

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. 97-17190, entitled: "A RESOLUTION RELATING TO W.O. 95-15: THE 1997 ST. ANDREWS DRIVE CURB, GUTTER AND SIDEWALK PROGRAM; DECLARING IT TO BE THE INTENTION OF THE CITY COUNCIL TO ORDER IN THE PROGRAM FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SIDEWALK, CURB AND GUTTER IMPROVEMENT 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 January 27, 1997, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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: Regnier, Davis, Farmer, Creighton, Michunovich, Stone, Larson, Deisz, Ohnstad; abstained from voting thereon: none; or were absent: Elison

WITNESS my hand officially this 27th day of January, 1997.

Marita Herold
Marita Herold, CMC CITY CLERK

RESOLUTION NO. 97- 17190

A RESOLUTION RELATING TO W.O. 95-15: THE 1997 ST. ANDREWS DRIVE CURB, GUTTER AND SIDEWALK PROGRAM; DECLARING IT TO BE THE INTENTION OF THE CITY COUNCIL TO ORDER IN THE PROGRAM FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SIDEWALK, CURB AND GUTTER IMPROVEMENT BONDS SECURED BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND.

WHEREAS, the City is granted the power pursuant to M.C.A. 7-14-4109 to order certain improvements without creation of a special improvement district and certain sections of curb and gutter, sidewalks, drive approaches, alley approaches and/or appurtenant features have deteriorated, settled and cracked, or none exist, or some of the foregoing do not exist; and

WHEREAS, the safety and convenience of the public require installation, construction, reconstruction, repair or replacement of curbs and gutters, sidewalks, drive approaches, alley approaches, and/or appurtenant features or combinations thereof; and

WHEREAS, said improvements should be ordered as provided by law.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA, AS FOLLOWS:

1. INTENTION TO ORDER IN. It is the intention of the Council to order the installation, construction, reconstruction, or replacements of certain curbs, gutters, sidewalks, drive approaches, alley approaches and appurtenant improvements in certain locations, which improvements and locations are more fully described in Exhibits "A" and "B" attached hereto.

2. AFFECTED PROPERTIES. All properties which will be required to pay any portion of the costs of the improvements identified herein are listed and the owners of those properties are identified on Exhibit "B" attached hereto.

3. ESTIMATED COSTS. The estimated assessed costs of the proposed improvements, including construction costs, incidental expenses, engineering fees, legal fees, administrative fees and bond issuance costs, but exclusive of interest charges, will be **\$443,000.00** as described below:

Construction Costs

(w/contingencies)	\$368,495.45
Engineering & Administration	36,849.55
Bond Costs	<u>37,655.00</u>
TOTAL ASSESSED COSTS	\$443,000.00

Estimated unit costs for construction only, not including engineering, legal, administrative and bond costs, are as follows:

New Construction:

New Sidewalk	\$ 3.45/sq. ft.
New Curb & Gutter	13.25/lin. ft.
New Drive Approach	4.90/sq. ft.
Street Reconstruction	19.20/sq. yard

The actual cost to be assessed against any benefitted property will be determined by the actual amount of work done adjacent to the property plus a proportionate share of the costs of any alley approaches for the block within which the property is located.

4. ASSESSMENT OF COSTS. All costs of constructing the curbs, gutters, sidewalks, and drive approaches, including engineering, administrative and bond costs, will be assessed against the properties which are adjacent to the improvements installed. In addition, if alley approaches are constructed or reconstructed within a block, each property within that block will be assessed for a portion of the costs based on a ratio determined by the area of each parcel and the total area of all properties served by the alley. As shown on Exhibit "B", assessments will be levied against **45** separate lots, parcels, or tracts.

The costs for each property will vary depending upon the actual construction that is required adjacent to each property. The estimated costs, for construction only, for a typical 75 foot lot requiring construction for all curb and gutter, sidewalk, appurtenant structures and alley approaches, are \$6,000.00. The average total assessment, including engineering, administrative, and bond costs is estimated to be \$9,200.00, with a high of \$23,638.34, a low of \$1,065.46 and a median of \$8,015.00.

5. PERIOD OF ASSESSMENTS. The assessments for all improvements and costs shall be paid in not more than twelve (12) annual

installments, plus interest, provided however, that payment of one-half of each annual installment, plus interest, may be deferred to May 31 of the year following the assessment.

6. PROPERTY OWNER OPTION TO CONSTRUCT IMPROVEMENTS. In the event that the City Council orders in the above described improvements following the public hearing, then the owners of all properties to be assessed for the costs of said improvements will be notified of such action in writing. Said owners will have thirty (30) days from the date of said notice in which to install the required improvements at their own expense. In the event the owners do not install these improvements, the City will do so and will assess the costs against the benefitted properties as described herein.

7. METHOD OF FINANCING; PLEDGE OF REVOLVING FUND; FINDINGS AND DETERMINATIONS. The City will issue **Sidewalk, Curb, and Gutter Improvement Bonds** in an aggregate principal amount not to exceed **\$443,000** 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 property in the Project. This Council further finds it is in the public interest, and in the best interest of the City and the Project, 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 to 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 total market value of the lots, parcels, or tracts in the Project, as of the date of adoption of this resolution, as estimated by the County Assessor, is \$3,947,935.00. The average market value is \$89,725.00, with a high of \$370,800.00, a low of \$11,393.00, and a median value of \$82,700.00. The special assessments to be levied against each lot, parcel, or tract is less than the increase in the estimated market value of the properties as a result of the construction of the improvements.

(b) Diversity of Property Ownership. For the 45 total lots, parcels, or tracts in the Project, there are 44 separate owners.

One owner, Lake Hills Golf Course owns two (2) parcels; all other parcels are under separate individual ownership.

Given the diversity of ownership, it is unlikely that financial difficulties would arise that would require a loan to be made from the Revolving Fund.

(c) Comparison of Special Assessments, Property Taxes and Market Value. Currently, there are four (4) different SIDs being levied against various parcels in the Project area. These would be:

SID#	PAYOFF DATE	# OF AFFECTED PARCELS	TOTAL PAYOFF AMOUNT	AVG PAYOFF PER PARCEL
1245	1999	15	\$ 908.45	\$ 60.56
1259	2000	16	\$3,187.43	\$ 199.21
1281	2002	18	\$28,371.99	\$1,576.22
9502	2006	1	\$8,708.77	\$8,708.74

Eighteen (18) separate parcels within the Project carry one or more assessments from the four (4) SIDs. The total amount of principal levied against these parcels in \$41,176.61, with an average payoff of \$2,288.00, a high of \$10,059.78, and a low of \$1,351.04.

As noted in Section 4, the estimated average assessment levied by this Project will be \$9,200.00. For the eighteen (18) lots carrying existing SIDs, the average assessment will be approximately \$9,048.00. With an average market value of \$89,725.00, and an average yearly principal payment of \$754 (monthly principal of \$62.80), the amount of assessment versus the value of the property would appear acceptable. As such, no unusual need for loans from the Revolving Fund would be expected.

(d) Delinquencies. For tax years 1991 through 1995, only two parcels were delinquent. These occurred in tax years 1992 and 1995 and represent total delinquent SID payments of \$989.20 and total delinquent general City tax payments of \$1,084.88. This represents only 4.4% of the total parcels being delinquent during this period. With an average City collection rate of 95% (5% delinquent), a 95.6% collection rate within the project area is clearly acceptable.

Therefore, given the delinquency history of this Project area, no unusual need for loans from the Revolving Fund would be expected.

(e) The Public Benefit of the Improvements. The subject section of St. Andrews Drive is defined as a collector street in the City's Transportation Plan. Under City policy, the cost of the installation of new curb, gutter, sidewalk, driveway approaches and alley approaches on collector streets is to be borne by the adjoining property owners.

8. PUBLIC HEARING. On Monday, **February 24, 1997**, at 7:30 o'clock p.m., in the Council Chambers located on the Second Floor of the Police Facility, 220 North 27th Street, Billings, MT, the City Council will conduct a public hearing concerning this project and all interested parties will be allowed to testify. The City Council will also consider all written comments submitted to the City Clerk prior to the hearing or submitted to the Council during the hearing.

9. 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 **January 30** and **February 6, 1997**, 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 by the City Council and APPROVED this **27th day of January, 1997.**

CITY OF BILLINGS:

BY: Charles F. Tooley
Charles F. Tooley, MAYOR

ATTEST:

RES. NO. 97- 17190

Marita Herold
Marita Herold, CMC CITY CLERK

RE: 1997 St Andrews Drive Curb, Gutter & Sidewalk Program
W.O. 95-15