

RESOLUTION NO. 3473

RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1; CREATING THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY A DISTRICT RESERVE ACCOUNT AND BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND

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

Section 1. Passage of Resolution of Intention. This Council, on April 24, 2018, adopted Resolution No. 3468 (the "Resolution of Intention"), pursuant to which this Council declared its intention to create a special improvement district, designated as Special Improvement District No. 1 of the City (the "District"), under Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended, for the purpose of financing a portion of the costs of certain local improvements described generally therein and consisting of engineering, design, construction and installation of street improvements and related improvements (the "Improvements") and paying costs incidental thereto, including costs associated with the sale and the security of special improvement district bonds drawn on the District (the "Bonds"), the creation and administration of the District, funding a deposit to the City's Special Improvement District Revolving Fund (the "Revolving Fund") and the establishment and funding of a District Reserve Account.

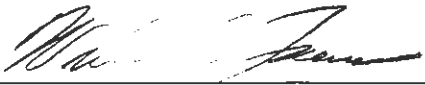
Section 2. Notice and Public Hearing. Notice of passage of the Resolution of Intention was duly published and mailed in all respects in accordance with law, and at its meeting on May 22, 2018, this Council heard and passed upon protests against the proposed Improvements and the creation of the District. This was the first meeting of the Council following the expiration of the protest period following notice of passage of the Resolution of Intention (the "Protest Period").

Section 3. Protests. Within the Protest Period, protests were filed with the City Clerk-Treasurer by the owners of 15 lots, tracts, parcels or units property in the District subject to assessment, of which four of the protests were technically deficient. Including the technically deficient protests in the total, the lots, tracts, parcels and units protesting represent approximately 2.27% of the total estimated costs of the Improvements and costs incidental thereto to be assessed against the properties in the District, in accordance with the methods of assessment in the Resolution of Intention.

Section 4. Creation of the District; Insufficiency of Protests. The Council determines that the protests made by owners in the District to be assessed for the cost of the proposed Improvements and incidental costs to be financed with the Bonds represent not more than 50% of all of such costs in the District and that therefore the protests against the creation of the District or the making of the Improvements filed during the Protest Period are hereby found to be

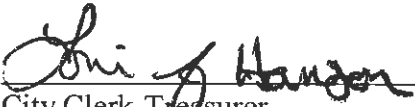
insufficient. The District is hereby created on the terms and conditions set forth in, and otherwise in accordance with, the Resolution of Intention. The findings and determinations made in the Resolution of Intention, including, without limitation, those relating to benefits conferred, the assessment methodology and properties assessed, funding the District Reserve Account and the Revolving Fund and securing the Bonds thereby, and using the proceeds of the Bonds to pay or reimburse the City for all or a portion of the costs of the Improvements and costs incidental thereto are hereby ratified and confirmed.

PASSED AND ADOPTED by the City Council of the City of Red Lodge, Montana, this 22nd day of May, 2018.



Mayor

Attest:



City Clerk-Treasurer