

ORDINANCES  
MILES CITY, MONTANA

ORDINANCE NO. 1351

**AN ORDINANCE AMENDING SECTION 21-14(b)(7) OF THE CODE OF ORDINANCES OF THE CITY OF MILES CITY WITH RESPECT TO SUBDIVISION IMPROVEMENTS AGREEMENTS, BIDS, AND GUARANTEES.**

WHEREAS, the City of Miles City's subdivision code governs the calculation of guarantee amounts and bid procedures related to subdivision improvement agreements; and

WHEREAS, the City of Miles City finds that in certain instances, the requirement of three bids as a basis for determining guarantee amounts are not practical or possible to obtain, and finds that alternatives for determining guarantee amounts in subdivision improvements agreements are in the best interests of the City of Miles City, to encourage growth and development, while protecting the taxpayers by ensuring that developers provide adequate guarantee for completion of subdivision improvements;

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

**Section 1. Section 21-14(b)(7)** is hereby amended to read as follows:

Sec. 21-14. - General procedures.

...

(b) *Final plats.*

...

(7) *Public improvements agreement, guaranty.* As a condition of approval of the final plat, the subdivider must have installed and certified all required improvements or have entered into a subdivision improvements agreement guaranteeing the construction and installation of all required improvements (MCA 76-3-507). The governing body may require 50 percent of all improvements or 100 percent of any improvements necessary to protect public health and safety to be completed before allowing bonding or other reasonable security for purposes of filing a final plat. The requirement is applicable to approved preliminary plats (MCA 76-3-507(4)). No construction or placement of structures on the lots may occur until improvements related to public health and safety, such as roads or firefighting facilities, have been installed and engineering plans have been filed. A model subdivision improvements agreement and alternative methods of guaranteeing public improvements, the procedures and requirements for securing an agreement, and suggested conditions for maintenance are available from the subdivision administrator.

If the subdivider chooses to enter into a subdivision improvements agreement, guaranteeing the public improvements through a bond, letter of credit, or other financial guarantee, the basis for such guarantee amount shall be calculated based one of the following two options: Option 1: The subdivider shall obtain three bids for the cost of installation of the public improvements. The amount of the guarantee shall be calculated by multiplying 125 percent by the highest bid. Option 2: The subdivider shall obtain one bid from a contractor or contractors deemed responsible by the city, and which shall be

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reviewed and approved by the subdivision administrator, public works director, public utilities director, and city attorney. The amount of the guaratee shall be calculated by multiplying 150 percent of the approved bid.

As the public improvements are installed, the subdivider shall provide a letter to the governing body indicating such, and including a copy of the engineered plans certifying all public improvements have been installed in conformance with the approved plans and specifications. Upon the subdivider's request, along with required installation of improvements and appropriate certifications, the governing body shall reduce bond or security requirements commensurate with the completion of improvements. Prior to the release of the guarantee, a copy of the plans, stamped by the project surveyor or engineer in accordance with their licensing provisions, shall be filed in the county clerk and recorder's office with reference to the final subdivision plat.

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

Said Ordinance read and put on its passage this 23<sup>rd</sup> day of November, 2021.

ATTEST:

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

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

**FINALLY PASSED AND ADOPTED** this 14<sup>th</sup> day of December, 2021.

ATTEST:

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

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