

TOWN OF TWIN BRIDGES RESOLUTION NO. 2019-01

A RESOLUTION DETERMINING PROTESTS AND CREATING STORM WATER SPECIAL IMPROVEMENT DISTRICT NO. 1 FOR THE PURPOSE OF CONSTRUCTING STORM WATER IMPROVEMENTS IN THE TOWN FOR THE BENEFIT OF PARCELS IN TOWN LOCATED WEST OF THE RAILROAD TRACKS AND EAST OF THE BEAVERHEAD RIVER, AND FOR THE FINANCING OF SUCH IMPROVEMENTS AND THE COSTS INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS AND SECURING SUCH BONDS BY THE TOWN'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND.

WHEREAS, the Town Council of the Town of Twin Bridges, Montana (the "Town") adopted Resolution of Intention to Create Town of Twin Bridges Storm Water Special Improvement District No. 1 (Resolution No. 2018-13) on December 10, 2018, which indicated the Town's intention to create Storm Water Special Improvement District No. 1 (the "District") for the purposes of constructing storm water improvements (the Improvements" as described in Section 1 hereof) to benefit those parcels identified and listed on Exhibit A thereto and to finance the estimated cost of the Improvements via Series 2019 Bonds payable from special assessments to be levied against property in the District, which property will be specially benefited by the Improvements, in an amount estimated to be \$600,000 (the "Series 2019 Bonds"); and

WHEREAS, the Town published a copy of a notice of the passage of Resolution No. 2018-13 in the Madisonian, a newspaper of general circulation in the County on December 13, 2018 and December 20, 2018, in the form and manner prescribed by law, and mailed a copy of said notice on 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; and

WHEREAS, the Town opened a written protest period hearing pursuant to Resolution No. 2018-13 on January 8, 2019, during which **fourteen (14)** parcel owners in the proposed District protested, representing **Five** percent (**5%**) of the proposed assessments in the proposed District; and

WHEREAS, it is in the Town's interest to provide the subject storm water Improvements as more particularly described in Resolution No. 2018-13, insofar as these Improvements will benefit the parcels located within the boundaries of the District;

THEREFORE, BE IT RESOLVED by the Town Council of the Town of Twin Bridges, Montana, (the "Town") as follows:

Section 1. **Proposed Improvements.** The Town, by approval of Resolution No. 2018-13, proposed to undertake the storm water improvements consisting of the construction and installation of storm drains inlets and grates and infiltration structures with grading and fills in

various areas of the Town to assist in controlling storm water (the “Improvements”). The total estimated costs of the Improvements are \$600,000. The Improvements are to be paid from the proceeds of the Series 2019 Bonds.

Section 2. Insufficiency of Protests and Creation of District. On January 8, 2019, the Town reviewed the written protests received by the Town Clerk pursuant to Resolution No. 2018-13. The Town duly published and mailed notice of the protest period to all property owners in the proposed District. The Council has considered the fact that **fourteen (14)** parcel owners of the **two-hundred fifty-nine (259)** total parcel owners in the proposed District filed a written protest against the creation of the District, and that was equal to **five percent (5%)** of the parcels in the proposed District to be assessed and thus **five percent (5%)** of the cost of the Improvements, since the Improvements are to be assessed on an equal amount per parcel. The Council hereby determines, pursuant to Section 7-12-4113, MCA, there have been insufficient protests to halt further proceedings on the creation of the District. This Council does hereby create and establish in the Town pursuant to Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended, Storm Water Special Improvement District No. 1 (the “District”) for the purpose of financing the costs of the Improvements and paying costs incidental thereto, including costs associated with the sale and the security of the Series 2019 Bonds and the creation and administration of the District including the creation and pledge of the Town’s Special Improvement District Revolving Fund as security for the Series 2019 Bonds.

Section 3. Number of District. The District shall be known and designated as Storm Water Special Improvement District No. 1 of the Town of Twin Bridges, Montana.

Section 4. Boundaries of District. The boundaries of the District and the parcels to be assessed are more particularly described in the Exhibit A and B to Town Resolution No. 2018-13.

Section 5. Benefitted Property. The District and parcels included within the limits and boundaries described in Section 4 will benefit by the Improvements and will be assessed for the costs of the Improvements.

Section 6. General Character of the Improvement. The Improvements consist of those described in Section 5 of Town Resolution No. 2018-13 and in Section 1 above.

Section 7. Engineer and Estimated Cost. Great West Engineering, Inc. shall be the engineer for the District. The Engineer has estimated that the cost of the Improvements, including all incidental costs, is \$600,000.

Section 8. Assessment Methods – Equal Assessments. Each parcel of land, as described in Exhibit A to Resolution No. 2018-13 by parcel ID number, Geo-code and lot/block legal description in the District, will be assessed an equal amount based upon the total cost of the Improvements as authorized in Section 7-12-4162(3)(a) MCA.

The estimated total principal assessment per parcel in the District is \$2,310. The estimated annual assessment for each parcel of land for the Improvements is \$155, payable over 20 years, which includes estimated average interest on the Bonds plus ½ of 1%, as required by Section 7-12-4189(1)(a), MCA.

As provided in Section 7-12-4162(3)(b), MCA, if an increase occurs in the number of benefited parcels within the boundaries of the District during the term of bonded indebtedness that is payable from the assessments, the Town council shall recalculate the amount assessable to each parcel. The Town council shall base the recalculation on the amount of the District's outstanding bonded indebtedness for the current fiscal year and shall spread the assessments across the district based on the number of benefited lots or parcels within the boundaries of the District as of July 1 following the action that resulted in the increase in the number of benefited lots or parcels.

Section 9. Payment of Assessments. The special assessments for costs of the Improvements paid from the Series 2019 Bonds shall be payable over a term of 20 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 Series 2019 Bonds. Property owners have the right to prepay assessments as provided by law. The annual assessment amounts shown on Exhibit A hereto are estimates, based on the assessment method described in Section 8 hereof and assuming the average interest rate on the Bonds at 2.50% plus .5% of statutorily required interest. The assessment amounts may be higher or lower than shown in Exhibit A, depending on the rate of interest on the Bonds. Property owners have the right to prepay assessments as provided by law.

Section 10. Method of Financing. The District intends to issue the Series 2019 Bonds in an estimated aggregate principal amount of \$600,000 in order to finance a portion of the costs of the Improvements. Principal of and interest on the Series 2019 Bonds will be paid from special assessments levied against the property in the District. The annual assessment amounts shown on Exhibit A hereto are estimates, based on the assessment method described in Section 8 hereof and assuming the average interest rate on the Bonds at 2.5% plus .5% of statutorily required interest. The assessment amounts may be higher or lower than shown in Exhibit A, depending on the rate of interest on the Bonds. If the construction costs of the Improvements are substantially higher than estimated, the Town Council will provide additional Notice to the parcel owners of an ability to protest before any special assessments are levied or the proposed Special Improvement District Revolving Fund is created and pledged to the payment of the Series 2019 Bonds.

Section 11. Revolving Fund. As indicated in Section 9, parts (a) through (f) of Resolution No. 2018-13, the Town Council has considered the factors described in Section 7-12-4225, MCA, necessary to pledge a yet to be created Revolving Fund to the payment of the Series 2019 Bonds. The Town Council will consider an ordinance to create a Revolving Fund pursuant to Section 7-12-4221 through 4225, MCA after a future public hearing.

PASSED AND APPROVED by the Town Council of the Town of Twin Bridges, Montana, this 8th day of January, 2019.

Mayor

Attest:

Town Clerk

The following Council members voted on this resolution as indicated:

For: Scott Holbrook, Nolan Frandsen, Joe Willauer, and Matt Greemore

Against: _____

Abstained: James Klyap