

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. 00-17568, entitled: **RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1345; 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 May 22, 2000, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.)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 Councilmembers voted in favor thereof: unanimous

voted against the same: none

or were absent: Larson.

WITNESS my hand officially this 22nd day of May, 2000.

Marita Herold
Marita Herold, CMC City Clerk

RESOLUTION NO. 00- 17568

RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT
NO. 1345; 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 water, sanitary sewer, storm drain, street paving, and curb and gutter, as more particularly described in Section 5. The total estimated costs of the improvements are \$272,517.00. As used herein, the costs of the improvements shall include the costs of construction and contingency, engineering, testing, and construction administration. The costs of the improvements are to be paid from the following sources: (1) Special Improvement District bonds hereinafter described; and (2) \$233,586.00 of cash contribution by Ken Hollar, the owner of 12 of the 14 lots in the District (the "Developer Properties"), as more particularly described in Sections 6 and 9(f). 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 \$44,400.00. 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 in an amount not less than \$277,986.00.

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. 1345 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 D 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 D 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. The property included within said limits and boundaries is hereby declared to be the property benefited by the improvements.

Section 5. General Character of the Improvements. The general character of the improvements is the construction of the following to Wentworth Drive and Tamarisk Drive fronting Lots 20-28, Block 58; Lots 1-4, Block 56; Lot 10, Block 55 with Lake Hills Subdivision 22nd Filing:

- a) Water mains and services;
- b) Sanitary sewer mains and services;
- c) Street base gravel and asphalt paving;

- d) Storm drain improvements; and
- e) Concrete curb and gutter.

Section 6. Engineer and Estimated Cost. Morrison Maierle, Inc.; 2020 Grand Avenue; Billings, MT 59102, shall be the engineer for the District. The Engineer has estimated that the costs of the Improvements, including all incidental costs, is \$277,986.00. Ken Hollar will make a cash contribution to the project in the amount of \$233,586.00 as described in Section 9(f). The remaining costs of \$44,400.00, which includes costs associated with the sale of Bonds and other incidental costs, will be financed by the sale of the Bonds as described in Section 1 and assessments to pay the Bonds will be levied against the remaining parcels in the District as shown in Exhibit D (which is attached hereto and incorporated herein) and as more fully explained in Section 7.

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 area methods described in Section 7-12-4162, M.C.A., as particularly applied and set forth in this Section 7.

7.1.1 Assessable Area. All properties in the District will be assessed for their proportionate share of the costs of the Improvements. For the purposes of equitably apportioning special benefit to each lot, tract or parcel of land in the District, the Engineer has determined that each lot shall equally bear the costs of Improvements and has assigned an assessable area to each lot, tract or parcel as set forth in Exhibit D hereto to arrive at an equal cost for the Improvements.

The costs of the Improvements attributable to each lot in the District is \$19,465.50. The owner of the Developer Properties will make a cash contribution of \$233,586.00 which represents a cash contribution toward the costs of Improvements for each of the 12 lots in the amount of \$19,465.50. That amount shall be assessed against each lot, tract, or parcel of land in the District for that part of those costs that the assessable area of such lot, tract, or parcel bears to the total assessable area of all lots, tracts, or parcels of land in the District, exclusive of streets, avenues, and alleys. The total assessable area of Developer Properties parcels to be assessed is 172,800 square feet (14,400 square feet per lot for 12 lots). The costs of the Improvements and the properties share of the incidental costs assessable to Developer Properties parcels per square foot of assessable area shall not exceed \$1.351770833. The assessment for each of the Developer Properties parcels is shown on Exhibit D, E, and F attached hereto.

The costs of the Improvements attributable to the 2 parcels in the District not making a cash contribution to the cost of the Improvements (the "Non-Developer Properties"), shall consist of the full cost of the Improvements assessable against each lot (\$19,465.50) for a total of \$38,931.00, plus the proportionate share of the incidental costs of issuing the Bonds (\$2,734.50 per lot). The total of \$44,400.00 shall be assessed against each lot, tract, or parcel of land in the District that is not owned by Developer Properties for that part of the costs of the Improvements that the assessable area of such lot, tract or parcel bears to the total assessable area of all non-Developer Properties lots, tracts, or parcels of land in the District, exclusive of streets, avenues, and alleys. The total assessable area of non-Developer Properties parcels is 28,800 square feet (14,400 square feet per lot for 2 lots). The costs of the Improvements and the properties share of the incidental costs to be financed by the Bonds assessable to non-Developer Properties parcels per square foot of assessable area shall not exceed a total of \$1.541666667. The assessment for each of the non-Developer Properties parcels for the Improvements is shown on Exhibit D hereto.

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 \$44,400.00 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 \$1,357 to \$3,537, and is set forth in Exhibit D. The average market value is \$2,226.71 with the median being \$1,404.00. 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 14 parcels within the district boundaries. No improvements, public or private, are located on any of the parcels within the District. Twelve (12) of these parcels are owned by Ken Hollar. The remaining 2 lots are owned by separate owners.

(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 D.

(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 61 properties, zero properties are delinquent and is set forth in Exhibit D.

(e) **The Public Benefit of the Improvements.** The total estimated cost of installing these public improvements is \$277,986.00, the full cost of which would be recovered through direct assessments to property owners within the District and a cash contribution of \$233,586.00. The public improvements contemplated under the terms of this proposed District are required by the City Subdivision, Site Development and Zoning Ordinances in order for the parcels to develop with single family residential structures. (It should be noted that all lands within the District are zoned Residential, R-9600, the least dense residential zoning in Billings.) Further, the improvements contemplated under this District are consistent with the improvements recommended under the Lake Hills Stormwater Management Master Plan.

(f) **Other Factors.** As previously noted, Ken Hollar, owner of 12 of the 14 lots in the District, will pay a cash contribution to the project. The total cash contribution is equal to \$233,586.00 (\$19,465.50 per parcel) and represents 85.71 percent of the construction and administrative costs of the Improvements. This condition is necessary to satisfy the City's Special Improvement District Policy regarding raw land subdivision.

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 \$44,400.00 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 (June 9, 2000), 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 12th day of June 2000, at 7:30 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 May 25 and June 1, 2000, 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 22th day of May 2000.



Charles J. Traer
Mayor

Attest:

Marita Herold

City Clerk

EXHIBIT A

LAKE HILLS SUBDIVISION

TWENTY-SECOND FILING

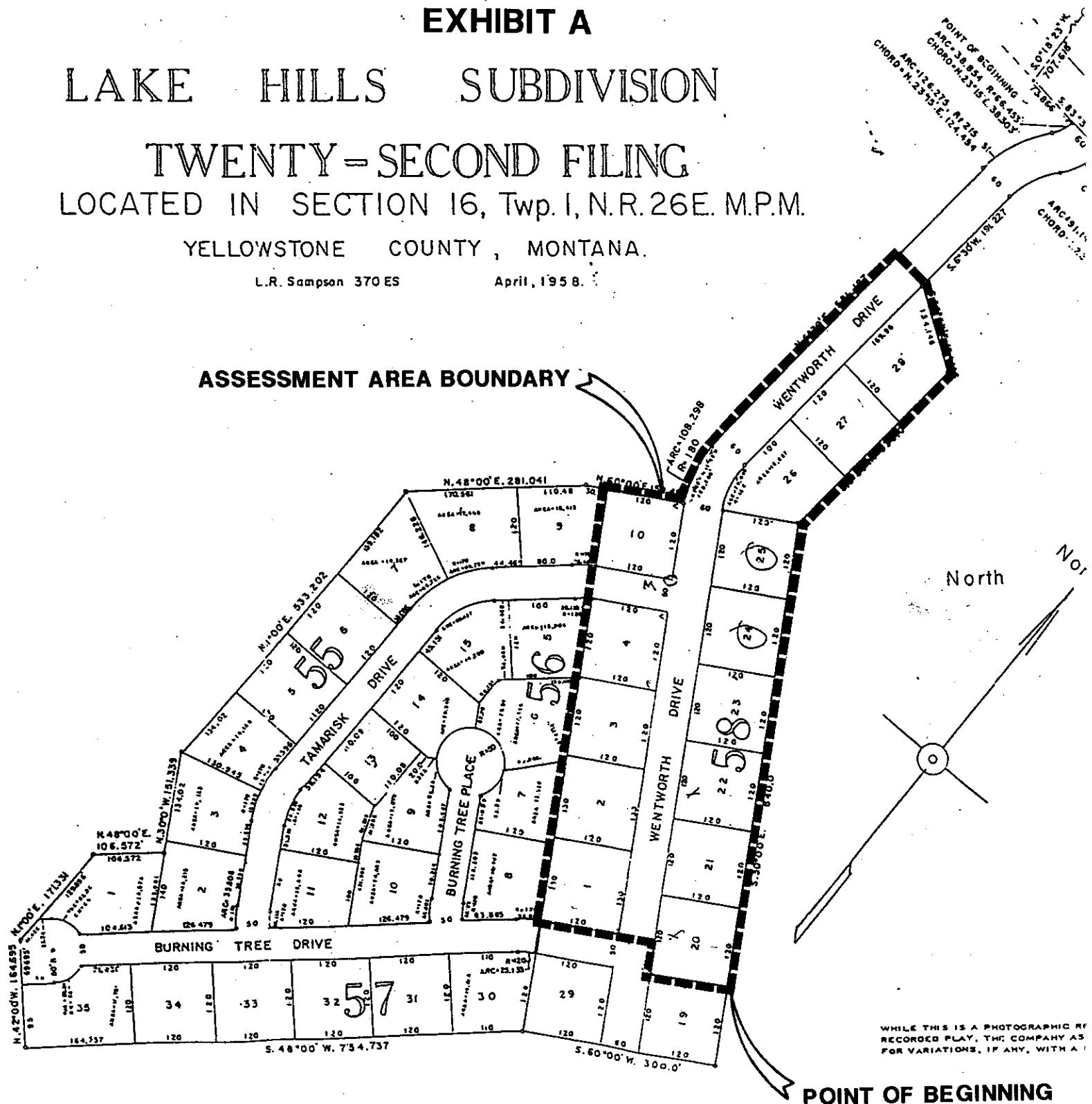
LOCATED IN SECTION 16, Twp. I, N.R. 26E. M.P.M.

YELLOWSTONE COUNTY, MONTANA.

L.R. Sampson 370 ES

April, 1958.

ASSESSMENT AREA BOUNDARY



POINT OF BEGINNING

EXHIBIT B

**LEGAL DESCRIPTION
OF
CURB AND GUTTER, SIDEWALK, ASPHALT PAVING, WATER SYSTEM,
SANITARY SEWER SYSTEM, AND STORM DRAIN SYSTEM
S.I.D. 1345**

Located in Section 16, Township 1 North, Range 26 East, P.M.M., Yellowstone County, Montana, being more particularly described as follows:

Beginning at the southeasterly corner of Lot 20, Block 58, Lake Hills Subdivision, 22nd Filing; thence Northwesterly on and along the Easterly lines of Lots 20, 21, 22, 23, 24, and 25, Block 58 to the Northeasterly corner of said Lot 25; thence Northerly on and along the Easterly lines of Lots 26, 27, and 28, Block 58, to the Northeasterly corner of said lot 28; thence Northwesterly on and along the North line of said Lot 28, Block 58, to a point of intersection with the Easterly right-of-way line of Wentworth Drive; thence Westerly to a point of intersection with the Westerly right-of-way line of Wentworth Drive; thence Southerly on and along said Westerly right-of-way line of Wentworth Drive to the Northeasterly corner of Lot 10, Block 55; thence Southwesterly on and along the northerly line of said Lot 10 to the NW corner of said Lot 10; thence Southeasterly on and along the Westerly line of said Lot 10 to a point of intersection with the Northerly right-of-way line of Tamarisk Drive; thence Southeasterly to the Northwesterly corner of Lot 4, Block 58; thence on and along the Westerly lines of Lots 4, 3, 2, and 1, Block 58, to the Southeasterly corner of said Lot 1; thence Northeasterly on and along the Southerly line of said Lot 1 to a point of intersection with the Westerly right-of-way line of Wentworth Drive, thence continuing Northeasterly to a point of intersection with the Westerly line of Lot 20, block 58; thence Southeasterly on and along the Westerly line of said Lot 20 to the Southwesterly corner of Lot 20; thence Northeasterly on and along the Southerly line of said Lot 20 to the Point of Beginning.

Excluding all existing streets, avenues, roads, alleys, public parks, and public rights-of-way.

EXHIBIT C

DESCRIPTION OF IMPROVEMENTS

SID 1345

LAKE HILL SUBDIVISION, 22ND FILING

WENTWORTH DRIVE

1. Water mains, service lines, and fire hydrants will be installed in Wentworth Drive from the intersection of Burning Tree Drive to the North end of Lot 28, Block 58, and in Tamarisk Drive from the intersection of Wentworth Drive to the West end of Lot 10, Block 55.
2. Sanitary sewer mains, manholes, and service lines will be installed in Wentworth Drive from the intersection of Burning Tree Drive to the North end of Lot 28, Block 58, and in Tamarisk Drive from the intersection of Wentworth Drive to the West end of Lot 10, Block 55.
3. Curb and gutter, asphalt surfacing, and base course gravel will be installed in Wentworth Drive from the intersection of Burning Tree Drive to the North end of Lot 28, Block 58, and in Tamarisk Drive from the intersection of Wentworth Drive to the West end of Lot 10, Block 55.
4. Sidewalk will be installed on the Westerly side of Wentworth Drive from Lot 10, Block 55, to a point opposite of the Northwesterly corner of Lot 28, Block 58.
5. Storm drain will be by surface drainage in Wentworth Drive as follows:
 - a. From the intersection of Tamarisk Drive southeasterly along Wentworth Drive to the existing storm drainage system.
 - b. From Tamarisk Drive and Wentworth Drive along Wentworth Drive Northerly to a new temporary storm drain detention pond located in Wentworth Drive North of Lot 28, Block 58.

SID 1345**Exhibit D**

Tax Code	SID #	SID Pay-off	Delinquent	Engineer Estimate	Total Estimate	Market Value	Estimated Market Value After Improvements
A-22725	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,357.00	\$ 20,822.50
A-22726	1259	\$ 42.70		\$ 19,465.50	\$ 19,508.20	\$ 1,404.00	\$ 20,869.50
A-22727	1259	\$ 42.70		\$ 19,465.50	\$ 19,508.20	\$ 1,404.00	\$ 20,869.50
A-22728	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,357.00	\$ 20,822.50
A-22729	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 3,295.00	\$ 22,760.50
A-22795	1259	\$ 39.43		\$ 22,200.00	\$ 22,239.43	\$ 3,295.00	\$ 25,495.00
A-22796	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,357.00	\$ 20,822.50
A-22797	1259	\$ 39.43		\$ 22,200.00	\$ 22,239.43	\$ 3,295.00	\$ 25,495.00
A-22798	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,357.00	\$ 20,822.50
A-22799	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 3,295.00	\$ 22,760.50
A-22800	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,357.00	\$ 20,822.50
A-22801	1259	\$ 45.36		\$ 19,465.50	\$ 19,510.86	\$ 3,507.00	\$ 22,972.50
A-22802	1259	\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,357.00	\$ 20,822.50
A-22803	1259	\$ 50.34		\$ 19,465.50	\$ 19,515.84	\$ 3,537.00	\$ 23,002.50
Average		\$ 39.43		\$ 19,856.14	\$ 19,897.24	\$ 2,226.71	\$ 22,082.86
Median		\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,404.00	\$ 20,869.50
Low		\$ 39.43		\$ 19,465.50	\$ 19,504.93	\$ 1,357.00	\$ 20,822.50
High		\$ 50.34		\$ 22,200.00	\$ 22,239.43	\$ 3,537.00	\$ 25,495.00

EXHIBIT E**ENGINEER'S ANALYSIS OF PROBABLE COST****S.I.D. No. 1345****LAKE HILLS SUB, 22nd FILING, WENTWORTH DRIVE****ADMINISTRATIVE COSTS**

ADVANCED COSTS	\$909.00
SID PRECREATION DOCUMENTS	\$2,000.00
ENGINEERING DESIGN & CONSTRUCTION COSTS	\$32,773.00
QUALITY CONTROL & TESTING	\$3,000.00
WATER & SEWER EXTENSION APPLICATION	\$60.00
SUBTOTAL ADMIN. COSTS	<u><u>\$38,742.00</u></u>
SUBTOTAL CONSTRUCTION PLUS ADMIN. COSTS	= \$272,517.00
LESS 100% CASH CONTRIBUTION TO SID FOR 12 LOTS	= \$233,586.00
SUB-TOTAL SID COSTS	= <u><u>\$38,931.00</u></u>

Cost Analysis**COST PER LOT**

\$272,517 / 14	=	\$19,465.50
HOLLAR CASH CONTRIBUTION PER LOT	=	\$19,465.50
\$233,586 / 12	=	\$19,465.50
HOLLAR COST PER LOT TO FINANCE	=	\$0.00
\$19,465.50 - (\$19,465.50)	=	\$0.00

HOLLAR CASH CONTRIBUTION TO DISTRICT	=	\$233,586.00
PLUS 1% PRIVATE CONTRACT FEE	=	\$2,335.86
TOTAL CASH CONTRIBUTION REQUIRED	=	\$235,921.86

EXHIBIT E**ENGINEER'S ANALYSIS OF PROBABLE COST**

**S.I.D. No. 1345
LAKE HILLS SUB, 22nd FILING, WENTWORTH DRIVE**

TOTAL FUNDS NECESSARY THRU BOND SALE

2 Lots @	\$19,465.50	=	\$38,931.00
12 Lots @	0.00	=	<u>0.00</u>

TOTAL CONST, CONTG, CONST ADMIN SUBJECT TO BOND SALE = \$38,931.00

% OF TOTAL COSTS \$38,931.00 / \$272,517.00 = 0.142857142

SHARE OF CONST AND CONTING COSTS

SUBJECT TO BOND SALE \$233,775.00 x 0.142857142 = \$33,396.43

SID ADMIN COSTS (as a % of Const and contingency costs) = \$33,396.43

ADMIN FEES (2.5%) =	\$934.91
FINANCE FEES (2.5%) =	934.91
ADVANCE COSTS =	<u>0.00</u>

TOTAL SID ADMINISTRATIVE COSTS = \$1669.82

TOTAL CONSTRUCTION COSTS = \$38,931.00
TOTAL ADMINISTRATIVE COSTS = 1669.82

SUBTOTAL = \$40,600.82

5% REVOLVING FUND	=	\$2,218.62
3.5% BOND DISCOUNT	=	1553.04
BOND ROUNDING	=	<u>27.52</u>

TOTAL BONDING COSTS = 3,799.18

TOTAL BONDS REQUIRED = \$44,400.00

TOTAL PROJECT COST = \$277,986.00

EXHIBIT E

ENGINEER'S ANALYSIS OF PROBABLE COST

S.I.D. No. 1345
 LAKE HILLS SUB, 22nd FILING, WENTWORTH DRIVE

CASH (Hollar)
Cash Contribution on 12 Lots @ \$19465.50 / lot = \$233,586.00

Subtotal Cash = A = \$233,586.00

Balanced Assessed In SID

2 Lots (Other Owners) @ \$19,465.50/lot = \$38,931.00
 12 Lots (Hollar) @ 0.00/lot = 0.00

Subtotal SID = B = \$38,931.00
 Plus Admin Costs = 1,669.82
 Plus Bonding Costs = 3,799.18

BONDED COSTS = \$44,400.00

SID BONDED COSTS	\$44,400.00
LESS CONST COST	<u>38,931.00</u>
SID Admin & Bond	5,469.00
"as % of Total Cost	5,469.00 / \$38,931.00 = 0.14047931
Per Lot Share of Bond Costs	
Non-Cash Contribution Lots	\$19,465.50 x 0.14047931 = 2,734.50
Cash Contribution Lots	0.00 x 0.14047931 = 0.00
Non-Cash Contribution Lots	\$19,465.50 2,734.50 \$22,200.00 x 2 lots =
 	= \$44,400.00
Cash Contribution Lots	\$0.00 x 12 lots = 0.00
	<u>\$44,400.00</u>

SUMMARY OF LOT COSTS

Hollar	12 Lots Pre-Paid Cash Contribution @ \$19,465.50/lot =	\$233,586.00
Others	2 Lots Financed SID @	<u>22,200.00/lot =</u> <u>44,400.00</u>

TOTAL PROJECT COST	\$277,986.00
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CASH	= \$233,586.00
BONDED	= <u>44,400.00</u>

TOTAL PROJECT COSTS = \$277,986.00

Assessment Rates

Hollar	\$233,586 / 172,800SF =	1.351770833
Others	44,400 / 28,800SF =	1.541666667

iii	"Base Rate" =	1.351770833 All Lots
iii	"Other Rate" =	0.189895834 Non-Cash Lots

EXHIBIT F**SUMMARY OF ASSESSMENT AREAS**
S.I.D. 1345, LAKE HILLS, 22nd Filing, WENTWORTH DRIVE
Sorted by Tax Code Number

BLOCK AND LOT	Tax Code	Lot Area Square Feet	Assessment Area Square Feet
BLOCK 55			
LOT 10	A22725	14,400	14,400
BLOCK 56			
LOT 1	A22726	14,400	14,400
LOT 2	A22727	14,400	14,400
LOT 3	A22728	14,400	14,400
LOT 4	A22729	14,400	14,400
BLOCK 58			
LOT 20	A22795	14,400	14,400
LOT 21	A22796	14,400	14,400
LOT 22	A22797	14,400	14,400
LOT 23	A22798	14,400	14,400
LOT 24	A22799	14,400	14,400
LOT 25	A22800	14,400	14,400
LOT 26	A22801	16,582	14,400
LOT 27	A22802	14,400	14,400
LOT 28	A22803	16,798	14,400
Project Total Square Feet Lot Area		206,180	
Project Total Square Feet Assessment Area			201,600

CITY OF BILLINGS, MONTANA
SPECIAL IMPROVEMENT DISTRICT ASSESSMENT DATA
PART TWO

CONSULTANT TO COMPLETE: DATE: 5/1/2000 * DATA PROCESSING
S.I.D. NO. 1345 * CARDS COLS.
* A&B 2 - 5

S.I.D. DESCRIPTION Lake Hills Subdivision * A 6 - 39
22nd Filing, Wentworth Drive *

YEARS TO BE ASSESSED 12 * A 59 - 60

TOTAL S.I.D. AREA 201,600 S.F. * A 61 - 71

MEASUREMENT X SQ.FT. L.F. OTHER

S.I.D. COSTS:

X ESTIMATED PER PRELIMINARY PLANS
____ ESTIMATED PER BID PRICES
____ FINAL PER ACTUAL CONSTRUCTION

S.I.D. MAIN IMPR. COST \$ 44,400.00

SPECIAL ADDITIONS:

CODE	Quantity	Unit Cost	Total
1 CURB & GUTTER			
2 DRIVE APPROACH			
3 WATER SERVICE			
4 SAN. SERVICE			
5 SIDEWALK			
6 ALLEY IMPROV.			
9 OTHER RATE	<u>28,800</u>	<u>0.189895834</u>	<u>5469</u>
9 BASE RATE	<u>28,800</u>	<u>1.351770833</u>	<u>38,931</u>

TOTAL PROJECT COST \$ 44,400.00 * A 89 - 96

(ALL COSTS TO INCLUDE PRORATE SHARE OF ADMINISTRATIVE COSTS)

CITY CENTRAL SUPPORT SERVICES TO COMPLETE:
FIRST YEAR TO BE ASSESSED * A 40 - 41
TYPE ASSESSMENT: PENDING FINAL * A 42
INTEREST RATE: * A 53 - 58
BOND ISSUE DATE: * A 73 - 78

CITY OF BILLINGS

SPECIAL IMPROVEMENT DISTRICT ASSESSMENT DATA

S.I.D. NUMBER 1345, Lake Hills, Wentworth Drive
COMPLETED BY: Woody Woods
CONSULTING FIRM: MORRISONMAERLE INC.

1-May-00

SPECIAL IMPROVEMENT DISTRICT ADDITIONS FOR THE SAME TAX CODE														
AREA OF ASSEMT.		TAX I.D.		UNIT		UNIT		UNIT						
		COST PER S.F.		MEASURE		MEASURE		MEASURE						
		\$1.351776833		CODE	QUANTITY	UNIT	RATE	CODE	QUANTITY					
		14-22		23	24-30	31-40	41-54	55	24-38					
55	A22725	14,400	D	0			8	0	0					
56	A22728	14,400	D	0			8	0	0					
56	A22727	14,400	0	0			8	0	0					
56	A22728	14,400	0	0			0	0	0					
56	A22729	14,400	0	0			0	0	0					
56	A22795	14,400	0	0			0	0	0					
56	A22796	14,400	0	0			0	0	0					
56	A22797	14,400	8	14,400 Sq Ft		8.189995834	8	8	8					
56	A22798	14,400	0	0			0	0	0					
56	A22799	14,400	0	0			0	0	0					
56	A22800	14,400	0	0			0	0	0					
56	A22801	14,400	9	0			0	0	0					
56	A22802	14,400	0	0			0	0	0					
56	A22803	14,400	9	0			0	0	0					