

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. 03-17969, entitled: "RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1363; 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 THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND" (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 meeting on March 10, 2003, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 10th day of March, 2003.

City Clerk

RESOLUTION NO. 03-17969

RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1363; 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 THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND

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

Section 1. Passage of Resolution of Intention. This Council, on February 10, 2003, adopted Resolution No. 03-17954 (the "Resolution of Intention"), pursuant to which this Council declared its intention to create a special improvement district, designated as Special Improvement District No. 1363 of the City, under Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended, for the purpose of financing costs of certain local improvements described generally therein (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").

Section 2. Bond Amount. Subsequent to the passage of the Resolution of Intention, certain properties in the District as shown on Exhibit A to this resolution, and by this reference made a part hereof, have elected to prepay their pro rata share of the costs of the Improvements and have deposited the sum of \$47,877.62 with the City and the City has reduced the principal amount of the Bonds. Taking into consideration the prepayments, the total estimated costs of the Utility Fees to be paid by the properties in Cedar Park and Briarwood are \$1,170,884 and the total estimated costs of the Improvements, including costs of creating the special improvement district, the costs associated with the sale and issuance of the Bonds and the deposit to the City's Revolving Fund to be financed by the Bonds are \$1,334,000.

Section 3. Acceptance of Systems of Water and Sewer Districts. Pursuant to a Transfer Agreement with the Cedar Park County Water and Sewer District, Montana and a Transfer Agreement with the South Hills Yellowstone County Water and Sewer District, Montana (such districts, collectively, the "Water and Sewer Districts"), each to be entered into on or before April 1, 2003, the Water and Sewer Districts will transfer the properties constituting portions of their respective water and/or sewer systems to the City as more specifically described and defined in the Transfer Agreements (the "Systems"). The City Council hereby approves the acceptance of the Systems upon the

approval of the City Manager and the Director of Public Utilities, who are hereby authorized to approve and execute on behalf of the City the Transfer Agreements.

Section 4. 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 on March 10, 2003, this Council conducted a public hearing on the creation or extension of the District and the making of the Improvements. The meeting of this Council at which this resolution was adopted is the first regular meeting of the Council following the expiration of the period ended 15 days after the first date of publication of the notice of passage of the Resolution of Intention (the "Protest Period").

Section 5. Protests. Within the Protest Period, no protests were filed with the City Clerk and not withdrawn by the owners of property in the District subject to assessment for 0% of the total costs of the Improvements.

Section 6. Creation of the District; Insufficiency of Protests. The protests against the creation or extension of the District or the making of the Improvements filed during the Protest Period, if any, 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, except that the properties described in Exhibit A hereto are excluded from the District and the findings and determinations made in the Resolution of Intention are hereby ratified and confirmed, except as modified as provided in this Resolution.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 10th day of March, 2003.

Mayor

Attest:

City Clerk

EXHIBIT A

PROPERTIES EXCLUDED FROM DISTRICT