Inspection, Certified As-Built, and Permitting.

Further, I hereby certify the following:

- The above improvements are in compliance with the minimum standards specified by the City for their construction and L & L Development warrants said improvements against any and all defects for a period of one (1) year from the date of acceptance of the completion of those improvements by the City.
- I know of no defects in those improvements.

- These improvements are free and clear of any encumbrances or liens.
- All applicable fees and surcharges have been paid.

In accordance with Sec. 21-14(b)(7) of the Miles City Subdivision Regulations, the attached copy of the engineering plans, certification, and as-built drawings dated \_\_\_\_\_ by Brosz Engineering, Inc. for the "City View Subdivision \_\_\_\_\_ Project" will be filed along with this certification at the Custer County Clerk and Recorder's Office.

  
 \_\_\_\_\_  
 Matthew J. Lothspeich, Subdivider

2/23/20  
 \_\_\_\_\_  
 Date

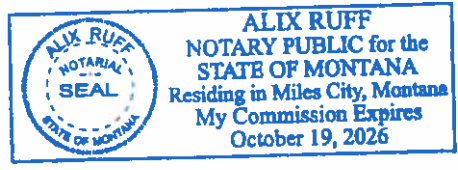
STATE OF MONTANA     )  
                                           ) ss  
 COUNTY OF CUSTER     )

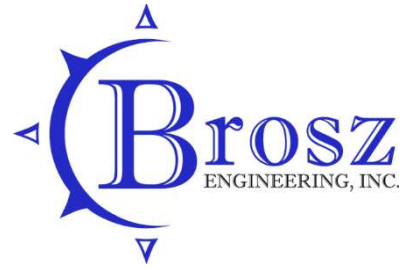
On this 23<sup>rd</sup> day of February, 2020, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Matthew J. Lothspeich, who executed the within instrument and acknowledged to me that he executed the same on behalf of L & L Development LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

  
 \_\_\_\_\_  
 Signature of Notary Public

(NOTARIAL SEAL)





October 8, 2025

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Roadway As-Builts

Dear City Council Members,

You are hereby notified that the above-referenced project has been completed and certified. The City View Subdivision was built according to the plans, specifications, and changes shown in the enclosed as-built plans.

The east end of Horizon Parkway was raised in elevation due to a rock shelf that was discovered during construction. This changed the proposed grade from 5% to grades varying from 6%-8%, Horizon Parkway still satisfies the minimum recommended design standards. In addition to the grade change, the sidewalk was originally planned to be 10-feet from the back of curb but was moved to the back of curb to match the existing sidewalk.

Brosz Engineering was not onsite during the roadway construction. The contractor submitted haul sheets that showed the amount of asphalt, base course, and subbase used during construction. Based on the quantities provided by the contractor it was determined that the roadway was installed to the proposed typical section.

In addition to Horizon Parkway, the turnaround at the end of Parkhill Drive meets the minimum dimensions for a 120-foot Hammerhead as shown in Figure 2 of Chapter 21-Subdivision of the Municipal Code.

If you have any questions regarding this matter, please call (406) 384-7016.

BROSZ ENGINEERING, INC.

A handwritten signature in blue ink, appearing to read 'Rylan Limesand', is positioned above the printed name.

Rylan Limesand, PE  
e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

cc: Geoplant LLC; L&L Developers, LLC

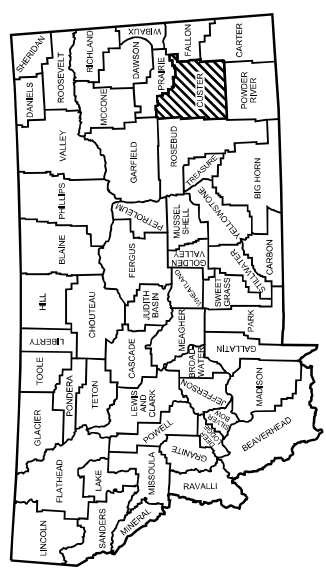
STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	1	1

**CITY VIEW SUBDIVISION  
ROADWAY AS-BUILT  
L & L DEVELOPERS LLC**

M20-B46

MILES CITY, MT  
CITY VIEW SUBDIVISION  
ROADWAY AS-BUILT

**GOVERNING SPECIFICATIONS:**  
MONTANA PUBLIC WORKS STANDARD  
SPECIFICATIONS, SIXTH EDITION, APRIL, 2010.



STATE COUNTY MAP



I hereby certify that the attached plans were prepared by me or under my direct supervision and that I am a duly registered professional engineer under the laws of the state of MT.

APPROVED DATE 10/8/2025

*[Signature]*  
BROSZ ENGINEERING INC.

DESIGNERS  
RYLAN LIMESAND, PE

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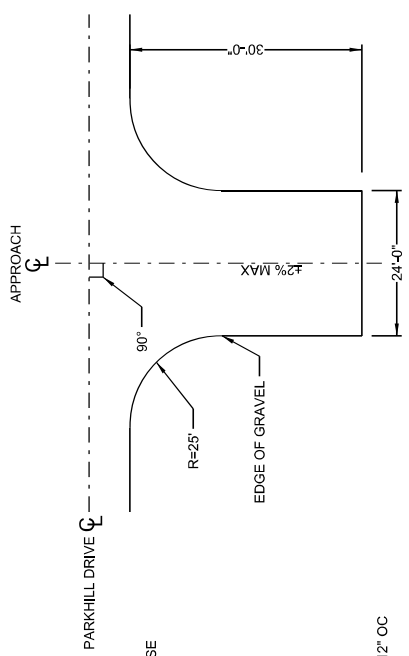


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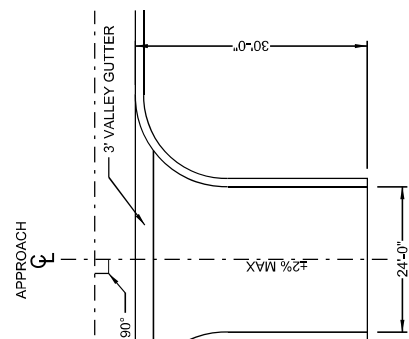
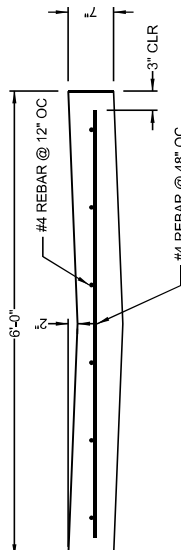
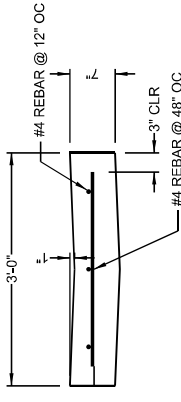
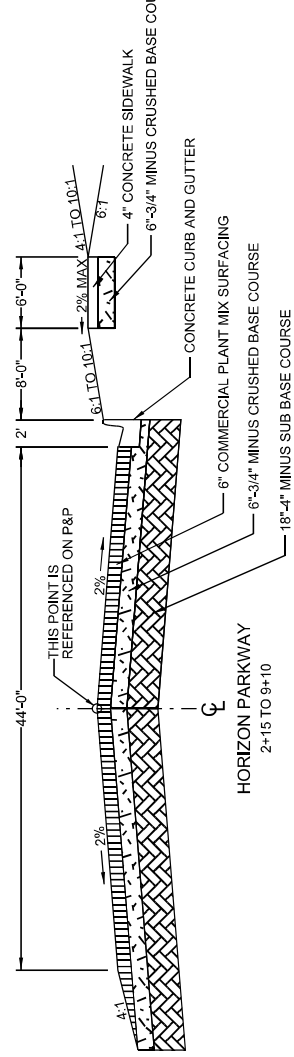


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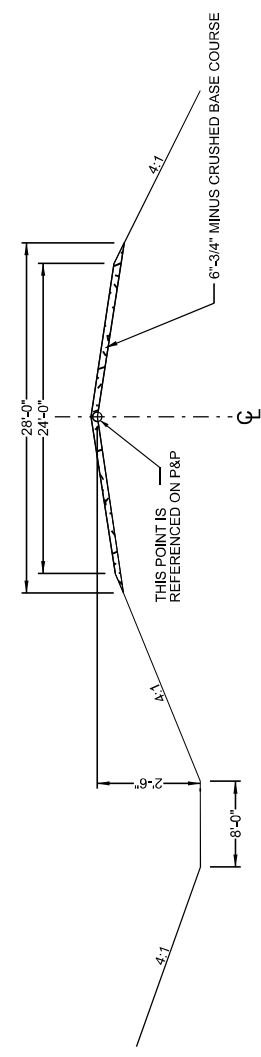
STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	30	1



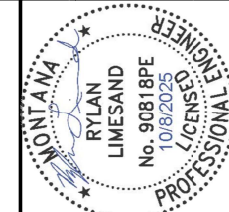
PARKHILL DRIVE  
APPROACH TYPICAL  
LOT 2A - 45 CY  
LOT 2B - 45 CY



PARKHILL DRIVE  
APPROACH TYPICAL  
5+39-LT  
5+39-RT  
8+68-RT



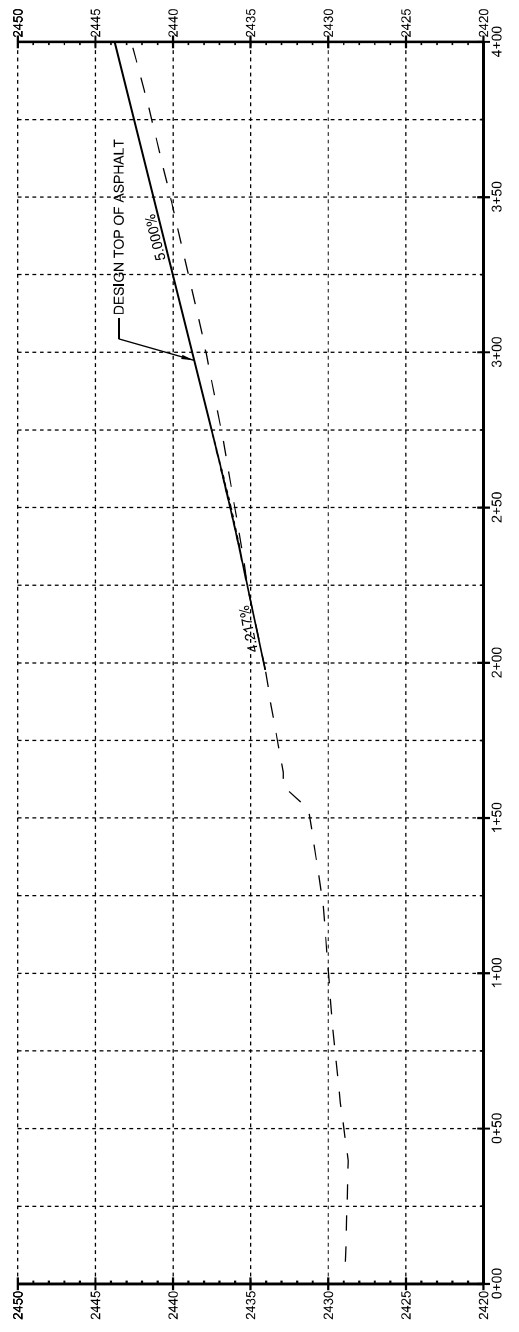
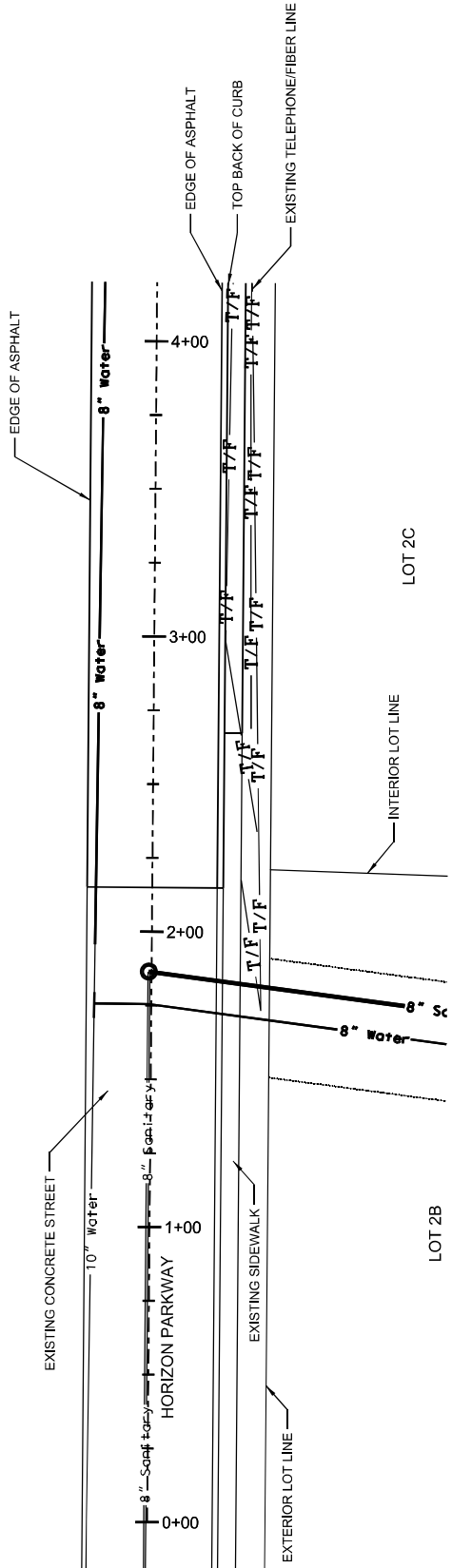
PRIVATE DRIVE  
101+00 TO 110+78



CITY VIEW SUBDIVISION  
ROADWAY AS-BUILTS  
TYPICALS  
SITE GRADING PLANS

NOTE: DRAWINGS NOT TO SCALE

STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	60	1

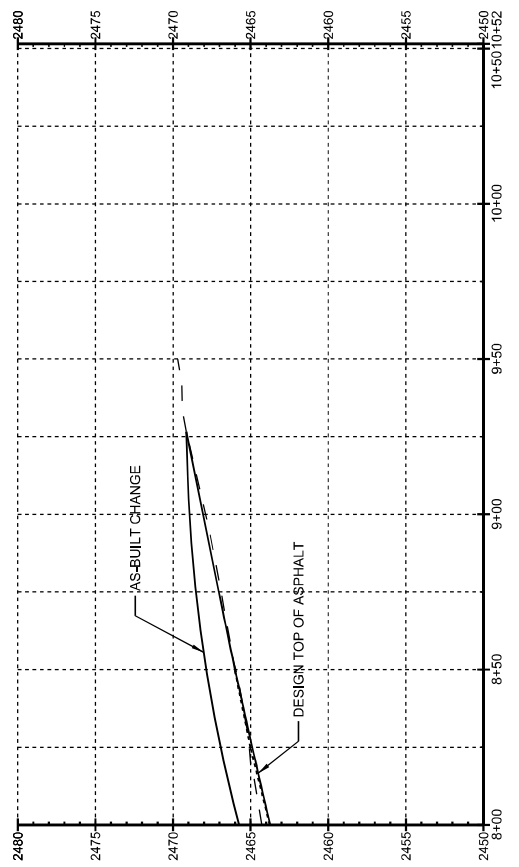
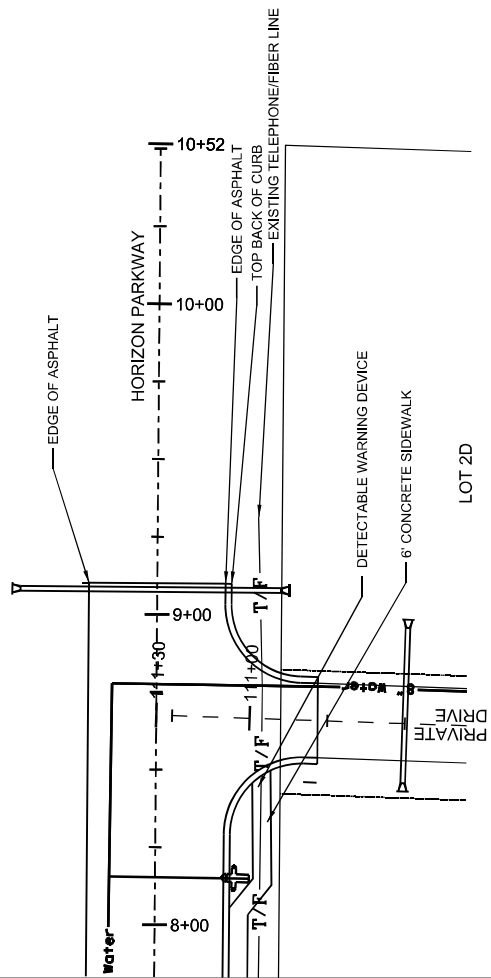


Scale: 1"=40'

CITY VIEW SUBDIVISION  
ROADWAY AS-BUILTS  
PLAN & PROFILE  
HORIZON PARKWAY  
STA 2+15 TO 4+00



STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	60	3



Scale: 1" = 40.00



CITY VIEW SUBDIVISION  
ROADWAY AS-BUILTS  
PLAN & PROFILE  
HORIZON PARKWAY  
STA 8+00 TO 9+10

File No. \_\_\_\_\_  
*(for official use only)*



**PRELIMINARY PLAT SUBDIVISION APPLICATION**  
**VARIANCE REQUEST FORM**

Miles City Community Services & Planning  
17 South 8<sup>th</sup> Street, PO Box 910  
Miles City, MT 59301

Date Received: \_\_\_\_\_  
*(for official use only)*

Section of Regulations creating the hardship: Sec. 21-18(a)(8)(a)

Description of Variance Being Requested: Increase maximum road grade of Horizon Parkway

Please explain how the variance meets the following statements:

1. The variance will not be detrimental to the public health, safety, or general welfare or injurious to other adjoining properties.

The road grade installed does not create any hazards, and still meets AASHTO design requirements.

2. Due to the physical surroundings, shape, or topographical conditions of the property involved, strict compliance with the regulations will impose an undue hardship on the owner. (Undue hardship does not include personal or financial hardship, or any hardship that is self imposed)

The road grade needed to be altered due to a rock shelf discovered during construction, making it not feasible to grade the road to 5% or less.

3. The variance will not cause a substantial increase in public costs, now or in the future.

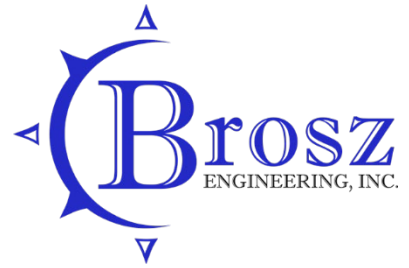
The change in road grade will not increase any maintenance cost for the City.

4. The variance will not place the subdivision in nonconformance with any adopted growth policy, neighborhood plan or zoning regulations.

The change in road grade will not have any adverse effects on growth policy, neighborhood plan or zoning regulations. This change in grade will not have any effect on traffic.

5. The variance is consistent with the surrounding community character of the area.

The change in grade will not effect the character of the area. The road still ties in nicely to the existing streets and fits to the contour of the surrounding property.



January 26, 2026

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Horizon Parkway Amendment Request

Dear City Council Members,

L&L Developers, LLC are requesting an amendment to the SIA for the Horizon Parkway Street Improvements. During construction of the improvements, the contractor discovered a rock shelf on the east end of the project. This resulted in the contractor raising the grade on the east end of the street, increasing the slope of the road greater than the maximum grade of 5% in Sec. 21-18(a)(8)(a) of the subdivision regulations. The street slope increased to between 6% - 8% of approximately 275ft of street on the east end. This change in the street grade was necessary as it wasn't feasible to excavate the rock shelf. The adjusted street grade still meets AASHTO design standards and does not create any hazards. The change in street grade will not increase any maintenance cost for the city. The grade change will also not have any adverse effects on growth policy, neighborhood plan or zoning regulations. This change in grade will not have any effect on traffic.

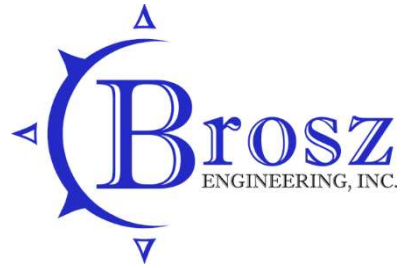
If you have any questions regarding this matter, please call (406) 384-7016.

BROSZ ENGINEERING, INC.

A handwritten signature in blue ink, appearing to read 'Rylan Limesand', is positioned above the typed name.

Rylan Limesand, PE  
e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

cc: Geoplant LLC; L&L Developers, LLC



January 26, 2026

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Horizon Parkway Amendment Request

Dear City Council Members,

L&L Developers, LLC are requesting an amendment to the SIA for the electrical utilities not being installed to each lot in the subdivision. Tongue River Electric Cooperative (TRECO) installed underground electric along the south boarder of Lot 2D, on the property line between Lots 2A and 2D, and on the north side of the private road. The electric line installed along the 2A and 2D lot boundary is approximately 30' south of Lots 2B and 2C property boundary, and do not have an electric line on them. A map of the electric line is enclosed. TRECO has an easement for the electric line that they installed, an additional easement for Lot 2B and Lot 2C was obtained that allows these lots to have access to electric line, see enclosed easement.

If you have any questions regarding this matter, please call (406) 384-7016.

BROSZ ENGINEERING, INC.

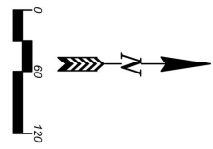
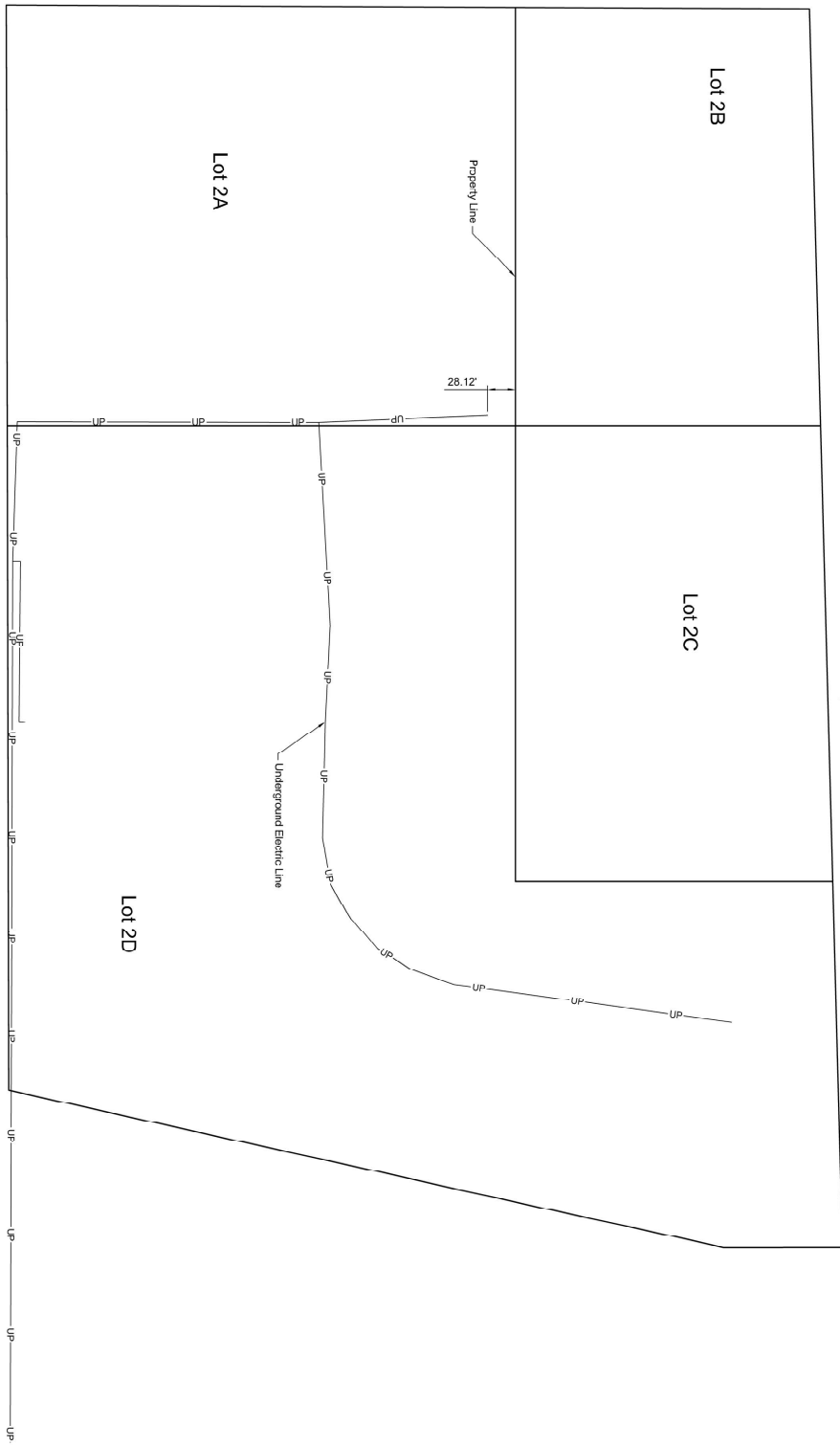
A handwritten signature in blue ink, appearing to read 'Rylan Limesand', is written over a light blue circular stamp.

Rylan Limesand, PE

e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

enclosed: Electric Utility Map, Lots 2B & 2C Utility Easement

cc: Geoplant LLC; L&L Developers, LLC



S:\2025\proj\files\CIV\2509019\CIV View Subdivision ASBUILT Certification\ASBUILT Plans\Production\Elec Utility As BUILT\REC'D As BUILT.dwg



519 Main Street, Suite 206  
Miles City, MT 59301  
(406) 384-7016  
www.broszeng.com

**CITY VIEW SUBDIVISION  
TRECO ELECTRIC UTILITY  
ASBUILTS**

REV	DATE	BY	DESCRIPTION
1			
2			
3			
4			
5			

PROJ.:	2509019
DATE:	7/18/25
DRAWN BY:	RL
CHECKED:	

SHEET  
**E1.0**

THIS INDENTURE, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 202\_\_, by and between L&L DEVELOPMENT LLC and HORIZON CONDOMINIUM, hereinafter referred to as the GRANTOR.

THE GRANTOR, hereby grants unto each and every person, firm, or corporation, whether public or private, providing or offering to provide telephone, telegraph, telecommunications, electric power, gas, cable television, water, or sewer service to the public, the right to the joint use of an easement for the construction, maintenance, repair and removal of their lines and other facilities, in, over, under, and across each area designated on Exhibit A as "Utility Easement", to have and to hold forever.

THIS EASEMENT, being more particularly described as follows:  
Commencing that the property corner common to Lot 2A, Lot 2B, Lot 2C, and Lot 2D, of City View Subdivision, filed in Envelope No. 592A, as Document No. 179435; thence N90°00'00"E, a distance of 20.00 feet, to the POINT OF BEGINNING (P.O.B.); thence N0°00'00"E, a distance of 10.00 feet; thence N90°00'00"W, a distance of 20.00 feet; thence continue N90°00'00"W, a distance of 20.00 feet; thence S0°00'00"E, a distance of 10.00 feet; thence continue S0°00'00"E, a distance of 40.00 feet; thence N90°00'00"E, a distance of 20.00 feet; thence continue N90°00'00"E, a distance of 20.00 feet; thence N0°00'00"E, a distance of 40.00 feet, more or less, to the POINT OF BEGINNING. Containing 2,000 square feet, more or less.

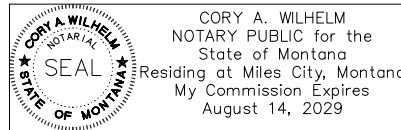
-----  
L&L DEVELOPMENT LLC  
Roger Lothspeich, Managing Member

-----  
L&L DEVELOPMENT LLC  
Matthew Lothspeich, Managing Member  
HORIZON CONDOMINIUM  
Matthew Lothspeich, President

STATE of MONTANA  
COUNTY of CUSTER

This record was acknowledged before me on \_\_\_\_\_, by  
Mathew Lothspeich, Managing Member of L&L Development LLC,  
and President of Horizon Condominium.

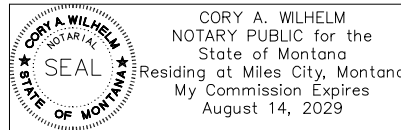
Signature \_\_\_\_\_



STATE of MONTANA  
COUNTY of CUSTER

This record was acknowledged before me on \_\_\_\_\_, by  
Roger Lothspeich, Managing Member of L&L Development LLC.

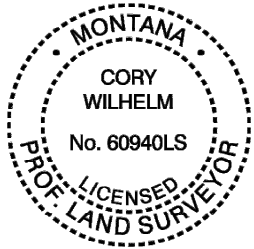
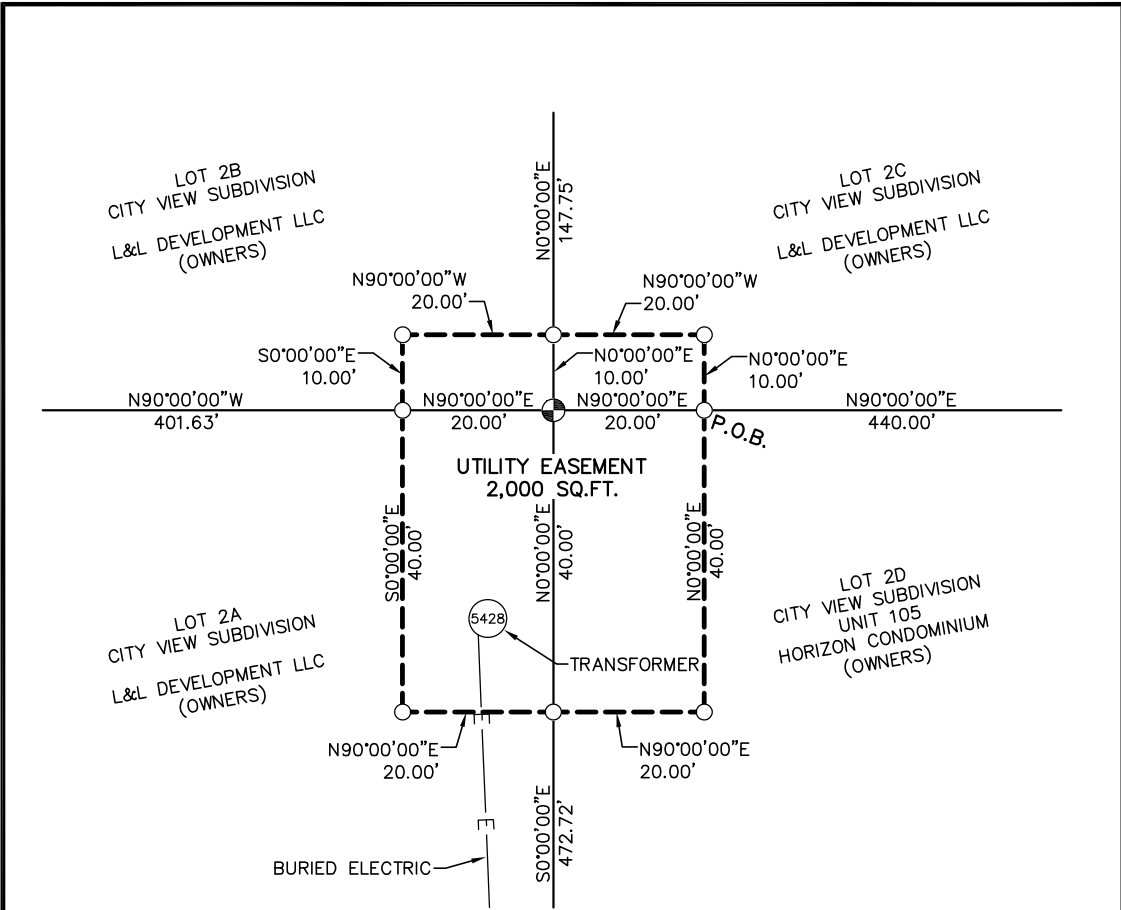
Signature \_\_\_\_\_



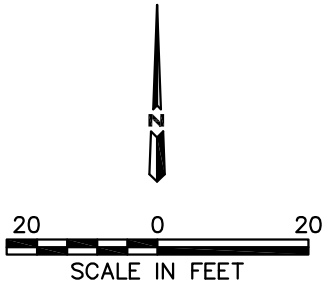
**UTILITY EASEMENT**  
City View Subdivision  
Envelope No. 592A, Document No. 179435  
Sec. 2, T.7N., R.47E., P.M.M., Custer County, MT

PROJECT City View Sub.  
DATE 12/19/2025

**PAGE 1 OF 2**



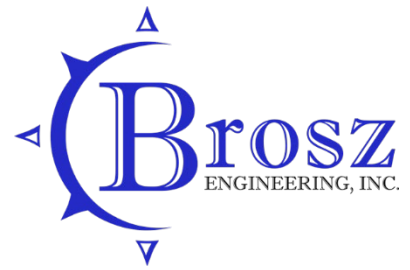
CORY WILHELM, PLS  
 PEL-LS-LIC-60940



**LEGEND**

- PROPERTY CORNER
- EASEMENT ANGLE POINT

	<b>EXHIBIT "A"</b> City View Subdivision Envelope No. 592A, Document No. 179435 Sec. 2, T.7N., R.47E., P.M.M., Custer County, MT	PROJECT City View Sub. DATE 12/19/2025
	PAGE 2 OF 2	



October 8, 2025

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Roadway As-Builts

Dear City Council Members,

The required NO PARKING ANY TIME sign at Parkhill Drive has been installed.



If you have any questions regarding this matter, please call (406) 384-7016.

BROSZ ENGINEERING, INC.

A handwritten signature in blue ink that reads 'Rylan Limesand'.

Rylan Limesand, PE

e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

cc: Geoplant LLC; L&L Developers, LLC

- **Sec. 6-26. - Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Business* means any trade, profession or occupation that occupies the time, attention and labor of a person for the purpose of a livelihood or a profit, whether conducted full-time, part-time, temporary, or from a residence which has received or which requires a home occupation permit. This definition does not include fundraising activities conducted by students in connection with school or extracurricular activities, or “lemonade stand” type sales conducted by children. This definition does not include private landlords, but does include property management companies, and private landlords who maintain office space open to the public. This definition does not include governmental entities, nonprofit organizations not engaged in regular commercial activity, or casual or isolated sales not conducted as a business.

*License* means, a license issued by the city to a qualified person and under which it shall be lawful for the licensee to operate the licensed business within the limitations set forth in this article, as a business or as a vendor, and shall exclude any business where the original issuer of said license is the State of Montana, as set forth in MCA 7-1-111(27).

*Multi-Vendor Retail Establishment* means a business that rents, leases, or licenses space to independent sellers for the purpose of offering goods or services to the public.

*Vendor* means a small retail seller who rents a space or a booth from a Multi-Vendor Retail Establishment, and who does not have control over the larger retail sale location. This definition does not include true consignment arrangements where the business facilitating the consignment controls the sales transaction, and not the owner of the consigned items.

- **Sec. 6-27. - Fees cumulative.**

The license fees provided for in this chapter are exclusive of and in addition to any other license fees chargeable by the city under any other provision of this chapter.

(Code 1981, § 5.02.020)

- **Sec. 6-28. - Interpretation of article.**

The provisions of this article shall not be construed to grant permission to conduct any illegal business, trade or profession; to conduct any business, trade or profession in an unlawful manner; or to grant immunity from regulation to any business, trade or profession. The fact that a business has been issued a license in accordance with this article is not an endorsement of the business by the City of Miles City.

(Code 1981, § 5.02.030)

- **Sec. 6-29. - Payment of fees; refunds.**

All license fees are payable in advance. Nothing in this article shall be construed so as to entitle a licensee to a refund of any portion of the license fee in the event of the discontinuance of the licensed business or the suspension or revocation of the license prior to the expiration of the period for which the fee has been paid.

The business license fee for conducting business under the provisions of this article shall be \$175 per annum for businesses employing less than 50 employees within the City of Miles City, and shall be \$500 per annum for businesses employing 50 or more employees within the City of Miles City. Any Multi-Vendor Retail Establishment shall be required to have a business license, and each vendor operating from within the retail location shall obtain a separate vendor license. The fee for a vendor license shall be \$25 per annum.

- **Sec. 6-30. – Issuance, Term.**

Upon submitting a completed license application, and the payment of the required license fee to the city treasurer, the proposed licensee who has complied with the provisions of this Code relating to the business for which a license is required shall receive from the city clerk a license for such business. All business licenses shall be valid from July 1 through June 30 of each calendar year, and shall be renewed annually. The City shall prorate the fees of any new business or vendor license obtained after January 1 of any given year by 50%.

- **Sec. 6-31. - Contents.**

All city licenses shall contain the following information:

- (1) The name and residential address of the licensee.
- (2) The name and address of the licensed premises.
- (3) The ordinance number of the city ordinance under which the license is issued.
- (4) The date of issuance and expiration of the license.
- (5) The fee paid for the license.
- (6) All other information required by the provisions of this article.

- **Sec. 6-32. - Denial; revocation.**

The city council hereby reserves the right to revoke or refuse issuance of any city license when the council, by resolution or affirmative vote of two-thirds of all the members of the city council, which is approved by the mayor and attested by the city clerk, shall deem it best for the public interest to do so, or whenever the licensee violates any of the provisions of this article or any of the city ordinances which regulate the business so licensed.

- **Sec. 6-33. - Expiration.**

All licenses which are issued pursuant to this article shall expire on June 30 of each year, unless provided otherwise by the provisions of this chapter.

(Code 1981, § 5.02.080)

- **Sec. 6-34. - Renewal.**

Any person holding a license which has been issued pursuant to the provisions of this article may renew such license for the following period by paying the city treasurer, on or before the first day of the period for which the license is to be renewed, the license fee required by this article for the license.

- **Sec. 6-35. - Display.**

It shall be the duty of any person holding a license that has been issued pursuant to this article to post such license in a conspicuous place on the premises for which such license was issued, unless specified otherwise by the provisions of this chapter. Such person shall ensure that the license remains posted until expiration of the license.

- **Sec. 6-36. - Transfer.**

Any licenses issued pursuant to this article shall not be transferable. Every such license is separate and distinct, and no person except the licensee named therein shall exercise any of the privileges granted thereunder. All such licenses are applicable only to the premises for which they are issued, except that a transfer of any such license may be made pursuant to a written application to the city council, unless specified otherwise by the provisions of this chapter.

- **Sec. 6-37. - Inspections.**

The City of Miles City shall conduct inspections of licensed businesses not less than annually. These inspections may include fire, building, or other inspections, as determined by the City.

- **Sec. 6-38. - Penalty for violation of article.**

(a) Any person who violates the provisions of this article shall be deemed guilty of a municipal infraction and shall have imposed a civil penalty of not more than \$300.00 for a first infraction, and not more than \$500.00 for any repeat infraction.

(b) City licenses that are not renewed by September 1 annually shall incur a late fee of twice the license fee required in each provision of this article.

(c) Each day of failure to comply with the provisions of this division may constitute a separate offense.

(c) Each day of failure to comply with the provisions of this division may constitute a separate offense.

- **Secs. 6-39—6-55. - Reserved.**



## RESOLUTION NO. 4682

### A RESOLUTION APPROVING AMENDMENTS TO THE CONDITIONS OF APPROVAL FOR THE CITY VIEW SUBDIVISION, GRANTING A VARIANCE TO THE MILES CITY SUBDIVISION REGULATIONS, AND PROVIDING FOR A PUBLIC HEARING ON THE VARIANCE REQUEST.

*WHEREAS*, the City Council has reviewed requests by the agents for L & L Development LLC for approval of a variance to the Miles City Subdivision Regulations and to the conditions of approval for the City View Subdivision;

*AND WHEREAS*, the City Council held a properly noticed public hearing on the variance request and considered comments on the request;

*AND WHEREAS*, after considering the requests and public comments elicited at the public hearing and meeting on the amendments, the City Council finds that approval of the variance request and amendment requests for said City View Subdivision should be approved.

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

1. The subdivider for the City View Subdivision is hereby granted a variance to Sec. 21-18(a)(8)(h) of the Miles City Subdivision Regulations to allow Horizon Parkway to have up to a 270-foot segment with grades from 6% to 8%, in excess of the maximum street grade of 5% for “Arterial” streets; this approval is based on the findings of fact attached hereto as Exhibit “A” and made a part hereof, which are hereby approved and adopted by this council.
2. The council hereby amends Condition 18 of the preliminary, conditional approval for the City View Subdivision as follows: (additions are underlined; deletions are ~~stricken~~)

All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards, with the exception of the street grade of Horizon Parkway, which a variance has been granted for, to allow maximum street grades of 6 to 8% for a segment of approximately 275 feet as represented by the roadway as-builts dated 10/8/2025 by Brosz Engineering, Inc. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer.

3. The council hereby amends Condition 23 of the preliminary, conditional approval for the City View Subdivision as follows:

Electrical utilities shall be installed to each lot in the subdivision in accordance with Sec. 21-18(a)(13) MCSR, and the proposed Utility Easement document prepared by Wilhelm Land Surveying dated 12/19/2025 or a substantially similar easement document shall be recorded at the Custer County Clerk & Recorder's Office within 30 days of this approval. Prior to final plat approval (unless secured by SIA), the subdividers shall submit letters from the electrical utility service providers indicating utilities have been installed to their specifications and within appropriate easements as shown on the final plat. Telecommunications services may be provided by extensions of utilities from those existing in the Horizon Parkway right-of-way in accordance with Sec. 21-18(a)(13) MCSR or the occupants may rely upon other services providers, such as satellite service providers.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 28<sup>TH</sup> DAY OF APRIL, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk



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# CITY OF MILES CITY

## *PLANNING & COMMUNITY SERVICES*

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17 S. 8<sup>th</sup> Street, PO Box 910  
Miles City, MT 59301-0910

Telephone: 406-234-3493  
Fax: 406-234-6392

**Date:** April 23, 2026

**To:** City Council, Mayor

**From:** Joel Nelson, Contract Planner and Subdivision Administrator

**Re:** City View Subdivision matters for City Council consideration on April 28, 2026

---

Introduction:

This memo is regarding the City View Subdivision agenda items for the April 28, 2026 City Council meeting. On April 28<sup>th</sup>, the City Council will consider multiple items pertaining to the City approvals of the City View Subdivision and associated Subdivision Improvements Agreement, and a public hearing on a variance request further described below.

The City View Subdivision is a subsequent minor subdivision of Lot 2 of Block 5 Amended, Southgate Meadows Subdivision, located in the SW ¼ SE ¼ of Section 2, T7N, R47E, PMM, City of Miles City, Custer County, Montana. The City View Subdivision is located along the south side of Horizon Parkway at the SE corner of its intersection with Park Hill Drive, approximately 0.3 mile east of Montana Highway 59. The City View Subdivision has been platted since February 2022, with an initial Subdivision Improvements Agreement (SIA) to secure the completion of various subdivision improvements that were incomplete at the time of final plat approval and recording of the final subdivision plat. The SIA has since been amended and extended by the subdividers and City Council three times; the Third Amended SIA expired on July 1, 2025, at which time the City enforced the terms of the SIA due to incomplete improvements and lack of certifications, and the City now holds the funds for improvements that have been completed by the subdivider and improvements that remain incomplete.

The City Council will hold a public hearing on a variance request from the Miles City Subdivision Regulations (MCSR), specifically the maximum street grade standard of 5% for “Arterial” streets found in Table 1 of Sec. 21-18(a)(8)(h) MCSR. Horizon Parkway, a City street, was improved by the subdivider, but the conditional approval required the street improvements to be built to applicable city standards, including street grade. The subdivider’s engineer has provided as-built certification of the street improvements showing Horizon Parkway was improved to City standards with the exception of a ±200- to 275-foot segment with grades from 6% to 8%. Therefore, the subdivider, L & L Development LLC, represented by Matthew Lothspeich, has requested a variance to the street grade standard and an amendment to the conditional approval to allow for the increased street grade. The subdivision administrator has determined the amendment is non-material. The City Council will

also consider whether to accept the improvements to Horizon Parkway as complete, which would allow for an associated partial release of the funds the City is holding for completion of the street improvements to Horizon Parkway.

After the public hearing on the above variance request, the City Council will hold a public meeting to accept comments on the subdivider's requested amendment to the preliminary, conditional approval for the subdivision to allow for electrical utilities to not be installed to each lot as required by the approval and effective SIA, a non-material amendment. The extensions of electrical utilities for the subdivision have been completed, but the utilities end approximately 25 feet south of Lots 2B and 2C; therefore, the subdivider has requested an amendment to that requirement of the conditional approval, and is instead proposing to establish a utility easement to allow for future extensions of electrical utilities to Lots 2B and 2C. The amendment would allow for an associated partial release of the funds the City is holding for completion of the electrical utilities to each lot.

The City Council will also consider resolutions to accept completion and certifications of the improvements to Horizon Parkway and the turnaround for Park Hill Drive, installation of a 'no parking' sign along the turnaround for Park Hill Drive, and to approve a partial release of funds for those improvements and certifications as well as a Fourth Amended Subdivision Improvements Agreement to secure remaining improvements and certifications pertaining to installation of USPS-approved mail delivery facilities for the subdivision and provide for a new deadline of August 31, 2026 to do so as requested by the subdivider.

Background:

The preliminary plat of City View Subdivision was reviewed by the City in 2020 and 2021, with conditional, preliminary plat approval granted by the City Council on May 11, 2021. The preliminary approval letter was issued to subdivider L & L Developers, LLC on May 17, 2021. The preliminary approval was subject to 29 conditions of approval.

In late 2021, the final plat application was submitted to the City along with a proposed Subdivision Improvements Agreement (SIA). A typical SIA such as the subject SIA is an agreement between a subdivider and local governing body that defers completion of subdivision improvements to a later date, subject to a form of financial security, which allows a final plat of a subdivision to be recorded before completion of the improvements. This mechanism allows a developer to sell lots before a subdivision is fully built and completed.

On February 8, 2022, the City Council approved the final plat of City View Subdivision, amended Condition 23 to allow telecommunications utilities to not be installed, and approved the initial SIA. The SIA and associated letter of credit secured completion of remaining improvements. The letter of credit was established in the amount of \$1,142,596.98, which was based on 150% of the estimated total cost of construction and engineering certifications being \$761,731.32. The remaining improvements at that time included the following:

- Remaining erosion control, reseeding, and weed treatment.
- Electrical utilities to each lot.
- All water mains and fire hydrants.
- All sewer mains and related facilities.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and
- paving from end of current pavement to and including the approach to Lot 2D.

- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs (a “No Parking” sign was determined to be needed along the turnaround for Parkhill Drive)
- Mail Facilities (the USPS approved plans for installation of cluster mailboxes at two locations).
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting.

The initial SIA gave the subdivider a deadline of February 9, 2023 (one year) to complete and provide certifications for the above improvements.

After final plat approval and the establishment of the initial SIA, the final plat was recorded and L & L Developers LLC conveyed the City View Subdivision lots to L & L Development LLC, with L & L Development LLC assuming the responsibilities of the subdivider to complete the subdivision improvements in accordance with the SIA.

On February 14, 2023, the City Council accepted the completed water and sewer infrastructure into the City’s municipal water and sewer systems (Resolution No. 4496). The Council also approved an Amended SIA (Resolution No. 4497), which included acceptance of the completion of erosion control, reseeding, and weed treatment, the water mains and fire hydrants, and sewer mains and related facilities, which had all been certified complete, and therefore allowed for a partial release of funds. The Amended SIA provided for a reduction in the financial security through an amended letter of credit with a new amount of \$605,865.48, which was based on 150% of the estimated cost of \$403,910.32 for the remaining improvements. The approval and Amended SIA also granted the subdivider an extension to complete the remaining improvements, giving a new deadline of December 31, 2023 for the subdivider to complete the improvements and submit the required certifications. The remaining improvements at that time included the following:

- Electrical utilities to each lot.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D.
- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs (a “No Parking” sign was determined to be needed along the turnaround for Parkhill Drive)
- Mail Facilities (the USPS approved plans for installation of cluster mailboxes at two locations).
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting.

On January 9, 2024, with Resolution No. 4547, the City Council approved the subdivider’s request for an extension to allow until November 1, 2024 to complete the remaining improvements, and a Second Amended SIA. The letter of credit was extended again by Stockman Bank to reflect the new deadline; the minimum financial security remained at \$605,865.48.

On December 30, 2024, with Resolution No. 4594, the City Council approved the subdivider’s request for an additional extension to allow until July 1, 2025 to complete the remaining improvements, and a Third Amended SIA. The letter of credit was extended again by Stockman Bank to reflect the new deadline; the minimum financial security remained at \$605,865.48. The Third Amended SIA was intended to be the final extension, and explicitly authorized the Subdivision Administrator and City Attorney to act without delay and draft the remaining funds from the letter of credit if the

improvements were not completed and certified in full compliance with this agreement by the deadline of July 1, 2025.

Leading up to and after the July 1, 2025 deadline, the subdivision administrator and City Attorney were continually in correspondence with the subdivider Matthew Lothspeich and Mitch Grove at Stockman Bank about the deadline and the remaining improvements and certifications that were required. Some improvements appeared complete, but no certifications were submitted before the deadline. The letter of credit was set to expire on September 5, 2025. Accordingly, on August 18, 2025, the subdivision administrator, City Attorney, and Mayor directed a letter to the subdivider and Stockman Bank enforcing the SIA and withdrawing the full amount of the letter of credit funds, being \$605,866 (the required minimum financial security of \$605,865.48, rounded up). On August 19, 2025, Stockman Bank issued a check to the City of Miles City in the amount of \$605,866.00.

The City Clerk's Office and Treasurer then held the check without cashing or depositing it while the subdivision administrator, Public Works Director, and City Attorney worked through the matter with the subdivider and the project engineers at Brosz Engineering.

As all of the above played out, the Public Works Director conducted site visits to monitor the status of the improvements. It had become apparent at the time of the deadline that the Horizon Parkway improvements were likely complete (but not certified, and built to unknown construction standards) and the electrical utilities had been installed per TRECO (but not certified, and not known to be extended 'to each lot' as required), but the other improvements were not done, including the paving of the Parkhill Drive turnaround, mailbox installations, and installation of the 'No Parking' sign. It was also determined that the project engineers had not been involved in the Horizon Parkway improvements and had not been present during construction, all at the direction of the subdivider. This appeared to be why no certifications were submitted.

The subdivision administrator continued to correspond with the subdivider and the project engineers about the required certifications and remaining improvements. At some point, the Parkhill Drive turnaround was paved (with asphalt millings like the rest of the road's surface, which was allowed) and the 'no parking' sign installed.

In October 2025, Brosz Engineering provided 'as-builts' for the Horizon Parkway improvements, indicating the project had been complete and certified, with as-built plans. The submittal also provided confirmation that the Parkhill Drive turnaround was completed and met the required dimensions (the engineer was not required to certify the construction standards of the turnaround, but it was required to be certified complete).

The October submittal of road certifications explained that Brosz Engineering was not onsite during the roadway construction, but the contractor submitted haul sheets that showed the amount of asphalt, base course, and subbase used during construction. Based on the quantities provided by the contractor it was determined (by Brosz) that the roadway was installed to the proposed typical section. The submittal also described how the east end of Horizon Parkway was raised in elevation due to a rock shelf that was discovered during construction which changed the proposed grade from 5% to grades varying from 6% - 8%.

Other partial certifications and other materials were submitted to the subdivision administrator by Brosz Engineering on October 28, 2025. An inquiry regarding use of PO boxes instead of the onsite

mail delivery facilities approved by the Postmaster and required by the subdivision regulations, subdivision approvals, and SIA approvals was also submitted.

As the November 17 deadline approached for the City to deposit the check before the check became voided after 90 days, and in response to the partial certifications and mailbox inquiry, the subdivision administrator emailed the subdivider and engineer with a comprehensive response on November 12, 2025, outlining what needed to be addressed and accomplished, and potential amendments and variances that may be needed based on the ongoing correspondences. The email informed them the check would be deposited and the funds held in a specific account for the City to utilize to complete the remaining improvements and certifications, if necessary.

The November 12 email to the subdivider and project engineer also explained that in dealing with all of the past extension requests, the drawn-out partial certifications and failure to complete improvements, the SIA enforcement, potential amendments/variances, etc., the City was losing money every step of the way. The email informed them that the City may begin implementing the following provision from the attached fee schedule by keeping those amounts from the check to cover some of the administration costs:

N. In addition to the fees set forth in Subsections A through L above, there shall be charged the actual fees and expenses charged by consultants, including, but not limited to attorneys, examining land surveyors, planners, engineers, sanitarians, and other specialists and professionals involved in such review.

The subdivision administrator advised the subdivider and project engineer that whether that provision for assessing third party review fees and the start date were yet to be determined. The potential third party review fees will be further discussed later in this memo.

Also on November 12, the check from the letter of credit was deposited by City administration, and remains in an account, which provides for completion of the remaining improvements and certifications by the City, unless the subdivider is able to follow through on his responsibilities per the effective SIA.

Then on November 21, 2025, Brosz Engineering submitted certification of the sign installation, along with two variance requests pertaining to the Miles City Subdivision Regulations' design and improvement standards – for the grade of Horizon Parkway and to allow the development to use post office boxes instead of onsite mail delivery facilities as required by the subdivision regulations. The email also advised the subdivision administrator that they were drafting an easement for the electrical utilities for Lots 2B and 2C, which had been determined to be installed ±28 feet short of the lots. The draft easement document was later submitted and then revised on December 19, 2025, and is included in the attached material.

The subdivision administrator then reviewed the above submittals, and responded with a letter dated December 19, 2025. The letter outlined the additional information that would be necessary for City Council review of amendments, variances, and partial release(s) of funds for completed/certified improvements. As had been discussed previously by the subdivision administrator, the letter requested the engineer provide additional information regarding certifying Horizon Parkway without the engineer observing the construction and whether this is a standard engineering practice.

Then on January 26, 2026, Brosz Engineering submitted amendment requests pertaining to the conditions of preliminary plat approval. These included (1) a request pertaining to the condition requiring the improvements to be completed and certified to City standards, specifically the grade of Horizon Parkway, which they had already submitted a variance request for, and (2) a request to amend the condition requiring the electrical utilities to be installed ‘to each lot’, accompanied by a draft easement dated 12/19/2025 (previously reviewed and commented on by the subdivision administrator, with the comments addressed in the new draft). The submittal also included a withdrawal of the previously-submitted variance request for the mail facilities, stating L & L Developers “instead would like the City to take the cost for installing the mail facilities from the bond”. Finally, the submittal also included a revised certificate of completion of improvements signed by L & L Developers (later replaced).

On January 26, 2026, the subdivision administrator again pointed out to Brosz Engineering that the submittal still did not address the questions regarding Brosz not being present through construction of the Horizon Parkway improvements but still providing engineer certification. Brosz Engineering responded on January 27, 2026 with an explanation of the calculations of materials hauled to the site during construction of both Horizon Parkway and the private City View Drive that accesses the condominium development on Lot 2D (not a required subdivision improvement and not involved with the SIA). The engineer and subdivision administrator later met to discuss the information and to resolve what appeared to the subdivision administrator to be discrepancies, but the apparent discrepancies were substantially resolved.

Brosz Engineering has never comprehensively addressed whether certifying Horizon Parkway without the engineer observing the construction is a standard engineering practice. The engineer has verbally indicated that it is not standard practice, which the subdivision administrator understands to be the case. The engineer has chosen not to further explain that, and has not proposed to take boring samples to determine the construction specifications for Horizon Parkway. The subdivision administrator has told the project engineer that the acceptance of the engineer certification will be subject to approval by the City Council, and advised him that the question may continue to be raised at the Council level.

The subdivision administrator then began working through the matter of the subdivider wanting to leave the mailbox facilities installations to the City by providing for the City withholding sufficient funds to do so. This would have involved purchasing CBU mailboxes and contracting with an engineer and a construction contractor as well as administering the project. This process would slow the process for City Council review of the potential release of funds for the other improvements. After additional meetings and discussions, on February 16, 2026, the engineer informed the subdivision administrator that L&L Developers, LLC intends to install the mailboxes, and the anticipated completion date for the installation is August 31, 2026.

It was then determined through internal discussions that the request for a Fourth Amended SIA to allow a partial release of funds for the completed and certified improvements, and to give a new deadline for the mailbox installations would be carried forward to City Council for consideration. The subdivision then continued reviewing the material submitted for the requests, and scheduling and noticing a Council meeting.

Attachments:

Attached, please find the following:

1. Draft Resolution No. 4682, a Resolution approving amendments to the conditions of approval for the City View Subdivision, granting a variance to the Miles City Subdivision Regulations, and providing for a public hearing on the variance request;
2. Draft Resolution No. 4683, a Resolution approving a Fourth Amended Subdivision Improvements Agreement for City View Subdivision, acceptance of certain subdivision improvements, and a partial release of funds;
3. Draft Fourth Amended Subdivision Improvements Agreement;
4. Third Amended Subdivision Improvements Agreement;
5. Certificate of Completion of Improvements dated 2/23/26, signed by Matthew J. Lothspeich, Subdivider;
6. City View Subdivision Roadway As-Builts dated October 8, 2025 by Brosz Engineering, Inc.
7. January 27, 2026 email from Rylan Limesand, PE with Brosz Engineering, explaining the rationale of how the engineering certifications of road improvements were based on materials hauled to the subdivision and a paving bill, along with the paving bill and information from Diamond J Companies;
8. Variance request for the grade of Horizon Parkway;
9. Amendment request for the grade of Horizon Parkway;
10. Amendment request for the electrical utilities not being installed to each lot, along with proposed utility easement; and
11. Signed statement from Rylan Limesand, PE with Brosz Engineering, that the NO PARKING ANY TIME sign at Parkhill Drive has been installed.

Summary of Requests to be Acted on by City Council:

The following is a list of requests to be acted on by City Council and what should be accomplished at the April 28 meeting:

1. Variance request and public hearing: The City Council will hold a public hearing on the variance request to allow Horizon Parkway to have a ±200- to 270-foot segment with grades from 6% to 8%. The attached Resolution No. 4682 has been drafted to provide an approval of the requested variance.
2. Amendment request for Horizon Parkway not being improved to City standards: The City Council will consider an amendment to Condition 18 of the conditional approval to allow for the increased street grade; this amendment is contingent upon the granting of the above variance. The subdivision administrator has determined the amendment is non-material; however, per Sec. 21-14(b)(8)(a)(3), MCSR, if the governing body (City Council) determines the changes are material at the public meeting or before the changes are approved, it may direct the subdivision administrator to require the changes to be reviewed starting at any point contemplated by subsection (8)a. (this contemplates the ability to start at any point as far back as the very beginning of the subdivision process with a pre-application meeting.) The attached Resolution No. 4682 has been drafted to provide approvals of the amendments.
3. Acceptance of Horizon Parkway improvements: The City Council will also consider whether to accept the improvements to Horizon Parkway as complete, which would allow for an associated partial release of the funds the City is holding for completion of the street improvements to Horizon Parkway. The attached Resolution No. 4683 has been drafted to provide acceptance of the Horizon Parkway improvements.
4. Acceptance of Parkhill Drive turnaround improvements: The City Council will also consider

whether to accept the paving of the Parkhill Drive turnaround as complete, which would allow for an associated partial release of the funds the City is holding for paving of the turnaround. The attached Resolution No. 4683 has been drafted to provide acceptance of the Parkhill Drive turnaround improvements.

5. Acceptance of ‘no parking’ sign installation: The City Council will also consider whether to accept the sign installation as complete, which would allow for an associated partial release of the funds the City is holding for the sign and installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the ‘no parking’ sign installation.
6. Amendment request for electrical utilities not being installed ‘to each lot’: The City Council will also consider an amendment to Condition 23 of the conditional approval to allow the electrical utilities to not be installed ‘to each lot’. This amendment is also subject to acceptance of the proposed Utility Easement. The attached Resolution No. 4682 has been drafted to provide approvals of the amendment.
7. Acceptance of electrical utilities installation: The City Council will also consider whether to accept the electrical utilities as complete, which would allow for an associated partial release of the funds the City is holding for the installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the ‘no parking’ sign installation.
8. Acceptance of certifications for the completed improvements: The City Council will also consider whether to accept the subdivider’s certifications, as well as the engineering certifications as complete, which would allow for an associated partial release of the funds the City is holding for the engineering certifications. The attached Resolution No. 4683 has been drafted to provide acceptance of the certifications.
9. Extension request for installation of mailbox facilities: The City Council will also consider whether to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer. The attached Resolution No. 4683 and Fourth Amended SIA have been drafted to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer.
10. Fourth Amended Subdivision Improvements Agreement: The City Council will also consider whether to approve a Fourth Amended Subdivision Improvements Agreement, which would accept the above improvements as complete, with the exception of the mailbox facilities, provide the subdivider a new deadline of August 31, 2026 to complete and provide certifications of the mailbox facilities, and allow a partial release of funds. The attached Resolution No. 4683 and Fourth Amended SIA have been drafted to accomplish the above.

The actions above could be accomplished by City Council reviews and approvals of Resolution No. 4682 and Resolution No. 4683

Public comments on the variance request should be accepted during the public hearing. Public comments on other items should also be provided for prior to actions being taken by City Council.

Each of the above items under consideration are discussed further in the following sections.

Variance Request and Amendment Request for Street Grade of Horizon Parkway:

Table 1 of Sec. 21-18(a)(8)(h) of the Miles City Subdivision Regulations (MCSR) outlines the Street Design Standards for streets in Miles City. For Arterial streets, which Horizon Parkway was determined to be during preliminary plat review in 2020/2021, the maximum street grade is 5%. The engineered improvement plans submitted for the preliminary plat application that the City approval

was based upon indicated Horizon Parkway would be improved to City standards with a maximum street grade of 5%. During administration of the Third Amended SIA, when final certifications were submitted for the improvements to Horizon Parkway, the reviewer noted the as-built plans showed a segment of 200+ feet of Horizon Parkway with a grade of 6% to 8%, and the engineer's letter stated, *"The east end of Horizon Parkway was raised in elevation due to a rock shelf that was discovered during construction. This changed the proposed grade from 5% to grades varying from 6%-8%..."*. For this reason, the Subdivider's engineer submitted a variance request using the City's Variance Request Form.

If the requested variance for street grade is approved by the City Council, an amendment to Condition 18 of the preliminary plat approval could also be approved by Council to allow for the modified standard. Condition 18 is as follows:

*"18. All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer. [Planning Board Report III.A & B; Sec. 21-18(a)(5), Sec. 21-18(a)(8), Sec. 21-18(a)(9) – (12), MCSR; and 76-3-608(3)(a), MCA, impacts on public health and safety]"*

The written amendment request dated January 26, 2026 adds that it wasn't feasible to excavate the rock shelf. The request clarifies that the increased grade is a segment of approximately 275 feet.

If Condition 18 is amended to allow the noncompliant street grade, the City Council could in turn accept the improvements to Horizon Parkway as complete, which would allow for an associated partial release of the funds the City is holding for completion of the street improvements to Horizon Parkway.

The segment of Horizon Parkway with excessive grades is between Lot 2C's and Lot 2D's approaches to Horizon Parkway. This is east of Ponderosa Drive, which serves Southgate Meadows to the north. The segment serves primarily the condominium development on Lot 2D and minimally developed properties to the east.

The need for the street grade variance stems in part from the lack of engineer oversight during construction. While the subdivision approval and SIAs explicitly required the improvements to Horizon Parkway be certified by the subdividers' engineer, the City learned late during administration of the SIAs that Brosz Engineering was not onsite during the roadway construction. Had the engineers been present during construction or otherwise involved, the "rock shelf" that was encountered during construction and the resulting need for modified grade would have likely come to light much earlier; by the time the City staff and subdivision administrator became aware of the situation was well after the Horizon Parkway improvements were completed. At this time, there's little that can be economically and practically done to physically correct the street grade.

The reviewer has investigated the soil types in this location to provide verification that bedrock could be encountered during excavations. Using the online [Web Soil Survey](#) of USDA's Natural Resources Conservation Service (NRCS), the reviewer found that the predominant soil type in this location of Horizon Parkway is Map Unit 386F, "Cabbart-Rock outcrop-Delpoint complex, 15 to 50 percent slopes---Custer County Area, Montana". Per the USDA map unit description, these soils types include shallow paralithic bedrock at depths ranging from 10 to 60 inches. This information supports the

statement that a rock shelf was encountered during construction. The reviewer notes that USDA soils information describes paralithic bedrock as a partially weathered, consolidated material that is soft enough to be dug with hand tools but still retains rock structure and cannot be considered soil, as opposed to lithic bedrock that is hard, unweathered rock that generally requires blasting or hammering. The reviewer cannot speculate as to the level of effort or methods that could have been applied to overcome the rock shelf; but the existence of the rock shelf appears to be the basis of the variance request for grade.

The requested variance must be reviewed according to Sec. 21-22(a) MCSR, “Variances”. Procedurally, the section requires the subdivider to include with the submission of the preliminary plat<sup>1</sup> a written statement describing and justifying the requested variance. The subdivision administrator and/or planning board<sup>2</sup>, as applicable, will consider the requested variance and recommend its approval or denial to the governing body. The governing body may grant the variance(s) if it meets the specific variance criteria, as discussed below. In granting variances, the governing body may impose reasonable conditions to secure the objectives of these regulations, and when a variance is granted, the motion to approve the proposed subdivision must contain a statement describing the variance and the facts and conditions upon which the issuance of the variance is based.

Sec. 21-22(a)(1), MCSR, “Variances authorized”: The governing body may grant variances from section 21-18, design and improvement standards, of these regulations when, due to the characteristics of land proposed for subdivision, strict compliance with these standards would result in undue hardship and would not be essential to the public welfare. A variance will not be granted if it would have the effect of nullifying the intent and purpose of these regulations. The governing body will not approve a variance unless it finds that (note: all four criteria must be met):

- a. The granting of the variance will not be detrimental to the public health, safety, or general welfare or injurious to other adjoining properties;
- b. Due to the physical surroundings, shape, or topographical conditions of the property involved, strict compliance with the regulations will impose an undue hardship on the owner. Undue hardship does not include personal or financial hardship, or any hardship that is self-imposed;
- c. The variance will not cause a substantial increase in public costs; and
- d. The variance will not place the subdivision in nonconformance with any adopted zoning regulations.

The variance review criteria are listed and underlined below, followed by *the Subdivision Administrator’s analysis and recommended findings in italics*.

- a. The granting of the variance will not be detrimental to the public health, safety, or general welfare or injurious to other adjoining properties;

<sup>1</sup> Variance requests are typically submitted with preliminary plat applications, and although the subdivision regulations indicate the subdivider must include the written variance request with the submission of the preliminary plat application, it is not unusual for a variance request to be submitted later in the process, such as with a situation like this.

<sup>2</sup> The subdivision administrator found the variance request and required amendment to Condition 18 to be a non-material amendment and found that Planning Board review would be an unnecessary burden for both the subdivider and City. The street grade is a matter of acceptance by the City Council upon a public hearing, consideration of public comments, and adoption of findings of fact in support of the variance decision.

*Subdivision Administrator Analysis: In response to this criterion, the Subdivider's engineer states, "The road grade installed does not create any hazards, and still meets AASHTO design requirements." The submittal does not provide supporting material or specific citations of AASHTO standards, but based on the reviewer's research, it appears the typical maximum grade for arterials based on AASHTO-derived sources is  $\pm 5$  to 8%, and up to 10% for collectors. The 5% maximum grade standard has been in place in the MCSR since at least 2008. The reviewer was the primary drafter of the 2014 updates, which was the year of the last revisions to the street design standards. The reviewer recalls that during the update process, the reviewer considered recommending updates to the various grade standards due to the restrictive standards that existed at the time, but given the relatively flat topography of the vast majority of the City, it did not appear necessary to revise the grade standards. Road/street grade standards are often more flexible in western Montana and other locations where topography is more challenging to provide for grades as low as 5%.*

*The reviewer concurs that AASHTO standards could provide for the 6 to 8% grades for a small  $\pm 275'$  segment of Horizon Parkway. Further, given the relatively short segment of increased grade, as well as typical low vehicle traffic speeds in this location, the grade is unlikely to create hazards. Public health will not be impacted by a street grade. Public safety is unlikely to be impacted as indicated by the Subdivider's engineer. The general welfare of the public is unlikely to be impacted by a relatively short segment of street with 8% or less grade. There is no evidence that the street grade would be injurious to other adjoining properties, and the reviewer cannot imagine what aspect of the slightly increased street grade could be injurious to other properties.*

*In summary, the granting of the variance to allow for a  $\pm 270$  foot segment of Horizon Parkway to contain grades of 6% to 8% would not be detrimental to the public health, safety, or general welfare, and would not be injurious to other adjoining properties.*

- b. Due to the physical surroundings, shape, or topographical conditions of the property involved, strict compliance with the regulations will impose an undue hardship on the owner. Undue hardship does not include personal or financial hardship, or any hardship that is self-imposed;

*Subdivision Administrator Analysis: In response to this criterion, the Subdivider's engineer states, "The road grade needed to be altered due to a rock shelf discovered during construction, making it not feasible to grade the road to 5% or less."*

*The increased street grade appears to be the result of the topographical conditions of Horizon Parkway and geological conditions. Horizon Parkway exists within a dedicated City street right-of-way, and improvements to the street were limited by its platted and constructed location. The reviewer is concerned that the subdivider apparently instructed the project engineer to not be involved in or oversee the construction of the improvements. This creates a hardship that was self-imposed by the subdivider. However, at this point, the street would need to be entirely reconstructed to meet the maximum grade of 5%, which would be not only financially unfeasible, but also likely unwarranted given the relatively gentle grades of 6 to 8% for a distance of  $\pm 275$  feet. While the hardship could be overcome with reconstruction, indicating a financial hardship, reconstruction of Horizon Parkway to reduce the grade to 5% or less overall would require reconstruction of substantially more than 275 feet of road.*

*Horizon Parkway is at the maximum 5% grade for at least 400 feet west of the start of the 6 – 8% grade segment. The result is that without rebuilding the portions of Horizon Parkway that were paved prior to this project, the reduction in grade to bring Horizon Parkway to 5% grade or less would need to be accomplished by excavating the grade down toward the east until the 5% grade is reached. That would likely require regrading of Horizon Parkway beyond City View Drive (where the Horizon Parkway improvements terminated), and perhaps beyond the publicly-dedicated portion of Horizon Drive. Had the variance been requested during the preliminary plat review, the reviewer likely would have supported it due to the required extent of excavation required to reach 5% grade and the minimal deviation that results from a 6 to 8% grade. With the additional factor of reaching bedrock, and the potential need for hammering and/or blasting to reach grade requirements, the noise from the activities could be contrary to the public welfare and injurious to other adjoining properties.*

*Given these factors, the hardship of strict compliance with the maximum 5% grade standard is due to the physical conditions of the site, primarily topography and geology. The subdivider did not impose the topography or bedrock conditions on the project; rather, bedrock was encountered during construction, which was overcome with the increased grade for a relatively short segment. The hardship of strict compliance with the grade standard is therefore undue, and the variance is appropriate.*

- c. The variance will not cause a substantial increase in public costs; and

*Subdivision Administrator Analysis: The variance, if approved, would not cause a substantial increase in public costs because a grade of up to 8% as opposed to the standard 5% does not measurably impact the costs of maintenance of the street, as stated by the project engineer.*

- d. The variance will not place the subdivision in nonconformance with any adopted zoning regulations.

*Subdivision Administrator Analysis: The street grade standard has no impact on or relationship with the zoning regulations, thus approval of the variance will not place the subdivision in nonconformance with any adopted zoning regulations.*

*Summary and Recommendation on Variance Request: In light of the above analyses and recommended findings on the variance request, the Subdivision Administrator recommends approval of the variance request.*

Condition 18 Amendment:

If the City Council approves of the variance request for maximum street grade, it would be reasonable to amend Condition 18 as follows (underlined language are additions):

18. All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards, with the exception of the street grade of Horizon Parkway, which a variance has been granted for, to allow maximum street grades of 6 to 8% for a segment of approximately 275 feet as represented by the roadway as-builts dated 10/8/2025 by Brosz Engineering, Inc. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer.

Alternatives to Grade Variance and Condition 18 Amendment:

Should the variance not be granted and if Condition 18 is not amended, the City Council should provide direction as to what actions should be taken to achieve compliance with the 5% street grade standard, such as:

1. Directing the staff to seek an engineer for the City to contract with to utilize the funds to have Horizon Parkway engineered to comply with City standards, and a contractor to rebuild Horizon Parkway with said funds (Note: It is very possible there would be insufficient funds to contract with an engineer and road builder to bring the street in compliance with the 5% maximum road grade standard); OR,
2. Granting the subdivider an extension to complete the improvements per the engineer's design that complied with the 5% maximum grade standard, subject to keeping the street improvements part of the Fourth Amended SIA, requiring new bids for the completion of the improvements and associated certifications; and providing additional security, if required; this would require additional review by the City Council at a later date.

Acceptance of Horizon Parkway improvements:

The attached Resolution No. 4683 has been drafted to provide City Council acceptance of the Horizon Parkway improvements. For the City Council to accept the improvements at this time, the above variance would need to be granted and the amendment to Condition 18 would need to be approved. Based on the reviewer's and Public Works Director's reviews of the as-built plans, the improvements substantially comply with City standards with the exception of the street grade.

Upon approval of the variance and amendment requests, the reviewer recommends the Council accept the Horizon Parkway improvements as complete, and release the portion of the funds being withheld for those portions of the improvements to the subdivider.

The estimated costs of the Horizon Parkway improvements remaining at the time of approval of the Third Amended SIA was \$284,772.75. That amount multiplied by 150% per the MCSR is \$427,159.125, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Acceptance of Parkhill Drive turnaround improvements: The City Council will also consider whether to accept the paving of the Parkhill Drive turnaround as complete, which would allow for an associated partial release of the funds the City is holding for paving of the turnaround. The attached Resolution No. 4683 has been drafted to provide acceptance of the Parkhill Drive turnaround improvements.

The estimated costs of the Parkhill Drive turnaround improvements remaining at the time of approval of the Third Amended SIA was \$27,650. That amount multiplied by 150% is \$41,475, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Acceptance of 'no parking' sign installation: The City Council will also consider whether to accept the sign installation as complete, which would allow for an associated partial release of the funds the City is holding for the sign and installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the 'no parking' sign installation.

The estimated costs of the ‘no parking’ sign improvement remaining at the time of approval of the Third Amended SIA was \$150. That amount multiplied by 150% is \$225, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Amendment request for electrical utilities not being installed ‘to each lot’: The City Council will also consider an amendment to Condition 23 of the conditional approval to allow the electrical utilities to not be installed ‘to each lot’. This amendment is also subject to acceptance of the proposed Utility Easement. The attached Resolution No. 4682 has been drafted to provide approvals of the amendment.

Acceptance of electrical utilities installation: The City Council will also consider whether to accept the electrical utilities as complete, which would allow for an associated partial release of the funds the City is holding for the installation. The attached Resolution No. 4683 has been drafted to provide acceptance of the ‘no parking’ sign installation.

The estimated costs of the electrical utilities installation remaining at the time of approval of the Third Amended SIA was \$43,637.57. That amount multiplied by 150% is \$65,456.355, which is the amount of the funds that could be released to the subdivider if the improvements are accepted as complete. Resolution No. 4683 has been drafted to provide a release of that amount.

Acceptance of certifications for the completed improvements: The City Council will also consider whether to accept the subdivider’s certifications, as well as the engineering certifications as complete, which would allow for an associated partial release of the funds the City is holding for the engineering certifications. The attached Resolution No. 4683 has been drafted to provide acceptance of the certifications.

The estimated costs of the engineering certifications remaining at the time of approval of the Third Amended SIA was \$35,000. That amount multiplied by 150% is \$52,500; however, because the mailbox facilities remain incomplete and uncertified, the subdivision administrator has inquired with the engineer about the cost of the remaining engineering/certification and that was estimated to be approximately \$5,000, that amount multiplied by 150% is \$7,500; therefore that amount should be withheld in association with the mailbox facilities. Resolution No. 4683 has been drafted to adjust for that amount to be withheld for the mailbox installations and certifications. Please see further discussion below.

Extension request for installation of mailbox facilities: The City Council will also consider whether to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer. The attached Resolution No. 4683 and Fourth Amended SIA have been drafted to provide until August 31, 2026 for the subdivider to install the required mailbox facilities and cause the installations to be certified complete by the subdivider and project engineer.

Fourth Amended Subdivision Improvements Agreement: The City Council will also consider whether to approve a Fourth Amended Subdivision Improvements Agreement, which would accept the above improvements as complete, with the exception of the mailbox facilities, provide the subdivider a new deadline of August 31, 2026 to complete and provide certifications of the mailbox facilities, and allow a partial release of funds. The attached Resolution No. 4683 and Fourth Amended SIA have been

drafted to accomplish the above.

The following table outlines the estimated costs of each of the improvements that appear to be completed and certified, with the 150% adjustment for financial security per the MSCR, for calculating the potential partial release of funds and amount to withhold for the mailbox facilities.

<b>Completed Improvement</b>	<b>Estimated Cost, \$</b>	<b>Estimate \$ x 150%</b>	
<b>Horizon Parkway improvements</b>	284,772.75	427,159.125	
<b>Parkhill Drive turnaround</b>	27,650	41,475	
<b>No parking sign</b>	150.00	225.00	
<b>Electrical utilities</b>	43,637.57	65,456.355	
<b>Brosz Engineering final certification</b>	35,000	52,500	
<b>Totals</b>	<b>391,210.32</b>	<b>586,815.48*</b>	*amount to release for acceptance of above improvements*

\*The amount currently being held by the City is \$605,866.00. Based on acceptance of the above improvements, the amount that could be released is \$586,815.48, and the amount to withhold for mailboxes would be \$19,050.52; however, per Rylan Limesand via an email dated 2/23/26, *“The engineering cost for the mailboxes is approximately \$5,000. The total cost for the mail facilities would be \$17,700. Based on the 150% of the estimated costs, the withhold amount would be \$26,550.”*

With the estimated costs of \$8,700 for the mailboxes, \$4,000 for the concrete and installation, and \$5,000 for the engineering/certification, the total cost for the mail facilities would be \$17,700. The reviewer concurs with the engineer that based on the 150% of the estimated costs, the withhold amount would be \$26,550. Therefore, the recommended release amount contemplated by Resolution No. 4683 and the Fourth Amended SIA is \$579,316.

Potential third party review fees:

As mentioned previously, the November 12 email from the subdivision administrator to the subdivider and project engineer explained that in dealing with all of the past extension requests, the drawn-out partial certifications and failure to complete improvements, the SIA enforcement, potential amendments/variances, etc., the City was losing money. By having to pay the contract planner (subdivision administrator) to review every change and deviation from the original agreement, the subdivider could be deemed responsible for the costs of administration of the ever-changing agreements. The subdivision administrator informed the subdivider that the City may begin implementing the following provision from the fee schedule adopted by Resolution No. 4022 by keeping those amounts from the check to cover some of the administration costs:

N. In addition to the fees set forth in Subsections A through L above, there shall be charged the actual fees and expenses charged by consultants, including, but not limited to attorneys, examining land surveyors, planners, engineers, sanitarians, and other specialists involved in such review.

The subdivision administrator advised the subdivider and project engineer that whether that provision for assessing third party review fees and the start date were yet to be determined. Those determinations should be made by Council, as they have not been applied to subdivision reviews over the past 10+ years if ever.

**The attached resolutions do not include the City applying the above provision or withholding funds for third party review.** The Council would likely need to table Resolution No. 4683 and the Fourth Amended SIA to accomplish this, or provide a basis for what will be withheld for third party review.

The subdivision administrator has reviewed past invoicing from Geoplant LLC for contract planning services associated with administration of the City View SIAs since the start of 2023, when Geoplant was assigned the planning services contract and at the approximate time when the subdivider began requesting extensions and other changes to the SIAs:

- 2023: 33.75 hours in 2023 x \$96/hour = \$3,240
- 2024: 20.5 hours x \$96/hour = \$1,968
- 2025: 40.5 hours x \$96/hour = \$3,888, of which 5.5 hours followed the day the subdivider was advised of the potential 3<sup>rd</sup> party review fees on November 12; 5.5 hours \$96 = \$528
- Jan/Feb 2026: 8 hours x \$96/hour = \$768
- March/April 2026 to date, as of April 22, 2026 which has yet to be invoiced, and does not include full completion of the April 28 Council packet: 21.25 hours x \$96/hour = \$2,040

Since November 13, 2025, the costs for planning services for administration of this review are at \$3,336, but not including 4/23 through anything else required to close out the SIA.

These figures also do not contemplate other unrecoverable costs of administration of the SIA, such as City Attorney and Public Works Department involvement, the Clerk's Office time, printing, Council time, publishing legal notices and mailing notices, etc. For example, the cost of the newspaper notice alone for this Council review was \$556.99.

## RESOLUTION NO. 4682

### A RESOLUTION APPROVING AMENDMENTS TO THE CONDITIONS OF APPROVAL FOR THE CITY VIEW SUBDIVISION, GRANTING A VARIANCE TO THE MILES CITY SUBDIVISION REGULATIONS, AND PROVIDING FOR A PUBLIC HEARING ON THE VARIANCE REQUEST.

**WHEREAS**, the City Council has reviewed requests by the agents for L & L Development LLC for approval of a variance to the Miles City Subdivision Regulations and to the conditions of approval for the City View Subdivision;

**AND WHEREAS**, the City Council held a properly noticed public hearing on the variance request and considered comments on the request;

**AND WHEREAS**, after considering the requests and public comments elicited at the public hearing and meeting on the amendments, the City Council finds that approval of the variance request and amendment requests for said City View Subdivision should be approved.

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

1. The subdivider for the City View Subdivision is hereby granted a variance to Sec. 21-18(a)(8)(h) of the Miles City Subdivision Regulations to allow Horizon Parkway to have up to a 270-foot segment with grades from 6% to 8%, in excess of the maximum street grade of 5% for “Arterial” streets; this approval is based on the findings of fact attached hereto as Exhibit “A” and made a part hereof, which are hereby approved and adopted by this council.
2. The council hereby amends Condition 18 of the preliminary, conditional approval for the City View Subdivision as follows: (additions are underlined; deletions are ~~stricken~~)

All street, water, sewer, and stormwater improvement plans shall be reviewed and approved by the Miles City Public Works Department and be built to applicable city standards, with the exception of the street grade of Horizon Parkway, which a variance has been granted for, to allow maximum street grades of 6 to 8% for a segment of approximately 275 feet as represented by the roadway as-builts dated 10/8/2025 by Brosz Engineering, Inc. All applicable specifications and requirements of the approved plans shall be met and certified by a professional engineer.

3. The council hereby amends Condition 23 of the preliminary, conditional approval for the City View Subdivision as follows:

Electrical utilities shall be installed ~~to each lot~~ in the subdivision in accordance with Sec. 21-18(a)(13) MCSR, and the proposed Utility Easement document

prepared by Wilhelm Land Surveying dated 12/19/2025 or a substantially similar easement document shall be recorded at the Custer County Clerk & Recorder's Office within 30 days of this approval. Prior to final plat approval (unless secured by SIA), the subdividers shall submit letters from the electrical utility service providers indicating utilities have been installed to their specifications and within appropriate easements as shown on the final plat. Telecommunications services may be provided by extensions of utilities from those existing in the Horizon Parkway right-of-way in accordance with Sec. 21-18(a)(13) MCSR or the occupants may rely upon other services providers, such as satellite service providers.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 28<sup>TH</sup> DAY OF APRIL, 2026.**

---

C.A. Grenz, Mayor

ATTEST:

---

Mary Rowe, City Clerk

**RESOLUTION NO. 4683**

**A RESOLUTION APPROVING A FOURTH AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT FOR CITY VIEW SUBDIVISION, ACCEPTANCE OF CERTAIN SUBDIVISION IMPROVEMENTS, AND A PARTIAL RELEASE OF FUNDS.**

*WHEREAS*, the City of Miles City subdivision administrator and City Council have reviewed requests by L & L Development LLC to extend the Subdivision Improvements Agreement associated with the City View Subdivision, accept portions of the improvements as complete, and release portions of the financial security for improvements that have been completed to date; and

*WHEREAS*, the Subdivider and Subdivider’s engineer have certified completion of portions of the improvements required by the City’s approval of the City View Subdivision; and

*WHEREAS*, the City Council accepts the portions of improvements that are certified by the Subdivider and Subdivider’s engineer as complete, and as such is allowing the financial security to be reduced accordingly; and

*WHEREAS*, the City Council finds that it is in the City’s best interest to grant an extension to allow the Subdivider until August 31, 2026 to complete the remaining improvements; and

*WHEREAS*, the City Council finds that a Fourth Amended Subdivision Improvements Agreement for said City View Subdivision should be approved.

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

1. The City Council hereby accepts as complete the portions of improvements that are certified complete by the Subdivider and Subdivider’s engineer, and as such is allowing the financial security to be reduced accordingly; said improvements accepted as complete include the following:
  - a. Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D;
  - b. Parkhill Drive Extension: Paving of the turnaround;
  - c. Traffic Signs (a “No Parking” sign along the turnaround for Parkhill Drive);
  - d. Electrical utilities, subject to recording of the proposed Utility Easement; and
  - e. Engineering Costs for the above: Design, Inspection, Certified As-Built, and Permitting;and
  
2. Based on the above acceptance of improvements, the City will release to the Subdivider the amount of \$579,316.00 from the funds from the Letter of Credit that the City is now holding in an account for the City View Subdivision improvements; and

3. The following improvements have not been completed or certified: Mail Facilities per the USPS-approved plans installed at two locations, with concrete; and
4. Because the mail facilities are not complete or certified, the City shall continue to hold and maintain in a bank account a financial security of no less than \$26,550.00, which is 150% of the estimated cost of completing the remaining improvements stated above; and
5. The City Council hereby grants an extension to allow the Subdivider until August 31, 2026 to complete the remaining improvements; and
6. A Fourth Amended Subdivision Improvements Agreement for the City View Subdivision, attached hereto and made a part hereof, is hereby approved and adopted by this council; and
7. The Mayor of the City of Miles City is hereby empowered and authorized to execute said Fourth Amended Subdivision Improvements Agreement on behalf of the City of Miles City, and 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 28<sup>TH</sup> DAY OF APRIL, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

*Return after recording to:*  
City of Miles City  
PO Box 910  
17 S 8<sup>th</sup> Street  
Miles City, MT 59301

**FOURTH AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT**

**THIS AGREEMENT**, made and entered into this \_\_\_\_ day of April, 2026 by and between the City Council of the City of Miles City, Montana, Party of the First Part and hereinafter referred to as the City, and L & L Development LLC, a Limited Liability Company, located at 2323 South Haynes Avenue, Miles City, MT 59301, Party of the Second Part and hereinafter referred to as the Subdivider.

**WHEREAS**, the Subdivider is the Subdivider of a platted subdivision known as City View Subdivision, recorded in Envelope 592A, Document No. 179435, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council of the City of Miles City and the Subdivider entered into a Subdivision Improvements Agreement to allow the Subdivider to bond for certain improvements on February 9, 2022; and

**WHEREAS**, the Subdivision Improvements Agreement dated February 9, 2022 gave a period of one year and a deadline of February 9, 2023 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into an Amended Subdivision Improvements Agreement in February 2023, which gave a deadline of December 31, 2023 for the required improvements to be completed; said agreement was recorded as Document No. 181829, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council and Subdivider entered into a Second Amended Subdivision Improvements Agreement in February 2024, which gave a new deadline of November 1, 2024 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into a Third Amended Subdivision Improvements Agreement in January 2025, which gave a new deadline of July 1, 2025 for the required improvements to be completed; said agreement was recorded as Document No. 185458, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the improvements specified in the Third Amended Subdivision Improvements Agreement were secured by an Letter of Credit in the amount of \$605,866.00, and on August 18, 2025, the City informed the Subdivider that the Subdivider had failed to comply with the terms of the Third Amended Subdivision Improvements Agreement and was therefore drafting the entire funds of the Letter of Credit pursuant to the Third Amended Subdivision Improvements Agreement; and

**WHEREAS**, the City has been holding 100% of the funds from the Letter of Credit until such time as the Subdivider complies with the terms of the Third Amended Subdivision Improvements Agreement or the City completes and provides for installation and certifications of the required improvements according to the Third Amended Subdivision Improvements Agreement; and

**WHEREAS**, the Subdivider has since completed and certified some of the improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the Subdivider’s engineer has since certified some of the improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the Subdivider has requested a variance to the Miles City Subdivision Regulations, amendments to the conditions of approval for the City View Subdivision, and a partial release of funds for the improvements and associated certifications of improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the City Council has granted the Subdivider a variance to the Miles City Subdivision Regulations, amendments to the conditions of approval for the City View Subdivision, and accepted the improvements that have been certified by the Subdivider and engineer as complete, and therefore has granted a partial release of funds for of the improvements and associated certifications of improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the required improvements listed in Exhibit A have not been completed and certified at this time; and

**WHEREAS**, the Subdivider has requested additional time, until August 31, 2026, to complete and certify the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to grant additional time to allow the Subdivider until August 31, 2026 to complete the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to authorize the City

staff, Subdivision Administrator, and City Attorney to act without delay and cause the remaining funds from the letter of credit being held by the City of Miles City to be utilized to complete and have certified by an engineer if the improvements are not completed and certified in full compliance with this agreement by the deadline of August 31, 2026; and

**WHEREAS**, the City Council intends for this to be the final extension of the deadline to complete the improvements; and

**WHEREAS**, the City Council requires a financial security of 150% of the estimated cost of the remaining improvements, which is calculated in Exhibit A; and

**WHEREAS**, the estimated cost of construction and final engineering certification of said remaining improvements is the sum of \$17,700.00, and 150% of the estimated cost of the remaining improvements is \$26,550.00, which is the amount of the required financial security at this time.

**NOW THEREFORE**, in consideration of the above along with the material reviewed by the City Council at the April 28, 2026 meeting, the City Council and Subdivider hereby agree as follows:

1. The City shall release to the Subdivider the amount of \$579,316.00 from the funds from the Letter of Credit that the City is now holding in an account for the City View Subdivision improvements.
2. The City shall continue to hold and maintain in a bank account a financial security of no less than \$26,550.00, which is 150% of the estimated cost of completing the remaining improvements listed in Exhibit A.
3. Said required improvements shall be fully completed by August 31, 2026, which is intended to be the final deadline.
4. If the Subdivider fails to complete the specified improvements within the required period, the City staff, Subdivision Administrator, and City Attorney shall act without delay and cause the remaining funds being held by the City of Miles City to be utilized to complete and have certified by an engineer the improvements listed in Exhibit A.
5. Upon completion of the required improvements, the Subdivider shall submit to the City statements certifying that:
  - i. All required improvements are complete.
  - ii. The improvements are in compliance with the minimum standards specified by the City for their construction and that the Subdivider warrants said improvements against any and all defects for a period of one (1) year from the date of acceptance of the completion of those improvements by the City.
  - iii. The Subdivider knows of no defects in those improvements.
  - iv. These improvements are free and clear of any encumbrances or liens.

- v. All applicable fees and surcharges have been paid.
- 6. The Subdivider shall provide for inspection of all required improvements by a registered professional engineer before the Subdivider shall be released from the Subdivision Improvement Agreement.
- 7. The Subdivider shall submit to the Miles City Community Service and Planning Department copies of final plans, profiles, grades and specifications of said improvements, with the certification of the registered professional engineer responsible for their preparation that all required improvements have been installed in conformance with said specifications.
- 8. If the City determines that any improvements are not constructed in compliance with the specifications, it shall furnish the Subdivider with a list of specific deficiencies and may withhold collateral sufficient to ensure such compliance. If the City determines that the Subdivider will not construct any or all of the improvements in accordance with the specifications, or within the required time limits, it may withdraw the collateral in the financial security and employ such funds as may be necessary to construct the improvement or improvements in accordance with the specifications. The unused portions of the collateral shall be returned to the Subdivider.

**IN WITNESS WHEREOF**, the Parties have hereunto set their hands and seals the day and year herein before written.

City of Miles City (Party of the First Part):

Mayor C.A. Grenz	Date
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Attest:

Mary Rowe, City Clerk	Date
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Subdivider (Party of the Second Part), L & L Development LLC, by: Matthew J. Lothspeich and Roger L. Lothspeich:

Matthew J. Lothspeich, Subdivider	Date
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Roger L. Lothspeich, Subdivider	Date
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**EXHIBIT A**

**LIST OF INCOMPLETE IMPROVEMENTS FOR CITY VIEW SUBDIVISION**

The following improvements, required by the conditions of approval for City View Subdivision, are not complete as of April 28, 2026:

- Mail Facilities, including Post Office approved cluster boxes in two locations, along with associated concrete and appurtenant improvements, with USPS approval.
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting/Approvals of the above.

USPS compliant cluster mailboxes as approved by USPS = \$8,700.00

Concrete/installation of mailboxes = \$4,000.00

Brosz Engineering Costs = \$5,000.00

Total Estimated Cost of Remaining Improvements/Engineering = \$17,700.00

**Total Cost x 150% = \$26,550.00**

Return after recording to:  
City of Miles City  
PO Box 910  
17 S 8<sup>th</sup> Street  
Miles City, MT 59301

**THIRD AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT**

**THIS AGREEMENT**, made and entered into this 3rd day of January, 2025 by and between the City Council of the City of Miles City, Montana, Party of the First Part and hereinafter referred to as the City, and L & L Development LLC, a Limited Liability Company, located at 2323 South Haynes Avenue, Miles City, MT 59301, Party of the Second Part and hereinafter referred to as the Subdivider.

**WHEREAS**, the Subdivider is the Subdivider of a platted subdivision known as City View Subdivision, recorded in Envelope 592A, Document No. 179435, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council of the City of Miles City and the Subdivider entered into a Subdivision Improvements Agreement to allow the Subdivider to bond for certain improvements on February 9, 2022; and

**WHEREAS**, the Subdivision Improvements Agreement dated February 9, 2022 gave a period of one year and a deadline of February 9, 2023 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into an Amended Subdivision Improvements Agreement in February 2023, which gave a deadline of December 31, 2023 for the required improvements to be completed; said agreement was recorded as Document No. 181829, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council and Subdivider entered into a Second Amended Subdivision Improvements Agreement in February 2024, which gave a new deadline of November 1, 2024 for the required improvements to be completed; and

**WHEREAS**, the required improvements listed in Exhibit A have not been completed and certified at this time; and

**WHEREAS**, the Subdivider has requested an extension to allow additional time to complete and certify the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City's best interest to grant an extension to allow the Subdivider until July 1, 2025 to complete the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City's best interest to authorize the Subdivision Administrator and City Attorney to act without delay and draft the remaining funds from the letter of credit to the City of Miles City if the improvements are not completed and certified in full compliance with this agreement by the deadline of July 1, 2025; and

**WHEREAS**, the City Council intends for this to be the final extension of the deadline to complete the improvements; and

**WHEREAS**, the City Council requires a financial security of 150% of the estimated cost of the remaining improvements, which is calculated in Exhibit A; and

**WHEREAS**, the estimated cost of construction and final engineering certification of said remaining improvements is the sum of \$403,910.32, and 150% of the estimated cost of the remaining improvements is \$605,865.48, which is the amount of the required financial security at this time.

**NOW THEREFORE**, in consideration of the approval of the final plat of said Subdivision by the City, the Subdivider hereby agrees as follows:

1. The Subdivider shall maintain a financial security of a letter of credit from Stockman Bank of Miles City, Montana in the amount of no less than \$605,865.48. Said financial security shall have an expiration date of not less than sixty (60) days following the date set for completion of the improvements.
2. The financial security shall guarantee funds in the sum of \$605,865.48, 150% of the estimated cost of completing the remaining improvements listed in Exhibit A.
3. Said required improvements shall be fully completed by July 1, 2025, which is intended to be the final deadline.
4. If the Subdivider fails to complete the specified improvements within the required period, the financial security will be payable to the City immediately. Immediately after July 1, 2025, if the improvements are not completed and certified in full compliance with this agreement, the City Council has authorized the Subdivision Administrator and City Attorney to act without delay and draft the remaining funds from the letter of credit to the City of Miles City.
5. Upon completion of the required improvements, the Subdivider shall submit to the City statements certifying that:

- i. All required improvements are complete.
  - ii. The improvements are in compliance with the minimum standards specified by the City for their construction and that the Subdivider warrants said improvements against any and all defects for a period of one (1) year from the date of acceptance of the completion of those improvements by the City.
  - iii. The Subdivider knows of no defects in those improvements.
  - iv. These improvements are free and clear of any encumbrances or liens.
  - v. All applicable fees and surcharges have been paid.
6. The Subdivider shall provide for inspection of all required improvements by a registered professional engineer before the Subdivider shall be released from the Subdivision Improvement Agreement.
7. The Subdivider shall submit to the Miles City Community Service and Planning Department copies of final plans, profiles, grades and specifications of said improvements, with the certification of the registered professional engineer responsible for their preparation that all required improvements have been installed in conformance with said specifications.
8. If the City determines that any improvements are not constructed in compliance with the specifications, it shall furnish the Subdivider with a list of specific deficiencies and may withhold collateral sufficient to ensure such compliance. If the City determines that the Subdivider will not construct any or all of the improvements in accordance with the specifications, or within the required time limits, it may withdraw the collateral in the financial security and employ such funds as may be necessary to construct the improvement or improvements in accordance with the specifications. The unused portions of the collateral shall be returned to the Subdivider.

**IN WITNESS WHEREOF**, the Parties have hereunto set their hands and seals the day and year herein before written.

City of Miles City (Party of the First Part):

Dwayne Andrews  
Mayor Dwayne Andrews

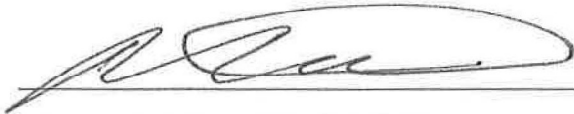
Jan 3, 2025  
Date

Attest:

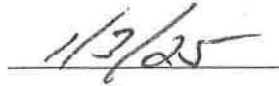
Mary Rowe  
Mary Rowe, City Clerk

1/3/2025  
Date

Subdivider (Party of the Second Part), L & L Development LLC, by: Matthew J. Lothspeich and Roger L. Lothspeich:



Matthew J. Lothspeich, Subdivider



Date



Roger L. Lothspeich, Subdivider



Date

STATE OF MONTANA )

) ss

COUNTY OF CUSTER )

On this 3rd day of January, 2025, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Matthew J. Lothspeich and Roger L. Lothspeich, who executed the within instrument and acknowledged to me that they executed the same on behalf of L & L Development LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.



Signature of Notary Public

(NOTARIAL SEAL)

**EXHIBIT A**

**LIST OF INCOMPLETE IMPROVEMENTS FOR CITY VIEW SUBDIVISION**

The following improvements, required by the conditions of approval for City View Subdivision, are not complete as of December 24, 2024:

- Electrical utilities to each lot.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D.
- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs.
- Mail Facilities.
- Engineering Costs: Design, Inspection, Certified As-Built, and Permitting.

Remaining Items from Diamond J Construction Bid = \$325,122.75

Brosz Engineering Bid = \$35,000.00

Tongue River Electric = \$43,637.57

City Signage Bid = \$150.00

Total Estimated Cost of Remaining Improvements/Engineering = \$403,910.32

**Total Cost x 150% = \$605,865.48**

*Return after recording to:*  
City of Miles City  
PO Box 910  
17 S 8<sup>th</sup> Street  
Miles City, MT 59301

## **Certificate of Completion of Improvements L & L Development LLC**

Pursuant to Section 5 of the Third Amended Subdivision Improvements Agreement associated with the City View Subdivision, I, Matthew Lothspeich of L & L Development LLC, the Subdivider, hereby certify that the following improvements, required as conditions of approval of the City View Subdivision, have been installed in conformance with the City of Miles City's requirements:

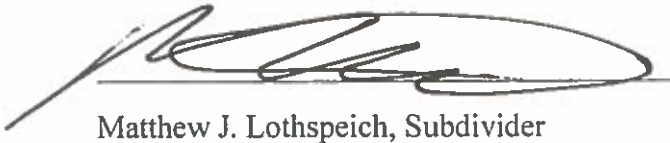
- Electric utilities are not installed on each lot; an amendment request is submitted that would allow access to lots 2B and 2C access with an easement.
- Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D.
- Parkhill Drive Extension: Paving of the turnaround.
- Traffic Signs.
- Mail Facilities are not installed, proposed completion date August 31<sup>st</sup>, 2026
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting.

Further, I hereby certify the following:

- The above improvements are in compliance with the minimum standards specified by the City for their construction and L & L Development warrants said improvements against any and all defects for a period of one (1) year from the date of acceptance of the completion of those improvements by the City.
- I know of no defects in those improvements.

- These improvements are free and clear of any encumbrances or liens.
- All applicable fees and surcharges have been paid.

In accordance with Sec. 21-14(b)(7) of the Miles City Subdivision Regulations, the attached copy of the engineering plans, certification, and as-built drawings dated \_\_\_\_\_ by Brosz Engineering, Inc. for the "City View Subdivision \_\_\_\_\_ Project" will be filed along with this certification at the Custer County Clerk and Recorder's Office.

  
 \_\_\_\_\_  
 Matthew J. Lothspeich, Subdivider

2/23/20  
 \_\_\_\_\_  
 Date

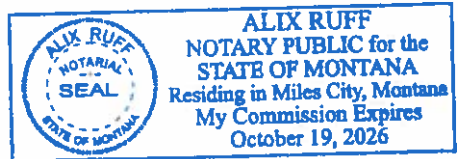
STATE OF MONTANA     )  
                                           ) ss  
 COUNTY OF CUSTER     )

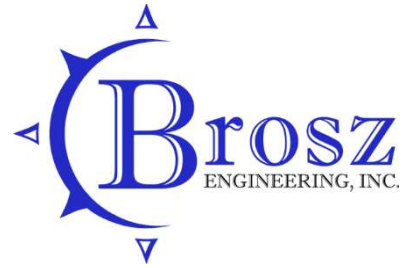
On this 23<sup>rd</sup> day of February, 2020, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Matthew J. Lothspeich, who executed the within instrument and acknowledged to me that he executed the same on behalf of L & L Development LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

  
 \_\_\_\_\_  
 Signature of Notary Public

(NOTARIAL SEAL)





October 8, 2025

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Roadway As-Built

Dear City Council Members,

You are hereby notified that the above-referenced project has been completed and certified. The City View Subdivision was built according to the plans, specifications, and changes shown in the enclosed as-built plans.

The east end of Horizon Parkway was raised in elevation due to a rock shelf that was discovered during construction. This changed the proposed grade from 5% to grades varying from 6%-8%, Horizon Parkway still satisfies the minimum recommended design standards. In addition to the grade change, the sidewalk was originally planned to be 10-feet from the back of curb but was moved to the back of curb to match the existing sidewalk.

Brosz Engineering was not onsite during the roadway construction. The contractor submitted haul sheets that showed the amount of asphalt, base course, and subbase used during construction. Based on the quantities provided by the contractor it was determined that the roadway was installed to the proposed typical section.

In addition to Horizon Parkway, the turnaround at the end of Parkhill Drive meets the minimum dimensions for a 120-foot Hammerhead as shown in Figure 2 of Chapter 21-Subdivision of the Municipal Code.

If you have any questions regarding this matter, please call (406) 384-7016.

BROSZ ENGINEERING, INC.

A handwritten signature in blue ink, appearing to read 'Rylan Limesand', is positioned above the printed name.

Rylan Limesand, PE  
e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

cc: Geoplant LLC; L&L Developers, LLC

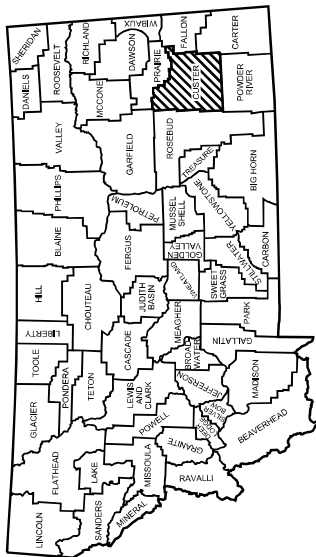
STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	1	1

**CITY VIEW SUBDIVISION  
ROADWAY AS-BUILT  
L & L DEVELOPERS LLC**

M20-B46

MILES CITY, MT  
CITY VIEW SUBDIVISION  
ROADWAY AS-BUILT

**GOVERNING SPECIFICATIONS:**  
MONTANA PUBLIC WORKS STANDARD  
SPECIFICATIONS, SIXTH EDITION, APRIL, 2010.



STATE COUNTY MAP



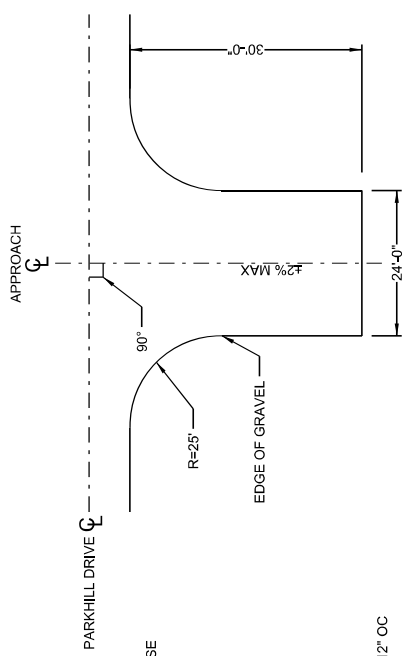
I hereby certify that the attached plans were prepared by me or under my direct supervision and that I am a duly registered professional engineer under the laws of the state of MT.

APPROVED DATE 10/8/2025

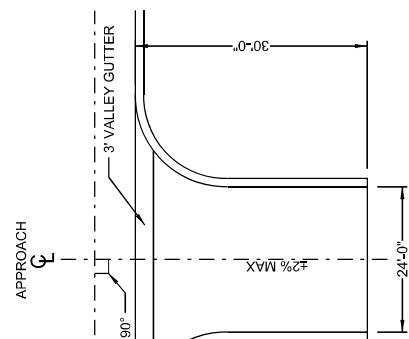
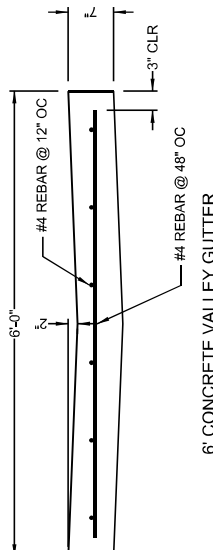
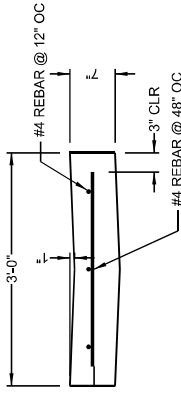
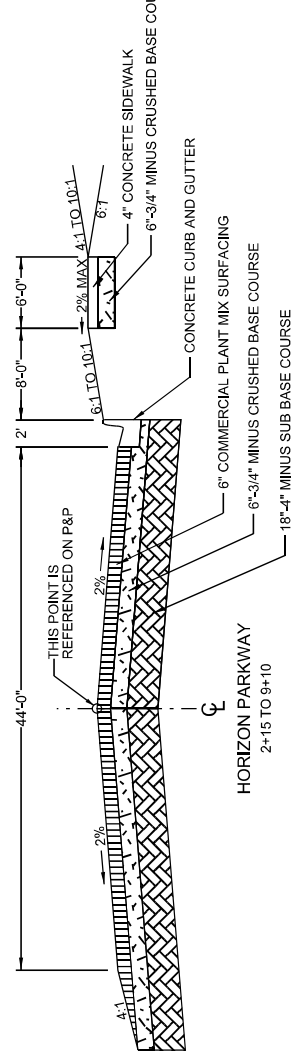
*[Signature]*  
BROSZ ENGINEERING INC.

DESIGNERS  
RYLAN LIMESAND, PE

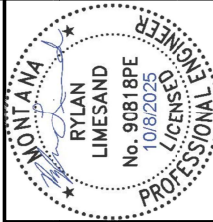
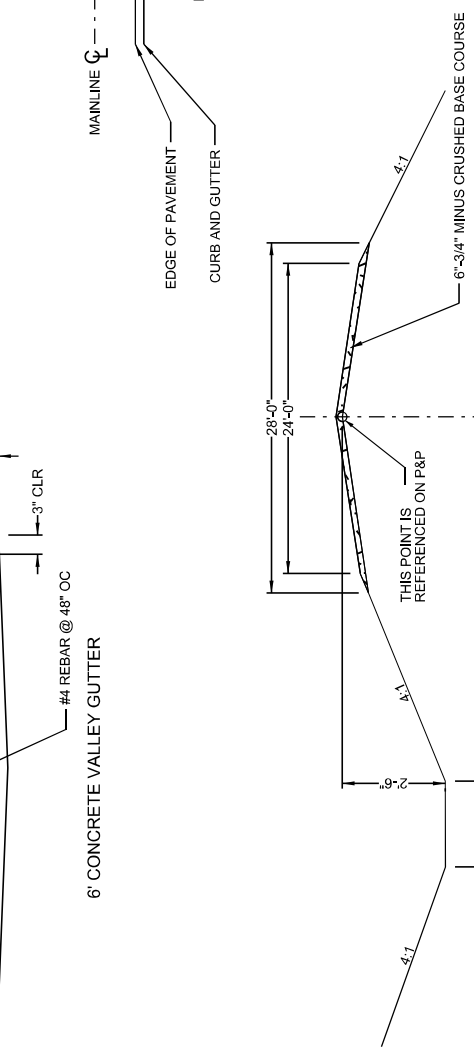
STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	30	1



PARKHILL DRIVE  
APPROACH TYPICAL  
LOT 2A - 45 CY  
LOT 2B - 45 CY



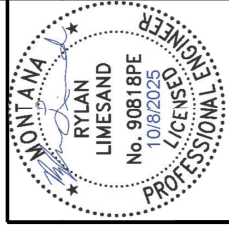
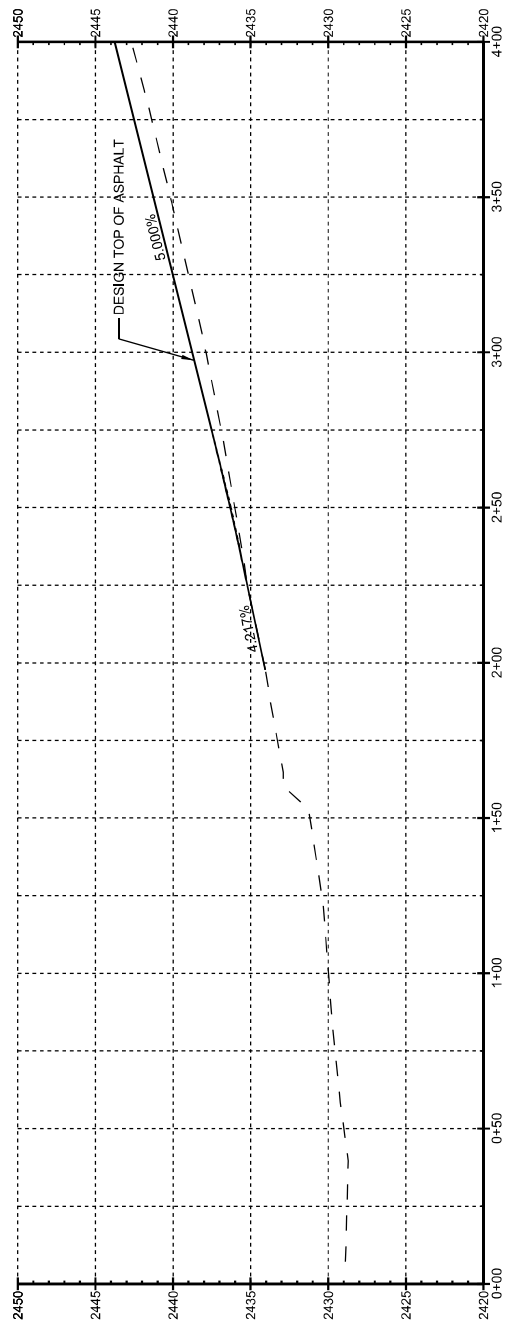
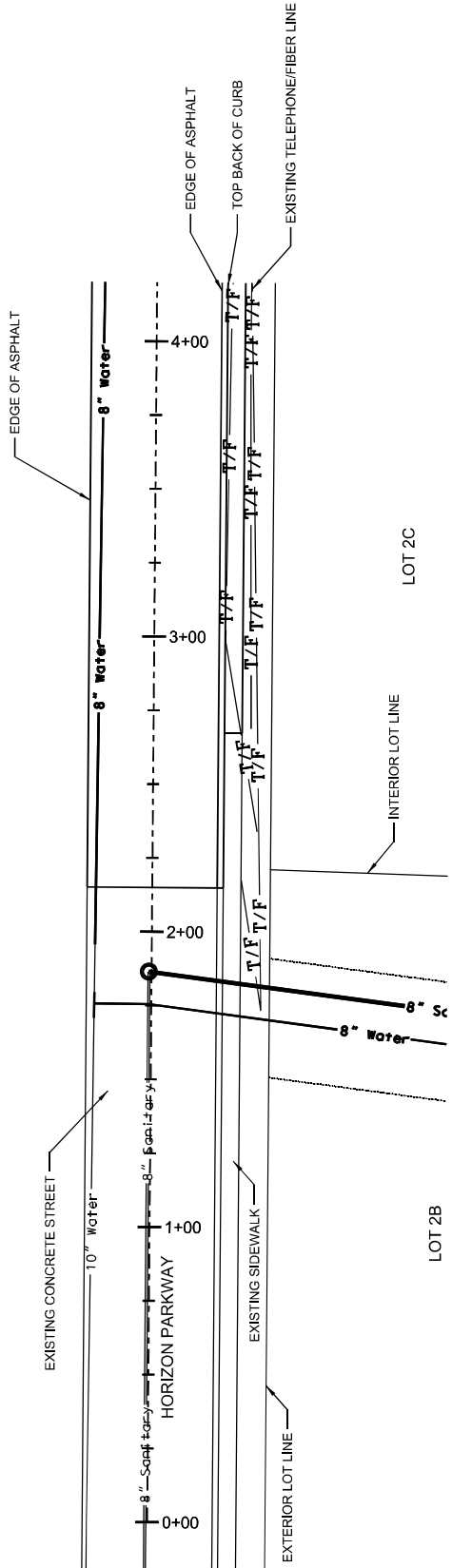
PARKHILL DRIVE  
APPROACH TYPICAL  
5+39-LT  
5+39-RT  
8+68-RT



CITY VIEW SUBDIVISION  
ROADWAY AS-BUILTS  
TYPICALS  
SITE GRADING PLANS

NOTE: DRAWINGS NOT TO SCALE

STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	60	1



Scale: 1"=40'

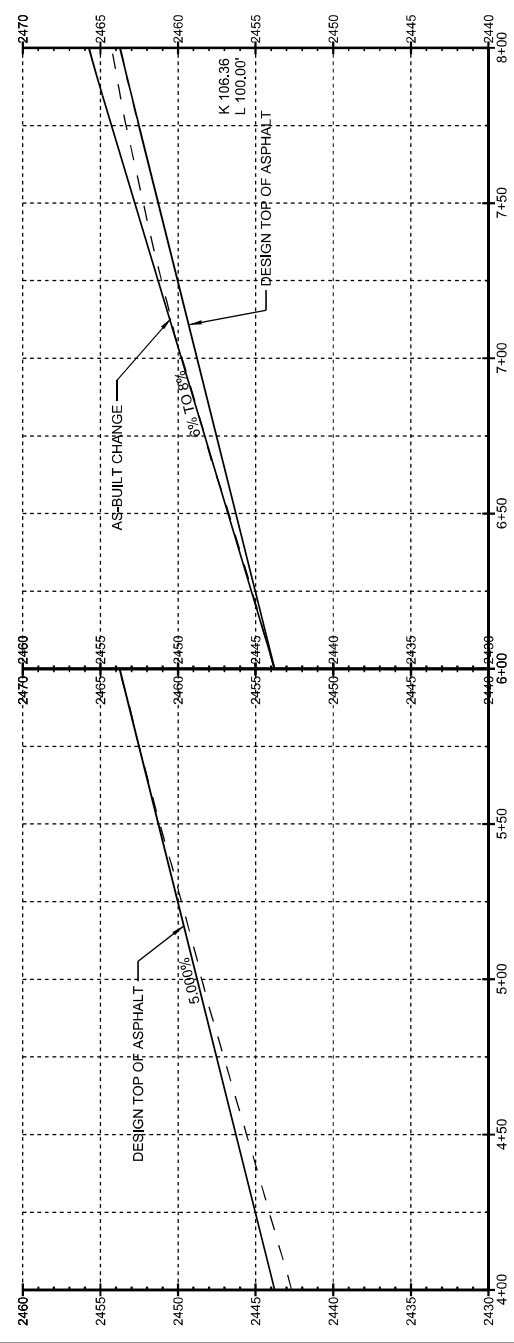
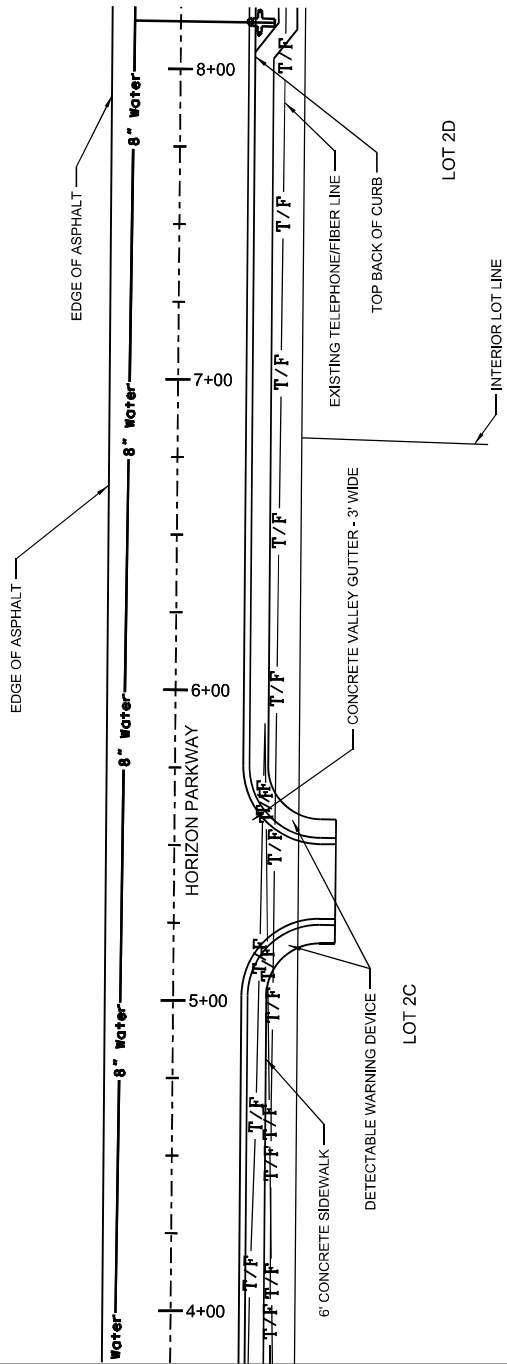
CITY VIEW SUBDIVISION  
ROADWAY AS-BUILTS  
PLAN & PROFILE  
HORIZON PARKWAY  
STA 2+15 TO 4+00

STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	60	2

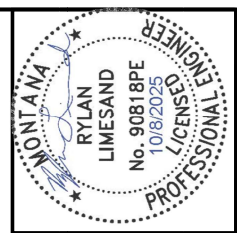
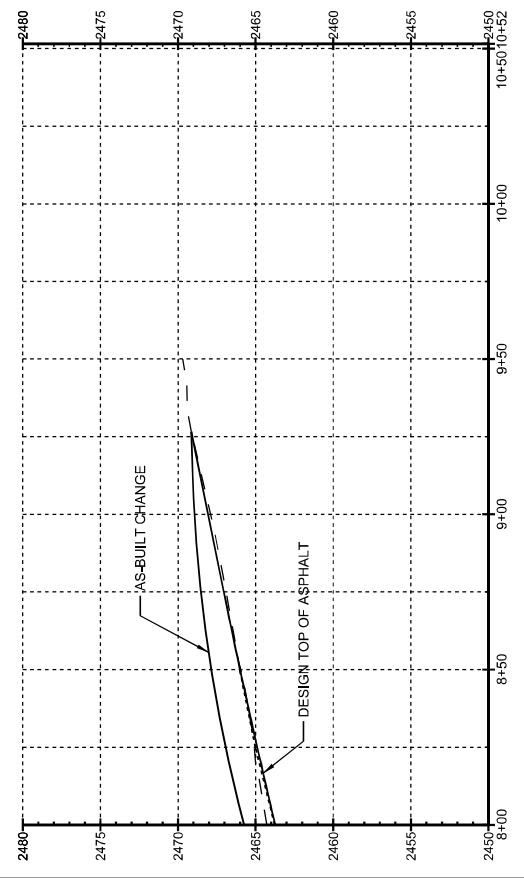
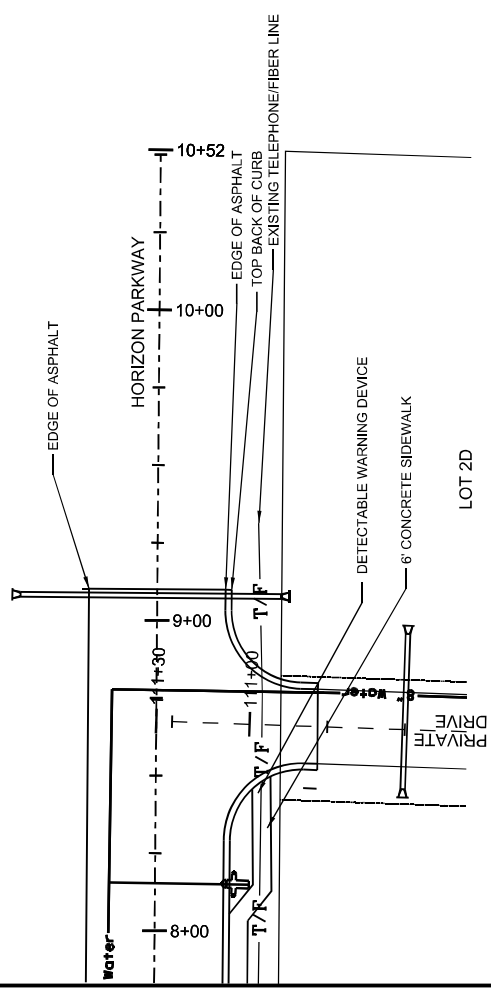


Scale: 1"=40'

CITY VIEW SUBDIVISION  
ROADWAY AS-BUILTS  
PLAN & PROFILE  
HORIZON PARKWAY  
STA 4+00 TO 8+00



STATE	PROJECT NO.	SECTION NO.	SHEET NO.
MT	2509019	60	3



Scale: 1" = 40.00

CITY VIEW SUBDIVISION  
ROADWAY AS-BUILTS  
PLAN & PROFILE  
HORIZON PARKWAY  
STA 8+00 TO 9+10

File No. \_\_\_\_\_  
*(for official use only)*



**PRELIMINARY PLAT SUBDIVISION APPLICATION**  
**VARIANCE REQUEST FORM**

Miles City Community Services & Planning  
17 South 8<sup>th</sup> Street, PO Box 910  
Miles City, MT 59301

Date Received: \_\_\_\_\_  
*(for official use only)*

Section of Regulations creating the hardship: Sec. 21-18(a)(8)(a)

Description of Variance Being Requested: Increase maximum road grade of Horizon Parkway

Please explain how the variance meets the following statements:

1. The variance will not be detrimental to the public health, safety, or general welfare or injurious to other adjoining properties.

The road grade installed does not create any hazards, and still meets AASHTO design requirements.

2. Due to the physical surroundings, shape, or topographical conditions of the property involved, strict compliance with the regulations will impose an undue hardship on the owner. (Undue hardship does not include personal or financial hardship, or any hardship that is self imposed)

The road grade needed to be altered due to a rock shelf discovered during construction, making it not feasible to grade the road to 5% or less.

3. The variance will not cause a substantial increase in public costs, now or in the future.

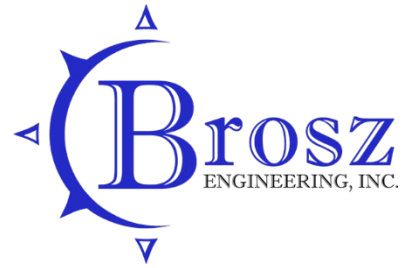
The change in road grade will not increase any maintenance cost for the City.

4. The variance will not place the subdivision in nonconformance with any adopted growth policy, neighborhood plan or zoning regulations.

The change in road grade will not have any adverse effects on growth policy, neighborhood plan or zoning regulations. This change in grade will not have any effect on traffic.

5. The variance is consistent with the surrounding community character of the area.

The change in grade will not effect the character of the area. The road still ties in nicely to the existing streets and fits to the contour of the surrounding property.



January 26, 2026

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Horizon Parkway Amendment Request

Dear City Council Members,

L&L Developers, LLC are requesting an amendment to the SIA for the Horizon Parkway Street Improvements. During construction of the improvements, the contractor discovered a rock shelf on the east end of the project. This resulted in the contractor raising the grade on the east end of the street, increasing the slope of the road greater than the maximum grade of 5% in Sec. 21-18(a)(8)(a) of the subdivision regulations. The street slope increased to between 6% - 8% of approximately 275ft of street on the east end. This change in the street grade was necessary as it wasn't feasible to excavate the rock shelf. The adjusted street grade still meets AASHTO design standards and does not create any hazards. The change in street grade will not increase any maintenance cost for the city. The grade change will also not have any adverse effects on growth policy, neighborhood plan or zoning regulations. This change in grade will not have any effect on traffic.

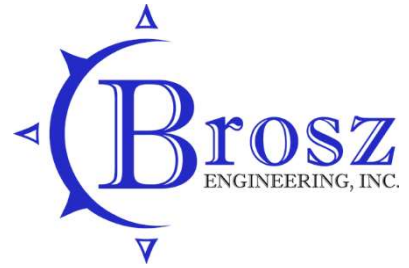
If you have any questions regarding this matter, please call (406) 384-7016.

BROSZ ENGINEERING, INC.

A handwritten signature in blue ink, appearing to read 'Rylan Limesand', is positioned above the typed name.

Rylan Limesand, PE  
e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

cc: Geoplant LLC; L&L Developers, LLC



January 26, 2026

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Horizon Parkway Amendment Request

Dear City Council Members,

L&L Developers, LLC are requesting an amendment to the SIA for the electrical utilities not being installed to each lot in the subdivision. Tongue River Electric Cooperative (TRECO) installed underground electric along the south boarder of Lot 2D, on the property line between Lots 2A and 2D, and on the north side of the private road. The electric line installed along the 2A and 2D lot boundary is approximately 30' south of Lots 2B and 2C property boundary, and do not have an electric line on them. A map of the electric line is enclosed. TRECO has an easement for the electric line that they installed, an additional easement for Lot 2B and Lot 2C was obtained that allows these lots to have access to electric line, see enclosed easement.

If you have any questions regarding this matter, please call (406) 384-7016.

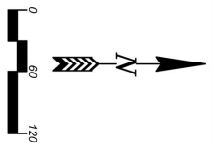
BROSZ ENGINEERING, INC.

A handwritten signature in blue ink, appearing to read 'Rylan Limesand', is written over a light blue circular stamp.

Rylan Limesand, PE

e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

enclosed: Electric Utility Map, Lots 2B & 2C Utility Easement  
cc: Geoplant LLC; L&L Developers, LLC



S:\2025\proj\files\CIV\2509019\CIV View Subdivision ASBUILT Certification\ASBUILT Plans\Production\Elec Utility As BUILT\REC'D As BUILT.dwg



519 Main Street, Suite 206  
Miles City, MT 59301  
(406) 384-7016  
www.broszeng.com

**CITY VIEW SUBDIVISION  
TRECO ELECTRIC UTILITY  
ASBUILTS**

REV	DATE	BY	DESCRIPTION
1			
2			
3			
4			
5			

PROJECT:	2509019
DATE:	7/17/25
DRAWN BY:	RL
CHECKED:	

SHEET  
**E1.0**

THIS INDENTURE, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 202\_\_, by and between L&L DEVELOPMENT LLC and HORIZON CONDOMINIUM, hereinafter referred to as the GRANTOR.

THE GRANTOR, hereby grants unto each and every person, firm, or corporation, whether public or private, providing or offering to provide telephone, telegraph, telecommunications, electric power, gas, cable television, water, or sewer service to the public, the right to the joint use of an easement for the construction, maintenance, repair and removal of their lines and other facilities, in, over, under, and across each area designated on Exhibit A as "Utility Easement", to have and to hold forever.

THIS EASEMENT, being more particularly described as follows:  
Commencing that the property corner common to Lot 2A, Lot 2B, Lot 2C, and Lot 2D, of City View Subdivision, filed in Envelope No. 592A, as Document No. 179435; thence N90°00'00"E, a distance of 20.00 feet, to the POINT OF BEGINNING (P.O.B.); thence N0°00'00"E, a distance of 10.00 feet; thence N90°00'00"W, a distance of 20.00 feet; thence continue N90°00'00"W, a distance of 20.00 feet; thence S0°00'00"E, a distance of 10.00 feet; thence continue S0°00'00"E, a distance of 40.00 feet; thence N90°00'00"E, a distance of 20.00 feet; thence continue N90°00'00"E, a distance of 20.00 feet; thence N0°00'00"E, a distance of 40.00 feet, more or less, to the POINT OF BEGINNING. Containing 2,000 square feet, more or less.

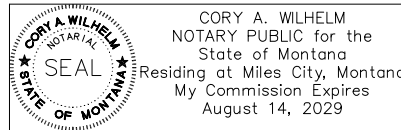
-----  
L&L DEVELOPMENT LLC  
Roger Lothspeich, Managing Member

-----  
L&L DEVELOPMENT LLC  
Matthew Lothspeich, Managing Member  
HORIZON CONDOMINIUM  
Matthew Lothspeich, President

STATE of MONTANA  
COUNTY of CUSTER

This record was acknowledged before me on \_\_\_\_\_, by  
Mathew Lothspeich, Managing Member of L&L Development LLC,  
and President of Horizon Condominium.

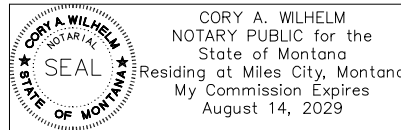
Signature -----



STATE of MONTANA  
COUNTY of CUSTER

This record was acknowledged before me on \_\_\_\_\_, by  
Roger Lothspeich, Managing Member of L&L Development LLC.

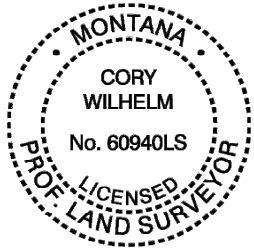
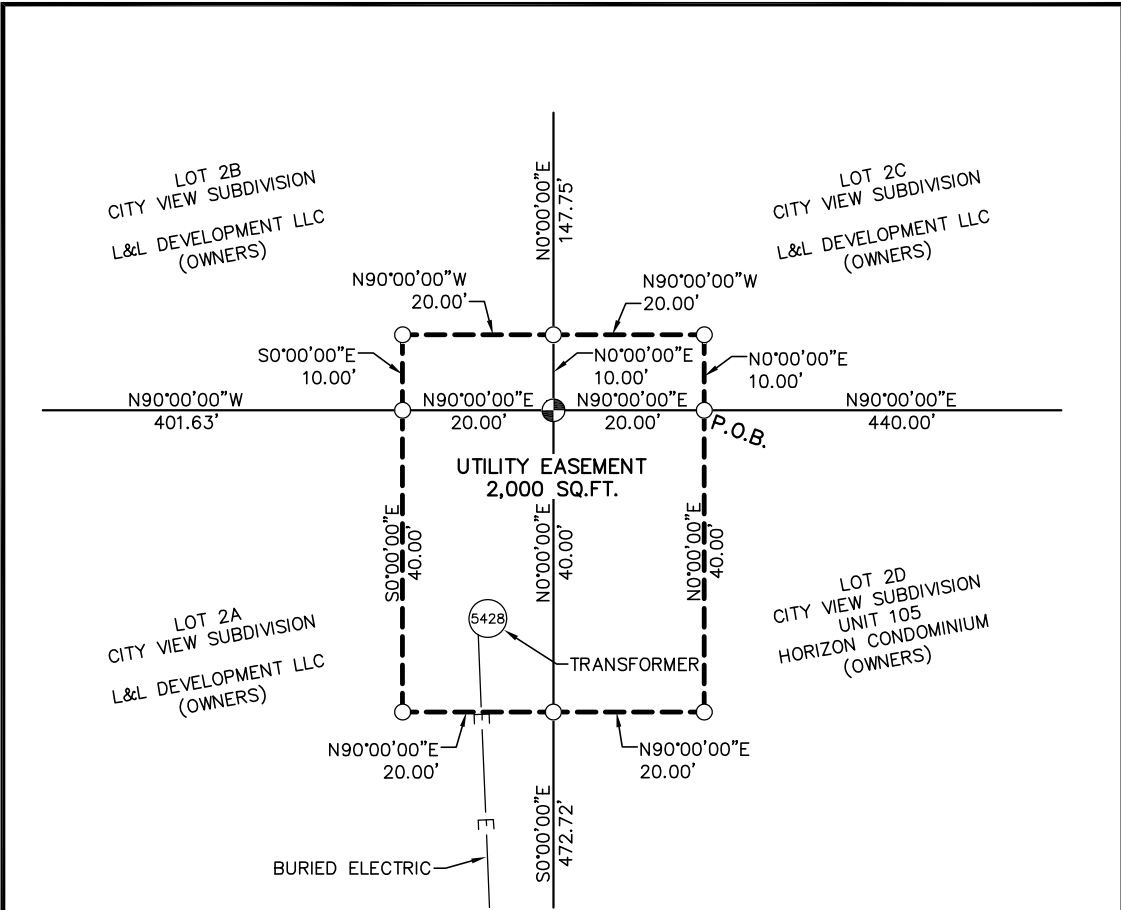
Signature -----



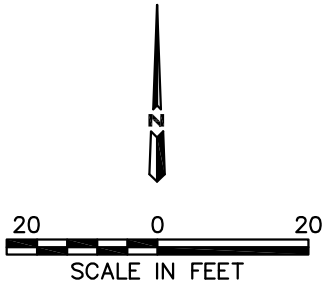
**UTILITY EASEMENT**  
City View Subdivision  
Envelope No. 592A, Document No. 179435  
Sec. 2, T.7N., R.47E., P.M.M., Custer County, MT

PROJECT City View Sub.  
DATE 12/19/2025

**PAGE 1 OF 2**



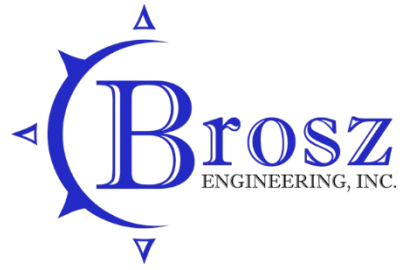
CORY WILHELM, PLS  
PEL-LS-LIC-60940



**LEGEND**

- PROPERTY CORNER
- EASEMENT ANGLE POINT

	<b>EXHIBIT "A"</b> City View Subdivision Envelope No. 592A, Document No. 179435 Sec. 2, T.7N., R.47E., P.M.M., Custer County, MT	PROJECT City View Sub. DATE 12/19/2025
	PAGE 2 OF 2	



October 8, 2025

City of Miles City  
17 S. 8<sup>th</sup> St.  
Miles City, MT 59301

RE: City View Subdivision Roadway As-Built

Dear City Council Members,

The required NO PARKING ANY TIME sign at Parkhill Drive has been installed.



If you have any questions regarding this matter, please call (406) 384-7016.

BROSZ ENGINEERING, INC.

A handwritten signature in blue ink that reads 'Rylan Limesand'.

Rylan Limesand, PE

e [rylanl@broszengineering.com](mailto:rylanl@broszengineering.com)

cc: Geoplant LLC; L&L Developers, LLC

**RESOLUTION NO. 4683**

**A RESOLUTION APPROVING A FOURTH AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT FOR CITY VIEW SUBDIVISION, ACCEPTANCE OF CERTAIN SUBDIVISION IMPROVEMENTS, AND A PARTIAL RELEASE OF FUNDS.**

*WHEREAS*, the City of Miles City subdivision administrator and City Council have reviewed requests by L & L Development LLC to extend the Subdivision Improvements Agreement associated with the City View Subdivision, accept portions of the improvements as complete, and release portions of the financial security for improvements that have been completed to date; and

*WHEREAS*, the Subdivider and Subdivider's engineer have certified completion of portions of the improvements required by the City's approval of the City View Subdivision; and

*WHEREAS*, the City Council accepts the portions of improvements that are certified by the Subdivider and Subdivider's engineer as complete, and as such is allowing the financial security to be reduced accordingly; and

*WHEREAS*, the City Council finds that it is in the City's best interest to grant an extension to allow the Subdivider until August 31, 2026 to complete the remaining improvements; and

*WHEREAS*, the City Council finds that a Fourth Amended Subdivision Improvements Agreement for said City View Subdivision should be approved.

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

1. The City Council hereby accepts as complete the portions of improvements that are certified complete by the Subdivider and Subdivider's engineer, and as such is allowing the financial security to be reduced accordingly; said improvements accepted as complete include the following:
  - a. Horizon Parkway Extension: Including widening, construction, curb, gutter, sidewalk, and paving from end of current pavement to and including the approach to Lot 2D;
  - b. Parkhill Drive Extension: Paving of the turnaround;
  - c. Traffic Signs (a "No Parking" sign along the turnaround for Parkhill Drive);
  - d. Electrical utilities, subject to recording of the proposed Utility Easement; and
  - e. Engineering Costs for the above: Design, Inspection, Certified As-Builts, and Permitting;

and

2. Based on the above acceptance of improvements, the City will release to the Subdivider the amount of \$579,316.00 from the funds from the Letter of Credit that the City is now holding in an account for the City View Subdivision improvements; and
3. The following improvements have not been completed or certified: Mail Facilities per the USPS-approved plans installed at two locations, with concrete; and
4. Because the mail facilities are not complete or certified, the City shall continue to hold and maintain in a bank account a financial security of no less than \$26,550.00, which is 150% of the estimated cost of completing the remaining improvements stated above; and
5. The City Council hereby grants an extension to allow the Subdivider until August 31, 2026 to complete the remaining improvements; and
6. A Fourth Amended Subdivision Improvements Agreement for the City View Subdivision, attached hereto and made a part hereof, is hereby approved and adopted by this council; and
7. The Mayor of the City of Miles City is hereby empowered and authorized to execute said Fourth Amended Subdivision Improvements Agreement on behalf of the City of Miles City, and 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 28<sup>TH</sup> DAY OF APRIL, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

*Return after recording to:*  
City of Miles City  
PO Box 910  
17 S 8<sup>th</sup> Street  
Miles City, MT 59301

**FOURTH AMENDED SUBDIVISION IMPROVEMENTS AGREEMENT**

**THIS AGREEMENT**, made and entered into this \_\_\_\_ day of April, 2026 by and between the City Council of the City of Miles City, Montana, Party of the First Part and hereinafter referred to as the City, and L & L Development LLC, a Limited Liability Company, located at 2323 South Haynes Avenue, Miles City, MT 59301, Party of the Second Part and hereinafter referred to as the Subdivider.

**WHEREAS**, the Subdivider is the Subdivider of a platted subdivision known as City View Subdivision, recorded in Envelope 592A, Document No. 179435, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council of the City of Miles City and the Subdivider entered into a Subdivision Improvements Agreement to allow the Subdivider to bond for certain improvements on February 9, 2022; and

**WHEREAS**, the Subdivision Improvements Agreement dated February 9, 2022 gave a period of one year and a deadline of February 9, 2023 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into an Amended Subdivision Improvements Agreement in February 2023, which gave a deadline of December 31, 2023 for the required improvements to be completed; said agreement was recorded as Document No. 181829, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the City Council and Subdivider entered into a Second Amended Subdivision Improvements Agreement in February 2024, which gave a new deadline of November 1, 2024 for the required improvements to be completed; and

**WHEREAS**, the City Council and Subdivider entered into a Third Amended Subdivision Improvements Agreement in January 2025, which gave a new deadline of July 1, 2025 for the required improvements to be completed; said agreement was recorded as Document No. 185458, records of the Custer County Clerk & Recorder’s Office; and

**WHEREAS**, the improvements specified in the Third Amended Subdivision Improvements Agreement were secured by an Letter of Credit in the amount of \$605,866.00, and on August 18, 2025, the City informed the Subdivider that the Subdivider had failed to comply with the terms of the Third Amended Subdivision Improvements Agreement and was therefore drafting the entire funds of the Letter of Credit pursuant to the Third Amended Subdivision Improvements Agreement; and

**WHEREAS**, the City has been holding 100% of the funds from the Letter of Credit until such time as the Subdivider complies with the terms of the Third Amended Subdivision Improvements Agreement or the City completes and provides for installation and certifications of the required improvements according to the Third Amended Subdivision Improvements Agreement; and

**WHEREAS**, the Subdivider has since completed and certified some of the improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the Subdivider’s engineer has since certified some of the improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the Subdivider has requested a variance to the Miles City Subdivision Regulations, amendments to the conditions of approval for the City View Subdivision, and a partial release of funds for the improvements and associated certifications of improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the City Council has granted the Subdivider a variance to the Miles City Subdivision Regulations, amendments to the conditions of approval for the City View Subdivision, and accepted the improvements that have been certified by the Subdivider and engineer as complete, and therefore has granted a partial release of funds for of the improvements and associated certifications of improvements secured by the Third Amended Subdivision Improvements Agreement and funds being held by the City; and

**WHEREAS**, the required improvements listed in Exhibit A have not been completed and certified at this time; and

**WHEREAS**, the Subdivider has requested additional time, until August 31, 2026, to complete and certify the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to grant additional

time to allow the Subdivider until August 31, 2026 to complete the remaining improvements listed in Exhibit A; and

**WHEREAS**, the City Council has determined it is in the City’s best interest to authorize the City staff, Subdivision Administrator, and City Attorney to act without delay and cause the remaining funds from the letter of credit being held by the City of Miles City to be utilized to complete and have certified by an engineer if the improvements are not completed and certified in full compliance with this agreement by the deadline of August 31, 2026; and

**WHEREAS**, the City Council intends for this to be the final extension of the deadline to complete the improvements; and

**WHEREAS**, the City Council requires a financial security of 150% of the estimated cost of the remaining improvements, which is calculated in Exhibit A; and

**WHEREAS**, the estimated cost of construction and final engineering certification of said remaining improvements is the sum of \$17,700.00, and 150% of the estimated cost of the remaining improvements is \$26,550.00, which is the amount of the required financial security at this time.

**NOW THEREFORE**, in consideration of the above along with the material reviewed by the City Council at the April 28, 2026 meeting, the City Council and Subdivider hereby agree as follows:

1. The City shall release to the Subdivider the amount of \$579,316.00 from the funds from the Letter of Credit that the City is now holding in an account for the City View Subdivision improvements.
2. The City shall continue to hold and maintain in a bank account a financial security of no less than \$26,550.00, which is 150% of the estimated cost of completing the remaining improvements listed in Exhibit A.
3. Said required improvements shall be fully completed by August 31, 2026, which is intended to be the final deadline.
4. If the Subdivider fails to complete the specified improvements within the required period, the City staff, Subdivision Administrator, and City Attorney shall act without delay and cause the remaining funds being held by the City of Miles City to be utilized to complete and have certified by an engineer the improvements listed in Exhibit A.
5. Upon completion of the required improvements, the Subdivider shall submit to the City statements certifying that:
  - i. All required improvements are complete.
  - ii. The improvements are in compliance with the minimum standards specified

by the City for their construction and that the Subdivider warrants said improvements against any and all defects for a period of one (1) year from the date of acceptance of the completion of those improvements by the City.

- iii. The Subdivider knows of no defects in those improvements.
- iv. These improvements are free and clear of any encumbrances or liens.
- v. All applicable fees and surcharges have been paid.

- 6. The Subdivider shall provide for inspection of all required improvements by a registered professional engineer before the Subdivider shall be released from the Subdivision Improvement Agreement.
- 7. The Subdivider shall submit to the Miles City Community Service and Planning Department copies of final plans, profiles, grades and specifications of said improvements, with the certification of the registered professional engineer responsible for their preparation that all required improvements have been installed in conformance with said specifications.
- 8. If the City determines that any improvements are not constructed in compliance with the specifications, it shall furnish the Subdivider with a list of specific deficiencies and may withhold collateral sufficient to ensure such compliance. If the City determines that the Subdivider will not construct any or all of the improvements in accordance with the specifications, or within the required time limits, it may withdraw the collateral in the financial security and employ such funds as may be necessary to construct the improvement or improvements in accordance with the specifications. The unused portions of the collateral shall be returned to the Subdivider.

**IN WITNESS WHEREOF**, the Parties have hereunto set their hands and seals the day and year herein before written.

City of Miles City (Party of the First Part):

\_\_\_\_\_  
Mayor C.A. Grenz

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Mary Rowe, City Clerk

\_\_\_\_\_  
Date

Subdivider (Party of the Second Part), L & L Development LLC, by: Matthew J. Lothspeich and Roger L. Lothspeich:

\_\_\_\_\_

Matthew J. Lothspeich, Subdivider

Date

\_\_\_\_\_

\_\_\_\_\_

Roger L. Lothspeich, Subdivider

Date

STATE OF MONTANA )

) ss

COUNTY OF CUSTER )

On this \_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Matthew J. Lothspeich and Roger L. Lothspeich, who executed the within instrument and acknowledged to me that they executed the same on behalf of L & L Development LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

\_\_\_\_\_

Signature of Notary Public

(NOTARIAL SEAL)

**EXHIBIT A**

**LIST OF INCOMPLETE IMPROVEMENTS FOR CITY VIEW SUBDIVISION**

The following improvements, required by the conditions of approval for City View Subdivision, are not complete as of April 28, 2026:

- Mail Facilities, including Post Office approved cluster boxes in two locations, along with associated concrete and appurtenant improvements, with USPS approval.
- Engineering Costs: Design, Inspection, Certified As-Builts, and Permitting/Approvals of the above.

USPS compliant cluster mailboxes as approved by USPS = \$8,700.00

Concrete/installation of mailboxes = \$4,000.00

Brosz Engineering Costs = \$5,000.00

Total Estimated Cost of Remaining Improvements/Engineering = \$17,700.00

**Total Cost x 150% = \$26,550.00**

**RESOLUTION NO. 4684**

**A RESOLUTION APPROVING A LETTER OF AGREEMENT FOR ENGINEERING SERVICES BETWEEN THE CITY OF MILES CITY AND SIMPLICITY CONSULTING ENGINEERING & DESIGN, LLC FOR THE PURPOSE OF DEVELOPING SPECIFICATIONS, BIDDING DOCUMENTS AND ADMINISTERING CONSTRUCTION FOR THE REPLACEMENT OF ROOF TOP HEATING UNITS AT THE CITY’S EXISTING WATER TREATMENT PLANT.**

*WHEREAS*, the City of Miles City has engaged the services of Simplicity Consulting Engineering & Design, LLC to provide certain engineering services related to developing bidding documents and administering construction for the replacement of the roof top heating units on the City’s existing water treatment plant;

*AND WHEREAS*, the City and Simplicity Consulting Engineering & Design, LLC desire to enter into a letter of agreement for Simplicity Consulting Engineering & Design, LLC to provide the engineering services set forth therein;

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

1. That “Letter of Agreement” attached hereto as Exhibit “A,” and made a part hereof, is hereby approved and adopted by this council.
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute said document on behalf of the City of Miles City, and 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 28<sup>TH</sup> DAY OF APRIL, 2026.**

\_\_\_\_\_  
C. A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

April 14, 2026

Thomas A. Speelmon  
Public Utilities Director  
City of Miles City  
17 South 8th Street, Suite 2,  
Miles City, MT 59301

Dear Tom

Thank you for the opportunity to propose for the engineering services on the heater replacement for the Water Treatment Plant in Miles City, Montana.

Scope of Work:

Provide design to replace the existing Reznor Roof mounted gas fired unit heater with new equipment. Roof flashings will be addressed in the current sdi re-roofing project.

Design Phase:

Provide stamped drawings and specifications that represent the project conditions and requirements. Work with the staff of the Client, to provide the desired details with respect to piping, equipment selection and temperature controls.

Mechanical:

- Select, schedule and detail a one for one replacement of the existing Reznor RPB 250MBH units with new.

Electrical:

- Disconnect (4) units to be demolished and reconnect new units. New equipment is assumed to be 480v – 3 phase to match existing.

Plumbing:

- Disconnect and reconnect gas piping at the (4) units to be replaced.

Fire Suppression: None.

Bidding Phase:

Administer the Bidding phase for Client. Coordinate with plan houses, prospective bidders and the Client to provide a competitive bidding environment for this project. Schedule and oversee a pre-bid walk through for this project. It is assumed that the Client will publicly open the bids.

Construction Phase:

Assist the Client with the administration of the construction. Facilitate paperwork as required by the Client with the Contractor. Provide verification of the completeness and thoroughness of the Contractor's work. Facilitate a pre-construction meeting; perform eight progress observations, and one final punch.

Post - Construction Phase:

Develop final Project Record Drawings for the Client's records.

Facilitate an 11 month warranty walkthrough of the project with Client's representative and the General Contractor.

Deliverables:

- Mechanical, electrical and plumbing final stamped construction documents.

Assumptions: to complete above scope

- 2021 International Codes / 2021 Uniform Plumbing Code are in force for the design.
- Scope is limited to area of the building impacted.
- City of Miles City will retain ownership of all proprietary data, pictures specific to City property. Simplicity retains the ownership and copyrights of the instruments of service (drawing presentation, calculations, details, schedules, etc) and grants the client a limited license for a stated purpose.
- The standard of care for all professional services performed or furnished by Consultant under this Agreement will be the skill and care used by members of Consultant’s profession practicing under similar circumstances at the same time and in the same locality. Consultant makes no warranties, express or implied, under this Agreement or otherwise, in connection with Consultant’s services.
- The Client understands that Consultant’s services are provided as a technical expert, the Consultant will provide reasonable effort to accommodate the Client’s and the Owner’s wishes and deviations from the proposed design, however, the Consultant will not lessen the design against his professional opinion to satisfy technical requests from the Client or Owner.
- Simplicity’s scope of services shall be compliant only with codes and standards as approved by the Authority Having Jurisdiction and any Owners as agreed to at the initial start of the Work for the Agreement.
- The standard of care for all professional services performed or furnished by Consultant under this Agreement will be the skill and care used by members of Consultant’s profession practicing under similar circumstances at the same time and in the same locality. Consultant makes no warranties, express or implied, under this Agreement or otherwise, in connection with Consultant’s services.
- The Client understands that Consultant’s services are provided as a technical expert, the Consultant will provide reasonable effort to accommodate the Client’s and the Owner’s wishes and deviations from the proposed design, however, the Consultant will not lessen the design against his professional opinion to satisfy technical requests from the Client or Owner.
- Simplicity’s scope of services shall be compliant only with codes and standards as approved by the Authority Having Jurisdiction and any Owners as agreed to at the initial start of the Work for the Agreement.
- Simplicity shall increase professional liability insurance to \$2 million per incident amount per specific project. Certificate of insurance will be provided as requested.

Compensation of Services:

The compensation shall be lump sum format. Invoices shall be due upon presentation. The total requested fee for the project is as follows. This fee excludes printing, advertisement, or insurance rates above our standard amounts.

<u>Design Phase:</u>		<u>Additional information</u>
Construction Documents	\$4,250	<i>Project development. Includes site investigation performed April 8, 2026.</i>
* <u>Bidding:</u>	\$2,300	<i>No printing – plan houses uploads/coordination, attend prebid walk through.</i>
* <u>Construction:</u>	\$5,250	<i>Fee includes (2) observations (kick-off &amp; progress) and 1 punch are anticipated.</i>
* <u>Project Record Drawing:</u>	\$250	<i>Develop Project Record Drawings (PDR). Anticipate a reimbursable expense for printing (2) copies of the drawings for the plan room. CD shall be turned over at this time with pictures, PDR in AutoCAD and PDF formats.</i>
* <u>11 Month Warranty Walk:</u>	\$400	<i>Make a final walk through with Client’s Staff and General Contractor to identify any outstanding warranty items. Fee includes a write up of the findings.</i>

*\* Phase can be selected at the preference of the Client*

Additional Services:

Compensation for additional services will be incurred at \$145/hour.

Any proposal not approved and under contract within 270 days of proposal date, is not valid without discussions between Client and Simplicity.

Services Excluded from our Agreement:

- Services may be requested such as change in delivery, change in format of drawings or specifications from our standard, a value engineering session to lower project bid cost, energy modeling, or consulting in addition to the above defined scope.
- Change directives and requests either verbally or written beyond the scope as identified above. Simplicity will make attempts to negotiate a signed modification to our Agreement prior to commencing, however, timing of request with anticipated completion may require good faith understanding that additional compensation will be agreed to and negotiated after the fact.
- Systems not identified above – fire suppression, lighting, security, audio/visual, utility power, electrical infrastructure/service modifications.
- Construction site safety for any individuals or entities other than direct employees of Simplicity CED, LLC.
- It is acknowledged by both parties that Consultant’s scope of services does not include any services related to the presence at the site of asbestos, PCBs, petroleum, hazardous waste or radioactive materials. Client acknowledges that Consultant is performing professional services for Client and Consultant is not and shall not be required to become an “arranger,” “operator,” “generator” or “transporter” of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA).
- Electronic transfer of media shall only occur with the acceptance of Simplicity’s electronic media agreement and items listed therein.
- Any certification, insurance of design/performance, warranty and or guarantee are not included in the professional services agreement.

Please sign and return this Agreement, or provide a City preferred contract to review and sign.

Thank you again for allowing me the opportunity to submit a fee for this project.

Sincerely,



Cory Hasiak, P.E.

\_\_\_\_\_  
City of Miles City

Thomas A. Speelmon

April 14, 2026

Page 4

Term of the Agreement:

Client may terminate this Agreement with seven days' prior written notice to Consultant for convenience or cause. Consultant may terminate this Agreement for cause with seven days' prior written notice to Client. Failure of Client to make payments when due shall be cause for suspension of services or, ultimately, termination, unless and until Consultant has been paid in full all amounts due for services, expenses and other related charges

Simplicity CED, LLC (Simplicity) reserves the right to terminate the contract upon notification of the Client's intention to assign the contract to a third party.

Both parties agree that there are no third-party benefactors to the Agreement.

Invoices are due upon presentation. Invoice will accrue interest from the first day after the date on invoice. No assessment of interest will occur until 90 days after date of invoice, if the invoice is not paid in full by that date. Interest rate shall be 5% APR.

Simplicity retains the ownership and copyrights of the instruments of service as defined above. Use of Company documents for unauthorized or misuse is at the Client's sole risk.

The standard of care for all professional services performed or furnished by Consultant under this Agreement will be the skill and care used by members of Consultant's profession practicing under similar circumstances at the same time and in the same locality. Consultant makes no warranties, express or implied, under this Agreement or otherwise, in connection with Consultant's services. Consultant shall act as an independent contractor at all times during the performance of its services, and no term of this Agreement, either expressed or implied, shall create an agency or fiduciary relationship.

The Client understands that Consultant's services are provided as a technical expert, the Consultant will provide reasonable effort to accommodate the Client's and the Owner's wishes and deviations from the proposed design, however, the Consultant will not lessen the design against his professional opinion to satisfy technical requests from the Client or Owner.

Simplicity shall be permitted to rely on the manufacturer's or supplier's representations and shall not be responsible for any damages arising from failure of the material or equipment to perform in accordance with the manufacturer's or supplier's representations.

Simplicity shall be entitled to rely on and shall not be responsible for the accuracy, completeness, and timeliness of services and information furnished by the Owner and the Owner's Consultants.

Simplicity's scope of services shall be compliant only with codes and standards as approved by the Authority Having Jurisdiction and any Owners as agreed to at the initial start of the Work for the Agreement.

Client and Consultant agree that they shall first submit any and all unsettled claims, counterclaims, disputes and other matters in question between them arising out of or relating to this Agreement to mediation in accordance with the Construction Industry Mediation Rules of the American Arbitration Association, effective as of the date of this Agreement.

Simplicity shall not be responsible for the acts or omissions of any Contractor or Subcontractor or any other persons at the site or otherwise performing any of the Contractor's work. However, nothing contained herein shall be construed to release Simplicity from his responsibilities to properly perform duties undertaken by him as a part of this Agreement.

Indemnification

The Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Client, its officers, directors and employees (collectively, Client) against all actual damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Consultants negligent performance of professional services under this Agreement and that of its subconsultants or anyone for whom the Consultant is legally liable.

The Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees and subconsultants (collectively, Consultant) against all actual damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Client's negligent acts in connection with the Project and the acts of its contractors, subcontractors or consultants or anyone for whom the Client is legally liable.

Neither the Client nor the Consultant shall be obligated to indemnify the other party in any manner whatsoever for the other party's negligence.

Simplicity carries professional liability insurance with policy components at Simplicity's discretion. Certificate of insurance will be provided with expressed written request for information. Additional insurance requirements at the request of the Client may be added with negotiation of contract amount to cover all costs associated with increasing policy amounts.

Betterment or value added to the project resulting from a change order to Contract Documents shall not be the responsibility of the Engineer to incur the cost.

Simplicity's liability shall not exceed the total insurance proceeds paid on behalf of or to the Engineer by the Engineer's insurers in settlement or satisfaction of the Owner's Claims under the terms and conditions of the Engineer's insurance policies applicable thereto (excluding fees, costs and expenses of investigation, claims adjustments, defense and appeal).



Miles City Office  
 PO Box 1298  
 Miles City, Montana 59301  
 Phone: (406) 234-5565  
 Fax: (406) 234-5566

**Project:** 02202405 - Miles City Fire & Ambulance  
 2800 Main Street  
 Miles City, Montana 59301  
 Phone: 509-993-4010

## Prime Contract Change Order #013: Asphalt patch at Legion

<b>TO:</b>	City of Miles City PO Box 910 Miles City, Montana 59301	<b>FROM:</b>	Jackson Contractor Group, Inc. PO Box 967 Missoula Montana 59806
<b>DATE CREATED:</b>	4/ 23 /2026	<b>CREATED BY:</b>	Amy Lesh (Jackson Contractor Group, Inc.)
<b>CONTRACT STATUS:</b>	Pending - In Review	<b>REVISION:</b>	0
<b>DESIGNATED REVIEWER:</b>		<b>REVIEWED BY:</b>	
<b>DUE DATE:</b>		<b>REVIEW DATE:</b>	
<b>INVOICED DATE:</b>		<b>PAID DATE:</b>	
<b>SCHEDULE IMPACT:</b>	3 days	<b>EXECUTED:</b>	No
<b>CONTRACT FOR:</b>	02202405-00:Miles City Fire and Rescue	<b>TOTAL AMOUNT:</b>	\$ 0.00

**DESCRIPTION:**  
 Asphalt patch at Legion

Patch back of asphalt for install of curb along Legion Street.

**ATTACHMENTS:**

[Re Fire Hall - Additional Work - diamond j asphalt patch.pdf](#) [Est\\_11069\\_from\\_Wharton Asphalt\\_LLC\\_29764.pdf](#)

This proposal is based on the usual cost elements such as labor, material, and normal mark ups, and does not include any amount for changes in the sequence or work delays, disruption, rescheduling, extended overhead, acceleration and or impacts, and the right is expressly reserved to make claim for any and all of these related items of cost prior to any final settlement of the contract.

**POTENTIAL CHANGE ORDERS IN THIS CHANGE ORDER:**

PCO #	Title	Schedule Impact	Amount
028	Asphalt patch at Legion	3 days	0.00
<b>TOTAL:</b>			<b>\$0.00</b>

**CHANGE ORDER LINE ITEMS:**

**PCO # 028 : Asphalt patch at Legion**

#	SubJob	Cost Code	Description	Type	Amount
1	N/A	31-2329 - 2.03A/2.32A DIAMOND J	Demo of 3' additional asphalt and repack/regrade for asphalt	Subcontract	\$ 3,900.00
2	N/A	32-1216 - ASPHALT PAVING	Asphalt supply and placement	Subcontract	\$ 9,089.00
3	N/A	01-2116 - CONTINGENCY	Contingency	Unallocated	(\$12,989.00)
<b>Subtotal:</b>					<b>\$0.00</b>
<b>GL Insurance: 0.85% Applies to All Line Items</b>					<b>0.00</b>
<b>Builders Risk Insurance: 0.50% Applies to All Line Items</b>					<b>0.00</b>
<b>Procure: ≈ 0.19% Applies to All Line Items</b>					<b>0.00</b>
<b>P&amp;P Bond: 0.64% Applies to All Line Items</b>					<b>0.00</b>
<b>Fee: 5.00% Applies to All Line Items</b>					<b>(0.00)</b>
<b>MGRT: 1.00% Applies to All Line Items</b>					<b>0.00</b>
<b>Grand Total:</b>					<b>\$0.00</b>



**From:** John Peila <diamondjconstruction@live.com>  
**Sent:** Wednesday, April 22, 2026 3:40 PM  
**To:** Amy Lesh  
**Subject:** Re: Fire Hall - Additional Work

Just put 500 dollars extra on that price to account for a load of gravel

thanks,

*John Peila*



**PO Box 520**  
**Miles City, MT 59301**  
**Office - 406-234-1504**  
**Cell - 406-951-1504**

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**From:** Amy Lesh <[amyl@jacksoncontractorgroup.com](mailto:amyl@jacksoncontractorgroup.com)>  
**Sent:** Wednesday, April 22, 2026 3:38 PM  
**To:** [diamondjconstruction@live.com](mailto:diamondjconstruction@live.com) <[diamondjconstruction@live.com](mailto:diamondjconstruction@live.com)>; Emmett Willson <[diamondjconstruction2@live.com](mailto:diamondjconstruction2@live.com)>; [diamondj1504@live.com](mailto:diamondj1504@live.com) <[diamondj1504@live.com](mailto:diamondj1504@live.com)>  
**Cc:** Ken Stenerson <[kennys@jacksoncontractorgroup.com](mailto:kennys@jacksoncontractorgroup.com)>; Charlie Lohof <[charliel@jacksoncontractorgroup.com](mailto:charliel@jacksoncontractorgroup.com)>  
**Subject:** RE: Fire Hall - Additional Work

You might need to include a little bit of gravel for the ~18” that is already cut out. It got dug out while prepping for the curb. The additional 3’ of asphalt that comes out we should be able to repack whats already there.

Thanks,



**AMY LESH**  
**PROJECT MANAGER**  
[amyl@jacksoncontractorgroup.com](mailto:amyl@jacksoncontractorgroup.com)  
[www.jacksoncontractorgroup.com](http://www.jacksoncontractorgroup.com)  
PO Box 1298, Miles City, MT 59301  
P | 406-234-5565 M | 406-853-1785



---

**From:** John Peila <[diamondjconstruction@live.com](mailto:diamondjconstruction@live.com)>  
**Sent:** Wednesday, April 22, 2026 3:31 PM

**To:** Amy Lesh <[amyl@jacksoncontractorgroup.com](mailto:amyl@jacksoncontractorgroup.com)>; Emmett Willson <[diamondjconstruction2@live.com](mailto:diamondjconstruction2@live.com)>; [diamondj1504@live.com](mailto:diamondj1504@live.com)  
**Cc:** Ken Stenerson <[kennys@jacksoncontractorgroup.com](mailto:kennys@jacksoncontractorgroup.com)>; Charlie Lohof <[charliel@jacksoncontractorgroup.com](mailto:charliel@jacksoncontractorgroup.com)>  
**Subject:** Re: Fire Hall - Additional Work

Amy,

Recut and dispose of asphalt-----\$2,800

Repack existing grade and fine grade for asphalt--\$600.00

Total -\$3,400.00

I did not figure any gravels, if you want me to do a dig out and recompact let me know?  
thanks,

**John Peila**



**PO Box 520**  
**Miles City, MT 59301**  
**Office - 406-234-1504**  
**Cell - 406-951-1504**

---

**From:** Amy Lesh <[amyl@jacksoncontractorgroup.com](mailto:amyl@jacksoncontractorgroup.com)>  
**Sent:** Wednesday, April 22, 2026 2:11 PM  
**To:** [diamondjconstruction@live.com](mailto:diamondjconstruction@live.com) <[diamondjconstruction@live.com](mailto:diamondjconstruction@live.com)>; Emmett Willson <[diamondjconstruction2@live.com](mailto:diamondjconstruction2@live.com)>; [diamondj1504@live.com](mailto:diamondj1504@live.com) <[diamondj1504@live.com](mailto:diamondj1504@live.com)>  
**Cc:** Ken Stenerson <[kennys@jacksoncontractorgroup.com](mailto:kennys@jacksoncontractorgroup.com)>; Charlie Lohof <[charliel@jacksoncontractorgroup.com](mailto:charliel@jacksoncontractorgroup.com)>  
**Subject:** Fire Hall - Additional Work

Hey guys,

I very briefly talked with Emmett about this but could I get a price from you to cut out an additional 3' of asphalt along the new curb, and prep for asphalt? This was originally going to be done by the city but now they are asking to do it within the project. If possible I need the price by like 3 pm tomorrow so I can get it into next week's council meeting.



Section 9, Item D.

# Contract

Date	Estimate #
4/22/2026	11069

Name / Address
Jackson Contractor Group P.O. Box 967 Missoula Mt 59806

**Project**

Miles City Fire Hall

Item	Description	Sq. Ft.	Unit	Total
Re Mobilization	Miles City Fire Hall Mobilization of equipment and employees. (Each additional @ \$0.00 )	1		1,744.00
Pave	Tack, haul, place & compact 3" asphalt.	1500		7,345.00
Note	No TC or QC testing No prep work			
Any questions call Ed (406) 861-4730		<b>Total</b>		\$9,089.00

Quote is good for 15 days. All material and workmanship carries a 1 year warranty. Work must fit into current working schedule. No guarantee on water drainage on a less than a 2% grade. No guarantee against the growth of vegetation. Not responsible for damage to concrete caused from equipment. Customer agrees to pay all legal fees in the event that it becomes necessary from default of payment of this contract. Customer agrees to pay upon completion of job unless otherwise specified. A \$20.00 late fee will be charged every month account is past due. The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do work as specified.

Signature \_\_\_\_\_

Date \_\_\_\_\_

3962 PA Hollow Trail Billings Mt 59106 P: 406-254-9571 F: 406-254-9572  
WhartonAsphalt@netzero.net WhartonAsphalt.com

**RESOLUTION NO. 4685**

**A RESOLUTION APPROVING A CHANGE ORDER WITH JACKSON CONTRACTOR GROUP, INC. RELATED TO THE MILES CITY FIRE HALL CONSTRUCTION PROJECT.**

**WHEREAS**, the City of Miles City has engaged Jackson Contractor Group, Inc., to construct the new MCFR Fire Hall building;

**AND WHEREAS**, changes to the construction plans and documents have been recommended, and are hereby presented to Council for approval in the form of a change order for asphalt paving;

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

1. The following Change Order is hereby approved: Change Order #013, described in detail and 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 28<sup>TH</sup> DAY OF APRIL, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

Section 9, Item E.

**BRUSH TRUCK REPAIR**

P.O. Box 412  
 MILES CITY, MT 59301  
 406-232-2378  
 Federal ID Number 810438065

024051

PART NO.	DESCRIPTION	SALE AMOUNT
	ESTIMATE ON 4/14/26	
	Payment Due	000413200
	Prior to Job Start	
	SPECIAL REPAIRS	
	Balance Open	
	Completion	
TOTAL PARTS		
ESTIMATE AMOUNT		
ADD'L AUTH. AMT.	TIME	BY
ADD'L AUTH. AMT.		
ADD'L AUTH. AMT.		
<b>ESTIMATE TOTAL</b>		

NAME: City of Miles City  
 ADDRESS: \_\_\_\_\_  
 CITY: \_\_\_\_\_  
 PHONE WHEN READY: ?  
 YEAR: \_\_\_\_\_ TYPE OR MODEL: Fire Truck MOTOR NO.: \_\_\_\_\_ SERIAL NUMBER: \_\_\_\_\_ LICENSE NUMBER: \_\_\_\_\_ ODOMETER: \_\_\_\_\_

REPAIR ORDER - LABOR INSTRUCTIONS

LUBRICATE  CHANGE OIL  FLUSH TRANS.  FLUSH DIFF.  WASH  POLISH  \$ \_\_\_\_\_

RR R motor labor and only 3000.00

Any added parts & extra labor will be added.

Oil and grease & filter will be extra

ORDER WRITTEN BY: \_\_\_\_\_

DATE: 4/14/26

TERMS: \_\_\_\_\_ CUSTOMER'S ORDER NO.: \_\_\_\_\_

RETAIN PARTS  DESTROY PARTS

I HEREBY AUTHORIZE THE ABOVE REPAIR WORK TO BE DONE, ALONG WITH NECESSARY MATERIALS. YOU AND YOUR EMPLOYEES MAY OPERATE ABOVE VEHICLE FOR PURPOSES OF TESTING, INSPECTION OR DELIVERY AT MY RISK. AN EXPRESS MECHANIC'S LIEN IS ACKNOWLEDGED ON ABOVE VEHICLE TO SECURE THE AMOUNT OF REPAIRS THERETO. YOU WILL NOT BE HELD RESPONSIBLE FOR LOSS OR DAMAGE TO VEHICLE OR ARTICLES LEFT IN VEHICLE IN CASE OF FIRE, THEFT, ACCIDENT OR ANY OTHER CAUSE BEYOND YOUR CONTROL.

AUTHORIZED BY: \_\_\_\_\_ RECEIVED BY: \_\_\_\_\_

GAL. GASOLINE @										
QTS. OIL @										
LBS. GREASE @										
TOTAL GAS - OIL - GREASE										
TOTAL LABOR										
TOTAL PARTS										
GAS, OIL, GREASE										
SPECIAL REPAIRS										
ENVIRONMENTAL CHARGES										
STATE TAX										
<b>TOTAL AMOUNT</b>										

4600 SOUTH FRONTAGE ROAD  
 BILLINGS, MT 59101-7720  
 PHONE: (406) 252-5121  
 (800) 736-5264  
 FAX: (406) 252-5910  
 www.istatetruck.com  
 251

ACCOUNT NUMBER: 13  
 INVOICE NUMBER: Q2 Section 9, Item E.  
 INVOICE DATE:  
 INVOICE TERMS: N/10MF  
 SALESPERSON: TIM H  
 PURCHASE ORDER#: ESN 45097242



**Parts Estimate**

**BILL-TO**  
**BRUSH TRUCK REPAIR & WRECKER SERVICE**  
 PO BOX 412  
 MILES CITY MT 59301-0412

**SHIP-TO:** 19417  
**BRUSH TRUCK REPAIR & WRECKER SERVICE**  
 2909 EDGEWOOD ST  
 MILES CITY MT 59301  
 Phone #: 406-232-2378  
 Ship Method: PICKUP

SHIP	B/O	ITEM	DESCRIPTION	UNIT PRICE	EXTENDED
1	0	251Z/61F4D250SB	DROP IN ENGINE	20,398.67	20,398.67
1	0	251Z/61F4D250SB-CORE	DROP IN ENGINE CORE	3,733.33	3,733.33

Comment: REVIVA 9 BUSINESS DAY BUILD TIME  
 Comment: FREIGHT IS INCLUDED  
 Comment: 2 YEAR UNLIMITED MILE WARRANTY

Parts	24,132.00
Prepay	0.00
Freight	0.00
Misc Charges	0.00
Taxes	0.00
<b>Total</b>	<b>24,132.00</b>

This document is subject to the General Terms and Conditions, the Mechanic's Lien Rider, the Abandoned Vehicle Rider, the Storage Fee & Lien Rider, Tampered Emissions Systems Policy, and Code of Conduct, which are expressly incorporated herein by reference, and are available at: <https://www.istate.com/terms-conditions/> or in hard copy upon request.

All claims must be accompanied by this invoice. Diagnostic and Technical service charge may apply.

All claims and returned goods must be accompanied by this invoice. No returns on electrical or special order parts.

Returned parts may be subject to a handling or restocking fee. All cores must be returned in original packaging within 90 days.

Customer Name	Acct Num	Invoice Number	Amt Due	Date Due	Remittance Enclosed
BRUSH TRUCK REPAIR & WRECKER SERVICE	19417	Q251071906:01	24,132.00	02/09/2026	

Corporate Office - Accounts Receivable  
 (952) 854-2044 - Phone  
 (952) 814-1127 - Fax  
 ARTeam@istate.com  
 Federal ID: 32-0036160

PLEASE REMIT PAYMENT TO:  
 IState Truck Center, Inc.  
 NW 7246  
 PO Box 1450