

CERTIFICATE AS TO RESOLUTION AND VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. _____, entitled: "RESOLUTION RELATING TO UP TO \$346,000 SPECIAL SIDEWALK, CURB, GUTTER AND ALLEY APPROACH BONDS, SERIES 2016; AUTHORIZING THE ISSUANCE AND PRIVATE NEGOTIATED SALE THEREOF AND AUTHORIZING THE PLEDGE OF THE REVOLVING FUND TO THE SECURITY THEREOF" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a regular meeting on May 23, 2016, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand officially this 23rd day of May, 2016.

City Clerk

RESOLUTION NO. _____

RESOLUTION RELATING TO UP TO \$346,000 SPECIAL
SIDEWALK, CURB, GUTTER AND ALLEY APPROACH
BONDS, SERIES 2016; AUTHORIZING THE ISSUANCE AND
PRIVATE NEGOTIATED SALE THEREOF AND
AUTHORIZING THE PLEDGE OF THE REVOLVING FUND
TO THE SECURITY THEREOF

BE IT RESOLVED by the City Council (the “Council”) of the City of Billings, Montana (the “City”), as follows:

Section 1. Recitals.

1.01. Prior Acts. This Council has duly and validly ordered in under Montana Code Annotated, Title 7, Chapter 14, Part 41, as amended and Title 7, Chapter 12, Parts 41 and 42, as amended (collectively, the “Act”), the installation, construction, reconstruction, or replacements of certain curbs, gutters, sidewalks, drive approaches, driveways, alley approaches and appurtenant improvements in certain locations in the City, which are designated as W.O. 15-02, Miscellaneous Improvements (the “Improvements”) and has determined to assess the costs of the Improvements and costs incidental thereto (the “Incidental Costs”), including costs associated with the sale and the security of special sidewalk, curb, gutter and alley approach bonds of the City and the funding of deposits to the City’s Special Improvement District Revolving Fund (the “Revolving Fund”), against property adjacent to the Improvements.

1.02. Proposed Bond Issue. The City proposes to issue special sidewalk, curb, gutter and alley approach bonds of the City in the maximum estimated principal amount of \$346,000 to pay the costs of the Improvements and Incidental Costs (the “Bonds”). The Bonds are to be payable from special assessments to be levied against property adjacent to the Improvements, which property will be specially benefited by the Improvements. Assessments will be levied against such adjacent property in an amount not less than the principal amount of the Bonds to be issued.

The costs of the Improvements and Incidental Costs are currently estimated, as follows:

Construction Costs	\$249,336.48
Design and Construction Administration	40,989.00
Engineering and Administration	20,760.00
Revolving Fund	17,300.00
Bond Discount	6,920.00
Issuance Costs	10,380.00
Roundoff	314.52
Total	<hr/> \$346,000.00

Section 2. Sale and Term of Bonds.

2.01. Principal Amount. Pursuant to Sections 7-12-4204 and 17-5-107, Montana Code Annotated, this Council hereby determines that it is in the best interests of the properties specially benefiting from the Improvements and the City to sell the Bonds at a private negotiated sale at a price not less than 97% of the principal amount thereof, including interest thereon to the date of delivery. The City Finance Director is authorized to select a purchaser (the "Purchaser") for the Bonds and to negotiate the sale thereof, subject to Section 2.02 hereof.

2.02. Pricing and Terms. The Bonds shall be sold to the Purchaser on the terms and at a purchase price subject to the following limitations and conditions: (1) the aggregate principal amount of the Bonds shall not exceed \$346,000; (2) the net interest cost on the Bonds shall not exceed 5.0%; (3) the purchase price of the Bonds shall not be less than 100% of the principal amount thereof; (4) the term of the Bonds shall not exceed 12 years; (5) the Bonds shall be payable from special assessments to be levied against property adjacent to the Improvements; and (6) the Bonds shall be callable from the prepayment of special assessments.

All costs of issuing the Bonds (including, without limitation, the fees and expenses of Dorsey & Whitney LLP, the City's Bond Counsel, the fees of the Paying Agent and Registrar and the Bonds, if any) shall be paid by the City as part of the financing from proceeds of the Bonds or other available sources.

2.03. Bond Purchase Agreement. The City Administrator and City Finance Director are hereby authorized and directed to approve the final principal amount of the Bonds, dated date, debt service schedule, interest rates and redemption provisions of the Bonds, subject to the limitations contained in Section 2.02 hereof and the Act. Upon approving such terms, the City Administrator and City Finance Director are hereby authorized and directed to approve, execute and deliver to the Purchaser a bond purchase agreement (the "Bond Purchase Agreement"), containing the agreement of the City to sell, and the agreement of the Purchaser to purchase, the Bonds on the terms so approved, and containing such other provisions as such officers shall deem necessary and appropriate. In the event of the absence or disability of the City Administrator and City Finance Director, the Mayor or Deputy City Administrator shall make such approvals and execute and deliver the Bond Purchase Agreement. The execution and delivery by appropriate officers of the City of the Bond Purchase Agreement shall be conclusive as to the approval of such officers of the terms of the Bonds and the agreement of the City to sell the Bonds on such terms in accordance with the provisions thereof.

The form of the Bonds and the final terms and conditions thereof shall be prescribed by a subsequent resolution to be adopted by this Council.

Section 3. Pledge of Revolving Fund. In the resolutions of intention to order in the Improvements, adopted on March 23, 2015, this Council found it to be in the public interest, and in the best interest of the properties specially benefiting from the Improvements and the City, to secure payment of principal of and interest on the Bonds by the Revolving Fund and authorized the City to enter into the undertakings and agreements authorized in the Act in respect of the Bonds, based on the factors required to be considered under Section 7-12-4225(4) of the Act. Those findings and determinations were ratified and confirmed in the resolutions ordering in the

Improvements adopted on April 13, 2015 and are hereby ratified and confirmed. It is hereby covenanted and recited that the City has the power under the Act to pledge the Revolving Fund to payment of the principal of and interest on the Bonds.

PASSED AND APPROVED by the City Council of the City of Billings, Montana, this 23rd day of May, 2016.

Mayor

Attest: _____
City Clerk