

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Lockwood Area/Yellowstone County Water and Sewer District, Montana (the "District"), hereby certify that the attached resolution is a true copy of Resolution No. 171 entitled: "A RESOLUTION OF LOCKWOOD AREA/YELLOWSTONE COUNTY WATER AND SEWER DISTRICT, MONTANA, CREATING AND ESTABLISHING ITS PHASE III SEWER SUBDISTRICT WITHIN THE DISTRICT" (the "Resolution"), on file in the original records of the District in my legal custody; that the Resolution was duly adopted by the Board of Directors of the District at a meeting on April 13, 2022, and that the meeting was duly held by the Board of Directors 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 Directors voted in favor thereof: CARL PETERS, CARLOTTA HECKER, STUART DEANS, SCOT BOWEN; voted against the same: NONE; abstained from voting thereon: NONE; or were absent: MERRILL WALKER.

WITNESS my hand officially this 13TH day of April, 2022.

Carlotta Hecker
Secretary

RESOLUTION NO. 171

A RESOLUTION OF LOCKWOOD AREA/YELLOWSTONE
COUNTY WATER AND SEWER DISTRICT, MONTANA,
CREATING AND ESTABLISHING ITS PHASE III SEWER
SUBDISTRICT WITHIN THE DISTRICT

WHEREAS, the Lockwood Area/Yellowstone County Water and Sewer District, Montana (the "District") is a county water and sewer district, validly organized pursuant to Title 7, Chapter 13, Parts 22 and 23, Montana Code Annotated (the "Act"); and

WHEREAS, the District was incorporated on January 23, 1997 and is located within the boundaries of Yellowstone County, a political subdivision of the State of Montana; and

WHEREAS, pursuant to Ordinance 2008-1 adopted June 4, 2008, the District created the Phase I Sewer Subdistrict; and

WHEREAS, the electors of the Phase I Sewer Service Subdistrict approved the incurrence of debt and the District has issued bonds and the financed improvements for the benefit of the Phase I Sewer Subdistrict have been constructed; and

WHEREAS, pursuant to Resolution No. 121 adopted June 17, 2014, the District created the Phase II Sewer Subdistrict; and

WHEREAS, the District has issued bonds and the financed improvements for the benefit of the Phase II Sewer Subdistrict have been constructed; and

WHEREAS, the District now proposes to undertake additional improvements to the sewer system consisting of expanding the sewer collection system by installing sewer mains, manholes, service line stubouts, lift stations, and other appurtenances and improvements (the "Phase III Sewer Improvements"); and

WHEREAS, the Board of Directors (the "Board") of the District has determined that all of the property currently in the District will not be served by or benefit from the proposed Phase III Sewer Improvements; and

WHEREAS, consistent with the provisions of Sections 7-13-2333 and 7-13-2349 of the Act, the Board has determined that only the land within the District that is to be benefited by the expansion of the District's sewer system should be subject to assessments; and

WHEREAS, to finance the costs of the proposed Phase III Sewer Improvements, it will be necessary for the District to undertake proceedings to allow it to be authorized to issue and sell bonds of the District to obtain funds for the purpose of paying a portion of the costs of the proposed Phase III Sewer Improvements and associated costs; and

WHEREAS, the Board has determined to establish the Phase III Sewer Subdistrict within the boundaries of the District, pursuant to Section 7-13-2349 of the Act, to consist of the

properties that will be served by the proposed Phase III Sewer Improvements and that will be subject to special assessments to pay special assessment bonds and that will be eligible to protest against the proposed special assessment methodology to pay such bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

Section 1. Recitals.

1.01 The Board of the District adopted Resolution No. 170 on February 9, 2022, which set forth the Board's intention to create the Phase III Sewer Subdistrict within the District, as the area to be served by the District's proposed Phase III Sewer Improvements, and caused notice to be published in a newspaper of general circulation in the District. The notice contained a description of the subdistrict and the proposed sewer project and its estimated cost.

1.02 All correspondence received by the Board from owners of property in the District has been made of public record and considered by the Board.

1.03 A public hearing on the proposed Phase III Sewer Subdistrict was duly noticed and held on March 9, 2022, at which all persons residing or owning property in the District were given an opportunity to speak. In accordance with Resolution No. 170 and with the notice of public hearing published February 25 and March 4, 2022, the Board reserved the right to adjust the boundaries of the proposed Phase III Sewer Subdistrict based on information and comments it received prior to and/or at the public hearing. At the public hearing, the Board heard all comments, including comments from one property owner who withdrew a prior request to be included in the Phase III Sewer Subdistrict.

1.04 The Board closed the public hearing held on March 9, 2022 and determined that it would defer a determination on the boundaries until a subsequent public meeting. The Board hereby approves the boundaries of the Phase III Sewer Subdistrict as initially contemplated, which boundaries exclude the properties of the owner who requested withdrawal from the subdistrict and certain properties in the vicinity of the properties of such owner, as such boundaries may be further adjusted by public comment and the final determination of the Board.

Section 2. Phase III Sewer Subdistrict.

2.01 Benefited Land; Creation of Phase III Sewer Subdistrict. The Board hereby determines that the properties of the District on the map attached hereto as Exhibit A and also legally described on Exhibit A1 (which exhibit is hereby incorporated herein and made a part hereof) are the properties in the District that will be served by and benefited from the District's proposed Phase III Sewer Improvements and which area shall constitute the District's Phase III Sewer Subdistrict (the "Phase III Sewer Subdistrict").

For purposes of this section but not necessarily for purposes of any special assessments, property is benefited by the proposed Phase III Sewer Improvements if the District's proposed Phase III Sewer Improvements will extend to the vicinity of the property or make available central sewer facilities to the property and the District has created or will create sewer capacity to serve the property. The Board hereby finds and declares that it is in the best interests of the owners of land in the Phase III Sewer Subdistrict and of the District to establish the Phase III

Sewer Subdistrict, that the Phase III Sewer Subdistrict constitutes all land in the District to be benefited by the Phase III Sewer Improvements, and that the establishment of the subdistrict and the financing of the Phase III Sewer Improvements for the benefit of the Phase III Sewer Subdistrict will not violate any covenants of the District made with owners of outstanding bonds of the District.

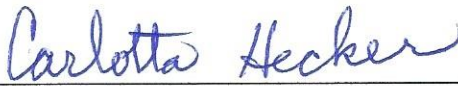
2.02 Proceedings on Incurrence of Debt. The District proposes to conduct proceedings on the incurrence of indebtedness for the purpose of paying a portion of the costs of constructing the Phase III Sewer Improvements and costs incidental thereto. It is contemplated that only those properties within the Phase III Sewer Subdistrict will be assessed to pay the debt service on District bonds issued to finance the Phase III Sewer Improvements in accordance with special assessment proceedings to be conducted by the District and only those persons owning property in the Phase III Sewer Subdistrict will be entitled to participate in proceedings relating to the incurrence of indebtedness to pay costs of the Phase III Sewer Improvements.

Passed and approved this 13th day of April, 2022.



President

ATTEST:



Secretary

EXHIBIT A

MAP OF THE PHASE III SEWER SUBDISTRICT

FINAL - LOCKWOOD PHASE 3 SEWER SUBDISTRICT, APRIL 2022

LEGEND

LOCKWOOD PHASE 3 SUBDISTRICT BOUNDARY

SCALE 0 500 1000

EXHIBIT A

Morrison Maierle

engineers - surveyors - planners - scientists

141 N. 20th Street, Suite 200, Milwaukee, WI 53211

Phone: (414) 666-0000 Fax: (414) 666-3323

LOCKWOOD PHASE 3 SUBDISTRICT
BOUNDARY



Morrison
Maierle

engineers • surveyors • planners • scientists

EXHIBIT "A-1"

PHASE 3 SEWER SUBDISTRICT BOUNDARY

Beginning at point on the West line of Lot 5, Block 1, Opportunity Subdivision, due East of the $\frac{1}{4}$ Corner common to Sections 19 & 20, T.1N., R.27E., P.M.M., Yellowstone County Montana; thence Westerly to said $\frac{1}{4}$ Corner, also being the Southeast corner of Tract 1, Certificate of Survey No. 1015 Amended; thence Westerly on and along the south line of said Tract 1, Certificate of Survey No. 1015 Amended to the Southerly right-of-way line of Interstate 90; thence Northeasterly on and along said Southerly right-of-way of Interstate 90 to the Southwest corner of Lockwood Subdivision, 2nd Filing; thence on and along said Interstate 90 right-of-way and the Northerly line of said Lockwood Subdivision, 2nd Filing to the Northwest corner of Corrected Seiffert Subdivision; thence on and along the Southerly right-of-way of said Interstate 90, also being the Northerly line of Lot 2, Block 1, Corrected Seiffert Subdivision to the Northeast corner of Lot 2, Corrected Seiffert Subdivision; thence Southerly on and along the Easterly line of said Lot 2, Block 1, Corrected Seiffert Subdivision to the intersection with the Northerly right-of-way of Old Hardin Road; thence Southwesterly on and along the Northerly right-of-way of Old Hardin Road to the Northeast corner of Tract 1, Amended Certificate of Survey No. 911; thence continuing Southwesterly on and along said Northerly right-of-way of Old Hardin Road, also being the Southeasterly line of said Tract 1, Amended Certificate of Survey No. 911 to the Southwest corner of said Tract 1; thence extending Southerly across Old Hardin Road to the Northwest corner of Lot 1A, Block 1, Corrected Farnum Subdivision 2nd Filing; thence Easterly on and along the Northerly line of Lots 1A through 4A, Block 1, of said Corrected Farnum Subdivision 2nd Filing to the Southwest corner of Lot 6A, Block 1, of said Corrected Farnum Subdivision; thence Northwesterly on and along Lots 6A and 7A of said Corrected Farnum Subdivision 2nd Filing to the Northwest corner of Lot 7A, Block 1 of said Corrected Farnum Subdivision 2nd Filing. Thence Northeasterly on and along the North line of Lots 7A and 8A,

Block 1 of said Corrected Farnum Subdivision 2nd Filing to the Southwest corner of the Remainder of Lot 2, Block 1, Farnum Subdivision; thence Northerly on and along the West line of said Remainder of Lot 2, Block 1, Farnum Subdivision to the Northwest corner of said Remainder of Lot 2, Block 1; thence Easterly on and along the North line of said Remainder of Lot 2, Block 1, the North line of Pumori Circle and the North line of Lot 5A, Block 4, Corrected Farnum Subdivision 2nd Filing to the Northeast corner of said Lot 5A; Thence Southerly on and along the East line of Lots 5A, 4A, 3A and 2A and the East line of the Park Land, Block 4, Corrected Farnum Subdivision 2nd Filing to a point common to said Park and Tract 17A, Certificate of Survey No. 1104 Amended; thence Northeasterly on and along the Northerly boundary of said Tract 17A; thence Southerly on and along the Easterly and Southeasterly boundary of said Tract 17A to the North line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 20, T.1N., R.27E.; thence East on and along said North line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 20 to the East line of said Section 20; thence Southerly on and along the Section line common to Sections 20 and 21 to the Southeast Corner of said Section 20; thence Westerly on and along the Southerly line of said Section 20 to a point on the Easterly boundary of Lot 24, Block 1, Emerald Hills Westgate Subdivision; thence Southwesterly on and along the Easterly line of Lots 24, 25, 31A, and 32, Block 1, of said Emerald Hills Westgate Subdivision; thence Westerly and Northwesterly on and along the Southerly line of Lots 33, 34, 35, 36 and 37 to the Southeast corner of Lot 43, Block 1, Emerald Hills Westgate Subdivision; thence Westerly on and along the South line of said Lot 43 to the intersection with Cul-de-sac right-of-way of Hunters Point Road; thence Southwesterly on and along the Cul-de-sac right-of-way of said Hunters Point Road to the intersection with the Northeast corner of Lot 1, Block 4, Emerald Hills Southgate Subdivision; thence Southerly on and along the Easterly line of Lots 1 and 2, Block 4, Emerald Hills Southgate Subdivision to the Southeast corner of said Lot 2; thence Westerly on and along the South line of said Lot 2 to the intersection of said Lot 2 and the East right-of-way of Westgate Drive; thence extending Westerly across Westgate Drive to a perpendicular point on the West right-of-way of Westgate Drive, also being on the East line of Lot 8, Block 5, of said Emerald

Hills Subdivision; thence Southerly on and along the West right-of-way of Westgate Drive to the Southeast corner of said Lot 8; thence Westerly on and along the Southerly line of said Lot 8 to the Southwest corner of said Lot 8, also being the West line of the NE1/4NE1/4 of Section 29; thence Southerly on and along said West line, also being the West line of Lot 9, Block 5, Emerald Hills Westgate Subdivision to the Southeast corner of Tract 1, Certificate of Survey No. 2305; thence Westerly on and along the South line of said Tract 1, Certificate of Survey No. 2305 to the Southeast corner of Tract 2B, Certificate of Survey No. 3670; thence Westerly on and along the South line of Tracts 2B and 2A, Certificate of Survey No. 3670 to the Southeast corner of Tract 1, Certificate of Survey No. 2391; thence continuing on and along the South line of said Tract 1, Certificate of Survey No. 2391 to the East right-of-way of Noblewood Drive; thence extending Westerly across Noblewood Drive to the West right-of-way of Noblewood Drive; thence Southerly on and along the West right-of-way of Noblewood Drive, also being the East line of Lots 28, 10, 9, 8, 6, 5, 4, 3, and 1, Block 7, Woodward Way Subdivision; thence extending Southerly across Brookwood Drive to Lot 1, Block 5, of said Woodward Way Subdivision; thence continuing Southerly on and along the West line of Noblewood Drive to the South line of the Alley of said Block 5; thence Northwesterly on and along the South line of the Alley of said Block 5 to the Southeast corner of Harris Park; thence Southwesterly on and along the Southerly line of said Harris Park to the East right-of-way line of Tanglewood Drive; thence Southeasterly on and along the East right-of-way line of said Tanglewood Drive to the Southerly Boundary of said Amended Plat of Woodward Way Subdivision; thence extending Southwesterly crossing Tanglewood Drive to the Southeast corner of Lot 1, Block 8, Amended Plat of said Woodward Way Subdivision; thence Westerly on and along the South line of Lots 1, 2 and 3, Block 8 of said Amended Plat of Woodward Way Subdivision to the Southwest corner of said Lot 3, Block 8, Amended Plat of Woodward Way Subdivision, also being on the North-South 1/16 line of Section 29; thence Southerly on and Along said North-South 1/16 line to the Northeast corner of Lot 24, Block 1, Sierra Estates 3rd Filing; thence Southwesterly on and along the

Northerly line of said Lot 24 to the Northwest corner of said Lot 24, also being the Southeast corner of Certificate of Survey No. 615; thence Northwesterly on and along the Northerly boundary of said Certificate of Survey No. 615 to the intersection with the West line of Section 29, also being on the East line of Park land in Block 1, Sierra Estates Subdivision 2nd Filing; thence Northerly on and along the East side of said Park land to the Northeast corner of said Park land; thence Westerly and Southwesterly on and along the Northerly line of said Park land and Lots 1-4 of said Block 1, Sierra Estates Subdivision 2nd Filing to the projected intersection with the East line of Block 1, Bel Aire Estates Subdivision to the Southeast corner of said Block 1; thence Northerly on and along the East line of Lots 11-1, Block 1, of said Bel Aire Estates Subdivision to the Northeast corner of said Lot 1, Block 1, Bel Aire Estates Subdivision; thence Northerly crossing Becraft Lane to the North right-of-way of Becraft Lane; thence Easterly on and along the Northerly line of Becraft Lane to the Easterly line of Lot 1, Block 1, Copper Valley Subdivision; thence Northwesterly on and along the Easterly line of Lots 1, 2, 3 and 4, Block 1, of said Copper Valley Subdivision to the intersection with the Southeast corner of Lot 5, Block 2, Copper Valley Estates Subdivision; thence Southwesterly on and along the Southerly line of Lots 5, 6 and 7, Block 2, of said Copper Valley Estates Subdivision to the Southwest corner of said Lot 7; thence Northerly on and along the Westerly line of Lots 7, 8, 9, 10 and 11, Block 2, of said Copper Valley Estates Subdivision to the Northwest corner of said Lot 11, also being on the Southerly right-of-way of Old Hardin Road; thence Northeasterly on and along the Southerly right-of-way of Old Hardin Road, also being the Northerly line of Block 2, of said Copper Valley Estates Subdivision; thence continuing Northeasterly on and along the Northerly line of Johnston Subdivision 2nd Filing; thence continuing Northeasterly on and along the Southerly right-of-way of Old Hardin Road, also being the Northerly right-of-way of McIntosh Subdivision 5th Filing; thence continuing Northeasterly on and along the Southerly right-of-way of Old Hardin Road, also being the Northerly line of McIntosh Subdivision to the intersection with the North-South Section line between Sections 19 and 20; thence Northerly on and

along said North-South Section line across Old Hardin Road to the Northerly right-of-way of Old Hardin Road; Thence Northeasterly on and along the Northerly right-of-way of Old Hardin Road to the Southwest corner of Lot 18, Block 1, Opportunity Subdivision; thence Northerly on and along the West line of Lots 18-5, Block 1, Opportunity Subdivision to a point on the West line of said Lot 5, due East of the $\frac{1}{4}$ corner Between Sections 19 and 20, also being the Point of Beginning.

Together with and in addition to the boundary described as follows: Beginning at the Southeast corner of Tract 2B, Certificate of Survey No. 38, Amending Tract 2B, said point being on the East-West mid-section line of Section 35, T.1N., R.26E., P.M.M., Yellowstone County Montana; thence Westerly on and along said mid-section line, also being the Southerly line of said Tract 2B; continuing Westerly on and along said mid-section line also being the Southerly line of Block 3, Skates Subdivision; thence Northerly on and along the West line of said Skates Subdivision, also being the East line of Certificate of Survey No. 1581 to the Southeast corner of Certificate of Survey No. 645; thence Westerly on and along the South line of said Certificate of Survey No. 645; thence Northerly and Northwesterly on and along the Westerly lines of said Certificate of Survey No. 645; thence Northeasterly on and along the Northerly line of said Certificate of Survey No. 645 to the Northeast corner of said Certificate of Survey No. 645, also being on the Westerly line of said Skates Subdivision; thence Northerly on and along the West line of said Skates Subdivision to the extended intersection of said West line and the Northerly line of Lot 5, Block 1 of said Skates Subdivision; thence Easterly to the Northwest corner of said Lot 5; thence Easterly on and along the North line of Lot 5, Block 1, of said Skates Subdivision to the Northeast corner of said Lot 5; thence Southerly on and along the East line of Lot 5, Block 1 of said Skates Subdivision to the Northwest corner of Lot 6, Block 1, of said Skates Subdivision; thence Easterly on and along the North line of Lots 6, 7, and 8, Block 1, of said Skates Subdivision to the Northeast corner of said Lot 8, Block 1, Skates Subdivision; thence Easterly to the extended intersection of the North line of said Lot 8 and the Easterly right-of-way

of Veva Street; thence Southerly on and along said Easterly right-of-way of Veva Street to the Northwest corner of Tract 2A, Certificate of Survey No. 38 Amended; thence Northeasterly on and along the Northerly lines of said Tract 2A to the Northeast corner of said Tract 2A; thence Southerly on and along the Easterly line of Tracts 2A and 2B, Certificate of Survey No. 38 to the Southeast corner of said Tract 2B, also being the Point of Beginning.