

CERTIFICATE AS TO RESOLUTION AND ADOPTING 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. 05-18241, entitled: **RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1373; DECLARING IT TO BE THE INTENTION OF THE CITY COUNCIL TO CREATE 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 THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND** (the Resolution" was duly adopted by the City Council of the City at a meeting on February 28, 2005 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.)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 Councilmembers voted in favor thereof: _____ unanimous _____;
voted against the same: _____ none _____;
or were absent: _____ Clark _____.

WITNESS my hand officially this 28th day of February, 2005.

Marita Herold
Marita Herold, CMC City Clerk

RESOLUTION NO. 05-18241

RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1373; DECLARING IT TO BE THE INTENTION OF THE CITY COUNCIL TO CREATE 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 THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND

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

Section 1. Proposed Improvements; Intention To Create District. The City proposes to undertake certain local Improvements (the "Improvements") to benefit certain property located in the City. The Improvements consist of the construction of sewer main, storm drainage facilities, street lighting and street improvements, as more particularly described in Section 5. The total estimated costs of the Improvements are \$2,431,000.00. The costs of the Improvements are to be paid from the following sources: (1) \$2,132,000.00 funded from the City of Billings, and (2) Special Improvement District Bonds hereinafter described. It is the intention of this Council to create and establish in the City under Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended, a Special Improvement District (the "District") for the purpose of financing costs of 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, the funding of a deposit to the City's Special Improvement District Revolving Fund (the "Revolving Fund"). The total estimated costs of the Improvements, including such incidental costs, to be financed by the Bonds are \$291,000.00. The Bonds are to be payable primarily from special assessments to be levied against property in the District, which property will be specially benefited by the Improvements.

Section 2. Number of District. The District, if the same shall be created and established, shall be known and designated as Special Improvement District No. 1373 of the City of Billings, Montana.

Section 3. Boundaries of District. The limits and boundaries of the District are depicted on a map attached as Exhibit A hereto (which is hereby incorporated herein and made a part hereof) and more particularly described on Exhibit B hereto (which is hereby incorporated herein and made a part hereof), which boundaries are designated and confirmed as the boundaries of the District. A listing of each of the properties in the District is shown on Exhibit E hereto (which are hereby incorporated herein and made a part hereof).

Section 4. Benefited Property. The District and territory included within the limits and boundaries described in Section 3 and as shown on Exhibits A, B, and E are hereby declared to be the Special Improvement District and the territory which will benefit and be benefited by the Improvements and will be assessed for the costs of the Improvements as described in Section 7.

Section 5. General Character of the Improvements. The general character of the Improvements, as shown in Exhibit D, is the construction of curb & gutter, sidewalk, drive approaches, accessibility ramps and street improvements to South Billings Boulevard.

Section 6. Engineer and Estimated Cost. The Office of the City Engineer, 510 N. Broadway, 4th Floor, Billings, MT 59101, shall be the Engineer for the District. The Engineer has estimated that the costs of the Improvements, including all incidental costs, to be \$2,431,000.00, of which \$2,132,000.00 is funded by the City of Billings.

Section 7. Assessment Methods.

7.1. Property to be Assessed. All properties within the district are to be assessed for the costs of the Improvements, as specified herein. The costs of the Improvements shall be assessed against the property in the District benefiting from the Improvements based on the linear footage and square foot methods described in Section 7-12-4162, and 7-12-4163 M.C.A., as particularly applied and set forth in this Section 7.

7.1.2 Assessment # 1 - Linear Foot Method.

The assessment # 1 will include Improvements to curb, gutter, sidewalks, and necessary street improvements along South Billings Boulevard between King Avenue and Underpass Avenue. The

properties to be assessed for these improvements shown on Exhibit "A" and listed as follows: OLD #(D347) AMND C/S 1456 TR 1A W2NW4 9-1S-26E 1.407ACRES ANNEX9'87); PP29-24@4848 UNDERPASS AVE N TRIANGLE OF LOT 6 SUGAR SUB 8-1S-26E 1.070 ACRES ANNEX(90); OLD #(D347-1) AMND C/S1456 TR 2A 9-1S-26E 5.196 ACRES; OLD #(D348) N70' OF S150.34' OF W160.0' OF LOT 13 SUGAR SUB 9-1S-26 0.26 ACRES; OLD #(D163) E200' OF S246.75' OF LOT 6 SUGAR SUB 8-1S-26E 1.16 ACRES ANNEX(90); E473.6' OF S10' OF LOT 13, LOT 14 (INCLUDING C/S 349), N91' OF LOT15 SUGAR SUB & C/S 471 TR 1B 9-1S-26E 4.938 ACRES ANNEX(93); OLD #(D 165) LOT 7 SUGAR SUB (LESS ST-WONDERPARK DR) 8-1S-26E 3.37 ACRES ANNEX(90); AMND C/S 471 TR A & 2B IN LOT 15 SUGAR SUB 9-1S-26E 1.93 ACRES ANNEX(93); OLD #(D 166) N 85.2' OF E 274.9' OF LOT 8 SUGAR SUB 8-1S-26E 0.54 ACRES; OLD #(D 361) N2 OF LOT 4 SUB OF SECTION 9 IN SW4 9-1S-26E 4.75 ACRES ANNEX(90); PP # 9-244 & PP#9-243 LSD EQ S326' (LESS S15' & W 100') OF LOT8 SUGAR SUB 8-1S-26E 1.93 ACRES; (OLD CODE# D-362) C/S 473 IN LOT 4 OF SUB OF SECTION 9 IN SW4 9-1S-26E 2.87 ACRES ANNEX(90); AMND LOT 9 SUGAR SUB LOT 9C 8-1S-26E 0.865 ACRES ANNEX(91); OLD #(D 363)S 132' OF LOT 4 OF SUB OF SECTION 9 IN SW4 9-1S-26E 2.0 ACRES ANNEX (90); AMND LOT 9 SUGAR SUB LOT 9B 8-1S-26E 1.727 AC ANNEX(91); OLD #(D 364) N 2 ACRES OF LOT 5, SUB OF SECTION 9 IN SW4 9-1S-26E 2.0 ACRES ANNEX (90); OLD #(D 365) S2 ACRES OF N4 ACRES OF LOT 5, (LESS ST) SUB OF SECTION 9 IN SW4 9-1S-26E 1.91 ACRES ANNEX (90); OLD #(D 161-1) SUGAR SUB LOT 10 8-1S-26E 2.77 ACRES ANNEX(90); PP# 8-28 C/S 666 TR 1, IN SW4 9-1S-26E 0.52 ACRES ANNEX (90); (OLD CODE# D-367) C/S 666 TR 2, IN SW4 9-1S-26E 0.39 ACRES ANNEX (90); C/S 2783 TR IN SW4 & SE4 8-1S-26E 57.17 ACRES ANNEX(94); OLD #(D370) COS 3128 TR 1 IN SW4 9-1S-26E 1.286 ACRES(03) ANNEX (90); POPELKA INDUSTRIAL TRACTS 1ST TRACT 1 8-1S-26E 0.897 ACRES; OLD #(D 375) SUGAR SUB LOT 16 & N2 OF LOT 17 9 1S 26E (NEWMAN SCHOOL) 5.01 ACRES; (OLD CODE D01395) POPELKA COMMERCE CENTER SUB, BLK 1, LOT 3 8-1S-26E 11.51 ACRES (04); WEBER SUB 2ND, BLK 5, LOT 10 9-1S-26E 0.189 ACRES; (OLD CODE D01395) POPELKA COMMERCE CENTER SUB BLK 1, LOT 2, 8-1S-26E 0.442 ACRES (04); WEBER SUB 2ND, BLK 6, LOT 10 9-1S-26E 0.189 ACRES; (OLD CODE D0139) POPELKA COMMERCE CENTER SUB BLK 1, LOT 1, 8-1S-26E 1.172 ACRES (04); (OLD CODE# D-376) AMND C/S 289 TR 19A IN LOT 19 SUGAR SUB 8-1S-26E 0.74 ACRES; (OLD CODE# D-377) AMND C/S 289 TR 19B-1 IN LOT 19 SUGAR SUB 8-1S-26E 0.37 ACRES; (OLD CODE# D-378) AMND C/S 289 TR 19B-2 IN LOT 19 SUGAR SUB 8-1S-26E 0.37 ACRES; (OLD CODE# D-380) AMND C/S 289 TR 20A IN LOT 20 SUGAR SUB 8-1S-26E 0.74 ACRES; STAR SUB, BLK 1, LOTS 1 & 2 9-1S-26E 2.070 ACRES. The costs of the Improvements plus the proportionate share of the incidental costs of issuing the Bonds attributable to the parcels in the District is \$145,500.00. The total of \$145,500.00 shall be assessed against each lot, tract, or parcel of land in the District, as above-mentioned, for that part of the costs of the Improvements that the linear frontage of such lot, tract or parcel bears to the total linear frontage of all lots, tracts, or parcels of land in the District, as above-mentioned. The total linear frontage of parcels attributable to this assessment is 4,270.15 linear feet. The costs of the Improvements and the properties share of the incidental costs to be financed by the Bonds assessable to the above-mentioned parcels per linear frontage of each parcel are estimated to be \$34.07374415.

7.1.3 Assessment # 2 – Square Foot Method.

The assessment # 2 will include Improvements to curb, gutter, sidewalks, and necessary street improvements along South Billings Boulevard between King Avenue and Underpass Avenue. The properties to be assessed for these improvements shown on Exhibit "A" and listed as follows: OLD #(D347) AMND C/S 1456 TR 1A W2NW4 9-1S-26E 1.407ACRES ANNEX9'87); PP29-24@4848 UNDERPASS AVE N TRIANGLE OF LOT 6 SUGAR SUB 8-1S-26E 1.070 ACRES ANNEX(90); OLD #(D347-1) AMND C/S1456 TR 2A 9-1S-26E 5.196 ACRES; OLD #(D348) N70' OF S150.34' OF W160.0' OF LOT 13 SUGAR SUB 9-1S-26 0.26 ACRES; OLD #(D163) E200' OF S246.75' OF LOT 6 SUGAR SUB 8-1S-26E 1.16 ACRES ANNEX(90); E473.6' OF S10' OF LOT 13, LOT 14 (INCLUDING C/S 349), N91' OF LOT15 SUGAR SUB & C/S 471 TR 1B 9-1S-26E 4.938 ACRES ANNEX(93); OLD #(D 165) LOT 7 SUGAR SUB (LESS ST-WONDERPARK DR) 8-1S-26E 3.37 ACRES ANNEX(90); AMND C/S 471 TR A & 2B IN LOT 15 SUGAR SUB 9-1S-26E 1.93 ACRES ANNEX(93); OLD #(D 166) N 85.2' OF E 274.9' OF LOT 8 SUGAR SUB 8-1S-26E 0.54 ACRES; OLD #(D 361) N2 OF LOT 4 SUB OF SECTION 9 IN SW4 9-1S-26E 4.75 ACRES ANNEX(90); PP # 9-244 & PP#9-243 LSD EQ S326' (LESS S15' & W 100') OF LOT8 SUGAR SUB 8-1S-26E 1.93 ACRES; (OLD CODE# D-362) C/S 473 IN LOT 4 OF SUB OF SECTION 9 IN SW4 9-1S-26E 2.87 ACRES ANNEX(90); AMND LOT 9 SUGAR SUB LOT 9C 8-1S-26E 0.865 ACRES ANNEX(91); OLD #(D 363)S 132' OF LOT 4 OF SUB OF SECTION 9 IN SW4 9-1S-26E 2.0 ACRES ANNEX (90); AMND LOT 9 SUGAR SUB LOT 9B 8-1S-26E 1.727 AC ANNEX(91); OLD #(D 364) N 2 ACRES OF LOT 5, SUB OF SECTION 9 IN SW4 9-1S-26E 2.0 ACRES ANNEX (90); OLD #(D 365)

S2 ACRES OF N4 ACRES OF LOT 5, (LESS ST) SUB OF SECTION 9 IN SW4 9-1S-26E 1.91 ACRES ANNEX (90); OLD #(D 161-1) SUGAR SUB LOT 10 8-1S-26E 2.77 ACRES ANNEX(90); PP# 8-28 C/S 666 TR 1, IN SW4 9-1S-26E 0.52 ACRES ANNEX (90); (OLD CODE# D-367) C/S 666 TR 2, IN SW4 9-1S-26E 0.39 ACRES ANNEX (90); C/S 2783 TR IN SW4 & SE4 8-1S-26E 57.17 ACRES ANNEX(94); OLD #(D370) COS 3128 TR 1 IN SW4 9-1S-26E 1.286 ACRES(03) ANNEX (90); POPELKA INDUSTRIAL TRACTS 1ST TRACT 1 8-1S-26E 0.897 ACRES; OLD #(D 375) SUGAR SUB LOT 16 & N2 OF LOT 17 9 1S 26E (NEWMAN SCHOOL) 5.01 ACRES; (OLD CODE D01395) POPELKA COMMERCE CENTER SUB, BLK 1, LOT 3 8-1S-26E 11.51 ACRES (04); WEBER SUB 2ND, BLK 5, LOT 10 9-1S-26E 0.189 ACRES; (OLD CODE D01395) POPELKA COMMERCE CENTER SUB BLK 1, LOT 2, 8-1S-26E 0.442 ACRES (04); WEBER SUB 2ND, BLK 6, LOT 10 9-1S-26E 0.189 ACRES; (OLD CODE D0139) POPELKA COMMERCE CENTER SUB BLK 1, LOT 1, 8-1S-26E 1.172 ACRES (04); (OLD CODE# D-376) AMND C/S 289 TR 19A IN LOT 19 SUGAR SUB 8-1S-26E 0.74 ACRES; (OLD CODE# D-377) AMND C/S 289 TR 19B-1 IN LOT 19 SUGAR SUB 8-1S-26E 0.37 ACRES; (OLD CODE# D-378) AMND C/S 289 TR 19B-2 IN LOT 19 SUGAR SUB 8-1S-26E 0.37 ACRES; (OLD CODE# D-380) AMND C/S 289 TR 20A IN LOT 20 SUGAR SUB 8-1S-26E 0.74 ACRES; STAR SUB, BLK 1, LOTS 1 & 2 9-1S-26E 2.070 ACRES. For the purposes of equitably apportioning special benefit to each lot, tract or parcel of land in the District, as above-mentioned, the Engineer has determined that each lot, tract, or parcel of land, receiving curb, gutter, sidewalks, and necessary street improvements, shall equally bear the costs of the improvements as set forth hereto to arrive at an equal cost for the improvements. The total estimated cost of the Assessment is \$145,500.00 and shall be assessed against each lot, tract, or parcel of land within the District, as above-mentioned, receiving curb, gutter, sidewalks, and necessary street improvements, on an square foot amount based on the bid price to be received. The square foot amount assessment is estimated to be \$0.149894045 per half of the recorded square footage of each lot (1,941,371.30 sf), tract or parcel of land.

7.2. Assessment Methodologies Equitable and Consistent With Benefit. This Council hereby determines that the methods of assessment and the assessment of costs of the specific improvements against the properties benefited thereby as prescribed in this Section 7 are equitable in proportion to and not exceeding the special benefits derived from the respective improvements by the lots, tracts, and parcels to be assessed therefore within the District.

Section 8. Payment of Assessments. The special assessments for the costs of the Improvements shall be payable over a term not exceeding 15 years, each in equal semiannual installments of principal, plus interest, or equal semiannual payments of principal and interest, as this Council shall prescribe in the resolution authorizing the issuance of the Bonds. Property Owners have the right to prepay assessments as provided by law. Further, all owners shall have the opportunity to prepay their assessments prior to sale of the SID bonds.

Section 9. Method of Financing; Pledge of Revolving Fund; Findings and Determinations. The City will issue the Bonds in an aggregate principal amount not to exceed \$291,000.00 in order to finance the costs of the Improvements. Principal of and interest on the Bonds will be paid from special assessments levied against the properties in the District. This Council further finds it is in the public interest, and in the best interest of the City and the District, to secure payment of principal of and interest on the Bonds by the Revolving Fund and hereby authorizes the city to enter into the undertakings and agreements authorized in Section 7-12-4225 in respect of the Bonds.

In determining to authorize such undertakings and agreements, this Council has taken into consideration the following factors:

(a) **Estimated Market Value of Parcels.** The estimated market value of the lots, parcels, or tracts in the District as of the date of adoption of this resolution, as estimated, by the County Assessor for property tax purposes ranges from \$20,010.00 to \$1,336,194.00 and is set forth in Exhibit E. The average market value is \$192,361.33 with the median being \$70,263.50. The special assessments to be levied under Section 7 against each lot, parcel, or tract in the District is less than the increase in estimated value of the lot, parcel, or tract as a result of the construction of the Improvements.

(b) **Diversity of Property Ownership.** There are a total of 30 parcels within the district boundaries. No improvements, public or private, are located on any of the parcels within the District. There are 25 different owners of the 30 parcels in the district boundaries.

(c) **Comparison of Special Assessments and Property Taxes and Market Value.** Based

on an analysis of the aggregate amount of the proposed, any outstanding special assessments (whether or not delinquent), and any delinquent property taxes (as well as any known industrial development bonds theretofore issued and secured by a mortgage against a parcel in the District) against each lot, parcel, or tract in the District in comparison to the estimated market value of such lot, parcel, or tract after the Improvements, the City concludes that, overall, the estimated market value of the lots, tracts, or parcels of land in the District exceeds the sum of special assessments, delinquent property taxes, and current assessments and is set forth in Exhibit E.

(d) **Delinquencies.** An analysis of the amount of delinquencies in the payment of outstanding special assessments or property taxes levied against the properties in the District shows that of 30 properties, one (1) property was delinquent which represents 3.3% of the total number of properties in the District, and is set forth in Exhibit E.

(e) **The Public Benefit of the Improvements.** The total estimated cost of installing these public improvements is \$2,431,000.00, the full cost of which \$291,000.00 would be recovered through direct assessments to property owners within the District. There are a total of 30 parcels within the District. Of the 30 parcels within the District, 27 parcels are developed. This condition is necessary to satisfy the City's Special Improvement District Policy regarding raw land subdivision. The public improvements contemplated under the terms of this proposed District are required by the City Subdivision, Site Development and Zoning Ordinances. Properties are zoned "Controlled Industrial", "Residential 7000 / 6000 / 9600", "Entryway General Commercial", "Residential Manufactured Home", "Public", "Community Industrial", "Highway Commercial", and "Residential Multi Family".

Section 10. Reimbursement Expenditures.

10.01. Regulations. The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City for project expenditures paid by the City prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the "Regulations") require that the City adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

10.02. Prior Expenditures. Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2(j)(2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Improvements have been paid by the City before the date 60 days before the date of adoption of this resolution.

10.03. Declaration of Intent. The City reasonably expects to reimburse the expenditures made for costs of the Improvements out of the proceeds of Bonds in an estimated maximum aggregate principal amount of \$291,000.00 after the date of payment of all or a portion of the costs of the Improvements. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations.

10.04. Budgetary Matters. As of the date hereof, there are no City funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Improvements, other than pursuant to the issuance of the Bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the City's budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

10.05. Reimbursement Allocations. The City's financial officer shall be responsible

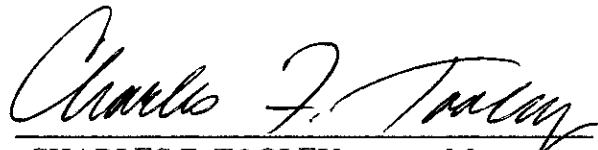
for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make prior payment of the costs of the Improvements. Each allocation shall be evidence by an entry on the official books and records of the City maintained for the Bonds or the Improvements and shall specifically identify the actual original expenditure being reimbursed.

Section 11. Public Hearing Protests. At any time within fifteen (15) days from and after the date of the first publication of the notice of the passage and approval of this resolution, any owner of real property within the District subject to assessment and taxation for the cost and expense of making the Improvements may make and file with the City Clerk until 5:00 p.m., M.T., on the expiration date of said 15-day period (March 18, 2005), written protest against the proposed Improvements, or against the extension or creation of the District or both, and this Council will at its next regular meeting after the expiration of the fifteen (15) days in which such protests in writing can be made and filed, proceed to hear all such protests so made and filed; which said, regular meeting will be held on Monday the 28th day of March 2005, at 6:30 p.m., in the Council Chambers, at 220 North 27th Street, in Billings, Montana.


Section 12. Notice of Passage of Resolution of Intention. The City Clerk is hereby authorized and directed to publish or cause to be published a copy of a notice of the passage of this resolution in the Billings Times, a newspaper of general circulation in the county on March 3rd and March 10, 2005, in the form and manner prescribed by law, and to mail or cause to be mailed a copy of said notice to every person, firm, corporation, or the agent of such person, firm, or corporation having real property within the District listed in his or her name upon the last completed assessment roll for state, county, and school district taxes, at his last-known address, on or before the same day such notice is first published.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 28th day of February 2005.




CHARLES F. TOOLEY Mayor

Attest:


MARITA HEROLD, CMC/AAE City Clerk

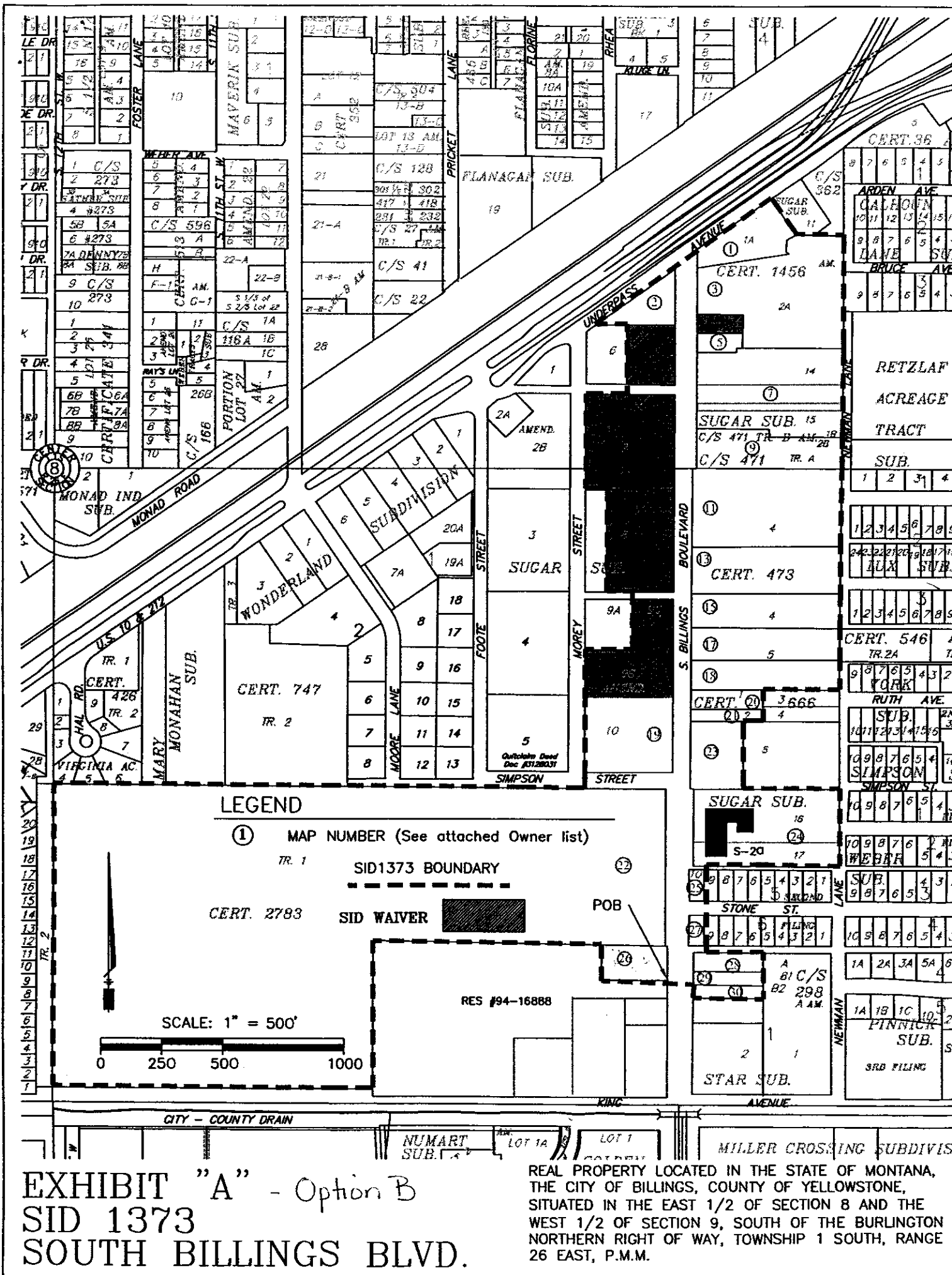


EXHIBIT "A" - Option B
SID 1373
SOUTH BILLINGS BLVD.

REAL PROPERTY LOCATED IN THE STATE OF MONTANA,
 THE CITY OF BILLINGS, COUNTY OF YELLOWSTONE,
 SITUATED IN THE EAST 1/2 OF SECTION 8 AND THE
 WEST 1/2 OF SECTION 9, SOUTH OF THE BURLINGTON
 NORTHERN RIGHT OF WAY, TOWNSHIP 1 SOUTH, RANGE
 26 EAST, P.M.M.

EXHIBIT B
BOUNDARY FOR SID 1373

A portion of Sections 8 and 9, Township 1 South, Range 26 East, P.M.M., in the City of Billings, County of Yellowstone, State of Montana, described as follows:

Beginning at the southeast corner of Tract 1 of Popelka Industrial Tracts Subdivision, located in the southeast quarter of Section 8, Township 1 South, Range 26 East, P.M.M., Yellowstone County, State of Montana, filed in the official records of said County, said point being on the west right-of-way line of South Billings Boulevard, thence westerly along the south line of said Tract 1 to the southwest corner of said Tract 1; thence northerly along the west line of said Tract 1 to the northwest corner of said Tract 1, said point also being on the south line of Tract 1 of Certificate of Survey No. 2783 filed in the official records of said County; thence westerly along the south line and southerly along the east line of said Tract 1, Certificate of Survey No. 2783 to a point common to said Tract 1 and Tract 3 of said Certificate of Survey No. 2783, said point also being on the north right of way line of King Avenue; thence westerly along the south line of said Tract 1 to the southwest corner of said Tract 1; thence northerly along the west line of said Tract 1 to the northwest corner of said Tract 1; thence easterly along the north line of said Tract 1 to a point of intersection of the north line of said Tract 1 and the southerly projection of the west line of Lot 10, Sugar Subdivision filed in the official records of said County, said point also being on the south right-of-way line of Simpson Street; thence northerly to the southwest corner of said Lot 10, Sugar Subdivision, said point being on the north right-of-way of Simpson Street; thence northerly along the west line of said Lot 10 to the northwest corner of said Lot 10; thence continuing northerly along the west line of Lot 9B of Amended Lot 9, Sugar Subdivision, filed in the official records of said County, to the northwest corner of said Lot 9B; thence easterly along the north line of said Lot 9B to the southwest corner of Lot 9C of said Amended Lot 9, Sugar Subdivision; thence northerly along the west line of said Lot 9C to the northwest corner of said Lot 9C; thence continuing northerly to a point of intersection with the south line of Lot 8 of said Sugar Subdivision; thence westerly along the south line of said Lot 8 to a point 100 feet east of the southwest corner of said Lot 8; thence northerly along a line 100 feet east of and parallel to the west line of said Lot 8 to a point on the south line of Lot 7 of said Sugar Subdivision; thence westerly along said south line of Lot 7 to the southwest corner of said Lot 7; thence northerly along the west line of said Lot 7 to the south right-of-way line of Wonder Park Drive; thence easterly along said south right-of-way line to a point of intersection of said south right-of-way line and a southerly projection of the west line of a portion of Lot 6, of said Sugar Subdivision as described as Parcel B of the Quit Claim Deed recorded as Document No. 1809991 filed in the official records of said County; thence northerly to the southwest corner of said Parcel B; thence continuing northerly along the west line of said Parcel B to the south line of the northerly portion of said Lot 6, Sugar Subdivision as described in Quit Claim Deed recorded as Document No. 1768739 filed in the official records of said County; thence westerly along said south line to the southerly right-of-way of Underpass Avenue; thence northeasterly along said southerly right-of-way to the east line of said Lot 6, Sugar Subdivision; thence continuing in a northeasterly projection crossing South Billings Boulevard to the

northwest corner of Tract 1A of Certificate of Survey No. 1456, Section 9, Township 1 South, Range 26 East; P.M.M., filed in the official records of said County, thence continuing northeasterly along the north line of said Tract 1A to the northeast corner of said Tract 1A; thence southeasterly along the easterly line of said Tract 1A to a point common to said Tract 1A and Tract 2A of said Certificate of Survey No. 1456, said point also being the west end of the northerly most line of said Tract 2A; thence easterly along said northerly line to the northeast corner of said Tract 2A; thence southerly along the east line of said Tract 2A to the southeast corner of said Tract 2A; thence continuing southerly along the east line of Lot 14 of said Sugar Subdivision to the northeast corner of a 1.05 acre tract as shown on Certificate of Survey No. 349 filed in the official records of said County; thence continuing southerly along the east line of said 1.05 acre tract to the southeast corner of said 1.05 acre tract; thence continuing southerly along the east line of said Lot 14, Sugar Subdivision, to the southeast corner of said Lot 14, said point also being the northeast corner of Lot 15 of said Sugar Subdivision; thence continuing southerly along the east line of said Lot 15 to the northeast corner of Tract 1-B of the Plat of Tract B Amended of Certificate of Survey No. 471 of a Tract of Land in Lot No. 15, Sugar Subdivision, filed in the official records of said County; thence continuing southerly along the east line of said Tract 1-B and Tract 2-B of said Plat of Tract B Amended to the southeast corner of said Tract 2-B, said point also being the northeast corner of Tract A, Certificate of Survey No. 471 of a Tract of Land in Lot No.15 of said Sugar Subdivision, filed in the official records of said County; thence continuing southerly along the east line of said Tract A to the southeast corner of said Tract A, said point also being the southeast corner of said Lot 15, Sugar Subdivision; thence continuing southerly along the east line of the NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 9 to the northeast corner of a tract of land in the S $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 9 as shown on Certificate of Survey No. 473 filed in the official records of said County; thence continuing southerly along the east line of said Tract to the southeast corner of said Tract; thence continuing southerly along the east line of said NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 9 and the east line of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 9 to the northeast corner of Tract 5 of Certificate of Survey No. 666; thence westerly along the north line of said Tract 5 to the northeast corner of Tract 3 of Said Certificate of Survey No. 666; thence continuing westerly along the north line of said Tract 3 to the northeast corner of Tract 1 of said Certificate of Survey No. 666; thence southerly along the east line of said Tract 1 to the southeast corner of said Tract 1, said point also being the northeast corner of Tract 2 of said Certificate of Survey No. 666; thence continuing southerly along the east line of Tract 2 of said Certificate of Survey No. 666 to the southeast corner of said Tract 2; thence westerly along the south line of said Tract 2 to the northeast corner of Tract 1 of Certificate of Survey No. 3128; thence southerly along the east line of said Tract 1 to the southeast corner of said Tract 1, said point also being on the north line of Lot 16 of said Sugar Subdivision; thence easterly along the north line of said Lot 16 to the northeast corner of said Lot 16; thence southerly along the east line of said Lot 16 and continuing southerly along a portion of Lot 17 of said Sugar Subdivision to a point of intersection of said east line and the north line of Weber Subdivision, 2nd Filing; thence westerly along said north line of Weber Subdivision to a point of intersection of said north line and the northerly projection of the east line of Lot 10, Block 5, of said Weber Subdivision, 2nd Filing; thence southerly to the northeast corner of said Lot 10, Block 5; thence

continuing southerly along the east line of said Lot 10, Block 5 to the southeast corner of said Lot 10, Block 5, said point being on the north right-of-way of Stone Street; thence crossing Stone Street to the northeast corner of Lot 10, Block 6, of said Weber Subdivision, 2nd filing, said point being on the south right-of-way of Stone Street; thence continuing southerly along the east line of said Lot 10, Block 6 to the southeast corner of Lot 10, Block 6; thence continuing southerly on a projection of said east line to the north line of Lot 19A, Certificate of Survey No. 289 filed in the official records of said County, also being Lots 19-21 of said Sugar Subdivision; thence easterly along said north line to the northeast corner of said Lot 19A; thence southerly along the east line of said Lot 19A to the northeast corner of Lot 19B1 of Amended Certificate of Survey No.289, filed in the official records of said County; thence continuing southerly along the east line of Lots 19B1 and 19B2 of said Amended Certificate of Survey No. 289 to the southeast corner of said Lot 19B2; thence westerly along the south line of said Lot 19B2 to the southwest corner of said Lot 19B2, said point also being on the east right of way line of South Billings Boulevard; thence northwesterly crossing South Billings Boulevard to the point of beginning being the southeast corner of said Tract 1, Popelka Industrial Tracts Subdivision, said point being on the west right of way line of South Billings Boulevard.



EXHIBIT "C"

Length (Run) = 2,300' / 0.001
 Width (Back of curb to back of curb) = 42 ft

Preliminary Engineers Estimate
 SID 1373 South Billings Boulevard - King Avenue to Underpass Ave.
 City of Billings
 December 3, 2004
 Project Engineer: Andrew Jackson Matte

Key
 City Funded
 SID Cost

Item No.	Description	Quantity	Unit	Unit Cost	Total	Notes
1	Mobilization (5%)	1	LS	12,759.76	12,759.76	5% of Subtotal
2	Taxes, Bonds, and Insurance	1	LS	7,655.86	7,655.86	3% of Subtotal
3	Curb & Gutter	6,648	LF	10.00	66,480.00	
4	Handicap Crossings / Ramps (ADA Colored)	345	SF	7.50	2,587.50	
5	Driveway Entrance (6" depth)	9,385	SF	7.00	65,695.00	
6	Sidewalk (6" depth)	2,344	SF	5.00	11,720.00	
7	Sidewalk (4" depth)	12,340	SF	4.25	52,445.00	
8	Concrete Valley Gutter	478	SF	7.00	3,346.00	
9	Concrete Curb Return	5	EA	750.00	3,750.00	
10	Bike Path, AC Pavement	3,278	SY	15.00	49,171.67	
				Subtotal Construction	\$275,610.79	

Presumed Construction Cost One Year Hence
 Total Estimated Cost for Improvements (SID) **\$305,550.00**
 5% inflation for one year

Contingency	\$19,292.76	7% of Subtotal Construction
Design and Administration Cost	\$44,097.73	16% of Subtotal Construction
Subtotal	\$339,001.27	
City Portion	\$91,811.34	Per Resolution No. 04-18/204
Total Construction & Engineering	\$247,189.93	SID Cost

Administration Fee (3.5%)	\$10,185.00
Finance Fee (2.5%)	\$7,275.00
Revolving Fund (5%)	\$14,550.00
Bond Discount (2.5%)	\$7,275.00
Legal Fees (1.7%)	\$4,947.00
Roundoff	(\$421.93)
Total Estimated Cost for Improvements	\$291,000.00

Assessment # 1 - Estimated Cost Per Linear Foot of Frontage **\$68.15** SID + Administration
 4,270.15 feet of Frontage

Assessment # 2 - Estimated Cost Per Square Footage **\$0.149894045** 1,941,371.30 sq ft

Estimated Cost Per Linear Foot of 1/2 Frontage	\$34.07374415	\$145,500.00
+ Estimated Cost Per 1/2 Square Footage	\$0.149894045	\$145,500.00
Total Cost SID 1373	\$291,000.00	\$291,000.00

Check

EXHIBIT D

SID 1373

South Billings Boulevard – Between King Avenue and Underpass Avenue

PROJECT DESCRIPTION

Special Improvement District No. 1373 shall construct the following improvements to South Billings Boulevard – Between King Avenue and Underpass Avenue.

South Billings Boulevard – Between King Avenue and Underpass Avenue.

- 1) Construction of street improvements, which shall include curb and gutter, sidewalk, drive approaches and realignment of South Billings Boulevard.
- 2) Modification of existing utilities and services along South Billings Boulevard.
- 3) Construction improvements include a City of Billings funded water main replacement in and Street improvements.

**SID 1373
Exhibit E**

Parcel No.	Tax Code	SID #	SID Pay-off	Delinquent	SID 1373 Assessment	SID Pay-off + Delinquent + SID 1373 Assessment	Estimated Market Value	Estimated Market Value After Improvements	Percent of Total Assessment in District	Buildings on the Lots (Yes or No)	Zoning
1	D01557				\$ -	\$ -	\$ 113,067.00	\$ 113,067.00	0.00%	Y	Community Industrial
2	D01383				\$ -	\$ -	\$ 152,390.00	\$ 152,390.00	0.00%	Y	Controlled Industrial
3	D01558				\$ 23,673.83	\$ 23,673.83	\$ 180,585.00	\$ 204,358.83	8.14%	Y	Community Commercial
4	D01559				\$ 3,224.57	\$ 3,224.57	\$ 75,727.00	\$ 78,951.57	1.11%	Y	Community Commercial
5	D01560				\$ 3,683.62	\$ 3,683.62	\$ 64,800.00	\$ 68,483.62	1.27%	Y	Community Commercial
6	D01384				\$ 12,106.33	\$ 12,106.33	\$ 292,475.00	\$ 304,581.33	4.16%	Y	Controlled Industrial
7	D01561				\$ 27,432.67	\$ 27,432.67	\$ 560,549.00	\$ 587,981.67	9.43%	Y	Community Commercial
8	D01386				\$ 24,317.44	\$ 24,317.44	\$ 853,994.00	\$ 878,311.44	8.36%	Y	Controlled Industrial
9	D01563				\$ 11,403.43	\$ 11,403.43	\$ 137,267.00	\$ 148,670.43	3.92%	Y	Community Commercial
10	D01387				\$ 4,658.45	\$ 4,658.45	\$ 27,423.00	\$ 32,081.45	1.60%	Y	Highway Commercial
11	D01569				\$ 26,751.62	\$ 26,751.62	\$ 38,457.00	\$ 65,208.62	9.19%	N	Residential Multi Family
12	D01389				\$ 17,403.13	\$ 17,403.13	\$ 364,452.00	\$ 381,855.13	5.98%	Y	Highway Commercial
13	D01570				\$ 16,116.27	\$ 16,116.27	\$ 53,147.00	\$ 69,263.27	5.54%	Y	Residential 6000
14	D01390B				\$ 9,999.89	\$ 9,999.89	\$ 145,264.00	\$ 155,263.89	3.44%	Y	Controlled Industrial
15	D01571				\$ -	\$ -	\$ 20,010.00	\$ 20,010.00	0.00%	N	Residential 6000
16	D01390A				\$ 12,473.32	\$ 12,473.32	\$ 93,753.00	\$ 106,226.32	4.29%	Y	Controlled Industrial
17	D01572			\$ 641.66	\$ 11,027.12	\$ 11,668.78	\$ 33,941.00	\$ 44,968.12	3.79%	Y	Residential 6000
18	D01573				\$ 10,730.33	\$ 10,730.33	\$ 63,142.00	\$ 73,872.33	3.69%	Y	Residential 6000
19	D01391	1354	\$ 49,606.17		\$ 20,000.53	\$ 69,606.70	\$ 110,871.00	\$ 130,871.53	6.87%	N	Controlled Industrial
20	D01574				\$ 4,307.67	\$ 4,307.67	\$ 33,956.00	\$ 38,263.67	1.48%	Y	Residential 6000
21	D01575				\$ 3,167.24	\$ 3,167.24	\$ 52,390.00	\$ 55,557.24	1.09%	Y	Residential 6000
22	D01394				\$ -	\$ -	\$ 587,505.00	\$ 587,505.00	0.00%	Y	Public
23	D01578				\$ 13,202.71	\$ 13,202.71	\$ 59,274.00	\$ 72,476.71	4.54%	Y	NO LISTING
24	D01582				\$ 27,620.41	\$ 27,620.41	\$ 1,336,194.00	\$ 1,363,814.41	9.49%	Y	Public
25	A17476				\$ -	\$ -	\$ 45,886.00	\$ 45,886.00	0.00%	Y	Residential 7000
26	A20254				\$ 7,699.43	\$ 7,699.43	\$ 101,152.00	\$ 108,851.43	2.65%	Y	Entryway Gen. Commercial
27	A17476				\$ -	\$ -	\$ 47,388.00	\$ 47,388.00	0.00%	Y	Residential 7000
28	D01583				\$ -	\$ -	\$ 57,244.00	\$ 57,244.00	0.00%	Y	Residential Manufactured Home
29	D01584				\$ -	\$ -	\$ 34,412.00	\$ 34,412.00	0.00%	Y	Residential Manufactured Home
30	D01585				\$ -	\$ -	\$ 34,025.00	\$ 34,025.00	0.00%	Y	Residential Manufactured Home
	Average				\$ 641.66	\$ 12,652.17	\$ 192,361.33	\$ 202,051.33	3.33%		
	Median				\$ 641.66	\$ 11,403.43	\$ 70,263.50	\$ 76,411.95	3.04%		
	Low				\$ 641.66	\$ -	\$ 20,010.00	\$ 20,010.00	0.00%		
	High				\$ 641.66	\$ 27,620.41	\$ 1,336,194.00	\$ 1,363,814.41	9.49%		

No.	Tax ID	Legal	Lot	Block	Area (SF)	Frontage (LF)	Assessment # 1	Assessment # 2	Total Cost
							Linear Foot Method of Assessment	Square Foot Method of Assessment	
1	D01557	OLD #(D347) AMND C/S 1456 TR 1			61,288.92	80.94			
2	D01383	PP # 9-424 @ 4848 UNDERPASS AVE	6	0	46,392.24	252.00			
3	D01558	OLD #(D-347-1) C/S 1456 TR 2A AMEND	02A	0	226,337.80	196.94	6,710.48	16,963.34	\$ 23,673.83
4	D01559	OLD #(D 348) SUGAR SUB	13	0	11,200.00	70.00	2,385.16	839.41	\$ 3,224.57
5	D01560	OLD #(D 349) SUGAR SUB	13	0	12,624.00	80.34	2,737.48	946.13	\$ 3,683.62
6	D01384	OLD #(D 163) SUGAR SUB	6	0	49,350.00	246.75	8,407.70	3,698.64	\$ 12,106.33
7	D01561	SUGAR SUB E473.6' OF S10' OF 13	13	0	215,087.70	332.00	11,312.48	16,120.18	\$ 27,432.67
8	D01386	OLD #(D 165) SUGAR SUB LOT 7	7	0	146,698.37	391.00	13,322.83	10,994.61	\$ 24,317.44
9	D01563	C/S 471 AMND TR A	15	0	83,967.50	160.00	5,111.06	6,292.36	\$ 11,403.43
10	D01387	OLD #(D 166) SUGAR SUB	8	0	23,421.48	85.20	2,903.08	1,755.37	\$ 4,658.45
11	D01569	OLD #(D361) N2 OF LOT 4	0	0	206,910.00	330.00	11,244.34	15,507.29	\$ 26,751.62
12	D01389	PP # 9-424 & PP	8	0	83,993.90	326.00	11,108.04	6,295.09	\$ 17,403.13
13	D01570	C/S 473 IN LOT 4	0	0	125,017.20	198.00	6,746.60	9,369.67	\$ 16,116.27
14	D01390B	SUGAR SUB LOT 9C (91)	9C	0	37,679.40	210.60	7,175.93	2,823.96	\$ 9,999.89
15	D01571	OLD #(D 363)S 132' OF LOT 4	0	0	87,120.00	132.00			\$ -
16	D01390A	SUGAR SUB 9B	9B	0	75,228.12	200.60	6,835.19	5,638.12	\$ 12,473.32
17	D01572	OLD #(D 364) N 2A OF LOT 5	0	0	87,120.00	132.00	4,497.73	6,529.38	\$ 11,027.12
18	D01573	S 2A OF N4A OF LOT 5	0	0	83,160.00	132.00	4,497.73	6,232.59	\$ 10,730.33
19	D01391	OLD #(D 161-1) SUGAR SUB LOT 10	10	0	120,605.33	321.70	10,961.52	9,039.01	\$ 20,000.53
20	D01574	C/S 666 TR 2 IN SW4 SEC 9	0	0	22,861.00	76.16	2,595.06	1,712.61	\$ 4,307.67
21	D01575	C/S 666 TR 2 IN SW4 SEC 9	2	0	16,800.00	56.00	1,908.13	1,259.11	\$ 3,167.24
22	D01394	C/S 2783 TR 1	1	0	2,490,325.00	660.37			\$ -
23	D01578	OLD #(D 370)	0	0	56,018.00	264.26	9,004.33	4,198.38	\$ 13,202.71
24	D01582	OLD #(D 375) SUGAR SUB 16	16	0	218,229.18	330.60	11,264.78	16,385.63	\$ 27,620.41
25	A17476	WEBER SUB 2ND	10	5	8,238.00	125.20			\$ -
26	A20254	POPELKA INDUSTRIAL TRACTS	1	0	39,082.32	140.00	4,770.32	2,929.10	\$ 7,699.43
27	A17486	WEBER SUB 2ND	10	6	8,238.00	125.20			\$ -
28*	D01583	C/S 289 TR 19	19	0	32,101.00	105.15			\$ -
29*	D01584	C/S 289 TR 19B	19B	0	16,030.08	52.58			\$ -
30*	D01585	C/S 289 AMND TR 19B	19B	0	16,030.08	52.58			\$ -
					2,028,491.30	5856.17	\$ 145,500.00	\$ 145,500.00	\$ 291,000.00

Per Resolution No. 04-18/204 General Guidelines : Only properties that are physically addressed to the street being improved would be assessed for the SID.
 Cash Contribution (City of Billings)

Properties located in County Island
 * Properties receiving Existing Curb, Gutter and Sidewalk credit.