

RESOLUTION NO. 2022-81

RESOLUTION RELATING TO \$3,000,000 OPEN SPACE  
GENERAL OBLIGATION BONDS, SERIES 2022;  
DETERMINING THE FORM AND DETAILS, AUTHORIZING  
THE EXECUTION AND DELIVERY AND LEVYING TAXES  
FOR THE PAYMENT THEREOF

BE IT RESOLVED by the Board of County Commissioners (the "Board") of Lewis and Clark County, Montana (the "County"), as follows:

Section 1. Authorization and Sale; Recitals.

1.01. Authorization and Sale. At an election duly called and held November 4, 2008, the electors of the County authorized this Board to issue and sell up to \$10,000,000 in principal amount of general obligation bonds of the County in one or more series for the purpose of preserving open space lands in Lewis and Clark County, including working lands and land for protecting water and wildlife, by providing funds to acquire conservation easements or other property interests from willing sellers, for any one or more of the following reasons: protecting drinking water sources and ground water quality; protecting water quality in and along rivers and streams; conserving working farm, ranch and forest lands; protecting wildlife areas; preserving open lands and natural areas; providing for recreation; and managing growth and development (the "Open Space Program") and paying costs associated with the sale and issuance of the bonds.

The County has determined that it is in its best interests to proceed at this time with the issuance of \$3,000,000 aggregate principal amount of bonds (the "Bonds"). The County previously issued bonds in 2010 and in 2017 in the total principal amounts of \$3,000,000 and \$4,000,000, respectively, to finance a portion of the eligible costs of open space projects and pay costs of issuing such bonds. The then outstanding Series 2010 Bonds were subsequently refunded by the County's Open Space General Obligation Refunding Bonds, Series 2020. The Bonds are the final series of bonds to be issued under the election authority.

Pursuant to such authorization, Section 7-7-2254, Montana Code Annotated, and a resolution adopted June 23, 2022 (the "Initial Authorizing Resolution"), this Board determined that it is in the best interests of the County to sell the Bonds through a negotiated sale (i.e., private sale) to D.A. Davidson & Co., of Great Falls, Montana (the "Purchaser"). The County and the Purchaser have entered into a Bond Purchase Agreement, dated August 16, 2022, relating to the sale of the Bonds, the Bonds to bear interest, mature and contain the further terms and conditions set forth in Section 2 of this resolution. To the extent any terms of the Bonds as prescribed herein and in the Bond Purchase Agreement conflict, the provisions of this resolution shall govern.

1.02. Recitals. All acts, conditions and things required by the Constitution and laws of the State of Montana, including Montana Code Annotated, Title 76, Chapter 6, Part 1, as amended, and Montana Code Annotated, Title 7, Chapter 7, Part 22, as amended (collectively, the "Act"), in order to make the Bonds valid and binding general obligations in accordance with



their terms and in accordance with the terms of this resolution have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

The indebtedness to be evidenced by the Bonds, together with all other general obligation indebtedness of the County outstanding as of the date of issuance of the Bonds, will not exceed 2.50% of the total assessed valuation of taxable property of the County, determined as provided in Section 15-8-111, M.C.A., ascertained by the last assessment for state and county taxes.

Section 2. Bond Terms, Execution and Delivery.

2.01. Term of Bonds. The Bonds shall be designated “Open Space General Obligation Bonds, Series 2022” and shall be issued in the denominations of \$5,000 each or any integral multiple thereof of single maturities. The Bonds shall mature on July 1 in the years and amounts listed below, and Bonds maturing in such years and amounts shall bear interest from date of original issue until paid or duly called for redemption at the rates shown opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2023	\$220,000	4.000%	2029	\$250,000	4.000%
2024	205,000	4.000	2030	260,000	4.000
2025	215,000	4.000	2031	270,000	4.000
2026	225,000	4.000	2032	285,000	4.000
2027	230,000	4.000	2033	295,000	4.000
2028	240,000	4.000	2034	305,000	4.000

Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

2.02. Registered Form, Interest Payment Dates. The Bonds shall be issuable only in fully registered form, and the ownership of the Bonds shall be transferred only upon the bond register of the County hereinafter described. The interest on the Bonds shall be payable on January 1 and July 1 in each year, commencing January 1, 2023. Interest on the Bonds shall be payable to the owners of record thereof as such appear on the bond register as of the close of business on the fifteenth day of the month immediately preceding each interest payment date, whether or not such day is a business day. Interest on, and upon presentation and surrender thereof, the principal of each Bond, and, upon presentation and surrender thereof, shall be payable by check or draft issued by the Registrar described herein.

2.03. Dated Date. Each Bond shall be originally dated as of August 31, 2022, and upon authentication of any Bond the Registrar (as hereinafter defined) shall indicate thereon the date of such authentication.

2.04. Registration. The County shall appoint, and shall maintain, a bond registrar, transfer agent and paying agent (the “Registrar”). The effect of registration and the rights and duties of the County and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender to the Registrar for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as the case may be, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bond is surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount, interest rate and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the County.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The County and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the County upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond lost, stolen or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond lost, stolen or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Bond was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form,

substance and amount satisfactory to it, in which both the County and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the County. If the mutilated, lost, stolen or destroyed Bond has already matured or such Bond has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Bond prior to payment.

2.05. Appointment of Initial Registrar. The County hereby appoints U.S. Bank Trust Company, National Association, of Salt Lake City, Utah, as initial Registrar. The County reserves the right to appoint a successor Registrar, as authorized by the Model Public Obligations Registration Act of Montana, Title 17, Chapter 5, Part 11, M.C.A., as amended, but the County agrees to pay the reasonable and customary charges of the Registrar for the services performed.

2.06. Optional Redemption. Bonds with stated maturities in the years 2023 through 2028 shall not be subject to redemption prior to maturity, but Bonds maturing in the years 2029 and thereafter shall each be subject to redemption at the option of the County, in whole or in part, and if in part from such stated maturities and in such principal amounts as the County may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner as directed by the County), on July 1, 2028 and any date thereafter, at a price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date, without premium. The date of redemption and the principal amount of the Bonds shall be fixed by the County Clerk and Recorder/Treasurer who shall give notice thereof to the Registrar at least forty-five days prior to the date of redemption. At least thirty days prior to the redemption date, the Registrar shall cause notice of redemption to be provided, by first class mail, or by other means required by the securities depository, to the registered owners of each Bond to be redeemed at their addresses as they appear on the bond register described in Section 2.04, but no defect in or failure to give such mailed notice shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. The notice of redemption shall specify the redemption date, redemption price, the numbers, interest rates and CUSIP numbers of the Bonds to be redeemed and the place at which the Bonds are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest.

In addition to the notice prescribed by the preceding paragraph, not less than 30 days prior to the redemption date, the Registrar shall also give, or cause to be given, notice of the redemption of any Bond or Bonds or portions thereof by first class mail or electronic delivery to all registered securities depositories then in the business of holding substantial amounts of obligations of the character of the Bonds (such depository now being The Depository Trust Company, of New York, New York) and to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system website or any successor national information services that disseminate information regarding municipal bond redemptions; provided that any defect in or any failure to give any notice of redemption prescribed by this paragraph shall not affect the validity of the proceedings for the redemption of any Bond or portion thereof.



2.07. Form. The Bonds shall be drawn in substantially the form set forth in Exhibit A hereto, and by this reference made a part hereof, with such modifications as may be necessary or desirable in accordance with State law and this Resolution.

2.08. Execution and Delivery. The Bonds shall be forthwith prepared for execution under the direction of the County Clerk and Recorder/Treasurer, and shall be executed on behalf of the County by the signatures of the Chairman of the Board of County Commissioners and the County Clerk and Recorder/Treasurer; provided that said signatures and the seal may be printed, engraved or lithographed facsimiles thereof. The seal of the County need not be impressed or imprinted on any Bond. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery thereof, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. When the Bonds have been so executed by said County officers, they shall be registered by the County Clerk and Recorder/Treasurer in accordance with Section 7-7-2257, M.C.A. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless and until a certificate of authentication on such Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been fully executed and authenticated, they shall be delivered by the Registrar to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.09. Securities Depository for the Bonds.

(a) For purposes of this Section 2.09, the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Blanket Issuer Letter of Representations from the County to DTC.

(b) The Bonds shall be initially issued as separately authenticated fully registered Bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the Bond register in the name

of Cede & Co., as nominee of DTC. The Registrar and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other Person which is not shown on the Bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No Person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the County determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of Bond certificates, the County may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The Representation Letter sets forth certain matters with respect to, among other things, notices, consents and approvals by registered owners of the Bonds and Beneficial Owners and payments on the Bonds. The Registrar shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this resolution.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions

of this Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of Bond certificates and the method of payment of principal of and interest on such Bonds in the form of Bond certificates.

Section 3. Security Provisions.

3.01. Program Fund; Use of Proceeds. There is hereby created a special account designated as the "Open Space Bond Program Fund" (the "Program Fund"), to be held by the County Clerk and Recorder/Treasurer of the County separate and apart from all other funds of the County. The County will appropriate to the Program Fund all of the proceeds of the sale of the Bonds, except those to be used to pay underwriter's discount. The Program Fund shall be used solely to defray eligible costs and expenses of the Open Space Program, as determined by the Board of County Commissioners, and to pay costs of issuance associated with the sale and issuance of the Bonds. Interest earned on the investment of funds in the Program Fund shall be retained in the Program Fund and used for Open Space Program costs. Upon completion and payment of all costs of the Open Space Program and costs of issuing the Bonds, any remaining proceeds of Bonds in the Program Fund shall be credited and paid to the Debt Service Fund.

3.02. Debt Service Fund. So long as any of the Bonds are outstanding and any principal thereof or interest thereon unpaid, the County Clerk and Recorder/Treasurer shall maintain a separate and special Open Space Bond Debt Service Fund (the "Debt Service Fund") to be used for no purpose other than the payment of the principal of and interest on the Bonds. The County irrevocably appropriates to the Debt Service Fund: (a) all funds to be credited and paid thereto in accordance with the provisions of Section 3.01, (b) any taxes levied in accordance with this resolution, (c) all income derived from the investment of amounts on hand in the Debt Service Fund, and (d) such other money as shall be received and appropriated to the Debt Service Fund from time to time.

Section 4. Tax Levies. The full faith and credit and taxing powers of the County shall be and are hereby irrevocably pledged to the payment of the Bonds and interest due thereon, and the County shall cause taxes to be levied annually on all taxable property in the County other than certain excluded property, without limitation as to rate or amount, sufficient to pay the interest on the Bonds when it falls due and to pay and discharge the principal at maturity of each and all of the Bonds as they respectively become due; however, certain agricultural and forest land and improvements thereon located in the County will not be subject to the tax levy to pay debt service on the Bonds. Taxable property in the County excluded from property tax levies to pay the Bonds is as follows:

- (a) agricultural land eligible for valuation, assessments, and taxation as agricultural land under Section 15-7-202, M.C.A.;
- (b) forest land as defined in Section 15-44-102, M.C.A.;
- (c) all agricultural improvements on agricultural land referred to in (a);
- (d) all noncommercial improvements on forest land referred to in (b); and

- (e) agricultural implements and equipment described in Section 15-6-138(1)(a), M.C.A.

Section 5. Arbitrage and Certification of Proceedings.

5.01. Certification. The Chair of the Board of County Commissioners, the Chief Financial Officer and the County Clerk and Recorder/Treasurer, being among the officers of the County charged with the responsibility for issuing the Bonds, are authorized and directed to execute and deliver to the Purchaser a certification in accordance with the provisions of Section 148 of the Code, and the Treasury Regulations, Section 1.148-2(b), stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and applicable Treasury Regulations. The certification shall further state that to the best of the knowledge and belief of the certifying officers no other facts, estimates or circumstances exist which would materially change this expectation.

5.02. Covenant. The County covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action that would cause the interest on the Bonds to become subject to taxation under the provisions of the Code and the Treasury Regulations applicable thereunder, and covenants and agrees that it will take or cause its officers, employees or agents to take any action within its or their powers to prevent the interest on the Bonds from becoming includable in gross income for purposes of federal income taxation under the Code and applicable Treasury Regulations.

5.03. Arbitrage Rebate Exemption.

(a) The County hereby represents that the Bonds qualify for the exception for small governmental units to the arbitrage rebate provisions contained in Section 148(f) of the Code. Specifically, the County represents:

(1) Substantially all (not less than 95%) of the proceeds of the Bonds (except for amounts to be applied to the payment of costs of issuance or representing accrued interest) will be used for local governmental activities of the County.

(2) The aggregate face amount of all “tax-exempt bonds” (including warrants, contracts, leases and other indebtedness, but excluding private activity bonds and current refunding bonds) issued by or on behalf of the County and all subordinate entities thereof during 2022 is not reasonably expected to exceed \$5,000,000. To date in 2022, the County has issued no such tax-exempt bonds, and in the calendar years 2017 through 2021, the County issued no such tax-exempt bonds, except its Open Space General Obligation Refunding Bonds, Series 2020.

(b) If notwithstanding the provisions of paragraph (a) of this Section 5.03, the arbitrage rebate provisions of Section 148(f) of the Code apply to the Bonds, the County hereby covenants and agrees to make the determinations, retain records and rebate to the United States the amounts at the times and in the manner required by said Section 148(f).



5.04. Designation as Qualified Tax-Exempt Obligations. Pursuant to Section 265(b)(3)(B) of the Code, the County hereby designates the Bonds as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code. The County has not designated any bonds in 2022 under Section 265(b)(3) other than the Bonds and a series of qualified 501(c)(3) bonds. The County hereby represents that it does not anticipate that the County and all “subordinate entities” of the County will issue in 2022 obligations bearing interest exempt from federal income taxation under Section 103 of the Code (including “qualified 501(c)(3) bonds” but excluding other “private activity bonds,” as defined in Sections 141(a) and 145(a) of the Code) in an amount greater than \$10,000,000.

5.05. Information Reporting. The County shall file with the Secretary of the Treasury, not later than November 15, 2022, a statement concerning the Bonds containing the information required by Section 149(e) of the Code.

Section 6. Defeasance.

6.01. General. When the liability of the County on all Bonds issued under and secured by this Resolution and all interest thereon has been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the Holders of such Bonds shall cease.

6.02. Maturity. The County may discharge its liability with reference to all Bonds and interest thereon which are due on any date by depositing with the Registrar for such Bonds on or before the date a sum sufficient for the payment thereof in full; or if any Bond or interest thereon shall not be paid when due, the County may nevertheless discharge its liability with reference thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

6.03. Redemption. The County may also discharge its liability with reference to any prepayable Bonds which are called for redemption on any date in accordance with their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due thereon, provided that notice of such redemption has been duly given as provided in this Resolution.

6.04. Escrow. The County may also at any time discharge its liability in its entirety with reference to any Bonds subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities that are general obligations of the United States or securities of United States agencies that are authorized by law to be so deposited or an allowable government money market fund, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without reinvestment, to provide funds sufficient to pay all principal, interest and redemption premiums, if any, to become due on such Bonds at their stated maturities or, if such Bonds are prepayable and notice of redemption thereof has been given or irrevocably provided for, to such earlier redemption date.

Section 8. Continuing Disclosure. The Board hereby approves the Continuing Disclosure Undertaking of the County substantially in the form of the attached Exhibit B and

authorizes the Chair of the Board and the County Finance Director, or in the absence of either of them or in the event of their inability to sign, their designees, to execute and deliver on behalf of the County contemporaneously with the issuance of the Bonds the Continuing Disclosure Undertaking, with such changes as may be necessary or appropriate. The signatures of any two authorized officials of the County are adequate to cause the Continuing Disclosure Undertaking to be binding and enforceable on the County.

Section 9. Certification of Proceedings. The officers of the County are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the County, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the County as to the facts recited therein.

Section 10. Repeals and Effective Date.

10.01. Repeal. All provisions of other resolutions and other actions and proceedings of the County and this Board that are in any way inconsistent with the terms and provisions of this Resolution are repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of this Resolution.

10.02. Effective Date. This Resolution shall take effect immediately upon its passage and adoption by this Board.

PASSED by the Board of County Commissioners of Lewis and Clark County, Montana,  
this 25th day of August, 2022.

  
Chairman of the Board of Commissioners

Attest:

  
County Clerk and Recorder/Treasurer



EXHIBIT A

[Form of the Bonds]

UNITED STATES OF AMERICA  
STATE OF MONTANA

**LEWIS AND CLARK COUNTY**

OPEN SPACE GENERAL OBLIGATION BOND, SERIES 2022

No. R-\_\_\_\_\_ \$\_\_\_\_\_00

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	July 1,	August 31, 2022	527588

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: AND NO/100 DOLLARS

LEWIS AND CLARK COUNTY, MONTANA (the "County"), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner named above, or registered assigns, the principal amount specified above on the maturity date specified above or, if this Bond is prepayable as stated herein, on any date prior thereto on which this Bond shall have been duly called for redemption, and to pay interest on said principal amount to the registered owner hereof from August 31, 2022 or from such later date to which interest has been paid or duly provided for until this Bond is paid or, if this Bond is prepayable, until it has been duly called for redemption, at the rate specified above. Principal of this Bond is payable upon presentation and surrender hereof to U.S. Bank Trust Company, National Association, as Bond Registrar, Transfer Agent and Paying Agent, at its operations center in St. Paul, Minnesota, or its successor designated under the Resolution, as hereinafter defined (the "Registrar"). Interest on this Bond is payable semiannually on each January 1 and July 1, commencing on January 1, 2023, by check or draft mailed by the Registrar to the person in whose name this Bond is registered as of the close of business on the 15th day (whether or not a Business Day) of the immediately preceding month, at the address of such person as it appears on the bond register maintained by the Registrar. "Business Day" means any day other than a Saturday, Sunday or legal holiday of the State of Montana. Interest is calculated on the basis of a 360-day year composed of twelve 30-day months.

The principal of and interest on this Bond are payable in lawful money of the United States of America. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the County have been and are hereby irrevocably pledged.



Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the County.

This Bond is one of an issue in the total principal amount of \$3,000,000 (the "Bonds"), all of like date of original issue and tenor except as to serial number, denomination, maturity date, interest rate and redemption privilege, all authorized by the favorable vote of more than the requisite majority of the qualified electors of the County voting on the question of the issuance thereof at an election duly held, for the purpose of preserving open space in Lewis and Clark County, including working lands and land for protecting water and wildlife, by providing funds to acquire conservation easements or other property interests from willing sellers, and paying costs associated with the sale and issuance of the Bonds, all pursuant to resolutions duly adopted by the Board of County Commissioners, including a resolution adopted on August 25, 2022 (the "Resolution"), and in full conformity with the Constitution and laws of the State of Montana thereunto enabling. The Bonds are issuable only as fully registered Bonds of single maturities, in denominations of \$5,000 or any integral multiple thereof.

Bonds with stated maturities in the years 2023 through 2028 shall not be subject to redemption prior to maturity, but Bonds maturing in the years 2029 and thereafter shall each be subject to redemption at the option of the County, in whole or in part, and if in part from such stated maturities and in such principal amounts as the County may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner as directed by the County), on July 1, 2028 and any date thereafter, at a price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date, without premium. The date of redemption and the principal amount of the Bonds shall be fixed by the County Clerk and Recorder/Treasurer who shall give notice thereof to the Registrar at least forty-five days prior to the date of redemption. The Registrar shall cause notice of redemption to be given, by first class mail or by other means required by the securities depository, not less than thirty days prior to the redemption date, to the registered owners of each Bond to be redeemed at their addresses as they appear on the bond register. Upon partial redemption of any Series 2022 Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the County in the principal office of the Registrar, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or his attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon any such transfer or exchange, the County will cause a new Series 2022 Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date,

subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The County and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the County nor the Registrar shall be affected by any notice to the contrary.

This Bond has been designated by the County as a "qualified tax-exempt obligation" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Montana to be done, to exist, to happen and to be performed precedent to and in the issuance of this Bond, in order to make it a valid and binding general obligation of the County according to its terms, have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required; that the Board of County Commissioners will annually levy an ad valorem tax on all of the taxable property in the County, other than certain excluded property, in an amount sufficient to pay the interest and the principal of this Bond as it becomes due; and that this Bond, together with all other indebtedness of the County outstanding on the date of original issue hereof, does not exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by the manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, Lewis and Clark County, Montana, by its governing body, has caused this Bond to be executed by the facsimile signatures of the Chair of the Board of County Commissioners and the County Clerk and Recorder/Treasurer, and has caused a facsimile of the official seal of the County to be affixed hereto.

(Facsimile Signature)  
Chair of Board of County Commissioners

(Facsimile Seal)

(Facsimile Signature)  
County Clerk and Recorder/Treasurer

Date of Authentication: \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,  
as Bond Registrar, Transfer Agent,  
and Paying Agent

By \_\_\_\_\_

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM --	as tenants in common	UTMA.....Custodian..... (Cust) (Minor)
TEN ENT --	as tenants by the entirities	
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minor Act..... (State)

Additional abbreviations may also be used.

### ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY

\_\_\_\_\_  
OR OTHER IDENTIFYING NUMBER  
OF ASSIGNEE

\_\_\_\_\_  
/ \_\_\_\_\_ /

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

### Signature Guarantee:

\_\_\_\_\_  
Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.



## EXHIBIT B

### CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING is made by the Lewis and Clark County, Montana (the “County”) in connection with the issuance and delivery by the County of its \$3,000,000 Open Space General Obligation Bonds, Series 2022 (the “Bonds”), as of this 31st day of August, 2022.

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit D.A. Davidson & Co., of Great Falls, Montana (the “Purchaser”), and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the County hereby makes the following covenants and agrees, for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds, to provide annual reports of specified information and notice of the occurrence of certain events to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access system website (“EMMA”), as hereinafter described. The County is the only “obligated person” in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made.

If the County fails to comply with this Continuing Disclosure Undertaking, any person aggrieved thereby, including the Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of this Continuing Disclosure Undertaking, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder. Notwithstanding anything to the contrary contained herein, in no event shall a default under this Continuing Disclosure Undertaking constitute a default under the Bonds or under any other provision of the Bond Resolution.

As used herein, “Owner” means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, “Beneficial Owner” means, in respect of a Bond, any person or entity that (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The County will provide, in the manner set forth in section (c) hereof, either directly or indirectly through an agent designated by the County, the following information at the following times and in the following manner:

(1) Except as described in subsection (b)(2) below with regard to the County's audited financial statements for the fiscal year ended June 30, 2022, on or before 270 days after the end of each fiscal year of the County, commencing with the fiscal year ending June 30, 2023, the following financial information and operating data in respect of the County (the "Disclosure Information") will be provided to MSRB as described below. Such Disclosure Information may be unaudited and, for financial statement information, shall be for the most recent completed fiscal year of the County and, for operating data, shall be the operating data for the then most recent completed fiscal year compiled by the County and publicly available under applicable data privacy or other law:

(A) the audited financial statements of the County for the then most recent completed fiscal year or, if unavailable, unaudited financial statements for the then most recent completed fiscal year and submitting the audited financials within ten (10) business days after receipt; and

(B) updated information for the County for the then most recent completed fiscal year (commencing with fiscal year ending June 30, 2023), which may be unaudited, compiled by the County and publicly available under applicable data privacy or other law to include:

- (1) general obligation bonds outstanding,
- (2) countywide assessed/market valuation,
- (3) countywide taxable valuation,
- (4) open space taxable valuation, and

(5) tax collection figures for the then most recent completed fiscal year in format similar to the table in the Official Statement titled "Tax Collections."

(2) Because the Official Statement contains all of the information described above under subsection (b)(1)(B) (some of which is unaudited) and contains the unaudited financial statements for fiscal year ended June 30, 2022, the County will provide only the audited financial statements of the County for fiscal year ended June 30, 2022, on or before the date that is 270 days after June 30, 2022 or within 10 business days of the receipt thereof if received after the date that is after such 270-day period.

The audited financial statements of the County identified in paragraph (1)(A) above, are to be prepared in accordance with generally accepted accounting principles or as otherwise provided under laws of the State of Montana (the "State"), as such principles may be changed from time to time as permitted by laws of the State. If and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the County, the discrepancies will be noted.

If the audited financial statements (other than the audited financial statements for fiscal year ended June 30, 2022) are not available by the date specified, the County shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 business days after the receipt thereof, the County shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been filed with the SEC or have been made available to the public on the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access system website ("EMMA"). The County shall clearly identify in the Disclosure Information each document so incorporated by reference.

If any part of the Disclosure Information can no longer be generated because the operations of the County have materially changed or been discontinued, such Disclosure Information need no longer be provided if the County includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other County operations in respect of which data is not included in the Disclosure Information and the County determines that certain specified data regarding such replacement operations would be material (as hereinafter defined), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations.

If the Disclosure Information is changed or this Continuing Disclosure Undertaking is amended, then the County shall include in the next Disclosure Information to be delivered pursuant to this Continuing Disclosure Undertaking, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(3) In a timely manner not in excess of ten business days, notice of the occurrence of any of the following events:

- (A) principal and interest payment delinquencies;
- (B) non-payment related defaults, if material;
- (C) unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) substitution of credit or liquidity providers, or their failure to perform;
- (F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS

Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

- (G) modifications to rights of holders of the Bonds, if material;
- (H) bond calls, if material, and tender offers;
- (I) defeasances;
- (J) release, substitution or sale of property securing repayment of the Bonds, if material;
- (K) rating changes;
- (L) bankruptcy, insolvency, receivership, or similar event of the County;
- (M) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (O) incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect security holders, if material; and
- (P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the County, any of which reflect financial difficulties.

An event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed in the Bond Resolution or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For purposes of paragraphs (O) and (P) above, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or



CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Lewis and Clark County, Montana (the "County"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION RELATING TO \$3,000,000 OPEN SPACE GENERAL OBLIGATION BONDS, SERIES 2022; DETERMINING THE FORM AND DETAILS, AUTHORIZING THE EXECUTION AND DELIVERY AND LEVYING TAXES FOR THE PAYMENT THEREOF" (the "Resolution"), on file in the original records of the County in my legal custody; that the Resolution was duly adopted by the Board of County Commissioners of the County at a meeting on August 25, 2022, and that the meeting was duly held by the Board of County Commissioners 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 Commissioners voted in favor thereof: Jim McCormick,  
Tom Rolfe, Andy Hunthausen \_\_\_\_\_ ;  
voted against the same: \_\_\_\_\_ ;  
abstained from voting thereon: \_\_\_\_\_ ;  
or were absent: \_\_\_\_\_ .

WITNESS my hand and seal officially this \_\_\_\_ day of August, 2022.



Amy Reves  
County Clerk and Recorder/Treasurer

(iii) guarantee of either (i) or (ii). A “financial obligation” does not include municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

(4) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the County to provide the Disclosure Information described above under paragraph (b)(1) above at the time specified thereunder;

(B) the amendment or supplementing of this Continuing Disclosure Undertaking, together with a copy of such amendment or supplement and any explanation provided by the County under subsection (d)(2); and

(C) any change in the fiscal year of the County.

(c) Manner of Disclosure. The County agrees to make available the information described in section (b) to the following entities by telecopy, overnight delivery, mail or other means, as appropriate:

(1) To the MSRB, in an electronic format as prescribed by the MSRB from time to time.

(2) To any rating agency then maintaining a rating of the Bonds and, at the expense of such Bondowner, to any Bondowner who requests in writing such information, at the time of transmission under paragraph (1) of this section (c), or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.

(3) All documents provided to the MSRB pursuant to this section (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

(1) This Continuing Disclosure Undertaking shall remain in effect so long as any Bonds are outstanding.

(2) This Continuing Disclosure Undertaking (and the form and requirements of the Disclosure Information) may be amended or supplemented by the County from time to time, without notice to (except as provided in paragraph (b)(4) hereof) or the consent of the Owners of any Bonds, by a resolution of the Board of County Commissioners filed in the office of the recording officer of the County accompanied by an opinion of Bond Counsel, who may rely on certificates of the County and others and the opinion may be subject to customary qualifications, to the effect that such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the County or the type of

operations conducted by the County, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule, assuming that such provisions apply to the Bonds.

If the Disclosure Information is so amended, the County agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(3) This Continuing Disclosure Undertaking is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so the undertaking would satisfy the requirements of paragraph (b)(5) of the Rule.

(e) Limitation of Liability of the County. None of the agreements or obligations of the County contained in this Continuing Disclosure Undertaking or in the Disclosure Information shall be construed to constitute an indebtedness of the County within the meaning of any constitutional or statutory provisions whatsoever or constitute a pledge of the general credit or taxing powers of the County.

Dated: \_\_\_\_\_, 2022

[Signature blocks for Chair and County Clerk and Recorder/Treasurer]