

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of **Resolution [_____]** entitled: "RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 26-11363 ADOPTED AUGUST 24, 2026 RELATING TO THE ISSUANCE OF UP TO \$11,000,000 STORM SEWER REVENUE AND REFUNDING BONDS; AUTHORIZING THE ISSUANCE AND CALLING FOR THE PUBLIC SALE 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 October 12, 2026 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 and seal officially this 12th day of October, 2026.

Denise R. Bohlman, City Clerk

RESOLUTION NO. _____

RESOLUTION AMENDING AND RESTATING
RESOLUTION NO. 26-11363 ADOPTED AUGUST 24, 2026
RELATING TO THE ISSUANCE OF UP TO \$11,000,000
STORM SEWER REVENUE AND REFUNDING BONDS;
AUTHORIZING THE ISSUANCE AND CALLING FOR THE
PUBLIC SALE THEREOF

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

Section 1. Recitals, Prior Acts, Authorization.

1.1 Recitals. Under the provisions of Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended (the "Act"), the City is authorized to issue and sell its revenue bonds payable during a term not exceeding forty years from their date of issue, to provide funds for the reconstruction, improvement, betterment and extension of a storm sewer system and to refund its revenue bonds issued for such purpose; provided that the bonds and the interest thereon are to be payable solely out of the net income and revenues to be derived from rates, fees and charges for the services, facilities and commodities furnished by the undertaking, and are not to create any obligation for the payment of which taxes may be levied except to pay for services provided by such system to the City. The City has established a storm sewer system within the boundaries of the City (the "System").

On August 24, 2026, pursuant to Resolution 26-11363 (the "Parameters Resolution"), this Council hereby authorized the City to proceed with the issuance and sale of its Storm Sewer Revenue and Refunding Bonds, Series 2026 (the "Series 2026 Bonds"), for the purpose of providing funds to pay costs of the Project (as defined herein), refunding the Series 2013 Bonds (as defined herein), funding a deposit to the reserve fund, if any, and paying costs of issuance of the Series 2026 Bonds and costs of refunding of the Series 2013 Bonds; and further authorized the City Administrator and City Finance Director to award the sale of the Series 2026 Bonds; provided certain parameters were met.

The City desires to Amend and Restate the Parameters Resolution in its entirety as set forth herein in order to provide additional flexibility with respect to anticipated interest rates for the Series 2026 Bonds given market fluctuations.

1.2 Prior Acts and Proposed Series 2026 Bonds. In accordance with the Act and pursuant to Resolution No. 13-19323 adopted by the Council on October 28, 2013 (the "Original Resolution"), as amended and supplemented by Resolution No. 15-10448 adopted by the Council on April 27, 2015 (collectively, the "Resolution"), the City has issued and there are outstanding its Storm Sewer Revenue Bonds, Series 2013 (the "Series 2013 Bonds") and its Storm Sewer Revenue Bonds, Series 2015 (the "Series 2015 Bonds" and, together with the Series 2013 Bonds, the "Outstanding Bonds"). The

City proposes to refund the outstanding Series 2013 Bonds for the purpose of reducing the interest cost thereon.

The City has determined that it is necessary and desirable to undertake certain improvements to its storm sewer system (the "System"), including design, engineering and construction of storm water detention and drainage infrastructure, as further described on Exhibit A hereto (the "Project").

Pursuant to the Resolution, the City reserved the right to issue additional bonds on a parity with the Outstanding Bonds (to the extent any such Outstanding Bonds are not refunded) under certain conditions, including that the Net Revenues (as defined in the Resolution) for the last complete fiscal year preceding the date of issuance of such additional bonds, calculated in accordance with the Resolution, were equal to at least 125% of the maximum amount of principal and interest to be payable from the Revenue Bond Account (as defined in the Resolution) in any subsequent fiscal year during the term of the Outstanding Bonds, on the Outstanding Bonds and the additional bonds proposed to be issued (the "Coverage Requirement"). Assuming that the Series 2026 Bonds (as defined below) are issued in the aggregate principal amount of \$11,000,000, with a true interest cost of 6.15% per annum and a term of approximately 20 years, the maximum aggregate annual principal and interest payable with respect to the Outstanding Bonds, taking into effect the refunding of the outstanding Series 2013 Bonds, and the Series 2026 Bonds is expected to be \$1,840,426. Net Revenues for the fiscal years ending June 30, 2025 and 2026 (unaudited) totaled \$2,860,639 and \$4,843,516, respectively, which is not less than 125% of \$1,840,426.

1.3 Authorization. Pursuant to the Act and the Resolution, this Council hereby authorizes the City to proceed with the issuance and sale of its Storm Sewer Revenue and Refunding Bonds (the "Series 2026 Bonds"), which may be issued in one or more series, for the purpose of providing funds to pay costs of the Project, refunding the Series 2013 Bonds, funding a deposit to the reserve fund, if any, and paying costs of issuance of the Series 2026 Bonds and costs of refunding of the Series 2013 Bonds, subject to the terms and conditions described herein.

Section 2. Public Sale. The Series 2026 Bonds shall be offered and sold at a public, competitive sale pursuant to certain terms and conditions of sale (the "Terms and Conditions") to be determined and finalized by the City Administrator and City Finance Director, in consultation with Baker Tilly Municipal Advisors LLC, as municipal advisor to the City ("Baker Tilly"). The City Administrator and City Finance Director shall determine the Series 2013 Bonds to be refunded, if any. The City Administrator and City Finance Director shall determine the date and time that bids will be opened and tabulated. Subject to Section 3 below, following tabulation of bids, the City Administrator and City Finance Director will award the sale of the Series 2026 Bonds to the bidder with the lowest true interest cost; provided that the City Administrator and City Finance Director shall have the right to reject any and all bids in their sole discretion and to waive any informality and irregularity in any and all bids. In the event that all bids are rejected, the City Administrator and City Finance Director are authorized to initiate a new public, competitive sale of the Series 2026 Bonds and to prepare such additional Terms and Conditions, offering materials and notices, in accordance with this

resolution. In the event that the City Administrator is unavailable, the duties of the City Administrator set forth in this resolution may be performed by the Interim City Administrator or the Assistant City Administrator with the same force and effect. The form of the Series 2026 Bonds and the final terms and conditions thereof will be set forth in a subsequent resolution to be adopted by this Council following the award of the sale of the Series 2026 Bonds.

Section 3. Parameters. Following tabulation of the bids as described in Section 2, the City Administrator and City Finance Director are hereby authorized to award the sale of the Series 2026 Bonds, subject to the following limitations and conditions:

- (a) the aggregate principal amount of the Series 2026 Bonds shall not exceed \$11,000,000 (exclusive of premium or discount);
- (b) the purchase price of each series of Series 2026 Bonds shall not be less than 97% of the principal amount thereof;
- (c) the true interest cost of the Series 2026 Bonds shall not exceed 6.15%;
- (d) the refunding of the Series 2013 Bonds shall result in a reduction of total debt service cost to the City;
- (e) the proposed terms of each series of Series 2026 Bonds shall allow the City to satisfy the Coverage Requirement, taking into account the refunding of any Series 2013 Bonds; and
- (f) each series of Series 2026 Bonds shall mature not later than 20 years following the date of issuance of such series.

Section 4. Amendments to Resolution. The City Administrator and City Finance Director, in consultation with Baker Tilly, are hereby authorized to negotiate amendments to the Resolution to permit the City to determine application of the reserve fund for additional bonds on a case by case basis (including with respect to the Series 2026 Bonds), as determined by the City Administrator and City Finance Director in their sole discretion. Such amendments, if any, will be set forth in a subsequent resolution to be adopted by this Council following the award and sale of the Series 2026 Bonds.

Section 5. Preliminary Official Statement. The City Administrator and City Finance Director, in consultation with Baker Tilly, are hereby authorized and directed to prepare, on behalf of the City, a Preliminary Official Statement with respect to the Series 2026 Bonds to be distributed to potential bidders. The Preliminary Official Statement shall contain the Terms and Conditions and such other information as shall be advisable and necessary to describe accurately the City, the System, the terms and conditions of the Series 2026 Bonds and the security therefor. The City Administrator and City Finance Director are authorized on behalf of the City to deem the Preliminary Official Statement near "final" as of its date, in accordance with Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934.

Section 6. Continuing Disclosure. In order to permit bidders for the Series 2026 Bonds and other participating underwriters in the primary offering of such series of Series 2026 Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"), the City will covenant and agree for the benefit of the registered holders and beneficial owners from time to time of such outstanding Series 2026 Bonds, to provide annual reports of specified information and notice of the occurrence of certain events. The City is the only "obligated person" in respect of the Series 2026 Bonds within the meaning of the Rule for the purposes of disclosing information on an ongoing basis. A description of the undertaking will be set forth in the Preliminary Official Statement. Failure of the City to enter into an undertaking substantially similar to that described in the Preliminary Official Statement would relieve the successful bidder of its obligation to purchase the Series 2026 Bonds.

Section 7. Notice of Sale. The City Clerk is authorized and directed to cause notice of the sale of the Series 2026 Bonds to be published, as required by Montana Code Annotated, Sections 7-7-4434, in the *Yellowstone County News* not less than five (5) days preceding the date of sale. The notice of sale shall be published substantially in the form set forth on Exhibit B to this resolution.

Section 8. Effective Date. This resolution shall become effective upon passage.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana,
this 12th day of October, 2026.

CITY OF BILLINGS:

BY: _____
Mike Nelson, Mayor

ATTEST:

BY: _____
Denise R. Bohlman, City Clerk

EXHIBIT A

PROJECT

Grand Ave Crossing & Arnold Drain Regional Detention. Provides stormwater detention from several areas, including Grand Avenue, portions of the property to be developed along Shiloh Road and Broadwater Avenue west of 32nd Street West, and Broadwater Ave west of 32nd Street West.

Rimrock Road Storm. Installs storm drainage infrastructure with the Rimrock Road (54th to 62nd) and Rimrock Road (Clearview to 54th) transportation projects.

West End Regional Detention Facility. Installs storm drainage infrastructure within the Broadwater Avenue drainage basin west of Shiloh Road.

EXHIBIT B

NOTICE OF BOND SALE

\$[_____]]
Storm Sewer Revenue and Refunding Bonds, Series 2026
City of Billings, Montana

NOTICE IS HEREBY GIVEN by the City Council (the "Council") of the City of Billings, Montana (the "City"), that the City will receive bids for the purchase of Storm Sewer Revenue Bonds in the aggregate principal amount of \$[_____] (the "Series 2026 Bonds") by electronic transmission through PARITY® or by sealed bid to Baker Tilly Municipal Advisors LLC, as municipal advisor to the City ("Baker Tilly"), pursuant to the instructions set forth in the Terms and Conditions of Sale, in each case until [_____] p.m. (Mountain time) on [_____] , [_____] , 2026, at which time bids will be opened and tabulated. The tabulation of bids will then be presented to the City Administrator and City Finance Director at [_____] p.m. (Mountain time) on [_____] , [_____] , 2026, at which time the City Administrator and City Finance Director will consider the bids received, and if a responsive and acceptable bid is received, award sale of the Series 2026 Bonds to the successful bidder whose bid reflects the lowest true interest cost (calculated from the dated date).

The City has determined that it is necessary and desirable to undertake certain improvements to its storm sewer system (the "System"), including design, engineering and construction of storm water detention and drainage infrastructure (collectively, the "Project").

The City has further determined to refund its outstanding Storm Sewer Revenue Bonds, Series 2013 (the "Series 2013 Bonds") for the purpose of reducing the interest cost thereon. The City Administrator and City Finance Director shall determine the Series 2013 Bonds to be refunded, if any. The City proposes to issue the Series 2026 Bonds for the purpose of providing funds to pay costs of the Project, refunding the Series 2013 Bonds, funding a deposit to the reserve fund, if any, and to pay costs of issuance of the Series 2026 Bonds and costs of refunding of the Series 2013 Bonds, subject to the terms and conditions described herein.

The Series 2026 Bonds shall be dated, as originally issued, as of [_____] , 2026, and shall bear interest payable semiannually on January 1 and July 1 of each year, commencing [_____] , 20[_____] , to the registered owners of the Series 2026 Bonds as such appear in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month, at a rate or rates designated by the successful bidder at public sale and approved by the City Administrator and City Finance Director. Each interest rate must be expressed in an integral multiple of 1/100 or 1/8 of 1%. The initial price to the public as stated in the bid proposal for each maturity must be [_____] % or greater. All Series 2026 Bonds of the same stated maturity must bear interest from date of original issue until paid at a single,

uniform rate. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2026 Bonds shall mature, subject to redemption as hereinafter provided, on July 1 in each of the following years and amounts (unless combined into one or more term bonds), subject to adjustment as described herein:

<u>Year</u>	<u>Principal Amount</u>		<u>Year</u>	<u>Principal Amount</u>

The City reserves the right, after bids are opened and prior to award, to increase or decrease the amount of any maturity or maturities in multiples of \$5,000 in order to produce sufficient net proceeds and to meet the City's structuring goals. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Series 2026 Bonds as that of the successful bid. Gross spread for this purpose is the differential between the price paid to the City for the Series 2026 Bonds and the prices at which the bid indicates the Series 2026 Bonds are initially offered to the investing public.

Bidders will have the option of combining the Series 2026 Bonds into one or more term bonds. If any Series 2026 Bonds are issued as term bonds, such term bonds will be subject to annual mandatory sinking fund redemption in the principal amount set forth in the foregoing schedule on each July 1, concluding no later than [____], at a redemption price equal to the principal amount of such Series 2026 Bonds or portions thereof to be redeemed with interest accrued thereon and payable on January 1 and July 1 to the redemption date, in installments and in the same amounts and on the same dates as the Series 2026 Bonds would have matured if they were not included in a term bond.

The Series 2026 Bonds with stated maturities on or after July 1, [____] will be subject to redemption on July 1, [____], and any date thereafter, at the option of the City, in whole or in part, at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date, without premium. If less than all of the Series 2026 Bonds are to be redeemed, the Series 2026 Bonds to be redeemed shall be from such stated maturities and in such principal amounts as the City may designate in writing to the Registrar (or, if no designation is made, in inverse

order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner it deems fair).

The Series 2026 Bonds shall be in the denomination of \$5,000 each or any integral multiple thereof of single maturities. The Series 2026 Bonds will be issued as fully registered bonds only. The Series 2026 Bonds will be issued in book-entry only form.

The City reserves the right to reject any and all bids and to sell the Series 2026 Bonds at private sale.

To have its bid considered for award, the successful bidder is required to submit a good faith deposit to the City in the amount of \$[] (the "Deposit") no later than [] p.m. (Mountain time), on [], [], 2026. The Deposit may be delivered as described in the instructions set forth in the Terms and Conditions of Sale, in the form of either (i) a certified or cashier's check payable to the City or (ii) a wire transfer. The successful bidder shall be solely responsible for the timely delivery of its Deposit whether by check or wire transfer.

Copies of the Terms and Conditions of Sale, the Preliminary Official Statement, Official Bid forms and additional information may be obtained through:

Baker Tilly
225 S Sixth St, Ste. 1100
Minneapolis, MN 55402
Email: bids@bakertilly.com
phone: (651) 223 3000

Prospective bidders should consult the Terms and Conditions of Sale and the Preliminary Official Statement for a detailed description of the Series 2026 Bonds, the security therefor, and the form of legal opinion proposed to be rendered by Dorsey & Whitney LLP, of Missoula, Montana and Minneapolis, Minnesota, as bond counsel.

Dated: [], 2026.

BY ORDER OF THE CITY COUNCIL

City Clerk
City of Billings, Montana

Publish: []
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