

CERTIFICATE AS TO RESOLUTION

I, the undersigned, being the duly qualified and acting recording officer of the City of Great Falls, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 9509, entitled: "RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. #1301; PRELIMINARY LEVY OF SPECIAL ASSESSMENTS ON PROPERTY WITHIN THE DISTRICT FOR THE PURPOSE OF FINANCING THE COST OF CERTAIN LOCAL IMPROVEMENTS" (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 July 19, 2005, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

WITNESS my hand officially this 19th day of July, 2005.

Carolyn Horst, Deputy City Clerk

RESOLUTION NO. 9509

RESOLUTION RELATING TO SPECIAL IMPROVEMENT
DISTRICT NO. 1301; PRELIMINARY LEVY OF SPECIAL
ASSESSMENTS ON PROPERTY WITHIN THE DISTRICT
FOR THE PURPOSE OF FINANCING THE COST OF
CERTAIN LOCAL IMPROVEMENTS

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

Section 1. The District; the Improvements. The City has created a special improvement district (the "District") pursuant to under Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended (the "Act"), denominated Special Improvement District No.1301 (the "District"), and undertaken certain local improvements (the "Improvements") to benefit property located therein. The Improvements have been substantially completed and the total costs of the Improvements are \$967,061 including all incidental costs.

Section 2. The Bonds. The City has pursuant to the Act issued its special improvement district bonds drawn on the District, denominated "Special Improvement District No. #1301 Bonds," in the original aggregate principal amount of \$630,000 (the "Bonds"), to finance costs, including incidental costs, of the Improvements. The Bonds are payable primarily from special assessments to be levied against property in the District.

Section 3. Method of Assessment. (a) Pursuant to Resolution No. 9457, adopted by this Council on March 15, 2005, and which constitutes the resolution of intention to create the District, this Council determined to levy special assessments to pay the costs of the Improvements on the basis or bases therein provided as authorized by the Act.

(b) This Council hereby ratifies and confirms that the assessment of costs of the specific Improvements against the properties benefitted thereby as prescribed by the resolution of intention are equitable and in proportion to and not exceeding the special benefits derived from the respective Improvements by the lots, tracts and parcels to be assessed therefor within the District, and the special assessments authorized by this resolution are in accordance with the methods and do not exceed the amounts prescribed by the resolution of intention.

Section 4. Proposed Levy of Assessments. The special assessments for the costs of the Improvements shall be levied and assessed against properties in the District in accordance with the method of assessments referred to in Section 3. Such assessments shall be payable over a term not exceeding 15 years, each in equal semiannual payments of principal and interest. Property owners shall have the right to prepay the special assessments as provided by law.

The special assessments shall bear interest from May 15, 2005 until paid at an annual rate equal to the Interest Rate (as hereinafter defined), as such may change from time to time, plus penalties and interest for delinquent installments as provided by law. As used herein, "Interest Rate" means, as of the date of determination, the sum of (i) the average interest rate payable on the Bonds then outstanding, and (ii) one-half of one percent (0.50%) per annum. The Interest Rate shall be determined in August of each fiscal year so long any Bonds are outstanding and

shall apply to the outstanding installments of the special assessments not delinquent. If no Bonds are outstanding, but special assessments remain unpaid and are not delinquent, the Interest Rate shall be equal to the Interest Rate as most recently determined. The initial Interest Rate for the fiscal year ending June 30, 2006 shall be 5.1989% per annum.

Exhibit A to this Resolution (which is hereby incorporated herein and made a part hereof) contains a description of each lot, tract or parcel of land to be assessed, the name of the owner, if known, the total amount of the special assessment levied against each lot, tract or parcel, the amount of each partial payment of the special assessment, and the day when each such partial payment shall become delinquent (the "Assessment Roll").

The Assessment Roll is preliminary and is subject to consideration by this Council of the objections, if any, from owners of property in the District following the public hearing provided for in Section 7.

Section 5. Filing of Resolution. This resolution shall be kept on file in the office of the City Clerk and shall be open to public inspection.

Section 6. Notice of Proposed Levy of Assessments. The City Clerk is hereby authorized and directed to cause a copy of the notice of the passage of this resolution, substantially in the form of Exhibit B hereto (which is hereby incorporated herein and made a part hereof), (i) to be published once in the Great Falls Tribune, a newspaper of general circulation in the City, not less than 10 days before the date of the public hearing provided for in Section 7, (ii) to be mailed to the owner of each lot, tract or parcel of land to be assessed (to be determined from the last completed assessment roll for state, county, and school district taxes), on or before the same day such notice is published; and (iii) to be mailed to such other persons or entities known by the City Clerk to have an ownership interest in such lots, tracts or parcels (including, without limitation, mortgagees and vendees under contracts of deed), on or before the same day such notice is published.

*The surcharge provided in clause (iii) may not exceed 0.50% and is imposed at the option of the City under the Act (unless the bond resolution requires it). Similarly, its reduction or elimination (which is not subject to reinstatement under the Act) is at the option of the City unless the bond resolution does not permit such reduction or elimination.

Section 7. Public Hearing; Objections. This Council shall meet on the 16th day of August, 2005, at 7:00 p.m., in the Commission Chambers, of the Civic Center in Great Falls, Montana, for the purpose of conducting a public hearing on the levying and assessment of the special assessments in the District and considering the objections, if any, of the property owners to the levying and assessment of the special assessments.

ADOPTED by the City Council of the City of Great Falls, Montana, this 19th day of July, 2005.

Randall Gray, Mayor

Attest:

Carolyn Horst, Deputy City Clerk

Approved as to form:

City Attorney

EXHIBIT A

[proposed assessment roll]

EXHIBIT B

NOTICE OF PROPOSED LEVY OF SPECIAL ASSESSMENTS IN
SPECIAL IMPROVEMENT DISTRICT NO. #1301

CITY OF GREAT FALLS, MONTANA

NOTICE IS HEREBY GIVEN that on July 19, 2005, the City Council of the City of Great Falls, Montana (the "City"), adopted a resolution proposing to levy and assess special assessments against benefitted property in Special Improvement District No. 1301 in the City (the "District") for the purpose of financing the costs of certain local improvements and paying costs incidental thereto.

A complete copy of the resolution, which includes the proposed assessment roll and the amount of each special assessment, is on file with the City Clerk, Peggy J. Bourne, (406)455-8451, and is available for public inspection.

On August 16, 2005, at 7:00 p.m., in the Commission , in the Commission Chambers, of the Civic Center in Great Falls, Montana, the City Council will conduct a public hearing and pass upon all objections, whether made orally or in writing, to the proposed levy of the special assessments.

Further information regarding the special assessments or other matters in respect thereof may be obtained from Judy Burg at Civic Center Building, 2 Park Drive, Great Falls, MT or by telephone at (406)455-8477 .

Dated: July 19, 2005.

BY ORDER OF THE CITY COUNCIL
OF THE CITY OF GREAT FALLS, MONTANA

/s/ Carolyn Horst, Deputy City Clerk

(Publication Date: July 29, 2005 and August 5, 2005)