

SUBDIVISION IMPROVEMENTS AGREEMENT

PRONGHORN MAJOR SUBDIVISION

IMEG #24001698

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SUBDIVISION IMPROVEMENTS AGREEMENT
PRONGHORN SUBDIVISION

This agreement is made and entered into this _____ day of _____, 20____, by and between *AG N KT's Properties, LLC*, whose address for the purpose of this agreement is 4585 Mountain View Road, Molt, Montana, 59057, hereinafter referred to as "Subdivider," and YELLOWSTONE COUNTY, Montana, hereinafter referred to as "County."

WITNESSETH:

WHEREAS, at a regular meeting conducted on _____ day of _____, 20____, the Board of Planning recommended conditional approval of a preliminary plat of *Pronghorn Subdivision*, and

WHEREAS, at a regular meeting conducted on _____ day of _____, 20____, the Yellowstone County Board of County Commissioners conditionally approved a preliminary plat of *Pronghorn Subdivision*, and

WHEREAS, a Subdivision Improvements Agreement is required by the County prior to the approval of the final plat.

WHEREAS, the provisions of this agreement shall be effective and applicable to *Pronghorn Subdivision* upon the filing of the final plat thereof in the office of the Clerk and Recorder of Yellowstone County, Montana. The Subdivision shall comply with all requirements of the Yellowstone County Subdivision Regulations, the rules, regulations, policies, and resolutions of Yellowstone County, and the laws and administrative rules of the State of Montana.

THEREFORE, THE PARTIES TO THIS AGREEMENT, for and in consideration of the mutual promises herein contained and for other good and valuable consideration, do hereby agree as follows:

I. VARIANCES

- A. There are no variances being requested with this subdivision.

II. CONDITIONS THAT RUN WITH THE LAND

- A. Lot owners should be aware that this subdivision is being built in close proximity to prime deer and antelope habitat and it is likely that homeowners will experience problems with damage to landscaped shrubs, flowers, and gardens. The Montana Fish, Wildlife, and Parks Department does not provide damage assistance unless there is damage to commercial crops and/or a threat to public health and safety.
- B. Lot owners should be aware that soil characteristics within the area of this subdivision, as described in the 1972 Yellowstone County Soil Survey, indicate that there could be potential limitations for proposed construction on the lots, which may require a geotechnical survey prior to construction.
- C. No water rights have been transferred to the lot owners. If irrigation ditches exist on the perimeter of this development, they will be preserved for the benefit of other properties. Any existing perimeter ditches and drains shall remain in place and shall not be altered by the Subdivider or subsequent owners.
- D. There is attached hereto a Waiver waiving the right to protest the creation of the special improvement district or districts which by this reference is expressly incorporated herein and made as much a part hereof as though fully and completely set forth herein at this point. The Waiver will be filed with the plat, shall run with the land, and shall constitute the guarantee by the Subdivider and property owner or owners of the developments described herein. Said Waiver is effective upon filing and is

not conditioned on the completion of the conditions set forth in this Agreement. The Subdivider and owner specifically agree that they are waiving valuable rights and do so voluntarily.

- E. Culverts and associated drainage swales shall not be filled in or altered by the subdivider or subsequent lot owners.
- F. When required by road improvements, all fences and irrigation ditches in the public right-of-way adjacent to this subdivision shall be removed or relocated outside of the public right-of-way and any relocation outside of the public right-of-way shall be subject to securing and recording easements.
- G. Future maintenance of all public (or common) improvements shall be done through one or more RSID(s) created as part of the SIA for this subdivision.
- H. Lot owners or their agent will obtain an Access Permit from County Public Works prior to any construction on any lot within the subdivision. The application will include a site plan showing the desired location of the access and show that it meets the requirements outlined by the DEQ storm water requirements for the subdivision. Failure to do so will result in the lot owner or their agent removing what has been installed and locating the access in an approved location at the lot owners' expense.

III. TRANSPORTATION

The subdivider agrees to guarantee all improvements for a period of one (1) year from the date of final acceptance by Yellowstone County.

A. Streets & Roads

All public roads within the **Pronghorn Subdivision** will be constructed as **24-foot-wide paved asphalt streets** within **60-foot-wide public rights-of-way**. All streets will be dedicated for public use and maintained through one or more **Rural Special Improvement Districts (RSIDs)** established at the time of final plat approval.

The internal public road network includes the following:

- Purple Sage Road — A primary access road entering the northern part of the subdivision from Highway 87.
- Wiens Road — A primary access road entering the south-central part of the subdivision from Highway 87. This road also serves as an interior east-west road connecting the interior residential phases.
- Kipper's Road — The primary access road running north & south, connecting the two Highway 87 access points to the interior subdivision phases.
- Shops Galore Road — A central collector road connecting the northern and southern commercial sections.
- Shops Galore Court — A cul-de-sac at the east end of Shops Galore Road.
- North Shops Galore Road — A looped road branching from Shops Galore Court serving northern commercial lots.
- South Shops Galore Road — A looped road branching from Shops Galore Court serving southern commercial lots.
- West Shops Galore Road — A looped road branching from Shops Galore Court serving southern and northern commercial lots.

- East Shops Galore Road — A looped road branching from Shops Galore Court serving southern and northern commercial lots.
- Kipper's Road — A north-south street connecting Purple Sage Road to interior residential lots.
- AG's Road — An interior east-west local road providing access within the central commercial phases.
- KT's Cut Across — A interior north-south street providing access within the central commercial phases.
- Black Sage Road — A north-south street connecting Kipper's Road to interior commercial and residential lots.
- Black Sage Court — A cul-de-sac extending from Black Sage Road in the eastern portion of the subdivision.
- Kippers Court — A north-south street connecting Kipper's Road to interior commercial and residential lots.
- Wiens Court — A cul-de-sac extending from Wiens Road in the southern portion of the subdivision.
- Kip the Horse Road — A cul-de-sac providing access to the southernmost residential lots.
- Leawood Drive — An interior road providing secondary circulation through central and northern residential lots.
- Leawood Court — A cul-de-sac branching from Shops Galore Road.
- Gilman's Road — An east-west local connector serving interior commercial and residential areas.

All roads will be constructed to Yellowstone County standards for cross-section, drainage, grading, and sight distance. Temporary turnarounds will be installed at stub ends where necessary to maintain safe emergency access during phased construction. Traffic control signs and intersection markings will comply with the Manual on Uniform Traffic Control Devices (MUTCD) and Yellowstone County Public Works requirements.

All public roads have been designed to County specifications, with appropriate centerline geometry, ROW dedication, and stormwater grading considerations. Temporary turnarounds will be provided at stubbed roads until future phases complete roadway connections. Intersections will be built with sight distance and safety requirements in compliance with MUTCD and Yellowstone County design standards.

B. Traffic Control Devices

The Pronghorn Subdivision will include the installation of regulatory traffic control signage at key intersections to ensure safe vehicular movement and compliance with County and MUTCD standards. Based on the internal street network layout and projected traffic flow, stop signs will be installed throughout the subdivision as phases are completed. Some of the stop signs are where cul-de-sac's meet the access roads.

Stop sign locations will include, but are not limited to, the following intersections:

1. Purple Sage Road & Highway 87 (stop for exiting traffic)
2. Shops Galore Road & Kipper's Road
3. Shops Galore Road & West Shops Galore Road
4. Shops Galore Road & East Shops Galore Road

5. Shops Galore Road & Leawood Court
6. South Shops Galore Road & KT's Cut Across
7. South Shops Galore Road & AG's Road
8. AG's Road & Gilman's Road
9. Gilman's Road & Leawood Drive
10. Leawood Drive & Shops Galore Court
11. Kipper's Road & Black Sage Road
12. Black Sage Road & KT's Cut Across Road
13. Black Sage Road & Black Sage Court
14. Wiens Road & Highway 87 (stop for existing traffic)
15. Wiens Road & Kipper's Court
16. Wiens Road & Kipper's Road
17. Wiens Road & Wiens Court
18. Wiens Road & Black Sage Road
19. Kipper's Road & Kip the Horse Road
20. Kip the Horse Road & Black Sage Road

All signage will be fabricated and installed in accordance with the Manual on Uniform Traffic Control Devices (MUTCD) and Yellowstone County specifications. The subdivider shall install signage concurrent with each phase of roadway construction to ensure functionality upon completion of each new segment of the road network.

Final placement and quantity of stop signs will be subject to Yellowstone County Public Works review and approval at the time of engineering plan submittal.

C. Access

- There will be seven accesses for the proposed subdivision, one from Purple Sage Road, two from Leawood Drive, and four from Kipper's Road. Each approach will have 60' right-of-way.
- All lots within the subdivision shall be accessed using the internal public road network.
- No lots within the subdivision shall have direct access to Highway 87.

D. Billings Area Bikeways and Trail Master Plan (BABTMP)

The BABTMP does not intersect with this property.

IV. EMERGENCY SERVICE

Emergency services for the Pronghorn Subdivision will be provided by regional agencies serving unincorporated Yellowstone County. Fire protection infrastructure will be integrated into the subdivision as required under Yellowstone County Subdivision Regulations and applicable fire code guidance.

Fire Protection:

Fire protection for the subdivision will be provided by the Shepherd VFD district. To support fire suppression needs, two 30,000-gallon dry hydrant tanks will be installed within the subdivision. One dry hydrant will be located along Shops Galore Court, constructed in Phase 1, and the second will be installed will be constructed during Phase 5 off of Black Sage Road. Both hydrants are depicted on the preliminary plat and will be accessible to fire response vehicles. The tanks will be designed and installed per County and fire authority requirements, and ongoing maintenance will be the responsibility of the subdivision's RSID.

Law Enforcement:

Law enforcement services will be provided by the Yellowstone County Sheriff's Office, which has jurisdiction over unincorporated areas of the county.

Emergency Medical Services:

Ambulance services will be provided by American Medical Response (AMR). AMR Billings has been serving Yellowstone County since 1994, offering both emergency and non-emergency medical transport services.

All emergency service providers have been notified of the proposed subdivision during preliminary plat review. The subdivision's road widths, intersection design, and emergency vehicle turnaround provisions have been developed to comply with fire department access standards and ensure continuous emergency response capability throughout all phases of development.

V. Storm Drainage

Stormwater management for the Pronghorn Subdivision will be addressed through a combination of regional storm ponds and individual lot-level residential retention ponds. These systems are designed to safely accommodate runoff generated by both impervious surfaces (e.g., roads and driveways) and graded residential areas while protecting downstream properties, infrastructure, and natural drainage corridors.

A stormwater management plan will be developed in accordance with Section 4.7 of the Yellowstone County Subdivision Regulations and Montana DEQ Circular DEQ-8. The plan will include the construction of regional and individual stormwater ponds, strategically located within drainage basins and lots defined on the preliminary plat. These facilities will capture, detain, and treat roadway runoff and conveyances from common infrastructure prior to controlled release into natural drainages or swales.

All stormwater facilities, including regional and individual storm ponds and appurtenant conveyance infrastructure, will:

- Be constructed to meet or exceed MDEQ performance standards,
- Be reviewed and approved by MDEQ (or its authorized designee) prior to final plat approval,
- Be sized based on rational method or hydrologic modeling as outlined in the approved Storm Design Report,
- Include emergency overflows, and sediment forebays where required.

Final construction drawings and storm drainage reports will be submitted for County and DEQ review as part of the public infrastructure approval process. Operation and long-term maintenance of regional drainage facilities will be the responsibility of the subdivision's HOA, as defined in the covenants and the final plat filing.

VI. Utilities

A. Water Supply

Each lot within the Pronghorn Subdivision will be served by an individual cistern system, which will be supplied by a licensed local water service provider. These systems are designed to comply with Section 4.9 of the Yellowstone County Subdivision Regulations, ensuring that all water supply provisions meet the necessary health and safety standards. Approval from the Montana Department of Environmental Quality (MDEQ) will be obtained for these systems and included with the final plat filing. Maintenance of the cisterns will be the responsibility of the individual lot owners.

B. Sanitary Sewer

Wastewater treatment for the subdivision will be managed through individual septic systems installed on each lot. These systems will be designed and constructed in accordance with Section 4.8 of the Yellowstone County Subdivision Regulations and the standards set forth in Montana DEQ Circular DEQ-4.

Approval from the MDEQ will be secured prior to the final plat approval, and documentation of such approval will be included in the final plat submission. Each lot owner will be responsible for the operation and maintenance of their respective septic system.

C. Power, Telephone, Gas, and Cable Television

Electricity, telephone, natural gas, and cable television services will be extended to each lot within the subdivision. These utilities will be installed within the utility easements designated on the final plat. The easements are designed to meet the requirements of the utility providers and will be coordinated with them during the development process to ensure proper installation and service delivery.

D. Solid Waste Disposal

Solid waste collection and disposal services will be provided by licensed local waste disposal companies operating within Yellowstone County. Each property owner will be responsible for arranging for their own solid waste pickup services. Disposal of solid waste will be conducted in accordance with the standards set forth by the Montana Department of Environmental Quality (MDEQ) and the Yellowstone City-County Health Department, ensuring that all waste is managed in an environmentally responsible manner.

VII. Parks & Open Space

The Subdivider is providing cash-in-lieu of a parkland dedication to satisfy the parkland dedication requirement.

VIII. Irrigation

There are no irrigation systems, irrigation districts, or water rights associated with the land comprising the Pronghorn Subdivision. As such, no irrigation infrastructure will be installed, and no water rights will be transferred as part of the subdivision process.

The subdivision has been designed to function without a centralized or individual irrigation supply. Lot owners will not be obligated to install or maintain irrigated lawns, and no requirement for turf or landscape irrigation will be imposed through the subdivision covenants.

IX. Weed Management

The Subdivider and all future lot owners shall be responsible for the control and management of noxious weeds within the Pronghorn Subdivision, consistent with the current Yellowstone County Noxious Weed List and in accordance with Section 7-22-2152, MCA.

Requirements

The following measures will be implemented:

- A Weed Management Plan shall be submitted to the Yellowstone County Weed Department for review and approval. This plan will identify existing noxious weed species present on the site and outline specific control methods, herbicide usage (if applicable), mechanical or cultural treatment, and maintenance timelines.
- The Weed Management Plan shall be kept current and updated as necessary, particularly prior to the start of construction in any new phase of development. The cost of weed management shall be borne by the individual property owner or responsible development entity.
- A Revegetation Plan shall also be submitted as part of the overall weed management strategy. This plan will identify seed mix recommendations to promote the establishment of native or low-maintenance species for soil stabilization and long-term weed suppression. Recommendations may be obtained from the Yellowstone County Weed Department and are subject to modification based on a required pre-development site inspection.

Enforcement of weed control will be consistent with County policies, and ongoing compliance will be the responsibility of each owner of record. Failure to adhere to the approved plan may result in enforcement action under County weed ordinances.

X. Soils / Geotechnical Study

No formal geotechnical investigation or site-wide soils analysis has been conducted by the Subdivider for the Pronghorn Subdivision. Soil conditions across the subdivision are expected to vary due to the property's natural topography and geological setting. As a result, subsurface conditions—including soil bearing capacity, frost susceptibility, shrink-swell potential, and groundwater levels—may differ significantly between lots.

Individual lot owners are strongly encouraged to conduct site-specific geotechnical evaluations prior to initiating any structural construction. These evaluations should be performed by a qualified professional geotechnical engineer to determine the appropriate foundation design and to assess the need for any soil stabilization, drainage enhancements, or specialized construction techniques.

The Yellowstone County Soil Survey (NRCS, 1972) classifies certain soils in this area as potentially having limitations for conventional building development, particularly with respect to septic percolation, compaction, or seasonal moisture conditions. Therefore, additional caution is warranted in siting foundations, on-site septic systems, and stormwater management features.

Responsibility for geotechnical evaluation, design, and risk management lies solely with individual lot owners, builders, or their agents at the time of development.

XI. Phasing of Improvements

The Pronghorn Subdivision will be constructed in seven (8) sequential phases in order to ensure orderly infrastructure development, manageable public service extension, and compliance with all local and state subdivision standards. This phasing approach has been designed to align with the subdivision's roadway and utility layout, stormwater basin implementation, and market absorption goals.

In accordance with MCA 76-3-617(4), the Subdivider shall notify the governing body a minimum of 30 days prior to the commencement of infrastructure construction in any phase.

Phase Overview:

- Phase 1 – Will include Lots 1 through 12 in Block 1, Lots 1 through 10 in Block 2, Lots 1 through 5 in Block 3, Lots 1 through 3 in Block 4, Lot 1 in Block 5, Lots 1 through 7 in Block 12, and Lots 1 through 3 in Block 13. This phase will include construction of Purple Sage Road and Wiens Road through the intersection of Kipper's Road, the subdivision's two primary access roads from Highway 87, Kipper's Court, Kipper's Road, Shops Galore Road, North Shops Galore Road, Leawood Court, a portion of East Shops Galore Road, a portion of West Shops Galore Road, and a portion of South Shops Galore Road. There will also be a connection made to Leawood Drive and Shop's Galore intersection. This phase will include access to the commercial lots and set up for the future portion of South Shops Galore Road corridor. A 30,000-gallon dry hydrant will be installed along Shops Galore Road during this phase as shown on the plat. Construction will begin immediately upon approval of the final plat.
- Phase 2 – Will Include Lots 6 through 10 in Block 3 and Lots 2 through 11 in Block 5. This phase will complete South Shops Galore Road and establish further internal access via a portion of KT's Cut Across. Stop signs and temporary turnarounds will be provided as required by the traffic control and emergency service plans. Phase 2 will commence no later than June 1, 2029.
- Phase 3 – Will include Lots 4 through 8 in Block 4 and Lots 12 through 17 in Block 5. This phased will continue internal street development and lot service connections along AG's Road and a portion

of Gilman's Road. Stop signs and temporary turnarounds will be provided as required by the traffic control and emergency service plans. Phase 3 will commence no later than June 1, 2032.

- Phase 4 – Will include Lots 1 through 8 in Block 10 and Lots 1 through 11 in Block 11. This phase will construct Leawood Road and include completion of Shops Galore Court and Gilman's Road. Additional temporary turnarounds will be provided as necessary to maintain fire access. This phase provides further buildout of residential lots and extension of drainage and utility infrastructure. Phase 4 will commence no later than June 1, 2035.
- Phase 5 – Will include Lots 1 through 12 in Block 6 and Lots 1 through 6 in Block 7. This phase will include the start of construction on Black Sage Road, the completion of KT's Cut Across and Black Sage Court. This phase provides further buildout of central lots and extension of drainage and utility infrastructure. The second 30,000-gallon dry hydrant will be installed in this phase, as depicted on the plat. Phase 5 will commence no later than June 1, 2038.
- Phase 6 – Will Include Lots 13 through 16 in Block 6, Lots 7 through 12 in Block 7 and Lots 1 through 12 in Block 8. This phase will extend Black Sage Road south, extend Kippers Road south for a small portion, complete Wiens Road, and Wiens Court. This phase includes additional commercial and residential lots. Phase 6 will commence no later than June 1, 2041.
- Phase 7 – Will include Lots 1 through 8 in Block 9. This phase will finish construction of Black Sage Road and Kippers Road. This phase will also construct Kip the Horse Road, completing the southern loop of the subdivision and providing access to the final residential lots. All storm drainage and access improvements for the remaining tract will be completed during this phase. Phase 6 will commence no later than June 1, 2044.

Each phase will include the full extension of roadways, utilities, stormwater infrastructure, and fire protection improvements needed to serve the lots proposed within that phase. Temporary turnarounds will be installed where required to ensure compliance with emergency vehicle access standards and Yellowstone County Public Works requirements.

XII. Condominiums

Lots 1-10 of Block 2 and Lots 1-10 of Block 3 of this subdivision are anticipating condominiums. The condominiums are intended to be 4-plexes on each lot, totaling 80-units. It is anticipated that all units will be for personal storage use only. The Subdivider is aware of these assumptions, and all corresponding condominium documents shall be submitted to the County at the time of condominium recording.

XIII. Financial Guarantees

The Subdivider shall be responsible for the design, installation, and construction of all required public improvements in each phase of the Pronghorn Subdivision. Improvements include, but are not limited to: roads, stormwater drainage, fire protection systems, and utility infrastructure. All such improvements shall be constructed under private contract and designed by a licensed professional civil engineer registered in the State of Montana.

All improvements must be completed prior to final plat approval for each respective phase, unless a financial guarantee is provided in accordance with the procedures set forth in Chapter 5 of the Yellowstone County Subdivision Regulations.

If improvements are not fully constructed at the time of final plat, the Subdivider shall provide the County with a monetary security in an amount equal to 125% of the estimated cost of the uncompleted improvements. Acceptable forms of financial security include:

- An irrevocable letter of credit from a federally insured financial institution,
- A performance bond issued by a licensed surety company,
- An escrow agreement, or

- Any other method approved by the Yellowstone County Planning Board and Board of County Commissioners.

The cost estimate shall be prepared and sealed by a Montana-licensed professional engineer and reviewed by the County Engineer or designer. All financial instruments shall remain in effect until the County has verified that improvements have been satisfactorily completed and accepted for public use.

Upon completion of the improvements, the Subdivider's engineer shall submit to the Yellowstone County Public Works Department:

- A sealed, certified statement of completion,
- As-built drawings, and
- Any required post-construction certifications pursuant to Section 4.6.C of the Yellowstone County Subdivision Regulations.

The Subdivider shall also guarantee all installed public improvements for a period of one (1) year following final acceptance by the County.

XIV. LEGAL PROVISIONS

- A. Subdivider agrees to guarantee all public improvements for a period of one year from the date of final acceptance by Yellowstone County.
- B. The owners of the properties involved in this proposed Subdivision by signature subscribed herein below agree, consent, and shall be bound by the provisions of this Agreement.
- C. The covenants, agreements, and all statements in this Agreement apply to and shall be binding on the heirs, personal representatives, successors and assigns of the respective parties.
- D. In the event it becomes necessary for either party to this Agreement to retain an attorney to enforce any of the terms or conditions of this Agreement or to give any notice required herein, then the prevailing party or the party giving notice shall be entitled to reasonable attorney fees and costs.
- E. Any amendments or modifications of this Agreement or any provisions herein shall be made in writing and executed in the same manner as this original document and shall after execution become a part of this Agreement.
- F. Subdivider shall comply with all applicable federal, state, and local statutes, ordinances, and administrative regulations during the performance and discharge of its obligations. Subdivider acknowledges and agrees that nothing contained herein shall relieve or exempt it from such compliance.
- G. Subdivider agrees to create any required (or expansion of existing) RSID(s) for future maintenance of all public (or common) constructed improvements prior to final plat approval.

This agreement is hereby approved and accepted by Yellowstone County, this _____ day of _____, 20____

"COUNTY"
COUNTY OF YELLOWSTONE
MONTANA

County of Yellowstone
Board of County Commissioners

By: _____
Mark Morse, Chairman

Mike Waters, Commissioner

Chris White, Commissioner

Attest: _____
Jeff Martin, County Clerk and
Recorder

STATE OF MONTANA)
 : ss
County of Yellowstone)

On this _____ day of _____, 20____, before me, a Notary Public in and for the State of Montana, personally appeared Mark Morse, Mike Waters, Chris White and Jeff Martin, known to me to be the Board of County Commissioners and the County Clerk and Recorder, respectively, of Yellowstone County, Montana, whose names are subscribed to the foregoing instrument in such capacity and acknowledged to me that they executed the same on behalf of Yellowstone County, Montana.

SS _____

