

DAWSON COUNTY RESOLUTION NO. 2019-21

A RESOLUTION OF DAWSON COUNTY, MONTANA, DECLARING IT TO BE THE INTENTION OF THE COUNTY TO LEVY SPECIAL ASSESSMENTS TO REPAY A SPECIAL ASSESSMENT BOND TO BE ISSUED FOR THE PURPOSE OF REFINANCING DNRC LOAN NUMBER SRF-18-414 WHICH PROVIDED FOR THE PAYMENT OF A PORTION OF THE DESIGN AND CONSTRUCTION COSTS FOR WASTEWATER IMPROVEMENTS INCLUDING COLLECTION PIPES, A LIFT STATION, AND RELATED WASTEWATER COLLECTION INFRASTRUCTURE, AND PROVIDING FOR MAINTENANCE OF SUCH IMPROVEMENTS, FINANCING THE COSTS THEREOF AND INCIDENTAL COSTS AND CALLING FOR PUBLICATION OF NOTICE OF PASSAGE OF THIS RESOLUTION AND ESTABLISHING A PROTEST PERIOD AND SETTING A PUBLIC HEARING

WHEREAS, The Board of County Commissioners of Dawson County, Montana (the "County") on August 6, 2019 passed Resolution No. 2019-20 creating Rural Special Improvement and Maintenance District No. 48 (the "District") pursuant to Title 7, Chapter 12, Part 21 for the purposes of refinancing of Montana Department of Natural Resources and Conservation State Revolving Fund Loan Number SRF-18-414 (the "DNRC Loan"), which provided for the construction of certain wastewater infrastructure improvements including collection and service lines, a lift station, and related wastewater collection and transportation infrastructure including in the area previously identified as the West Glendive Metropolitan Sanitary Sewer District which connects to the City of Glendive's (the "City") wastewater system (the "Improvements"), to benefit those properties identified and listed on Exhibit A of Resolution No. 2019-17 and to finance a deposit to a reserve account for the District and pay the costs of issuance via a Series 2019 Rural Special Improvement District Bond payable over a term of 18 years at two and one half percent (2.5%) from special assessments to be levied against property in the District, which properties are specially benefited by the Improvements, in an amount estimated to be \$1,963,000 (the "Series 2019 Bond"); and

WHEREAS, Resolution No. 2019-20 created within the District a maintenance district for the purpose of funding future maintenance of the Improvements and related collection lines; and

WHEREAS, The total estimated principal assessment for refinancing the Improvements per parcel is \$1,986.85, and the estimated annual improvement assessment per parcel is \$144; and

WHEREAS, The first semi-annual maintenance assessment (beginning in November 2019) is estimated to be \$67 per parcel; and

WHEREAS, The District will make semi-annual payments on the Series 2019 Bond, with the first such payment being due January 1, 2019; and

WHEREAS, the Board has determined that all of the property in the District has been benefitted by the Improvements and will be benefitted by the maintenance of the Improvements and related collection lines in the District boundaries (the “Wastewater Collection Facilities”), and that it is fair and reasonable that each parcel or lot in the District be assessed special assessments to pay an equal portion of the costs of refinancing the DNRC Loans and maintaining the Wastewater Collection Facilities; and

WHEREAS, the Board has determined that it is in the best interest of the District that the Series 2019 Bond be issued to refinance the DNRC Loan, which bond will have a term of up to 18 years and will be payable from special assessments to be levied annually against each lot or parcel in the District in an equal amount pursuant to Section 7-12-2158 through 2160 and Section 7-12-2151(d), M.C.A. (the “Improvement Special Assessment”); and

WHEREAS, the Board has determined it is in the best interest of the District to levy an annual maintenance assessment pursuant to Section 7-12-2161, M.C.A. (the “Maintenance Special Assessment”) which will be assessed in addition to the Improvement Special Assessment, and which will typically be used for inspection and maintenance necessary to extend the useful life of the Improvements and to keep the system compliant with Montana Department of Environmental Quality permits and requirements.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Dawson County, Montana, as follows:

Section 1. Intention to Levy Rural Special Improvement and Maintenance District No. 48 Special Assessments. The County intends to establish and levy the Improvement Special Assessment against the benefited properties shown on Exhibit A of Resolution 2019-17 for the purpose of financing \$1,963,000 of the costs of refinancing the DNRC Loan, payable over 18 years with interest at a rate of two and one-half percent (2.5%) per annum plus one-half of one percent as required by Section 7-12-2176(a), MCA. The Improvement Special Assessment, when collected, will be used to pay the principal of and interest on, the Series 2019 Bond. The County also intends to establish and levy the Maintenance Special Assessment pursuant to Section 7-12-2161, MCA, for the purpose of financing future maintenance of the Improvements and related collection lines.

Section 2. Description of Benefited and Assessed Property. The boundaries of the properties to be included in the District are shown on Exhibit A to resolution 2019-17 and is also attached hereto. A preliminary listing of each parcel or lot of the properties in the District and the owners thereof benefited by the Improvements, related collection lines, and maintenance thereof was shown on Exhibit B to resolution 2019-17, and an updated final version is attached hereto as Exhibit B.

Section 3. Description of the District’s Wastewater Collection Facilities. The District (through the County) currently owns Wastewater Collections Facilities connected to the City’s Wastewater Treatment Plant. The District’s Wastewater Collection Facilities consist of the Improvements financed by the DNRC Loan and related collection lines which currently serves properties in the District by handling the collection and transfer of wastewater to the City’s wastewater treatment system.

Section 4: Assessment Methods. All properties in the District benefit from the Improvements being refinanced by the Series 2019 Bond and will be assessed an equal amount per parcel for their proportionate share of the Series 2019 Bond repayment based on the benefits received from the Improvements as authorized in Section 7-12-2151 (l)(d) MCA, plus one-half of one percent interest added to the bond interest rate of 2.5%, as required by Section 7-12-2176(a), MCA. The Commission determines that the assessments are equitable and do not exceed the special benefits received from the Improvements. The total estimated principal assessment for refinancing the DNRC Loan per parcel is \$1,986.85. The estimated annual Improvement Special Assessment per parcel is \$144. If an increase occurs in the number of benefitted lots, the Board will recalculate the amount assessable to each lot as provided in Section 7-12-2151(4), MCA.

Maintenance of the Improvements and related collection lines will be subsequently provided by Dawson County and will be funded through the Maintenance Special Assessment in addition to the Improvement Special Assessment. The Maintenance Special Assessments will typically be used for inspection and maintenance necessary to extend the useful life of the Wastewater Collection Facilities and to keep the system compliant with Montana Department of Environmental Quality permits and requirements. The first semi-annual Maintenance Special Assessment (due in November 2019) is estimated to be \$67 per parcel. The annual Maintenance Special Assessment is estimated to increase an average of 3% per year to account for inflation in maintenance costs. The Maintenance Special Assessment will be based on the estimated annual maintenance requirements divided by the total number of benefitted lots in the District. The board may change by resolution, not more than once a year, the boundaries of the maintenance district. This Board finds the assessment method is equitable and in proportion to and not exceeding the benefit derived from the Wastewater Collection Facilities for each lot or parcel to be assessed.

Section 6. Payment of Assessments/Date of Delinquency. The Improvement Special Assessment shall pay for the principal and interest due on the Series 2019 Bond which shall be payable over a term not exceeding eighteen (18) years at two and one-half percent interest (2.5%), each in equal semiannual payments of principal and interest, as the County Commission shall prescribe in the resolution authorizing the issuance of the Series 2019 Bond. Property owners have the right to prepay assessments as provided by law. The semi-annual assessment payments are due November 30th and May 31st, with the first payment due November 30, 2019, and if not paid on such dates will then be delinquent. The estimated annual improvement assessment per parcel is \$144.

The first semi-annual maintenance assessment is estimated to be \$67 per parcel. The semi-annual maintenance assessment payments are due November 30th and May 31st, with the first payment due November 30, 2019, and if not paid on such dates will then be delinquent.

Section 7. Method of Financing. The County intends to issue the Series 2019 Bond to refinance the DNRC Loan, which originally financed the Improvements. Principal of and interest on the Bonds is intended to be paid from the Improvement Special Assessment levied against the properties in the District. The County intends to sell the Series 2019 Bond to DNRC and utilize the Bond proceeds to pay in full the outstanding principal and interest owing on the DNRC Loan, provide a reserve of one-half year debt service as required by DNRC's SRF

program, pay costs of issuance of the Bond, and acquire the wastewater infrastructure previously located in the area identified as the West Glendive Metropolitan Sanitary Sewer District.

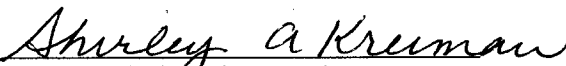
Section 8. Public Hearing; Protests. Any owner of real property within the District may make and file with the Dawson County Clerk & Recorder at 207 West Bell Street, Glendive, MT 59330 until 5:00 p.m., M.T., on August 26, 2019, a written protest against the proposed levy of the District's proposed Improvement and/or Maintenance Special Assessments, and this Commission will, at a meeting at the Dawson County Courthouse Community Room, Glendive, Montana on August 26, 2019 at 5:30 PM, proceed to hear all such written protests so made and filed as well as any protest made verbally at the meeting in accordance with the rules of procedure governing the hearing. The written protest should identify the property in the District owned by the protestor and be signed by an owner of the property.

Section 10. Notice of Passage of Resolution of Intention. The County Clerk and Recorder is hereby authorized and directed to sign and publish or cause to be published a copy of a notice of the passage of this resolution in the Glendive Ranger-Review, a newspaper of general circulation in the County on August 11, 2019 and August 18, 2019, in the form and manner prescribed by law, and to mail or cause to be mailed a copy of said notice to the owner of each lot, tract, or parcel of land to be assessed as listed in Exhibit B (the mailing address to be determined from the last-completed assessment roll for state, county, and school district taxes) and to such other persons known to the clerk to have an ownership interest in the property, at least 10 days before the hearing. The County Clerk and Recorder is directed to keep a copy of this Resolution for inspection by property owners in the District at 207 West Bell Street, Glendive, MT 59330.

PASSED AND ADOPTED by the Board of County Commissioners of Dawson County, Montana, this 6th day of August, 2019.


Chairman

Attest:


County Clerk and Recorder

