


CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Big Sky County Water and Sewer District No. 363, Montana (the "District"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION NO. 21-02 RELATING TO SALE OF SEWER SYSTEM REVENUE BOND (RESORT TAX REVENUE SUPPORTED), SERIES 2021A; AUTHORIZING THE NEGOTIATION AND EXECUTION OF A BOND PURCHASE AGREEMENT WITH FIRST SECURITY BANK, DIVISION OF GLACIER BANK" (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 20, 2021, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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: President Tom Reeves, Vice-President Brian Wheeler, and Directors Dick Fast, Mike DuCuennois, Peter Manka, William Shropshire and Mike Wilcynski; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand and seal officially this 20th day of April, 2021.


Richard Fast, Secretary

RESOLUTION NO 21-02 RELATING TO SALE OF SEWER
SYSTEM REVENUE BOND (RESORT TAX REVENUE
SUPPORTED), SERIES 2021A; AUTHORIZING THE
NEGOTIATION AND EXECUTION OF A BOND PURCHASE
AGREEMENT WITH FIRST SECURITY BANK, DIVISION OF
GLACIER BANK

BE IT RESOLVED by the Board of Directors (the "Board") of Big Sky County Water and Sewer District No. 363, Montana (the "District"), as follows:

Section 1. Authorization; Recitals. Pursuant to Title 7, Chapter 13, Parts 22 and 23, Montana Code Annotated (the "Act"), the Board is authorized to sell and issue bonds payable from all or a portion of the revenue of the District to finance the acquisition, construction, improvement, or extension of any facilities of the District benefiting all or any portion of the District, to fund a debt service reserve account for the security of the bonds, to pay interest on the bonds during the estimated period of construction or improvement of facilities, and to pay costs of issuing the bonds. Such bonds may be authorized by a resolution adopted by the Board without authorization through an election; however, the repayment of bonds authorized in this manner may not be secured by a deficiency tax levy for the repayment of such bonds if the revenue of the District is inadequate to pay principal of and interest on the bonds.

The District has determined that it is necessary and in the best interest of the District to undertake certain improvements to its wastewater system (the "System"), including upgrading the District's water resource recovery facility using membrane bioreactor technology and related improvements (the "WRRF Project"). Costs of the WRRF Project are expected to be approximately \$52,000,000.

In addition, the District and Big Sky Resort Area District, Montana (the "Resort District") have negotiated a First Amended and Restated Interlocal Agreement (the "Interlocal Agreement"), pursuant to which the Resort District agreed, among other things, to apply collections resulting from the imposition of an additional 1% resort tax for infrastructure to pay up to 60% of the total costs of the WRRF Project, up to a maximum of \$27 million, all in accordance with the terms and conditions of the Interlocal Agreement. The electors of the Resort District approved the imposition of the additional 1% resort tax at an election in June 2020. The District and the Resort District are expected to execute the Interlocal Agreement within the next week, and execution of the Interlocal Agreement is a condition precedent to the sale and issuance of the Bond and of entering into the Bond Purchase Agreement (as hereinafter defined).

By a resolution adopted by the Board on February 16, 2021, the Board determined to proceed to negotiate with First Security Bank, Division of Glacier Bank (the "Bank"), or related entity, the sale and issuance of revenue bonds of the District payable from and secured by net operating revenues of the District and revenues derived from the payments by the Resort District of resort tax revenues under the Interlocal Agreement (the "Bond"). Proceeds of the Bond are expected to be used to pay a portion of the costs of the WRRF Project, fund a debt service reserve account for the Bond, and to pay costs of issuance of the Bond.

The District has received a term sheet from Bank dated April 9, 2021 (the "Term Sheet") setting forth certain terms and conditions pursuant to which the Bank would purchase the Bond. The Board has determined that the terms set forth in the Term Sheet are advantageous and in the best interest of the District and has approved the Term Sheet.

Section 2. Sale of Bond; Bond Purchase Agreement. Pursuant to Section 7-13-2333 of the Act, this Board hereby determines that it is in the best interests of the District to sell the Bond through a negotiated sale to the Bank, on the terms and conditions set forth in the Term Sheet.

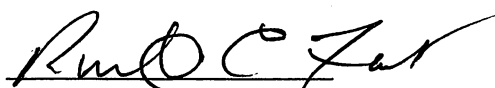
Following and conditioned on the execution by the District and the Resort District of the Interlocal Agreement, the President of the Board, the General Manager, the Financial Officer, and one Board member designated by the Board are hereby authorized and directed to negotiate, approve, execute and deliver to the Bank a bond purchase agreement (the "Bond Purchase Agreement"), containing the agreement of the District to sell, and the agreement of the Bank to purchase, the Bond on the terms set forth in the Term Sheet, and containing such other provisions as such officers shall deem necessary and appropriate. In the event of the absence or disability of any of the President of the Board, the General Manager, the Financial Officer, or the designated Board member, another member of this Board shall make such approvals and execute and deliver the Bond Purchase Agreement. The execution and delivery by not less than two appropriate officers of the District of the Bond Purchase Agreement shall be conclusive as to the approval of such officers of the terms of the Bond and the agreement of the District to sell the Bond on such terms in accordance with the provisions thereof.

The form of the Bond and the security therefor shall be prescribed by a subsequent resolution to be adopted by this Board.

Adopted this 20th day of April, 2021.



President of the Board of Directors

Attest: 

Secretary