



# CITY OF MILES CITY AGENDA

*Regular Council Meeting  
City Council Chambers*

*March 27, 2018  
7:00 p.m.*

## CALL TO ORDER PLEDGE OF ALLEGIANCE ROLL CALL

1. **APPROVAL OF COUNCIL MINUTES/COMMITTEE MINUTES**
  - A. Regular City Council Meeting 3/13/2018
2. **SCHEDULE MEETINGS**  
Public Service Committee- April 5<sup>th</sup> @ 5:30pm
3. **REQUEST OF CITIZENS & PUBLIC COMMENT**
4. **APPOINTMENTS**
5. **PROCLAMATIONS**
6. **STAFF REPORTS**
7. **CITY COUNCIL COMMENTS**
8. **MAYOR COMMENTS**
9. **COMMITTEE RECOMMENDATIONS**
10. **BID OPENINGS**- New Type 2 ambulance
11. **BID AWARDS**
12. **PUBLIC HEARINGS**
13. **UNFINISHED BUSINESS**
14. **NEW BUSINESS**
  - A. **ORDINANCE NO. 1323- (First Reading) An Ordinance Section 2-53 of the Code of Ordinances of Miles City, Montana, to Call for City Council Meetings to Begin at 6:00 p.m.**
  - B. **ORDINANCE NO. 1324- (First Reading) An Ordinance Amending Ordinances 1073, 1262, 1277, 295 and 1308, Revising "Administration Rules of the City of Miles City Water and Sewer Services, Accounts, Delinquencies and Termination"**
  - C. **RESOLUTION NO. 4140- A Resolution Authorizing the City of Miles City to Apply to the Montana Department of Commerce for Designation by the Governor as a Montana Opportunity Zone**

**D. RESOLUTION NO. 4141- A Resolution Approving a Revised Park Use Permit Between the City of Miles City, Montana, and the Outlaw Baseball Club for use of Stanley, Tedesco, Jaycee, and Connors Field(s)**

**15. 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

# **REGULAR COUNCIL MEETING    March 13, 2018**

**7:00 p.m.**

## **CALL TO ORDER**

The Regular Council meeting was held Tuesday, March 13, 2018, in the City Hall Conference Room at City Hall, 17 S. 8<sup>th</sup> Street, Miles City, Montana. Mayor Hollowell John Hollowell called the meeting to order. Council Members present were Brant Kassner, Dwayne Andrews, Rick Huber, Jeff Erlenbusch, Kathy Wilcox, John Uden and Ken Gardner. Councilperson Susanne Galbraith was excused.

Also present were City Attorney Dan Rice, Public Works Director Scott Gray, Public Utilities Director Tom Speelmon, Police Chief Doug Colombik, Fire Chief Branden Stevens, and City Clerk/Minute Recorder Lorrie Pearce.

## **PLEDGE OF ALLEGIANCE**

Mayor Hollowell led the Council in the Pledge of Allegiance.

## **APPROVAL OF COUNCIL & COMMITTEE MINUTES**

### **City Council Minutes: 2/27/2018**

- \*\***     *Councilperson Uden moved to approve the minutes of the Regular Council Meeting of February 27, 2018 subject to any changes, and seconded by Councilperson Kassner. The motion **passed** by unanimous consent, 7-0.*

### **Finance Committee Minutes: 2/22/2018**

- \*\***     *Councilperson Andrews moved to approve the minutes of the Finance Committee Meeting of February 22, 2018, and seconded by Councilperson Gardner. The motion **passed** by unanimous consent, 7-0.*

### **Human Resource Committee Minutes: 3/01/2018**

- \*\***     *Councilperson Kassner moved to approve the minutes of the Human Resource Meeting of March 1, 2018, and seconded by Councilperson Gardner. The motion **passed** by unanimous consent, 7-0.*

### **Special Council Minutes: 3/06/2018**

- \*\***     *Councilperson Uden moved to approve the minutes of the Special Council Meeting of March 6, 2018, and seconded by Councilperson Andrews. The motion **passed** by unanimous consent, 7-0.*

### **Public Safety Committee Minutes: 3/08/2018**

- \*\*** *Councilperson Kassner moved to approve the minutes of the Public Safety Meeting of March 8, 2018, and seconded by Councilperson Gardner. The motion **passed** by unanimous consent, 7-0.*

### **Finance Committee Minutes: 3/01/2018**

- \*\*** *Councilperson Andrews moved to approve the minutes of the Finance Committee Meeting of March 1, 2018, and seconded by Councilperson Huber. The motion **passed** by unanimous consent, 7-0.*

### **SCHEDULE MEETINGS**

*The following meetings will be held in the City Hall Conference Room:*

- Human Resource: Thursday, April 5th @ 5:15 p.m.

### **REQUEST OF CITIZENS & PUBLIC COMMENT**

None

### **APPOINTMENTS**

Kasey Kruger- Urban Renewal Agency Board

- \*\*** *Councilperson Uden moved to appoint Kasey Kruger to the Urban Renewal Agency Board, seconded by Councilperson Huber. The motion passed 7-0. Mayor Hollowell swore Mr. Kruger into the position.*

### **PROCLAMATIONS**

None

### **STAFF REPORTS**

Director Gray thanked all the City crews that worked on the snow removal. He also thanked Doeden Construction, Muggli Construction, Diamond J Construction, Spencer Jarrett, State Highway and the County. With all the help, the City is still trying to catch up and is being cautious of the drainage issues that the snow had caused. He has documented 2800 regular hours of snow removal, 800 hours of overtime and 75 hours of double overtime. With wages and contracted cost the amount is approximately \$190,000. With the high cost there will be limited paving completed this summer. Learning from the experience he will be looking into revising the snow route policy.

Director Speelmon said there were three water breaks in the last three weeks due to corroded pipes. Frost line is anywhere between twelve to fifty four inches.

Chief Stevens thanked Council for approving the Battalion Chief to work days. It paid off on a recent structure fire. Rescue crew was able to respond with four people on the engine and saved some of the structure and a family pet. Volume calls have increase by 47 more calls compared to this time last year. The fire department received a grant from the Red Cross to receive smoke detectors. The fire department, Jaycees and Miles Community College students will be installing them on April 27<sup>th</sup> and April 28<sup>th</sup>.

## **CITY COUNCIL COMMENTS**

### ***Dwayne Andrews:***

1. Asked Council and Mayor if it would be possible to change the starting time for Council meetings from 7pm to 6pm. After a short conversation, *Councilperson Andrews moved to put the item on the next Council agenda as a resolution, seconded by Councilperson Uden. The motion passed 7-0*
2. He felt that communication was not established between the Mayor, Human Resource chairperson, Council President and Historic Preservation/TIF Board. He felt all the mentioned above should be involved in the process, and wondered how many hours the position was advertised for. Mayor Hollowell said hiring is his job and all departments will have representation in the interviewing process.
3. He would like the Mayor to get a fund earmarked and established for snow removal in the future. He felt that things can become stale and felt that it was important enough to follow through on it. Director Gray explained that it may be years before the City has another winter like this one. If the fund was approved by voters, bid proposals would have to go out to contractors. If it is not a bad winter, the City would possibly have to retain them for three to four months.
4. The claims for February were \$456,000 and thought it was high.

Councilperson Uden said there was a big hole on South 4<sup>th</sup> and Yellowstone and was wondering when it would be fixed. Director Gray said he would get to the potholes as soon as he could. He added that this time of the year the combination of snow, ice and water will always equal potholes and the longer the water sits the worse it gets. Right now drainage is a big problem.

## **MAYOR COMMENTS**

None

## **COMMITTEE RECOMMENDATIONS**

None

## **BID OPENINGS**

None

## **BID AWARDS**

New 4-Wheel drive ambulance- Finance Committee and Chief Stevens recommended to Council to award the bid to Osage for an amount of \$282,000.

*\*\* Councilperson Uden moved to approve the bid amount of \$282,000 received from Osage for the new 4-wheel drive ambulance, seconded by Councilperson Huber. The motion passed with a vote of 7-0*

## **PUBLIC HEARINGS**

**A. RESOLUTION NO. 4131- A Resolution Approving an Application for Tax Exemption and Reduction for Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures for 1885 Properties, LLC**

Mayor Hollowell called for comments from proponents three times, then opponents three times and, hearing none, the hearing was closed.

**B. RESOLUTION NO. 4135- A Resolution Pursuant to §7-6-4006 of the Montana Code Annotated, Authorizing Award of an Urban Renewal Agency Direct Grant for Infrastructure Improvements to the City Public Works Department, and Amendment of Final Budget for FY 2017-2017 to Increase the Budgeted Amount in Fund 2510-107-460235-230**

Mayor Hollowell called for comments from proponents three times, then opponents three times and, hearing none, the hearing was closed.

## **UNFINISHED BUSINESS**

**A. RESOLUTION NO. 4131- (Second Reading) A Resolution Approving an Application for Tax Exemption and Reduction for Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures for 1885 Properties, LLC**

*\*\* Councilperson Wilcox Uden moved to approve the Resolution, read by title only, seconded by Councilperson Kassner, and on roll call vote, **passed** by unanimously 7-0. Resolution No. 4131 passed*

**B. RESOLUTION NO. 4135- (Second Reading) A Resolution Pursuant to §7-6-4006 of the Montana Code Annotated, Authorizing Award of an Urban Renewal Agency Direct Grant for Infrastructure Improvements to the City Public Works Department, and Amendment of Final**

**Budget for FY 2017-2018 to Increase the Budgeted Amount in Fund 2510-107-460235-230**

- \*\*** *Councilperson Gardner moved to approve the Resolution, read by title only, seconded by Councilperson Andrews, and on roll call vote, **passed** by unanimously 7-0. Resolution No. 4135 passed*

**NEW BUSINESS**

**A. RESOLUTION NO. 4125- A Resolution Revising City of Miles City Personnel Policies Regarding Grievance Policy**

- \*\*** *Councilperson Wilcox moved to approve the Resolution, read by title only, and seconded by Councilperson Gardner.*

**\*\*** *After a brief conversion, on roll call vote, the motion **passed** by unanimous consent, 7-0. Resolution No. 4125 passed.*

**B. RESOLUTION NO. 4134- A Resolution Adopting a Revised Police Department Policy for Lost and Found Property**

- \*\*** *Councilperson Uden moved to approve the Resolution, read by title only and seconded by Councilperson Kassner. On roll call vote, the motion **passed** by unanimous consent, 7-0. Resolution No. 4134 passed*

**C. RESOLUTION NO. 4137- A Resolution Authorizing the City of Miles City to Enter Into an Agreement Entitled “State of Montana Agreement” With the State of Montana Historic Preservation Office for Partial Funding of the Historic Preservation Officer Position**

- \*\*** *Councilperson Wilcox moved to approve the Resolution, read by title only, and seconded by Councilperson Gardner.*

Mayor Hollowell explained that he had been talking with Southeastern Montana Development Corporation about managing the revolving loan fund. If they decided to manage it, the City would be looking at the Historic Preservation position and would only sponsor that position.

Councilperson Wilcox asked to change on page ten, the liaison name from Connie Muggli to Historic Preservation Officer.

- \*\*** *Councilperson Wilcox moved to amend striking Connie Muggli name and replacing with Historic Preservation Officer, and seconded by Councilperson Gardner.*

*\*\* On roll call vote, the amended motion **passed** by unanimous consent, 7-0. Resolution No. 4137 passed*

**D. RESOLUTION NO. 4138- A Resolution Authorizing the Assignment of a Portion of a Certain Lease Agreement Between the City of Miles City and Greg Kmetz and Alice Kmetz, to Ailport Properties Montana, LLC for the Lease of Industrial Site Property**

*\*\* Councilperson Gardner moved to approve the Resolution, read by title only, and seconded by Councilperson Andrews and on roll call vote, the motion **passed** by unanimous consent, 7-0. Resolution No. 4138 passed*

**E. Approval of February Claims**

*\*\* Councilperson Andrews moved to approve the February claims, seconded by Councilperson Kassner and **passed** unanimously, 7-0.*

**ADJOURNMENT**

*\*\* Councilperson Uden moved to adjourn the meeting, seconded by Councilperson Andrews and **passed** unanimously.*

The meeting was adjourned at 8:00 p.m.

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**John Hollowell, Mayor**

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**Lorrie Pearce, City Clerk**



# New Business

**ORDINANCE NO. 1323**

**AN ORDINANCE SECTION 2-53 OF THE CODE OF ORDINANCES OF MILES CITY, MONTANA, TO CALL FOR CITY COUNCIL MEETINGS TO BEGIN AT 6:00 P.M.**

**BE IT ORDAINED**, by the City Council of the City of Miles City, Montana, that the Code of Ordinances of Miles City, Montana, shall be revised as follows:

**Section 1. Sec. 2-53. - Presiding officer; roll call; quorum.**

The city council shall convene and be called to order by the mayor, or in the absence of the mayor, by the president of the council, and in the absence of both the mayor and the president of the council, by the city clerk, at 6:00 p.m. on the days designated for each meeting, unless otherwise ordered. The clerk shall proceed to call the roll and record in the minutes the names of all members present and announce whether or not a quorum is present. In the case of the temporary absence of the mayor and the president of the council, if a quorum of aldermen is present, they shall choose one of their number to act as presiding officer at the meeting and proceed with the business.

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

Said Ordinance read and put on its passage this 27<sup>th</sup> day of March, 2018.

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John Hollowell, Mayor

ATTEST:

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Lorrie Pearce, City Clerk

**FINALLY PASSED AND ADOPTED** this 10<sup>th</sup> day of April, 2018.

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John Hollowell, Mayor

ATTEST:

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Lorrie Pearce, City Clerk

**ORDINANCE NO. 1324**

**AN ORDINANCE AMENDING ORDINANCES 1073, 1262, 1277, 1295, and 1308, REVISING "ADMINISTRATION RULES OF THE CITY OF MILES CITY WATER AND SEWER SERVICES, ACCOUNTS, DELINQUENCIES AND TERMINATION"**

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

**Section 1.** *Administrative rules.* There is hereby adopted a revised “Administrative Rules and Regulations of the Public Utility Department of the City of Miles City” as set forth in Exhibit “A” attached hereto and incorporated herein by this reference.

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

Said Ordinance read and put on its passage this 27<sup>th</sup> day of March, 2018.

\_\_\_\_\_  
John Hollowell, Mayor

ATTEST:

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Lorrie Pearce, City Clerk

**FINALLY PASSED AND ADOPTED** this 10<sup>th</sup> day of April, 2018.

\_\_\_\_\_  
John Hollowell, Mayor

ATTEST:

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Lorrie Pearce, City Clerk

Exhibit "A" to Ordinance 1324

**Administration Rules of the City of Miles City  
Water and Sewer Services, Accounts, Delinquencies and Termination**

**1.0 General**

- 1.1 Intent and Purpose. The intent and purpose of these rules and regulations is to provide the residents of the City with efficient and economical water and sewer service, and to clearly establish a policy for providing these services to the users (customers) of this system.
- 1.2 Authority. These rules and regulations are enacted pursuant to the authority granted the City under Montana codes and City of Miles City municipal codes and administrative rules. These include **MCA 7-13-4304-4313**
- 1.3 Reference. Also applicable is the Miles City Code- **Ch. 23 Articles II and III.**
- 1.4 Jurisdiction. The jurisdictional area of these rules and regulations shall include all areas within the corporate city limits, and any other locations where users are provided water or sanitary sewer service by the City of Miles City.
- 1.5 Application. These rules are hereby made part of a Contract with every customer which is provided water and sewer service. Every customer making application for such service or accepting such service, shall be bound by the rules herein.
- 1.6 Access. Access to a customer's premise is authorized at all reasonable hours by City staff to all parts of the building or premise where water is delivered or sewer service is provided for the purpose of inspecting the condition of pipes and fixtures, servicing the meter, monitoring, or turning on or off water or sewer service. Notice shall be given for such access, except notice will not be required in an emergency situation.
- 1.7 Payment for Service. Montana law prohibits a municipality from providing water or sewer service to anyone without receiving payment for such service.

**2.0 Agreements and Notices**

The following agreements pertain to providing water and sewer service to individual customers, and the following notices may be issued pursuant to this policy. The following documents are public records pursuant to MCA 2-6-1002 and 1003, and redacted copies of the same may be transmitted pursuant to public records requests, to the extent required by law.

- a. **Customer Information Sheet** - Required of all customers when they request service.
- b. **Contract For Services** - Required of all customers when they request service.
- c. **Seller or Landlord Rental Agreement Form**- Required by all real property owners who are selling property on a contract, and any landlords who own and rent real property, if they wish the City to bill the purchaser, tenant.
- d. **Agreement For Payment Of Past Due Accounts (Contract)**- Required when full payment of a delinquent amount cannot be made immediately.
- e. **Past Due Notice Letter**- Letter a customer will receive when their account is past due 60 days or more.
- f. **Final Disconnect Notice**- A forty eight hour door hanger notice issued to the customer for failure to bring account current after the initial Past Due Notice Letter was issued.
- g. **Termination Notice**- A notice of no contract for water/ sewer services with the City of Miles City. This is a forty eight hour notice hung on the door of the residence.

- h. **Water/Sewer Shut off Notification Letter-** Mailed to the Seller or Landlord of a property that has been disconnected for non-pay, following the Final Disconnect Notice issued to tenant.
- i. **Request for ACH Payment Form-** Required of all customers whom wish to participate in the ACH payment option which the City of Miles City provides.
- j. **Email Billing Request Form-** Required of all customers whom wish to participate in the Email billing option which the City of Miles City provides.  
In addition to Agreements a and b above, all appropriate hookup, connection, and turn on fees must be paid prior to commencing service.

### **3.0 Service Lines**

The following items pertain to the water and sewer service lines:

- a. The customer shall own both the water and sewer service lines in their entirety, from the point-of-usage to the City water curb stop and to the sewer main. The customer shall keep their service lines in a good state of repair.
- b. The City shall own from the curb stop to the water main and the meter and associated meter readouts. The user shall provide an acceptable location for and easy access to the meter.
- c. All other appropriate administration rules and City ordinances shall apply, including those relating to excavation in the streets, asphalt and concrete surface repairs, bonding for plumbers and excavators, and sewer use.
- d. All taps on City water mains shall be made by the City.
- e. All sewer taps shall be by a licensed plumber.
- f. All excavation shall comply with OSHA regulations and City SOP #91.0900.
- g. All water and sewer service materials and methods of installation shall comply with the Uniform Plumbing Code.
- h. All excavation and installation or repairs to service lines shall be inspected by the City prior to covering them.
- i. Access is to be provided to the meter and meter readout at all times.
- j. If the curb stop does not work or is not accessible, it shall be repaired at the earliest convenience to an operating condition or relocated to where it is accessible. This is the responsibility of the City.
- k. The customer shall be responsible for all damage and necessary repair to the water and sewer service lines and for any resulting property damage from leaks or breaks of these lines. No claim shall be made against the City due to any damage resulting from the water or sewer service lines, or for any failure to provide water or sewer service.
- l. If a leak is found in the street and is doubtful whether the water is from the City main or the customer service line, the City will determine where it is from. This may involve excavation to the leak. If the leak is found to be from the main, or service line to the curb stop, the City will make all repairs but if it is found to be the service line, after the curb stop, the customer will be notified immediately and must take charge of the excavation, repair the leak, replace the street and be responsible for all damages which may result. If the customer does not make the repairs at once, the City will proceed and bill all labor, equipment and materials against the property. In the event that this bill is not paid, it shall be handled per Sections 5.0 and 6.0 of this rule.

### **4.0 Landlord/Tenant**

The seller or landlord, as the owner of the real property receiving service, has the ultimate responsibility for the payment of charges for water and sewer services to a property. The City will bill the tenant for these services provided the **Seller or Landlord Rental Agreement Form** has been properly completed by the seller or landlord. The purchaser or tenant must sign a Contract

for Service and make a deposit, or adequate letter of credit or reference, pursuant to Section 7.0, if they are to be billed.

The final bill for all purchasers or tenants will be sent in care of the seller or landlord. The seller or landlord will then have thirty days to pay the final bill, and all past due charges left by purchaser or tenant. If charges are not paid on the service address that the charges were accrued the process in Section 5.0 will then be followed.

When a Landlord sells to a new owner, and a tenant remains in possession of the property, that the new owner/Landlord will be responsible for any accounts which go delinquent under new ownership, retroactive to the date of purchase/closing, regardless of whether they've signed a Landlord Rental Agreement Form or not has been completed by the new owner. Further, any existing delinquent accounts may be collected against the former owner as well as tenant.

When a property is sold new owners are responsible for water /sewer bill from date of ownership.

## **5.0 Delinquencies**

Payment for water and sewer charges are due when billed and become delinquent after 30 days from the date of the bill.

At 30 days past due (60 days from the billing date), a **Past Due Notice** will be sent to the customer, as well as the seller or landlord, if a **Seller or Landlord Rental Agreement Form** has been signed. This notice will be sent out by regular first class mail. The notice shall state the amount due, and that services will be terminated if payment is not received by the due date, which is within 10 days of the letter's dated postmark. A written agreement (no verbal holds) for payment may be made with the City Water/ Sewer department's office before said disconnection date to prevent termination of service.

If payment is not received within the 10 day period, a door hanger **Forty Eight Hour Final Notice** will be delivered in person to the account holder, or posted in a prominent place at the property receiving service (and if the customer at said property is a tenant, a copy will be mailed to the landlord), stating terms of the **Past Due Notice** were not met prior to disconnect date. Service will be disconnected forty eight hours. The notice shall state the date shut off is scheduled, the total balance due (which includes all amounts which have been billed, regardless of whether such amounts have become delinquent or not), any deposit which is required on the account pursuant to Section 7.0, a \$20.00 late payment penalty fee, and shall state the total amount due. The \$20.00 penalty fee will be charged to the account the day after the **Past Due Notice** states payment is due. Penalty fees apply to tenant only and will not be passed on to the landlord of the property. Service will then be terminated unless payment is received or an **Agreement for Payment of the Past Due Account** form is arranged between the City and the customer and or landlord.

Once service is disconnected for non-pay, a \$35.00 Re-Connect Fee, pursuant to Section 6.0, will be added to total amount due. Re-connect fees apply to the customer only, and will not be passed on to the landlord of the property in the event the customer is a tenant.

A customer has the option to make payment arrangements with the City for past due amounts through an **Agreement for Payment of Past Due Accounts** form, so long as service has not yet been disconnected. If the customer has a \$20.00 late payment penalty fee, or a deposit required on their account, this amount must be paid before making the written agreement for payments, and may not be added into the amount to be repaid pursuant to the agreement. Payment plans shall not exceed 6 months unless approved as discussed under Section 10.0. When a delinquent amount is being paid off over time, the current bill must

be paid by its due date, or the service shall be disconnected without further notice. The monthly payments shall be at least \$20 per month plus the current bill. If payments under the **Agreement for Payment of Past Due Accounts** are not honored by the customer, services will be terminated without further notice. Once service is terminated, it will not be restored until the entire balance, including current bill, is paid, along with Re-Connect Fee pursuant to Section 6.0, and a deposit in the amount required pursuant to 7.0, of the Administration Rules of the City of Miles City. Payments on terminated contracts must be made using Cash/ Credit Card/ Or Money Order. Customer must be actual account holder/ or spouse to make arrangements using this form.

It is a criminally chargeable offense to forge signature or impersonate a contracted customer, and all suspected incidences of the same shall be reported to local law enforcement. If a purchaser or tenant signs an **Agreement for Payment of Past Due Accounts** form, and defaults on payments, the account will be finaled and past due balance will become the seller's or landlord's responsibility. Seller or landlord will be sent a copy of the **Agreement for Payment of Past Due Accounts** form.

Payments must be made to City Hall water department. Payments will not be accepted by field staff.

As allowed by **MCA 7-13-4309**, a delinquent water or sewer charge may become a tax lien upon the real property, at the discretion of the City. The City may utilize a collection agency to recover past due amounts as they deem appropriate. Properties which receive services through a water or sewer district agreement with the City may have delinquent amounts charged to the district, at the discretion of the City, and if allowed under such agreement.

Any other bill regarding water or sewer services, such as a turn-on or turn-off fee or repairs, may be handled in the above manner relating to water or sewer service.

#### **6.0 Discontinuation of Service**

Disconnections may include shutting off the curb stop and/or as allowed by **MCA 7-13-4309** delinquent water or sewer charges may become a tax lien upon the real property, at the discretion of the City. The City may utilize a collection agency to recover past due amounts as they deem appropriate.

A **Termination Notice** will be hung on a residence door, if the City does not have a current contract for service. This notice prompts the new resident to come sign up for new service with the City Water Department.

If Water/Sewer Services are terminated due to non-pay, a \$35.00 Re-connect Fee will be charged as well as the entire past due balance stated in Section 5.0, and additional deposits required pursuant to Section 7.0. The \$35.00 Re-connect fee and all other charges must be paid before service is turned back on.

Service shall be discontinued if payment is not received prior to the shutoff date, unless an Agreement for Payment is made within the time frames established in Section 5.0. Service may also be discontinued immediately as stated in Section 9.0 for violation of any unlawful acts.

A 10-day notice for disconnection may be given for failure of a customer to maintain his water or sewer service line or other appurtenances in good repair, provided the notice describes the deficiency that the customer must rectify.

The City also reserves the right to temporarily shut off water service at any time without notice for the purpose of making repairs or extensions to their system.

#### **7.0 Deposits**

An initial deposit of \$150.00 will be assessed for new accounts. This initial deposit may be waived by the City, at its discretion, if adequate evidence of creditworthiness is provided to the City, in the form of references or a letter of credit. Such reference or letter of credit must clearly establish a history of timely payments over the past 12 month period of water or sewer services, other utilities, or payments for other similar service or obligation which is billed and paid on a recurring monthly basis. This deposit will be held for not less than a period of one year. If, during the 12 month period following the payment of the deposit called for herein, if all payments are made within 30 days of the billing date, the deposit on file will be applied to the latest bill, or applied to final bill if service is disconnected prior to 12 months following the date of deposit. Any amount remaining after the final bill is paid shall be refunded.

A purchaser or tenant's deposit will be applied to final bill for the address they are moving out of. If the tenant is signing up for a new address a new deposit will be required. Any remaining credit balance after final bill is paid will be refund to tenant. The same procedure shall apply to a purchaser who is surrendering property which was being purchased.

If service has been disconnected and finalized, meaning the previous hundred and fifty dollar deposit has already been applied to the account, a \$200.00 minimum deposit shall be required to have services restored, as well as all past due balances, and all applicable fees paid in full. If a deposit is required after the termination of service a second time, and the deposit has already been applied to the account, the minimum required deposit shall be \$250.00.

If a customer becomes delinquent and receives a **Forty Eight Hour Final Notice**, the customer is required to bring any existing deposit amounts, including grandfathered deposit amounts, up to the current deposit amount required under this policy to prevent shutoff. By way of example, a customer who has a \$50.00 deposit on file (a grandfathered deposit amount), or a deposit which has been waived by reason of the customer having provided adequate references, would be required to bring the deposit amount on their account up to \$150.00 in order to prevent shutoff once a **Fort Eight Hour Final Notice** has been issued. Failure to bring an account deposit up to current amounts pursuant to this provision will result in water being shut off, even if all other amounts due, including penalties, have been paid.

No interest will be paid on deposits.

#### **8.0 Turn-on/Turn-off**

Services can be turned on or off by the City upon request should the home or building be temporarily vacant, snow birds, or repairs needed or as allowed under Section 6.0. These accounts must be paid in full, according to and following the regular billing schedule, to turn services back on. There are no fees to turn- on/ turn-off for the initiation of service or because repairs are needed if it is during normal business hours. After hour call outs for service will be billed to customer. If service is shut off for non-pay as stated in Section 5.0, there is a \$35.00 Re-connect Fee.

Only the City may operate the curb stops. The City will not be liable for any damage to persons or property that may result by turning on or off a service.

#### **9.0 Unlawful Acts**

Unlawful acts include:

- Violation for noncompliance with any applicable federal, state or local laws, rules or regulations.



- Unauthorized tampering with the meter, curb stop, or other part of water or sewer service line.
- Non-compliance with the sewer use ordinance.
- Maintaining a cross connection or allowing the entry of non-potable water into the City water system.
- Failure to fulfill contractual obligations for service.
- Failure to permit reasonable access to the meter, curb stop or other equipment or areas of the premise related to water or sewer service.
- Extending water or sewer service to another building or location without receiving permission.
- Intentionally damaging or breaking the seal on a meter.
- Operating the curb stop, or making any change in the water or sewer service connection without permission of the City.

Service may be discontinued immediately upon committing an unlawful act. The penalty for committing an unlawful act includes the turn-on fees and deposits discussed above or any other recourse allowed the City under state and local laws, rules or regulations.

#### **10.0 Appeals**

If a customer wishes to appeal any decision relating to water or sewer service, they must make this appeal in writing and present it to the City Clerk. Water/ Sewer Department Appeal Forms are available in the Finance or Water/Sewer Department. Once the Appeal Form is returned to the City Clerk, meeting will be scheduled at all parties' earliest convenience. The Clerk, in consultation with the Mayor, Utilities Director, and Utility Billing Clerk will make an initial determination on the appeal. These findings will be recorder on the Water/ Sewer Department Appeal Findings Form. If the customer is not satisfied with the response, (findings of the appeals committee), they may appeal their issue to the Finance Committee of the Council.

Similarly the City Clerk, in consultation with the Mayor, Utilities Director, and Utility Billing Clerk may make other reasonable terms for payment of a past due account should the procedures outlined above not be sufficient. They may extend the agreement for payments up to an additional 90 days. Any extension past 3 additional months shall be approved by the Finance Committee as a special hardship case. Any forgiving of an amount owed shall also be by the Finance Committee. If the matter goes to the Finance Committee, the customer shall attend the meeting if requested.

The appeals process shall not extend any deadlines for termination of service or making payments. Therefore all required payments must be made during the appeal process.

There may be only one appeal of an overdue balance on an account and no appeal for failure to make timely payments.

#### **11.0 Payment Types**

The City of Miles City accepts four types of payments. Cash, Check, Credit Card, or ACH (Automatic Withdraw Payment). Payments by Cash or Check can be mailed to the city, brought into office or placed in either two drop boxes for payment's, one is located on the outside driveway of City Hall, and one at Albertsons grocery store. Credit card payments can be made in office, by phone, or online at the City's website. ACH payment arrangements can be made with the City of Miles City, by filling out a **Request for ACH Payment Form**. ACH payments will be that of the monthly utility amount due on the customer's account. It will be automatically withdrawn from the customer's Checking or savings bank account each month. There will be a two strike policy on NSF ACH Payment, and the customer's ACH privileges will be revoked following two failed ACH payments.

NSF Checks written to the city, any department, will result in a \$30.00 NSF Fee which is issued to the customer once purchased back from the bank by the City. The appropriate steps will be taken to recoup the funds owed by the customer to the City.

## **12.0 Bulk Water**

Bulk Water is a service provided by the City Water Department, and billed by the Finance Department through invoice. Customers are able to purchase large quantities of water ("bulk water") by contacting the Fire Department. A \$5.00 service fee shall be charged for each occasion a customer fills bulk water from the Miles City Fire Department. There is no limit as to how much water a customer may purchase on each occasion. The fee for the water is based off the current City waters rate schedule for a 5/8" meter base fee and overage rates.

The Fire Department will keep track of all bulk water fills and water taken by a customer using a bulk water tracking sheet. Each customer will have their own sheet, and gallons taken will be logged each billing cycle. Every three months the Fire Department will turn in the bulk water tracking sheets to the finance department, where total gallons and number of fills will be tallied and billed.

A billed invoice will be due 30 days from the bill date. After that date the bill will be delinquent and a past due notice invoice will be sent. The customer then has 30 day from the delinquent notice bill date to make payment in full. If a bill goes unpaid for 30 days after the delinquent notice date, a \$150.00 Deposit will be required. The deposit must be placed on the account prior to the customer being allowed to make any further bulk water fills. This deposit along with the full amount due from bill must now be paid in full before any more bulk water is sold to customer. This deposit will be held for not less than a period of one year. If, during the 12 month period following the payment of the deposit called for herein, if all payments have been made within 30 days of the billing date, the deposit on file will be refunded.

If a bulk water invoice becomes delinquent past six months, the City may utilize a collection agency to recover past due amounts as they deem appropriate pursuant to Section 6.0.

## AGREEMENT FOR PAYMENT OF PAST DUE ACCOUNTS

CUSTOMER: \_\_\_\_\_

LANDLORD: \_\_\_\_\_ LANDLORD ADDRESS: \_\_\_\_\_

SERVICE LOCATION: \_\_\_\_\_

ACCOUNT: \_\_\_\_\_

I agree to pay the PAST DUE balance of \$ \_\_\_\_\_ on the above account number as follows:

1. Payment in FULL on OR before \_\_\_\_/\_\_\_\_/\_\_\_\_
2. Making payments as per specified dates below.

❖ In addition to a portion of the PAST DUE balance; I agree to pay the current balance of my account by or on the due date of the current monthly bill.

PAST DUE DUE DATE	AMOUNT DUE	AMOUNT PAID & Int.	CURRENT BILL DUE DATE	AMOUNT DUE	AMOUNT PAID & Int.
____/____/____	\$ _____	\$ _____ ( )	____/____/____	\$ _____	\$ _____ ( )
____/____/____	\$ _____	\$ _____ ( )	____/____/____	\$ _____	\$ _____ ( )
____/____/____	\$ _____	\$ _____ ( )	____/____/____	\$ _____	\$ _____ ( )
____/____/____	\$ _____	\$ _____ ( )	____/____/____	\$ _____	\$ _____ ( )
____/____/____	\$ _____	\$ _____ ( )	____/____/____	\$ _____	\$ _____ ( )
____/____/____	\$ _____	\$ _____ ( )	____/____/____	\$ _____	\$ _____ ( )

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

CUSTOMER SIGNATURE: \_\_\_\_\_ Phone # \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

IF SERVICE IS TERMINATED, THE CUSTOMER WILL BE RESPONSIBLE FOR THE ENTIRE AMOUNT DUE ON ACCOUNT, INCLUDING A RECONNECT FEE OF \$35.00, PLUS A DEPOSIT in the amount required pursuant to 7.0 of the Administration Rules of the City of Miles City. CASH/ CREDIT CARD/ OR MONEY ORDER ONLY. A COPY OF THIS AGREEMENT WILL BE SENT TO YOUR LANDLORD.

IF THIS AGREEMENT IS NOT HONORED BY THE CUSTOMER, SERVICE WILL BE TERMINATED WITHOUT FURTHER NOTICE.

**SELLER / LANDLORD RENTAL AGREEMENT FORM  
CITY OF MILES CITY**

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

Owner Name: \_\_\_\_\_

Phone #: \_\_\_\_\_ Work #: \_\_\_\_\_

Owner's Mailing Address: \_\_\_\_\_

I, \_\_\_\_\_, owner of the below mentioned property/ies, request the City of Miles City to bill my tenant/ s for City Utility services.

I understand that the City will not begin or continue billing my tenant/s until the City has received this written request, as well as a signed Contract for Services, and deposit received by the tenant. I also understand that the City will read the meter at the earliest opportunity upon receiving a contract from a new tenant. The termination date for my account will be the date the meter is read.

I do hereby acknowledge that as the property owner, I am responsible for the water and sanitary sewer charges on the bill not paid by the tenant. Further, I understand the following tenant billing policy and my responsibilities as owner of the below listed property/ies:

- Water and Sewer charges remaining from any prior renter must be paid 30 days after the tenant has moved out. If charges are not paid in the 30 days following final bill, the termination process in Section 5.0 of the, **Administration Rules of the City of Miles City Water and Sewer Services, Accounts, Delinquencies and Termination**, will be followed, and any past due amounts pertaining to the property may be treated as public information and be released to third parties upon request.
- Penalty fees and Re connect fees apply to tenant only and will not be passed on to the landlord.
- If a tenant defaults on an **Agreement for Payment of Past Due Accounts** form, the remaining past due balance will be the landlord's responsibility. Landlord will receive a copy of the **Agreement for Payment of Past Due Accounts** form tenant signs.
- Unpaid water/ sewer charges will become a tax lien against the property. **MCA 7-13-4309**
- Owner is responsible to notify the City of any changes in billing. If a tenant contacts the City to request a final bill, the account will automatically revert back to the owner's name.
- The owner will receive duplicate copies of delinquent notices whenever the tenant's account is overdue.
- Owners that have managers/agents managing the property must have a letter on file with the City authorizing that individual to make decisions for that property. Without that authorization the City will only work with the owner.
- Landlord agrees to notify any purchaser of the property that the property is subject to a Landlord Rental Agreement with the City of Miles City, and that the purchaser may be responsible for any outstanding balances, as well as any amounts which may be accrued by tenant following sale, and that they are required to sign a Landlord Rental Agreement Form with the City following closing.

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Rental Address: \_\_\_\_\_ Rental Address: \_\_\_\_\_

Rental Address: \_\_\_\_\_ Rental Address: \_\_\_\_\_

Rental Address: \_\_\_\_\_ Rental Address: \_\_\_\_\_

Owners Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **Past Due Notice Letter**

City of Miles City  
Water and Sewer Department  
PO Drawer 910  
Miles City, MT 59301

Phone: 406-234-3462 - Ext: 1

«date»

«customer\_name»  
«customer\_mailing\_address»  
«city\_state\_zip»

«account»

Payment of your water and/ or sewer account at «service\_address» is 60 or more days past due. We are required to disconnect your utility service unless the past due amount of \$«past\_due\_amount» is paid or written arrangements made with our office by **«disconnect\_date»**.

**\*If payment is NOT received or written arrangements made with our office by «disconnect\_date», the entire balance of the account \$«total\_balance» plus fees\*\* will be due, and a forty-eight hour termination notice will be issued.**

\*\*In addition to **\$«total\_balance»**, a **\$20.00** late payment penalty fee, and a deposit in an amount between **\$100.00 and \$250.00** pursuant to Section 7.0 of the Administrative Rules of Miles City shall also be required on account. If services are terminated a **\$35.00** re-connect fee shall be required to restore services along with the full balance, penalty fee, and deposit owed on account.

The City accepts credit card payments through [paygov.us](http://paygov.us) or through a link on the City of Miles City website, [miles-city-mt.org](http://miles-city-mt.org). You can also pay by phone at 1-866-480-8552, or in the City Water Department office at City Hall. A convenience fee will be assessed to each transaction made using your card. Automatic withdrawal of your utility bill is also available. To sign up please contact the Water and Sewer Department at 406-234-3462 Ext: 1

By Order of

City Clerk

(This is now a door hanger)  
**Final Disconnect Notice**

City of Miles City  
Water and Sewer Department  
PO Drawer 910  
Miles City, MT 59301  
Phone: 406-234-3462

Customer Name  
Service Address

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

Account# \_\_\_\_\_

A **Past Due Notice** was sent to you on \_\_\_\_\_ by mail, warning you that your water/sewer account was past due, and that your services would be terminated on \_\_\_\_\_ unless terms of the notice were met prior to disconnect date.

Terms of that notice have **NOT** been met, therefore your water/ sewer service at the above referenced service address will be discontinued on \_\_\_\_\_ @ \_\_\_\_\_ unless payment (Total Due listed at bottom of page) is received by, or written arrangements made with, our office.

**WE WILL ACCEPT CASH, CREDIT CARD, OR MONEY ORDER ONLY!!!!**

A \$35.00 Re-Connect Fee will be added if service is terminated. Any other costs incurred during the termination of utility service will be the responsibility of the property owner and will be due before service is continued. The City accepts credit card payments through [paygov.us.com](http://paygov.us.com) or through a link on the City of Miles City website, [miles-city-mt.org](http://miles-city-mt.org). You can also pay by phone at 1-866-480-8552, or in the City Water Department office at City Hall. A convenience fee will be assessed to each transaction made using your card.

Balance Due \$ \_\_\_\_\_

Penalty Fee \$20.00

Deposit Due \$ \_\_\_\_\_

**Total Due \$** \_\_\_\_\_

By Order Of  
City Clerk

(Letterhead)

## Past Due Notice Letter – Seller / Landlord

City of Miles City  
Water and Sewer Department  
PO Drawer 910  
Miles City, MT 59301  
Phone: 406-234-3462

Date

Customer Name  
Address  
City State Zip

Account Number

Past Due Account Number

Payment of your water and/ or sewer account at (Service Address) is 60 or more days past due. We are required to disconnect utility service to the property on (Disconnect date), unless the past due amount of (Amount due) is paid before that date.

If payment is not received or written arrangements made with our office prior to (Disconnect Date), services will be terminated. Please note that our office will hang a 24 hour disconnection notice on the door of the above listed service address, as to notify the current resident.

A \$20.00 late payment penalty fee will be assessed to the account on (Disconnect Date), and a \$35.00 re-connect fee will be assessed if services are terminated. A deposit in an amount between \$150.00 and \$250.00 pursuant to Section 7.0 of the Administrative Rules of Miles City shall also be required.

The City accepts credit card payments through [paygov.us.com](https://paygov.us.com) or through a link on the City of Miles City website, [miles-city-mt.org](https://miles-city-mt.org). You can also pay by phone at 1-866-480-8552, or in the City Water Department office at City Hall. A convenience fee will be assessed to each transaction made using you card.

By Order of

City Clerk

(Letterhead)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

We are issuing this 48-hour termination notice for water and sewer as we do not have a contract for services with you at this time. If you wish to avoid termination of services you must come to our office at 17 S 8th Street before \_\_\_\_\_ o'clock on \_\_\_\_\_.

We require either a letter of credit from another utility company or account where you have established good credit during the last year, or a deposit in accordance with Section 7.0 of the Administrative Rules of the City of Miles City. This deposit will be kept with your account for one year and if the account is kept current it will be applied to your account at that time. If you have any questions please call our office at 234-3462.

City Clerk  
City of Miles City



(Letterhead)

## Water/Sewer Shut off Notification Letter

Dear Seller / Landlord,

You are hereby notified that your purchaser / tenant at (Service Address), (Tenant Name), was shut off for non-pay on (Shut off date). After applying the deposit on the account, the remaining balance is (Balance).

Please note your tenant has 30 days to pay the balance in full on this account, and restore services. If payment is not made, as per the Seller / Landlord Rental Agreement, we will finalize the account and the balance will become your responsibility. All balances must be paid before water/sewer services are restored to above listed property.

If you have any questions or need further clarification, please feel free to contact me at 406-234-3462.

City Clerk  
City of Miles City

## Request for ACH Payment Form

Customer Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Bank Name: \_\_\_\_\_

Bank Routing Number: \_\_\_\_\_

Bank Account Number: \_\_\_\_\_ Checking \_\_\_\_\_ Savings \_\_\_\_\_

Each customer must provide the bank name, bank routing number and bank account number.

The diagram shows a check with the following fields:

- Customer's Name  
Street Address  
City, State, ZIP
- Check No. 00403
- PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_
- Dollars
- Bank Name  
Street Address  
City, State, ZIP
- Routing Number: 12044 204 2242
- Account Number: 029999999999 00403

Below the routing number, it says: "This is the location of the 9 digit Transit Routing Number for your Bank."

Below the account number, it says: "This is where you will find your account number."

I (we) hereby authorize The City of Miles City Water/Sewer Department to electronically debit my (our) account (and, if necessary, electronically credit my (our) account to correct erroneous debits). Amount of debits will vary month to month based on account balance.

I (we) understand that this authorization will remain in force and effect until I (we) notify The City of Miles City Water/Sewer Department in writing at 17 S. 8<sup>th</sup> St that I (we) wish to revoke this authorization. I (we) understand that The City of Miles City Water/Sewer Department requires at least 15 days prior notice in order to cancel this authorization.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

*Electronic fund transfers can only be done with banks in the United States*

For Water/Sewer Department use only:

Customer Name: \_\_\_\_\_

Start Date of ACH: \_\_\_\_\_

Account Number: \_\_\_\_\_

Service Address: \_\_\_\_\_

(Letterhead)

Water/ Sewer Department Appeal Form

Appeal Number# \_\_\_\_\_

Customer Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Service Address: \_\_\_\_\_ Account # \_\_\_\_\_

Appeal Subject/ Description:

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- ❖ Please request any additional information regarding your water/ sewer account you may need from the Utility Billing Clerk.
- ❖ Attach all extra paperwork to this form for review. Present Appeal form to the City Clerk.

Signature of Appellant \_\_\_\_\_ Date: \_\_\_\_\_

**10.0 Appeals**

If a customer wishes to appeal any decision relating to water or sewer service, they must make this appeal in writing and present it to the City Clerk. The Clerk, in consultation with the Mayor, Utilities Director, and Utility Billing Clerk will make an initial determination on the appeal. If the customer is not satisfied with the response, they may appeal their issue to the Finance Committee of the Council.

Similarly the City Clerk, in consultation with the Mayor, Utilities Director, and Utility Billing Clerk may make other reasonable terms for payment of a past due account should the procedures outlined above not be sufficient. They may extend the agreement for payments up to an additional 90 days. Any extension past 3 additional months shall be approved by the Finance Committee as a special hardship case. Any forgiving of an amount owed shall also be by the Finance Committee. If the matter goes to the Finance Committee, the customer shall attend the meeting if requested.

The appeals process shall not extend any deadlines for termination of service or making payments.

Therefore all required payments must be made during the appeal process.

There may be only one appeal of an overdue balance on an account and no appeal for failure to make timely payments.

(Letterhead)

Water/ Sewer Department Appeal Findings Form

Appeal Number# \_\_\_\_\_

Meeting Date/ Time: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Service Address: \_\_\_\_\_ Account # \_\_\_\_\_

Appeal Findings:

(Any decision made by Appeal Committee: Attach copy of payment arrangements made, or recommendations being made to Finance Committee regarding unsolved appeal.)

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Findings recorded by: \_\_\_\_\_  
(Please Print)

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

City Clerk

(Letterhead)

## Email Billing Request Form

I wish to receive my Water/ Sewer Bill via Email.

Name: \_\_\_\_\_

Account Number: \_\_\_\_\_

Service Address: \_\_\_\_\_

Email Address: \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**RESOLUTION NO. 4140**

**A RESOLUTION AUTHORIZING THE CITY OF MILES CITY TO APPLY TO THE MONTANA DEPARTMENT OF COMMERCE FOR DESIGNATION BY THE GOVERNOR AS A MONTANA OPPORTUNITY ZONE.**

***WHEREAS***, the Tax Cut and Jobs Act of 2017 adopted by Congress has established Opportunity Zones as a new economic development program to encourage long-term investments in low-income communities, and has authorized state governors to designate local communities as said zones, and

***WHEREAS***, The Montana Department of Commerce (MDOC) is working with the Governor's Office to provide a process for state designation as well as information, resources and tools for this new Opportunity Zone program, and

***WHEREAS***, the City Council of the City of Miles City has previously authorized the Miles City Urban Renewal Agency to develop a workable program providing maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation for redevelopment of the urban renewal area by private enterprise and public private partnerships; and provide counsel to the City Council in carrying out said Plan,

***AND WHEREAS***, while designation as a Montana Opportunity Zone does not guarantee development in the eligible census tract located within the Urban Renewal District, it will provide the City and the Urban Renewal Agency an additional financial incentive to offer developers interested in investing in the tract, thus strengthening this groups' efforts and encouraging private investment through designation. For this reason, the Miles City Urban Renewal Agency hereby recommends the City Council approve application for designation as a Montana Opportunity Zone,

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Miles City, Montana as follows:

1. The City, by and through the Miles City Urban Renewal Agency is authorized and encouraged to apply for designation as a Montana Opportunity Zone to the Montana Department of Commerce, and,
2. The Mayor of the City of Miles City is hereby empowered and authorized to certify said Application on behalf of the City of Miles City.

SAID RESOLUTION PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 27th DAY OF MARCH, 2018.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Lorrie Pearce, City Clerk

**Urban Renewal Agency**  
March 27, 2018  
City Council Staff Report  
**Montana Opportunity Zone Designation**

**Introduction**

Opportunity Zones are a new economic development program established by Congress in the Tax Cut and Jobs Act of 2017 to encourage long-term investments in low-income communities. The Montana Department of Commerce (MDOC) is working closely with the Governor's Office to provide a process for state designation as well as information, resources and tools for this new Opportunity Zone program.

Opportunity Funds are private sector investment vehicles that invest at least 90 percent of their capital in Opportunity Zones. U.S. investors currently hold trillions of dollars in unrealized capital gains in stocks and mutual funds alone—a significant untapped resource for economic development. Opportunity Funds provide investors the chance to put that money to work rebuilding the nation's left-behind communities. The fund model will enable a broad array of investors to pool their resources in Opportunity Zones, increasing the scale of investments going to underserved areas.

Private Opportunity Zone investors can earn tax breaks on the capital gains generated through those investments. Tax benefits increase the longer the investments are in place. The Opportunity Zones program offers investors the following incentives for putting their capital to work in low-income communities:

- A temporary tax deferral for capital gains reinvested in an Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is sold or December 31, 2026.
- A step-up in basis for capital gains reinvested in an Opportunity Fund. The basis of the original investment is increased by 10% if the investment in the qualified opportunity zone fund is held by the taxpayer for at least 5 years, and by an additional 5% if held for at least 7 years, excluding up to 15% of the original gain from taxation.
- A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in a qualified opportunity zone fund, if the investment is held for at least 10 years. (Note: this exclusion applies to the gains accrued from an investment in an Opportunity Fund, not the original gains).

The market oriented approach of an Opportunity Zone designation relies on private investment to be successful, and does not guarantee economic development. MDOC realizes the potential this program has to complement growth in historically strong economic zones, as well as the potential this program has in channeling investment into less developed areas. For this reason, MDOC reserves the right to review projects and recommend proposals that reflect the highest degree of probability of development.

**Eligible Areas**

Opportunity Zones are determined by eligible Census tracts. Potential Opportunity Zones are U.S. Census tracts designated as Low-Income-Communities (LIC). An LIC is a U.S. Census tract where the poverty rate is 20 percent or greater and/or median household income is 80 percent or less than the statewide median household income. As established by federal designation, Montana has 106\* eligible LIC Census tracts, however the program regulations only allow for the nomination of 25 Census tracts. Federal Census Tract 9620 is located within the boundaries of the Miles City Urban Renewal District.

### Eligible Applicants

Cities, towns, counties, tribal governments, CRDCs, or lead economic development organizations that have an eligible Census tract within their boundary are eligible to apply for designation as an Opportunity Zone. Any eligible applicant is allowed to submit a proposal for any eligible Census tract(s) that occurs within the jurisdiction's boundaries or service area. A list of eligible Census tracts is available on the Commerce web-site.

Final designations remain in effect for ten years. MDOC reserves the right to modify information described or requested in this proposal if new information is provided by the federal government or its agents.

\*When determining the number of eligible census tracts, MDOC used data and maps from the [CDFI Fund web page](#) and the [Opportunity360 web page](#). Due to slight data inconsistency, and intermittent and ongoing changes to the Opportunity Zone program at the federal level, this eligibility number may be change by the federal government. MDOC has based the 106 eligible tracts on the Opportunity360 data set, updated as of February 28, 2018.

### Overview of Census Tract 9620





**RESOLUTION NO. 4141**

**A RESOLUTION APPROVING A REVISED PARK USE PERMIT BETWEEN THE CITY OF MILES CITY, MONTANA, AND THE OUTLAW BASEBALL CLUB FOR USE OF STANLEY, TEDESCO, JAYCEE, AND CONNORS FIELD(S).**

**WHEREAS**, the City of Miles City desires to allow The Outlaw Baseball Club to continue the use of certain park property owned by the City, with the addition of Stanley Field to their existing park use permit;

**AND WHEREAS**, the terms and conditions of the use of said park property, namely Stanley Field and Tedesco Fields as primary use, and Jaycee Field and Connors Field as back up use, has been reduced to writing, in the form of a Park Use Permit.

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

1. The Park Use Permit between the City of Miles City and The Outlaw Baseball Club, 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 permit 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, AT A REGULAR MEETING THIS 27<sup>th</sup> DAY OF MARCH, 2018.**

\_\_\_\_\_  
JOHN HOLLOWELL, Mayor

ATTEST:

\_\_\_\_\_  
Lorrie Pearce, City Clerk

***PARK USE PERMIT***

***THIS AGREEMENT***, made and entered into this 1st day of February, 2018, by and between **CITY OF MILES CITY, MONTANA**, a municipal corporation, of 17 South Eighth Street, Miles City, Montana, 59301, hereinafter called "*City*", and the

**OUTLAW BASEBALL CLUB**, a Montana Nonprofit Corporation of Miles City, Montana, 59301, hereinafter called "*Permittee*".

1. ***DESCRIPTION of PERMITTED PREMISES***. The City hereby grants to the Permittee permission to occupy and use for the purposes stated herein, that certain real property (hereinafter "*permitted premises*") located in Miles City, Custer County, Montana, as set forth in Exhibit "A", attached hereto and made a part hereof.

2. ***PERMIT TERM***. The term of this permit shall be for a three year period commencing February 2018 and terminating October 2021. This permit shall be renewable for one additional three year period at the mutual consent of both parties to the permit.

The annual permit term shall be for a period of *nine* (9) months. The permit term shall commence at one minute after midnight on the *first day of February* and shall terminate at midnight on the *last day of October*. Use schedules shall be reviewed and approved annually by the City prior to the commencement of the playing season.

3. ***PERMIT FEE***. The Permittee agrees to pay the City as a fee for this permit those amounts set forth in Exhibit "B", attached hereto and made a part hereof, on or before those dates set forth in said Exhibit "B". All fees shall be paid in the name of the City of Miles City and shall be remitted through the City Clerk of the City of Miles City, Montana. In addition to the cash fees provided herein, Permittee, as additional consideration for this permit, shall perform those obligations set forth in Exhibit "B" as "Other Consideration" on or before the due dates provided in said Exhibit for their performance.

4. ***USE OF PREMISES BY PERMITTEE***. Permittee shall use the premises permitted hereunder for the purposes set forth in Exhibit "C", attached hereto and made a part hereof, and shall not change the use thereof without the prior written consent of the City.

5. ***RETAINED USES OF CITY***. City (or such other parties that the City permits) is allowed, without diminution of fees, to use and occupy the premises for other events, activities, functions, or uses during the term of this Permit that do not unduly conflict or interfere with the Permittee's reasonable use of the premises as set forth in Exhibit "C". City, or its permittees, shall notify the Permittee of such events or uses in advance, provided, however, as to any uses listed on Exhibit "C" as "*Specific Reserved Uses of City or its Permittee*", such uses are hereby reserved to the City without any further notice to Permittee. Attached hereto as Exhibit "D", is Permittee's list of its scheduled events for the term of this Permit. Dates for which no events are scheduled on Exhibit "D" shall be presumed as available for other uses by the City, or its

permittees.

City retains the right of access to the permitted premises at all times for any purpose, including, but not limited to, inspection as to Permittee's compliance with the terms of this permit, construction, repair, alteration, remodel, or removal of improvements, and such maintenance of existing improvements as the City may desire.

6. **POSSESSION.** The Permittee shall be entitled to possession of the permitted premises at the commencement of the term of this Permit, subject to the retained uses of the City and its permittees, and Permittee shall immediately surrender possession upon termination of the term of this Permit, or upon earlier termination as otherwise provided for in this Permit.

7. **CONSTRUCTION OF IMPROVEMENTS.** Permittee shall not construct any improvements upon the permitted premises, nor alter, remodel, or remove any existing improvements upon the permitted premises without the express written consent of the City.

In the event that the Permittee desires to construct, alter, remodel or remove any improvement, Permittee shall submit to the City either written plans showing the proposed construction, alteration, or remodel or a written description of the construction, alteration or remodel, and shall secure the written approval of the plans or basic written description by the City prior to the beginning of construction, alteration, remodel or removal.

In the event that the City approves such construction, alteration, remodel, or removal, in writing, Permittee shall not make any contract for construction, alteration, remodel, repair, or removal on, in, of or to the permitted premises, or any part thereof, for any work to be done or materials to be furnished on or to the permitted premises, or any part thereof, without providing in such contract or agreement that no lien of mechanics or materialmen shall be created or shall arise against the permitted premises or the buildings or other improvements at any time located thereon. All persons furnishing any work, labor or materials, as well as all other persons whatsoever shall be bound by this provision and the notice therefrom and after the date of this Permit, and notice is hereby given that no mechanic's lien, materialman's lien, or any other encumbrance made by or obtained against Permittee or its interest in the permitted premises or the building or improvements thereon shall in any manner or degree effect the title or interest of the City in such land and building and improvements thereon. To that end, Permittee agrees that it will not make any contract or agreement, either oral or written, for any labor, services, fixtures, materials or supplies in connection with construction, demolition, altering, repairing or improving the permitted premises without providing in such contract or agreement that the contractor shall waive all rights to a construction lien, and waive all right of any subcontractor's construction liens, by reason of furnishing any labor, services and materials under such contract or contracts whether written or oral, and that a copy of such contract or contracts, shall, upon execution, be immediately furnished to the City.

All alterations, additions and improvements made by Permittee pursuant to this section shall belong to the City and shall remain with the permitted premises upon termination of this Permit, whether by expiration or default. Provided, however, that, so long as Permittee is not in

default under the terms of this Permit, Permittee shall be permitted to remove business and trade fixtures upon termination of the Permit if such removal can be made without damage to the permitted premises. Such removal shall be made within fourteen (14) days of expiration of this Permit or the vacating of the permitted premises by Permittee, whichever occurs first. Items not removed within such fourteen (14) day period shall become the property of the City at the expiration of such period without any offset or other compensation to Permittee. At the option of the City, the City may remove such property and store it at the risk and expense of the Permittee and sell such property for such removal and storage charges.

8. **TAXES.** Permittee shall pay all taxes and assessments, if any, upon any personal property of Permittee kept or utilized upon the permitted premises and shall pay any sales, use, or ad valorem tax, or similar tax or assessment, imposed upon any activities of Permittee conducted upon the permitted premises.

9. **UTILITIES.** Permittee, during the term of this permit, shall pay those utilities set forth in Exhibit "E", attached hereto and made a part hereof. City shall not be obligated to provide or pay for any utilities to or upon the permitted premises, such provision and payment being in the sole discretion of the City.

10. **REPAIRS AND MAINTENANCE.** Permittee shall perform, at its expense, during the term of this Permit, those maintenance and repair obligations set forth in Exhibit "F", attached hereto and made a part hereof. In addition to the items set forth in Exhibit "F", Permittee shall perform at its expense, or shall reimburse City for City's materials and labor, for any repairs necessitated by the negligent or intentional acts of Permittee, its officers, directors, members, employees, agents, guests, customers, participants, or invitees.

City may undertake, in its sole discretion, such repairs or maintenance of the permitted premises that are not the obligation of the Permittee hereunder, but the City is under no obligation or duty to conduct any repairs or maintenance of the permitted premises.

11. **NUISANCE.** Permittee shall not conduct any activities upon the permitted premises that are prescribed by the laws of the United States, the State of Montana or local ordinance or the rules of any regulatory agencies of either the United States, State of Montana or City of Miles City. Permittee will not conduct any activities upon the permitted premises that would constitute either a private or public nuisance or waste or which interfere with the quiet and peaceful enjoyment of the adjoining property of the City.

12. **HAZARDOUS MATERIALS.** Permittee will not apply, use, store or dispose of any substance in, upon or beneath the permitted premises that would constitute an environmental hazard and would impose a cleanup obligation upon the owners of the permitted premises under any local, state or federal laws or regulations.

13. **INSURANCE.** Permittee, at Permittee's expense, shall, at all times during the term of this Permit, maintain in effect a policy of public liability insurance with policy limits of at least those set forth in Exhibit "F" attached hereto and made a part hereof. The City shall be

named as an additional named insured on each such policy of insurance. Such policy of insurance shall be maintained with an insurance company licensed to do business in the State of Montana with an A.M. Best rating of at least "A". Permittee shall provide to the City at the commencement of the permit term satisfactory evidence of the existence of such policy of insurance and shall, during the term of this permit, upon reasonable request of the City, provide to the City evidence of the continued existence of such policy of insurance and the entire policy of insurance.

14. **INDEMNIFICATION.** Permittee agrees to indemnify, defend and hold harmless the City from any and all loss, damages, claims and/or liability occasioned by, arising out of, or resulting from any tortious or negligent act of Permittee, its officers, directors, members, employees, agents, guests, customers, participants, or invitees.

15. **ASSIGNMENT.** This permit is personal as to the Permittee and may not be assigned or sub permitted by Permittee without the prior written consent of the City.

16. **VIOLATION OF PERMIT.** Upon failure of Permittee to carry out any material provision of this permit, the City shall serve written notice upon the Permittee specifying the violation. The Permittee shall have ten (10) days to correct the violation and, if the violation is not corrected as charged the City may, at its option, either correct the violation and collect the cost from the Permittee, or cancel this permit and collect damages caused by the violation from the Permittee. In the event that the City elects to cancel this permit, Permittee agrees to immediately redeliver possession of the permitted premises to the City.

17. **NOTICES.** Any notice hereunder shall be in writing and may be delivered personally or by registered or certified mail with postage prepaid. Notice shall be deemed complete when deposited in a United States Post Office addressed to the City at the following address:

City of Miles City  
Public Works Director  
P.O. Box 910  
Miles City, Montana 59301

and to the Permittee at the following address:

Outlaw Baseball Club  
PO Box 1637  
Miles City, Montana 59301

If either party changes their address then they shall give written notice to the other party of the change of address. Any notice given under this contract shall be deemed complete when deposited in a United States post office.

18. **INSPECTION; DISCLAIMER OF WARRANTIES.** Permittee has inspected the permitted premises and has made its independent investigation and evaluation of the suitability

of the permitted premises for the uses by Permittee permitted hereunder and is not relying upon any warranties, representations, promises, or information by or from the City in this regard. The City does not warrant, represent, inform or promise that the premises permitted hereunder are suitable for the uses for which permission is granted under this permit or for any other uses of Permittee.

19. **COMPLIANCE WITH A.D.A.** Permittee agrees, at all times during the term of this permit, to comply with the provisions of the Americans with Disabilities Act as they may apply to Permittee.

20. **NONDISCRIMINATION.** Permittee agrees, at all times during the term of this permit, not to discriminate any person in its permitted uses hereunder, or its utilization of the permitted premises, on the basis of race, creed, color, religion, national origin, sex, marital status, mental or physical handicap, except as permitted by law or applicable regulation.

21. **SPECIAL PERMIT PROVISIONS.** Permittee shall at all times comply with the additional provisions contained in Exhibit "H", attached hereto and made a part hereof.

22. **ENTIRE AGREEMENT AND MODIFICATION.** This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations, agreements and memoranda. This Agreement may be modified only by written instrument executed by all parties to the Agreement.

23. **BINDING EFFECT.** This agreement shall be binding upon the heirs, successors and assigns of the parties hereto. Nothing herein shall be construed as waiving or otherwise modifying the prohibition against assignment or sub permitting contained herein.

24. **BINDING AUTHORITY.** Permittee hereby represents and warrants that the person executing this Agreement on behalf of Permittee has full authority to bind the Permittee to the terms and conditions of this permit and does so bind Permittee, and that all organizational actions necessary have been undertaken by Permittee to authorize such person to bind Permittee.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first above set forth.

CITY OF MILES CITY

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

Outlaw Baseball Club:

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

Title: \_\_\_\_\_

**EXHIBIT "A"**  
**DESCRIPTION OF PERMITTED PREMISES**

Stanley Field (primary use field)  
Tedesco Field (primary use field)  
Jaycee Field (back up use field)  
Connors Field (back up use field)

**EXHIBIT "B"**  
**PERMIT FEES**

**Cash Fees:**

The sum of 0.00 Dollars 0.00 payable, in advance, upon the execution of this permit.

**Other Consideration:**

None

**EXHIBIT "C"**  
**PERMITTED USES OF PERMITTED PREMISES**

During the term of the permit, Permittee shall use the permitted premises for the following uses: *Baseball practice, games, and baseball related fund raisers. All uses must be supervised by the league coaching staff.*

**Specific Reserved Uses of City or its Permittees:**

The City reserves the rights for maintenance activities associated with normal care of the facility. The 4<sup>th</sup> week of June shall be reserved for the Harry Griffith Tournament which is held in Connor's Field. All tournament schedules shall be submitted to the Public Works Director no later than the first of May each year. The Babe Ruth Tournament will follow the Harry Griffith Tournament the following week or the 1<sup>st</sup> week of July in Connors Field. Negotiations between MCYBA and Outlaws for the CABA will be negotiated on a yearly basis.

It will be the responsibility of MCYBA to ensure that the playing surface and facility of Connor's Field be in satisfactory condition for the Badland's Committee for their scheduled events the 3<sup>rd</sup> week of June. It will also be the responsibility of the Badland's Committee to ensure that the playing surface and facility of Connor's Field are returned to satisfactory condition after their scheduled events the 3<sup>rd</sup> week of June.

**EXHIBIT "D"**  
**SCHEDULE OF EVENTS**

The attached activity schedule or an approved annual schedule as described under Section 2 of this Park Permit is the Permittee's schedule of events during which it will utilize the

permitted premises for the Permitted Uses. See attached activity schedule.

**(Note: Times and dates of unscheduled activities shall be approved by the parks foreman prior to the activity.)**

**EXHIBIT "E"**  
**UTILITIES**

During the term of this Permit, Permittee shall pay the following utilities upon the permitted premises: *Electricity. Water and sewer are the responsibility of the City.*

The Outlaw Organization will be responsible for the electrical utilities during the days that the CABA Tournament in Connor's Stadium is scheduled.

***(Note: All utilities that Permittee is required to pay under this Exhibit, shall be maintained in an account solely in the name of Permittee, unless otherwise designated herein or by separate written agreement of the City.)***

**EXHIBIT "F"**  
**REPAIR AND MAINTENANCE OBLIGATIONS OF PERMITTEE**

Replace field lights that are burned out. Clean up after improvement projects. Responsible for sprinkler heads damaged by permittee maintenance activities. Turface field material shall be used to maintain the infield playing surface, unless otherwise approved by the City through its Public Works Director. Daily maintenance, cleaning and supplies, of restrooms facilities. Use of ATV's to drag the infield is allowed. Any other use of ATV's on the field is strictly prohibited.

**Daily cleanup** of the dugouts, bleachers, concession stands, and other buildings will be required and the obligation of the permittee.

**EXHIBIT "G"**  
**INSURANCE LIMITS**

**INSURANCE LIMITS:**

Each occurrence	\$1,500,000
Fire damage	\$ 300,000
Medical	\$ 5,000
Personal & Adv Injury	\$1,000,000
Products - Comp/Op/Agg	\$1,000,000

*(See attached insurance cover sheet)*



**EXHIBIT "H"**  
**SPECIAL PERMIT PROVISIONS**

All excavation activities must include contact with **Call Before You Dig** prior to construction of any type.

Permitted uses specifically exclude non-turf motorized vehicles.