

RESOLUTION NO. 8.95  
TOWN OF WHITEHALL  
JEFFERSON COUNTY, MONTANA  
WATER SYSTEM REVENUE BOND, SERIES 1997B  
\$59,000 PRINCIPAL AMOUNT

A RESOLUTION OF THE TOWN OF WHITEHALL AMENDING THE TOWN'S RESOLUTION NO 4.96 BY AMENDING SECTIONS 1.01, 3.01, 3.03 AND 4.01 AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF AN ADDITIONAL WATER SYSTEM REVENUE BOND IN THE PRINCIPAL AMOUNT OF \$59,000 FOR THE PURPOSE OF PROVIDING ADDITIONAL FUNDS FOR COMPLETING IMPROVEMENTS TO THE TOWN'S WATER SYSTEM, PROVIDING FOR DISPOSITION OF ADDITIONAL REVENUE OF THE WATER SYSTEM, AUTHORIZING A PLEDGE OF ADDITIONAL REVENUE TO SECURE THE PAYMENT OF SAID BOND, AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

WHEREAS, the Town of Whitehall (the "Town") has undertaken to acquire and construct improvements to its water system and obtained grants in the amounts of \$500,000 from the State of Montana under the Treasurer State Endowment Program and a Community Development Block Grant (CDBG) in the amount of \$325,000 for a portion of the cost of such undertaking; and

WHEREAS, the Town made application to Rural Development (RD) for a loan in the amount of \$450,000 to finance the remaining portion of the cost of acquisition and construction of the Town's water system, and RD has indicated its willingness to loan the Town said funds upon certain conditions and requirements; and

WHEREAS, the Town by Resolution No. 4.96 authorized the issuance of the Town's water revenue bond in the amount of \$450,000 to pay a portion of the cost of acquiring and constructing its water system; and

WHEREAS, after receiving bids for the acquisition and construction of the water system project, it was determined by the Town that the costs of completing the construction and acquisition of the Town's water system were greater than the amount of funds the Town would have available through grants and loans for such improvement project; and

WHEREAS, the Town has made application to the RD for an addition loan in the amount of \$59,000 and the RD has indicated its willingness to grant and to loan to the Town such additional sums to complete the construction of the improvements to the Town water system; and

WHEREAS, the Town's Resolution No. 4.96, in Section 2.04 indicates the intention of the Town to pay the additional cost of the project from the issuance of an

additional bond in the amount of \$59,000 and still meet the Additional Bonds test in Town Resolution No. 8.92; and

WHEREAS, the Town does not anticipate the issuance of bonds to RD until 1998; and

WHEREAS, RD is agreeable to the amendment of Resolution No. 4.96 by this Resolution due to the fact that no bonds have yet been issued under Resolution No. 4.96.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WHITEHALL, JEFFERSON COUNTY, STATE OF MONTANA, AS FOLLOWS:

1. Determination. The Town hereby finds it necessary to issue an additional revenue bond to complete the construction of certain improvements to the water system of the Town in conformity with the anticipated project expenditures and sources of funds described in Section 2.04 of Town Resolution No. 4.96. The Town further finds that it is necessary to amend Town Resolution No 4.96, which was adopted on September 9, 1996, by amending Sections 1.01, 3.01, 3.03, and 4.01 and authorizing the sale of an additional \$59,000 Water System Revenue Bond to RD according to the terms and conditions recited herein.

The Town also finds, based on an analysis by the Town's Consulting Engineer, that the Additional Bonds Test referenced in Section 2.03 of Town Resolution No. 4.96, the Town will be authorized to issue both the Series 1998A and B Bonds.

2. Amendment of Section 1.01. The definition of the term "Series 1997 Bond" in Section 1.01 of Resolution No. 4.96 shall be amended to read as follows:

Whenever the term "Series 1997 Bond" shall be used in Resolution No. 4.96, the term collectively mean the \$450,000 Town of Whitehall Water System Revenue Bond, Series 1998A and the \$59,000 Town of Whitehall Water System Revenue Bond, Series 1998B. "Series 1998A Bond" shall specifically mean the \$450,000 Town of Whitehall Water System Revenue Bond and "Series 1998B Bond" shall specifically mean the \$59,000 Town of Whitehall Water System Revenue Bond.

3. Amendment of Section 3.01. Section 3.01 of Resolution No. 4.96 shall be amended to read as follows:

Section 3.01 Authorization, Issuance and Sale of the Series 1998 Bonds. In order to provide moneys for the construction of the Series 1997 Project, the Town Council authorizes the issuance and sale of the Series 1998A Bond in the aggregate principal amount of \$450,000 and the Series 1998B Bond in the aggregate principal amount of \$59,000 to RD as the original purchaser upon the substantial completion of the Series 1997 Project budget and in accordance with the terms and conditions stated herein.

4. Amendment of Section 3.03.  
shall be amended to read as follows:

Section 3.03 of Resolution No. 4.96

Section 3.03 Payment Schedule. The principal of and interest on the Series 1998 Bonds shall be payable in monthly installments with the first installment due one month from the date of the issuance of the Series 1998 Bonds and the remaining payments due on the same day each month during the term of the Series 1998 Bonds until the principal of and interest on the Series 1998 Bonds has been paid in full. Principal and interest payments, which are presently estimated to be in the amount of \$3,002 per month for the Series 1998A Bond (based on interest at the rate of five and one-eighth percent (5.125%) per annum) and \$394 per month for the Series 1998B Bond (based on an interest rate of five and one-eighth percent (5.125%) per annum), shall be paid on the monthly installment dates for the 20 year term of the Series 1998 Bonds. The final monthly installment may be in such lesser or greater amount as is necessary to pay the balance of principal and interest then remaining due.

5. Amendment of Section 4.01.  
shall be amended to read as follows:

Section 4.01 of Resolution No. 4.96

Section 4.01 Establishment of Fund and Accounts; Reserve Account Allocation, Pledge of Revenues. The Clerk/Treasurer has pursuant to Town Resolution No. 8.92 established a fund designated as the Water System Fund in the official books of the Town, including the following six accounts within the Water System Fund:

- (a) The Construction Account;
- (b) The Operating Account;
- (c) The Debt Service Account;
- (d) The Reserve Account;
- (e) The Repair and Replacement Account; and
- (f) The Surplus Account.

The Debt Service Account shall be segregated into three subaccounts: the Series 1992 Bond Subaccount; the Series 1998A Bond Subaccount; and the Series 1998B Bond Subaccount. Each of the subaccounts shall be utilized as provided in Section 8.04 of Town Resolution No. 8.92 with respect to providing for debt service for each of the separate series of Bonds.

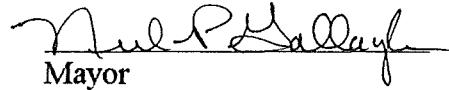
The Reserve Account shall be increased, upon the issuance of the Series 1998 bonds, to the Reserve Requirement referenced in Section 8.05 of Town Resolution No. 8.92 with the Reserve Requirement calculation taking into account the issuance of the Series 1998 Bonds.

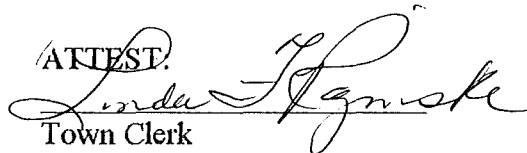
All Net Revenues derived from operation of the System are irrevocably pledged, appropriated and shall be credited to the Water System Fund and the accounts listed above until the principal of an interest on the Series 1992 Bonds and the Series 1998 Bonds and any Additional Bonds issued under Town Resolution No. 8.92 have been fully paid or the Town's obligation with respect thereto has been discharged as may be provided in the resolution authorizing the issuance of such Bonds.

6. Remainder of Resolution No. 4.96 in Full Force and Effect. Except as amended herein, Resolution No. 4.96 shall remain in full force and effect.

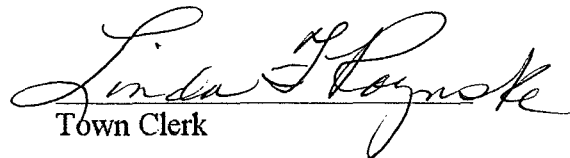
Adopted by the Town Council of Town of Whitehall this 10 day of November, 1997.

IN WITNESS WHEREOF, the Mayor has executed this Resolution and the Town Clerk has so attested and affixed the Town's Seal on said date.

  
Mayor

ATTEST.  
  
Town Clerk

The following board members voted in favor of passage of the above resolution: Chuck Buus, Terry Ross, and Bill Baycroft  
and the following voted against: Dale Davis  
with no one abstaining.

  
Town Clerk

UNITED STATES OF AMERICA  
STATE OF MONTANA  
TOWN OF WHITEHALL

607 U

JEFFERSON COUNTY

WATER SYSTEM REVENUE BOND ANTICIPATION NOTE  
SERIES 1997

No. R-1

Amount: \$509,000.00

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
Variable	July 18, 1998	July 18, 1997	

REGISTERED OWNER: BOARD OF INVESTMENTS OF THE STATE OF MONTANA

PRINCIPAL

AMOUNT: FIVE HUNDRED NINE THOUSAND DOLLARS

FOR VALUE RECEIVED, THE TOWN OF WHITEHALL, MONTANA (the "Town"), a political subdivision duly organized and validly existing under the laws of the State of Montana and located in Jefferson County, Montana, acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, but solely out of the Note Account (the "Note Account") in its Water System Fund (the "Fund"), the principal amount specified above, on the maturity date specified above, with interest thereon from the date of original issue specified above, at the annual rate specified above, until paid or discharged, all subject to the provisions hereof relating to the redemption of this Note before maturity. Interest hereon is payable at maturity or upon redemption hereof. The interest hereon and the principal hereof are payable in lawful money of the United States of America to the registered owner of this Note as it appears in the Note Register of the District.

The Series 1997 Note shall be dated as of the date of its delivery. Upon each disbursement of the Series 1997 Note proceeds, the Board of Investments shall enter the amount advanced on Schedule A attached thereto under "Advances" and the total amount advanced under this Resolution, including such disbursement, under "Total Amount Advanced". The Series 1997 Note shall be lettered and numbered R-1 and shall mature, subject to redemption as herein provided, on July 18, 1998 (the "Stated Maturity"), and shall bear interest on the principal amount thereof at the rate per annum equal to the Variable Rate (as hereinafter defined), as such may be adjusted from time to time as hereinafter provided. Interest shall be computed on the basis of the actual number of days in the year and the actual number of days outstanding. Principal and interest shall be payable on its Stated Maturity or upon earlier redemption of the Series 1997 Note.

This Note is one in number and comprises all of a duly authorized issue of Notes of the Town (the "Series 1997 Note") issued pursuant to its Resolution Nos. 4.97 and 7.95 duly adopted July 14, 1997 and November 10, 1997, and in anticipation of the issuance by the Town of its Water System Revenue Bonds (the "Definite Bonds"), evidencing a loan (the "Loan") from the United States of America through its Rural Development Services, authorized to be issued under Resolution No. 4.96 adopted by the Town Council of the Town on September 9, 1996, (collectively Resolution No. 4.97, 7.95, and Resolution No. 4.96 are referred to as the "Resolution"), to which Resolution, copies of which are on file with the Town, reference is hereby made for a description of the nature and extent of the security for the Series 1997 Note, the conditions under which additional Bonds may be issued on a parity as to payment with the Series 1997 Note or otherwise, the conditions under which the Resolution may be amended and the rights of the Holders of the Series 1997 Note. The Series 1997 Note is issued by the Town for the purpose of providing interim financing for improvements to the Town's Water System (the "System") comprising of the design and construction of a 500,000 gallon reservoir, 12,150 linear feet (2.33 miles) of transmission main from the new reservoir to the existing System, improvements to the distributions portion of the System and installation of water meters for users of the System (the "1997 Project").

This Series 1997 Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Montana, particularly Montana Code Annotated, Section 7-7-109, and Title 7, Chapter 7, Part 44, as amended (the "Act"), and pursuant to the Resolution. The Series 1997 Note is payable from and secured by a lien on the net revenues of the System (as defined in the Resolution, "Net Revenues") and other revenues and income pledged and appropriated and from time to time credited to the Note Account in the Water System Fund (the "Note Account"), including the proceeds of the Definite Bonds, which the Town has covenanted to issue and sell prior to the maturity of this Note in an amount sufficient, with other funds on hand, to pay the principal hereof and interest hereon.

The Town may redeem on any date, in whole, any unpaid principal of this Note at a price equal to the principal amount to be redeemed plus interest accrued to the date of redemption. Notice of any such prepayment will be mailed by the Town not less than 15 days prior to the date specified for payment, to the registered holder of this Note.

As provided in the Resolution and subject to certain limitations set forth therein, this Note is transferable upon the books of the Town at the office of the Town Clerk, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Town Clerk, duly executed by the registered owner or the owner's attorney. Upon such transfer, the Town will cause a new Note to be issued in the name of the transferee 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.

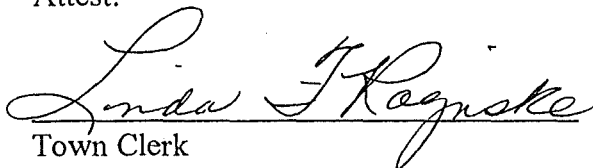
The Town may deem and treat the person in whose name this Note is registered as the absolute owner hereof, whether this Note is overdue or not, for the purpose of receiving payment and for all other purposes, and the Town shall not be affected by any notice to the contrary.

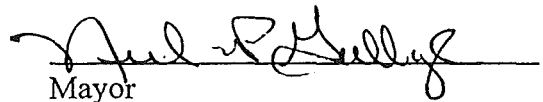
IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions, and things required by the Constitution and laws of the State of Montana to be done, to

exist, to happen and to be performed precedent to and in the issuance of this Note in order make it a valid and binding special obligation of the Town according to its terms, have been done, do exist, have happened and have been performed in regular and due time, form, and manner as so require; that the Town, in and by the Resolution, has validly made and entered into covenants and agreements with and for the benefit of the Holders from time to time of the Series 1997 Note including covenants that the rates and charges for the System will from time to time be made and kept sufficient to provide gross income and revenues adequate to pay promptly the reasonable and current expenses of operating and maintaining the System and that the Town has received a written commitment for the Loan from The United States of America, acting through the United States Department of Agriculture, in an amount equal to \$509,000 and has by resolution covenanted to satisfy the conditions of the commitment; that the Town has appropriated to the Note Account the proceeds of the Loan to the extent required to pay principal hereof or interest hereon; that by the Resolution, the Town has covenanted at or prior to the maturity of this Note, to sell and issue its Water System Revenue Bonds, either to the United States of America in evidence of the Loan or otherwise pursuant to the Act and the Resolution in a principal amount so as to provide funds sufficient, together with any money on deposit in the Note Account and available therefor, to pay in full the principal of and interest on this Note as set forth in the Resolution punctually and faithfully; and that the issuance of this Note does not cause the general or special indebtedness of the Town to exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the Town of Whitehall, Montana, by its Town Council, has caused this Note to be executed on its behalf by the signature of the Mayor, attested by the Town Clerk, sealed with the official corporate seal of the Town, and has caused this Note to be dated as of November 10, 1997.

Attest:

  
Town Clerk

  
Mayor

(SEAL)

PROVISIONS FOR REGISTRATION OF TRANSFER

The ownership of this Note and of the interest payable hereon may be transferred to a bona fide purchaser only by delivery with an assignment duly executed by the registered owner or the owner's attorney or legal representative, and the Town may treat the registered owner or the owner's attorney or legal representative, as the person exclusively entitled to receive payments of principal of and interest on this Note and to exercise all the rights and powers of an owner until this Note is presented to the Town Clerk of the Jefferson County/Town of Whitehall Water District, accompanied by said assignment and by assurance of the nature provided by law that the same is genuine and effective, and until such transfer is registered on the books of the Town and noted hereon by the Town Clerk.

NO WRITING HEREON EXCEPT BY TOWN CLERK  
AS NOTE REGISTRAR

The Town Clerk has transferred on the books of the Jefferson County/Town of Whitehall Water District, Montana, on the date last noted below, to the registered assign noted opposite said date, ownership of the principal amount of and interest on this Note, except the amounts of principal and interest theretofore paid:

<u>Date of Transfer</u>	<u>Registered Assign</u>	<u>Signature of Town Clerk</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____



COPY

A RESOLUTION RELATING TO THE BOARD OF INVESTMENTS' INTERCAP LOAN PROGRAM; APPROVING AND AUTHORIZING AMENDMENTS TO THE ORIGINAL WATER SYSTEM REVENUE BOND ANTICIPATION NOTE; PROVIDING FOR ACCEPTANCE BY THE TOWN OF WHITEHALL, THE BOARD OF INVESTMENTS, AND THE INTERCAP PROGRAM TRUSTEE

BE IT RESOLVED by the Town Council of the Town of Whitehall as follows:


WHEREAS the Town of Whitehall (the "Town") has entered into and executed a Water System Revenue Bond Anticipation Note (the "Note") with the Board of Investments (the "Board") dated July 18, 1997, and

WHEREAS the Town desires to amend the Note to increase the note amount.


NOW THEREFOR be it resolved that:

- 1) The Town desires to avail itself of an option to increase the note amount. The Town understands and hereby with the adoption of this resolution accepts that all conditions of the INTERCAP program as provided for in the Note remain in effect.
- 2) This resolution constitutes both an official act of the Town to increase the note amount and an acceptance by the Board and the Trustee. The Town's adoption of this resolution and the acceptance by the Board and the Trustee are to be evidenced by the signatures below of the duly empowered officials of the Town and the authorized representatives of the Board and the Trustee.

Passed and approved by the Town Council this 10 day of November, 1997

By:   
Its: Mayor

Attest:

By:   
Its: Clerk/Treasurer

Member Chuck Buus introduced the motion and the following members voted in favor of thereof:  
William Baycroft, Chuck Buus and Terry Ross

the following members voted against the same: Dale Davis

Absent: Tom Palakovich and Chad Murphy

The conditions contained in this resolution are agreed to by the Board of Investments and the Trustee for the INTERCAP loan program and such agreement is evidenced by the authorized signatures below:

BOARD OF INVESTMENTS  
OF THE STATE OF MONTANA

By: David Clark  
Its: James Bond Bryan officer  
Date: 11/5/97

FIRST TRUST COMPANY OF MONTANA  
NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

RESOLUTION NO. 4.96  
\$450,000  
TOWN OF WHITEHALL  
JEFFERSON COUNTY, STATE OF MONTANA  
WATER SYSTEM REVENUE BOND, SERIES 1997

A RESOLUTION DIRECTING THE ACQUISITION, CONSTRUCTION, AND EXTENSION OF IMPROVEMENTS TO THE WATER SYSTEM OF THE TOWN OF WHITEHALL, AUTHORIZING AND DIRECTING THE ISSUANCE AND SALE OF A REVENUE BOND TO FINANCE AND PAY A PORTION OF THE COSTS OF THE FOREGOING, PROVIDING THE TERMS OF THE BOND AND CREATING SPECIAL FUNDS AND ACCOUNTS AND PLEDGING CERTAIN REVENUES AS THE SOLE SOURCES OF SECURITY AND PAYMENT FOR SUCH BOND.

WHEREAS, the Town of Whitehall (the "Town") is authorized by law, including without limitation Title 7, Chapter 7, Part 44, Montana Code Annotated, to construct, improve, rehabilitate and extend its water system (the "System"), to prescribe and collect fees and charges for the services provided by the System, to issue and sell revenue bonds to finance and pay for the costs of constructing, improving, rehabilitating and extending the System, to pledge the revenues of the System for the payment of such revenue bonds, and to make and establish other appropriate covenants and conditions with or for the benefit of the holders of such bonds; and

WHEREAS, the United States Department of Agriculture, Rural Development, is authorized to make certain loans to political subdivisions of the State of Montana, including the Town; and

WHEREAS, the Town has obtained commitments to provide funding for the Project through a grant from the CDBG program for \$325,000; a grant from the Treasure State Endowment Program in the amount of \$500,000 and a loan from the United States Department of Agriculture in the amount of \$450,000; and

WHEREAS, the Town has a project proposed for the System consisting of a 500,000 gallon reservoir, a transmission main to the existing system, improvements to the distribution portion of the System and installation of water meters for users of the system (collectively the "Project"); and

WHEREAS, the Town, pursuant to its Resolution No. 8.92, dated December 8, 1992, issued its Water System Revenue Bonds, Series 1992, in the aggregate principal amount of \$525,000 (the "Series 1992 Bonds") and pledged the Net Revenues (as therein and hereinafter defined) of the System to the payment of the Series 1992 Bonds and there is \$480,000 in principal amount outstanding on the Series 1992 Bonds; and

WHEREAS, Town Resolution No. 8.92 authorizes the issuance of additional bonds for funding improvements to the System payable on a parity basis from the same source of revenues of the System under certain circumstances; and

WHEREAS, the Town Council has determined that the conditions required for the issuance of additional bonds can be met as provided hereunder; and

WHEREAS, the Town desires to avail itself of the opportunity to acquire financing from Rural Development for the construction, improvement and extension of the System, as and to the extent authorized by Title 7, Chapter 7, Part 44 MCA, and for that purpose the Town Council now desires to adopt this Resolution, as permitted by law, authorizing and directing the construction of the Project described herein, the issuance of a revenue bond payable solely out of the revenues of the System to finance the costs of such Project, and the sale of such bond to Rural Development.

NOW, THEREFORE, IT IS RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WHITEHALL, JEFFERSON COUNTY, STATE OF MONTANA, AS FOLLOWS:

#### ARTICLE I - DEFINITIONS

Section 1.01. **Definitions.** In this Resolution, unless a different meaning clearly appears from the context the terms used shall have the meaning given them in Section 1 of Town Resolution No. 8.92.

With respect to the Series 1997 Bonds and this Supplemental Resolution, the following terms have the meanings herein specified:

**1997 Project**, shall mean the design and construction of a 500,000 gallon reservoir, 12,150 linear feet (2.33 miles) of transmission main from the new reservoir to the existing System, improvements to the distributions portion of the System and installation of water meters for users of the System.

**Register**, shall mean, with respect to the Series 1997 Bond, the Clerk/Treasure of the Town.

**Rural Development or "RD"**, shall mean the branch of the United State Department of Agriculture which is the initial purchaser of the Series 1997 Bond.

**Series 1997 Bond**, shall mean the Town's Water System Revenue Bond, Series 1997, issued in the original principal amount of \$450,000 pursuant to this Resolution and Town Resolution No. 8.92 and initially purchased by Rural Development.

#### ARTICLE II - AUTHORIZATION OF PROJECT

Section 2.01 **Authorization for the Project.** The Town Council finds that construction and operation of the Series 1997 Project is authorized by law, is not contrary to any covenant, agreement, or obligation of the Town, is in the best interests of the residents of the Town and benefits the property within the Town. The Town has received and Rural Development and the Montana Department of Environmental Quality have approved the plans and specifications for the Series 1997 Project and the Town Council has determined the necessity for the Series 1997 Project. The Town has received grants from the Treasure State Endowment Program in the amount of \$500,000 and \$325,000 from the Community Development Block Grant Program and an obligation of loan funds from Rural Development in the amount of \$450,000.

The Town has received bids of the Series 1997 Project in an amount according to the Town's consulting engineer, sufficient to construct the Series 1997 Project as proposed. As indicated in Section 2.03 hereof, the Town has received a report from its consulting engineer indicating the Town meets the Additional Bonds test in Section 7 of Town Resolution No. 8.92.

Section 2.02 Existing Water System Revenue Bonds. The Town has approximately \$480,000 in principal amount outstanding on the Town's Series 1992 Bond. Town Resolution No. 8.92 pursuant to which the Series 1992 Bonds was issued, authorizes, under certain circumstances, Additional Bonds to be issued and be payable and secured on a parity basis with the Series 1992 Bond.

Section 2.03 Satisfaction of Additional Bonds Test. The Town Council finds and determines that the Additional Bonds test contained in Section 7 of the Town Resolution No. 8.92 will be met by the time of the issuance of the Series 1997 Bond. In particular, at the time of the issuance of the Series 1997 Bond, the following documents will be filed with the Town Clerk-Treasurer:

A. A signed original of this Resolution creating the Series 1997 Bond and authorizing the issuance and the sale thereof to Rural Development;

B. An Opinion of bond Counsel stating in effect:

(1) that all conditions precedent provided for in Town Resolution No. 8.92 relating to the issuance and delivery of such Additional Bonds have been complied with;

(2) that the series of Additional Bonds when issued and delivered by the Town will be valid and binding obligations of the Town in accordance with their terms and entitled to the benefits of and secured by Town Resolution No. 8.92; and

(3) that the issuance of such Additional Bond will not adversely affect the exemption from federal income taxation of the interest on any Bonds then Outstanding; and

C. A certificate signed by the Mayor and Town Clerk/Treasurer stating that the Town is not then in default under Town Resolution No. 8.92 and that on the date of issuance of such Additional Bonds the balance in the Reserve Account will equal the Reserve Requirement, or the Town has provided for increasing the balance in the Reserve Account to the Reserve Requirement upon the issuance of such Additional Bonds, calculated assuming the issuance of such Additional Bonds.

D. A report from the Town's consulting engineer stating that the Net Revenues in the Fiscal year immediately preceding the issuance of such Additional Bonds were at least equal to 125% of the maximum Principal and Interest Requirement for any complete future fiscal Year (during the term of the then Outstanding Bonds) with respect to the Outstanding Bonds and the Additional Bonds proposed to be issued, provided that

the historical Net Revenues may be adjusted according to Town Resolution No. 8.92 to include Net Revenues which would have been allocable to any new rates or charges.

Section 2.04 Project Expenditures and Source of Funds. All expenditures for the Project to be made or incurred by Town officials in the course of their duties will be approved by the Town Council prior to expenditure. The Town Engineer currently estimates the total costs of the Series 1997 Project including administrative and engineering to be \$1,334,000.

The Town Council expects to pay the costs of the Project from the Treasure State Endowment Program grant of \$500,000, the Community Development Block Grant program grant of \$325,000, from the Series 1997 Bond proceeds and from an additional loan from RD in the amount of \$59,000 for which application will be made and the Additional Bonds test of Town Resolution No. 8.92 can be satisfied.

Section 2.05 Compliance with Laws. The construction, operation, and maintenance of the Project and the procurement of professional services, construction services and construction materials shall be undertaken and performed in accordance with all applicable federal, state and local statutes, regulations and ordinances including, but not limited to, Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and 7 CFR Subpart A of Part 1942.

Section 2.06 Rates and Charges. The Town Council agrees to impose reasonable rates and charges for the availability and use of the System which will, based upon the reasonable estimates and projections of the Town's consulting engineer, be sufficient to pay all expenses of operation and maintenance, to provide for depreciation and repairs of the System, to pay installments of principal and interest on the Bonds when due and to build and maintain the Reserve Requirement as set forth in Section 9.10 of Town Resolution No. 8.92. After the redemption of the Series 1992 Bonds, the rate covenant may be reduced to require Net Revenues equal to 110% of maximum principal and interest due in a Fiscal Year.

### ARTICLE III - AUTHORIZATION AND TERMS OF THE SERIES 1997 BOND

Section 3.01 Authorization, Issuance and Sale of the Series 1997 Bond. In order to provide moneys for the construction of the Series 1997 Project, the Town Council authorizes the issuance and sale of the Series 1997 Bond in the aggregate principal amount of \$450,000 to RD as the original purchaser upon the substantial completion of the Series 1997 Project and within the Series 1997 Project budget and in accordance with the terms and conditions stated herein.

Section 3.02 Interest Rate. The Series 1997 Bond shall bear interest from its date at the rate permitted and agreed by the Town and RD on the unpaid principal balance thereof. The interest rate permitted and agreed shall be the lower of the rate in effect at the time of loan approval by RD or at the Date of Closing. The calculations of payments on the Series 1997 Bond set forth herein are based on an interest rate of five and one-eighth percent (5.125%) per annum with a 20 year term.

Section 3.03 Payment Schedule. The principal of and interest on the Series 1997 Bond shall be payable in monthly installments with the first installment due one month from the date of the issuance of the Series 1997 Bond and the remaining payments due on the same day each month during the term

of the Series 1997 Bond until the principal of and interest on the Series 1997 Bond has been paid in full. Principal and interest payments, which are presently estimated to be in the amount of \$3,002 per month, based on interest at the rate of five and one-eighth percent (5.125%) per annum, shall be paid on the monthly installment dates for the 20 year term of the Series 1997 Bond. The final monthly installment may be in such lesser or greater amount as is necessary to pay the balance of principal and interest then remaining due.

Section 3.04 Payments Due on Saturdays, Sundays and Holidays. In any case in which the date on which an installment payment is due shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions are authorized by law to close, then such installment payment need not be made on such date, but may be made on the next business day that is not a Saturday, a Sunday, a legal holiday, or a day on which banking institutions are authorized by law to close, with the same force and effect as if made on the date on which the installment payment was due. No penalty shall attach to a payment made pursuant to this provision.

Section 3.05 Prepayment and Redemption. The Town may at any time prepay all or any part of the principal in multiples of \$1,000.00 plus accrued interest on the Series 1997 Bond, but only after notice to prepay has been made in writing to the Bondholder thirty (30) days prior to such prepayment. Any such prepayment may be made without penalty or premium. Any prepayment shall be identified as such, shall be applied first to accrued interest and then to unpaid principal, and shall not extend or postpone the due date of any subsequent installment payment on the Bond.

Section 3.06 Negotiability, Transfer and Registration. The Series 1997 Bond shall be fully registered as to both principal and interest, and shall be initially registered in the name of and payable to RD. The Series 1997 Bond shall be negotiable, subject to the provisions for registration and transfer contained in Section 6.01 of Town Resolution No. 8.92.

Section 3.07 Execution. The Series 1997 Bond shall be executed on behalf of the Town by the manual signature of the Mayor and shall be manually countersigned by the Clerk/Treasurer. In the event that any of the officers who have signed the Bond cease to be officers of the Town before the Series 1997 Bond is issued or delivered, their signatures shall remain binding upon the Town. Conversely, the Series 1997 Bond may be signed by an authorized official who did not hold such office on the date of this Resolution.

Section 3.08 Delivery. The Series 1997 Bond shall be delivered to RD, or its attorney or legal representative on the date of closing. The purchase price of the Series 1997 Bond shall be the principal amount thereof.

Section 3.09 Security. The Series 1997 Bond shall be paid solely from the Water System Fund, to which fund are pledged the Net Revenues generated by the System. The Holder of the Series 1997 Bond shall be entitled to the same claim to the Net Revenues as the Holder of the Series 1992 Bonds.

Section 3.10 Priorities. The Series 1997 Bond shall be secured by and payable out of the Net Revenues of the System without preference or priority over any other Bonds issued pursuant to Town Resolution No. 8.92.

Section 3.11 Form. The Series 1997 Bond shall be in substantially the following form (with appropriate insertions for dates and amounts as described above):

UNITED STATES OF AMERICA  
STATE OF MONTANA  
TOWN OF WHITEHALL  
JEFFERSON COUNTY  
Water System Revenue Bond  
Series 1997

R-1

\$450,000

KNOW ALL PERSONS BY THESE PRESENTS: The Town of Whitehall (the "Town"), a duly organized corporation of the State of Montana, acknowledges itself to be indebted to and for value received promises to pay to the order of the Rural Development, United States Department of Agriculture or its registered assignee, solely from the Debt Service Account of the Town's Water System Fund, the principal sum of Four Hundred Fifty Thousand and No/100 Dollars (\$450,000), plus interest from the date hereof at the rate of five and one-eighth percent (5.125%) per annum on the unpaid balance for the Bond's total term of 20 years. Principal and interest shall be paid in consecutive monthly installments on the \_\_\_ day of each month, commencing on \_\_\_\_\_, 19\_\_, and continuing for the term hereof, subject to the rights and duties of prepayment set forth below. Principal and interest in the amount of Three Thousand Two 00/100 Dollars (\$3,002) shall be paid on the monthly installment dates for the term of the Bond. The final monthly installment may be in such lesser or greater amount as is necessary to pay the balance of principal and interest then remaining due. Such installment payments shall be made by check or draft mailed to the registered holder of this Bond, at its address as it appears on the Bond Register, in lawful money of the United States of America.

This Bond has been issued pursuant to and in full conformity with the constitution and laws of the State of Montana, including without limitation Title 7, Chapter 7, Part 44 of the Montana Code Annotated, and in accordance with Resolution No. 8.92 of the Town, duly adopted on December 8, 1992, and Resolution No. \_\_\_\_\_ duly adopted on \_\_\_\_\_, 1996, (Collectively the "Resolution"). Reference is hereby made to the Resolution for a description of the terms and conditions other than those herein, upon which this Bond is issued and secured.

The Bond has been issued for the purpose of providing the funds necessary to pay the costs of constructing improvements and replacements for the water system of the Town (the "System"). The principal of and interest on the Bond is payable solely from the Net Revenues of the System as defined in the Resolution and does not constitute a debt or general obligation of the Town within the meaning of any constitutional or statutory limitation or provision.

The Bond is being issued on a parity basis with the Town's Series 1992 Bonds (the "Series 1992 Bonds") which have an outstanding principal balance of \$480,000 due over the remaining 16 year term.



The Town may at any time prepay all or any part of the principal hereof, in multiples of \$1,000.00, plus accrued interest on the Bond after notice to prepay has been made in writing to the Bondholder thirty (30) days prior to such prepayment. Any such prepayment may be made without penalty or premium. Any prepayment shall be identified as such, shall be applied first to accrued interest and then to unpaid principal, and shall not extend or postpone the due date of any subsequent installment payment on the Bond.

The Town has duly authorized and will forthwith construct and complete the Series 1997 Project as defined in the Resolution. The Town will establish and collect reasonable rates and charges for the services afforded by the System of which the Project is a part, and has created a Water System Fund into which the Revenues of the System, including all Revenues from additions, replacements and improvements to the System subsequently constructed or acquired, will be paid. The Water System Fund includes a Series 1997 Debt Service Account, into which there shall each month be credited, out of the Net Revenues of the System then on hand, amounts sufficient, with similar credits from prior and subsequent months, to meet all payments of principal of and interest on the Series 1997 Bond and the Series 1992 Bonds as they become due. The Water System Fund also includes a Reserve Account, into which account there shall each month be credited out of the remaining Net Revenues of the System certain additional amounts as provided in the Resolution to establish and maintain therein a reserve in an amount equal to the lesser of 10% of the original total amount of all Bonds issued under the Resolution which are outstanding or the maximum principal and interest due on all Outstanding Bonds in the current or any future Fiscal year, to be used only to pay the principal of and interest on the Bonds as such principal and interest become due. Rates and charges for the use of the System will be made from time to time in amounts sufficient to provide for the prompt payment of the reasonable and current expenses of operation and maintenance of the System and to produce Net Revenues, in excess of such expenses, sufficient to pay the principal of and interest on this Bond, the Series 1992 Bonds, and any additional bonds hereafter issued and made payable from said Net Revenues. The revenues of the System will also be kept sufficient to provide for the replacement of the System as it deteriorates. Except for the Series 1992 Bonds and in so far as parity bonds are authorized in the Resolution, no obligation will be incurred and made payable from the Net Revenues of the system, unless the lien thereof shall be made expressly subordinate to the lien of the Bond on such Net Revenues.

It is hereby certified that all acts, conditions, and things required by law, resolution, or agreement to be done or to have happened prior to or in connection with the issuance of the Bond have been done or have happened, and that the issuance of the Bond does not violate any constitutional or statutory limitation on bonded indebtedness.

IN WITNESS WHEREOF, the Town of Whitehall, acting by and through its Council, has caused this Bond to be executed in its behalf by the signature of the Mayor and countersigned by the signature of the Clerk/Treasurer of the Town, and has caused this Bond to be dated as of \_\_\_\_\_, 1997.

Countersigned:

\_\_\_\_\_  
Clerk/Treasurer

\_\_\_\_\_  
Mayor

**REGISTRATION AND TRANSFER**

This Bond shall be fully registered as to both principal and interest. No transfer of this Bond shall be valid unless and until (1) the registered holder of the Bond, or his duly authorized attorney or legal representative, executes the form of assignment appearing on this Bond, and (2) the Treasurer, as bond registrar, has duly noted the transfer on the Bond and recorded the transfer on the Treasurer's registration books. The Town shall be entitled to deem and treat the person in whose name a Bond is registered as absolute owner thereof for all purposes, notwithstanding any notice to the contrary. Payments on account of the Bond shall be made only to the order of the registered holder thereof, and all such payments shall be valid and effectual to satisfy and discharge the Town's liability upon the Bond to the extent of the sum or sums so paid.

**THE FOLLOWING ENTRIES ARE TO BE MADE ONLY BY THE BOND REGISTRAR  
UPON REGISTRATION OF EACH TRANSFER**

The Treasurer of the Town of Whitehall, Jefferson County, Montana, acting as registrar for this Bond, has transferred, on the books of the Town, on the date last noted below, ownership of the principal amount of and the accrued interest on the Bond to the new registered holder noted next to such date, except amounts of principal and interest theretofore paid.

Date of Transfer	Name of new Registered Holder	Signature of Bond Registrar
_____	_____	_____
_____	_____	_____

## ARTICLE IV - WATER SYSTEM FUND AND ACCOUNTS

Section 4.01 Establishment of Fund and Accounts; Pledge of Revenues. The Clerk/Treasurer has pursuant to Town Resolution No. 8.92 established a fund designated as the Water System Fund in the official books of the Town, including the following six accounts within the Water System Fund:

- (a) The Construction Account;
- (b) The Operating Account;
- (c) The Debt Service Account (consisting of the Series 1992 Bond Subaccount and the Series 1997 Bond Subaccount);
- (d) The Reserve Account;
- (e) The Repair and Replacement Account; and
- (f) The Surplus Account;

All Net Revenues derived from operation of the System are irrevocably pledged, appropriated and shall be credited to the Water System Fund and the accounts listed above until the principal of and interest on the Series 1992 Bonds and the Series 1997 Bond and any Additional Bonds issued hereunder have been fully paid or the Town's obligation with respect to the Series 1997 Bond has been discharged as provided in this Resolution.

## ARTICLE V - GENERAL COVENANTS

Section 5.01 Covenants of Town Resolution No. 8.92 Generally Apply. With the exceptions stated in Section 5.02 and 5.03 hereof, all the covenants of the Town in Section 9 and Section 12.01 of Town Resolution No. 8.92 apply to the Series 1997 Bond.

Section 5.02 Rate Covenant. The rate covenant contained in Section 9.10 of Town Resolution No. 8.92 shall apply to the Series 1997 Bond until the Series 1992 Bonds are redeemed, whereupon the covenant of the Town will be to provide Net Revenues for the Remaining Fiscal years at least equal to 110% of the maximum Principal and Interest Requirements for all future fiscal years.

Section 5.03 Designation of Bonds. The town hereby designates the Series 1997 Bond as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3)(B) of the Code.

Section 5.04 Covenants for Rural Development. Any improvements or modifications to the System shall be subject to the review and approval of the RD, after the Town has submitted preliminary plans.

## ARTICLE VI - DISCHARGE

Section 6.01 Discharge by Payment. When all principal of and interest due and payable on the Series 1997 Bond has been paid in the manner required or permitted by this Resolution, then the Series 1997 Bond shall cease to be entitled to any lien, pledge, benefit or security under this Resolution

and all pledges, covenants and other rights granted to the Bondholder by the Resolution shall cease, terminate and be discharged and satisfied.

Section 6.02 Defeasance Not Permitted. The provisions of Section 11 of Town Resolution No. 8.92 shall not apply to the Series 1997 Bond.

Section 6.03 Refinancing to Other Credit. The Town has agreed with RD that if it shall be requested by RD to refinance the indebtedness associated with the Series 1997 Bond from responsible cooperative or private credit sources, at reasonable rates and terms for loans of similar purposes and periods of time, it will apply for and accept such financing in a sufficient amount to redeem the Series 1997 Bond and will take all action necessary to obtain such financing provided such action and refinancing doe snot violate the covenants and agreements contained in Town Resolution No. 8.92.

#### ARTICLE VII - OTHER PROVISIONS

Section 7.01 Notices. Any request, demand authorization, consent, direction, notice, or other document provided or permitted by this Resolution shall be sufficient for such purpose when mailed by certified mail, return receipt requested, and with sufficient postage prepaid, to the following addresses (or to such other address as may be provided by any party upon notice to all other parties), but shall not be deemed to be effective until receipt:

To the Town: Town of Whitehall  
P. O. Box 539  
Whitehall, MT 59759

To RD: USDA  
RD  
900 Technology Blvd.  
P. O. Box 850  
Bozeman, MT 59771

To any Bondholder: The name and address of such Bondholder as it appears in the bond register.

Section 7.02 Arbitrage Certificate. The Mayor and Clerk/Treasurer, being the officers of the Town charged with the responsibility of issuing the Series 1997 Bond, are authorized and directed to execute and deliver to the purchaser a certification in order to satisfy the provisions of Section 1.103-13(a)(2)(ii) of the Income Tax Regulations, as amended, codified in Title 26, Part I, of the Code of Federal Regulations. Such certification shall state the reasonable expectations of the Town, on the date of issue and delivery of the Series 1997 Bond authorized by this Resolution, regarding the amount and the use of the proceeds of the issue. Such expectations must be such that the Series 1997 Bond will not be an "arbitrage bond" as defined in Section 148(a) of the Code.

Section 7.03 Transcript. The officers of the Town are hereby authorized and directed to prepare and furnish to the purchasers of the Series 1997 Bond, and to the attorneys approving the legality

of the issuance of the Series 1997 Bond, certified copies of all proceedings and records of the Town relating to the Series 1997 Bond and to the organization of the Town, and of reports on the financial condition of the Town, and such affidavits, certificates, and other information and documents as may be requested or required to carry out the purposes of this Resolution; and all such certified copies, affidavits and certificates, including any heretofore furnished, shall constitute representations of the Town as to the truth of the matters contained therein.

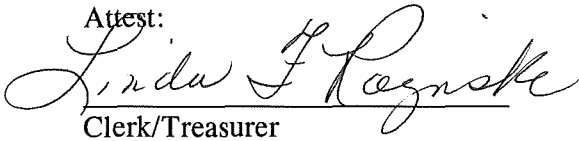
Section 7.04 Severability. In case any one or more of the provisions contained in this Resolution or in the Series 1997 Bond shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Resolution, but this Resolution shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

This Resolution was adopted by the Town Council of the Town of Whitehall, Jefferson County, Montana, on the 09 day of September, 1996.

IN WITNESS WHEREOF, the Mayor has executed this Resolution and the Clerk/Treasurer has so attested.

Attest:

Approved:

  
Clerk/Treasurer

  
Mayor

The following Council members voted in favor of the Resolution:

Tom Palakovich, Terry Ross and Charles Buus

The following Council members voted against the Resolution:

Dale Davis and Pat Peltier

The following Council members were absent or abstained:

None

RESOLUTION NO. 7.97

A resolution of the Town Council of the Town of Whitehall, Montana relating to approval of the 1997/1998 final budget and renewal of the street lighting improvement district:

BE IT RESOLVED by the Town Council of the Town of Whitehall, County of Jefferson, State of Montana, that the Town Council approves the 1997/1998 final budget in the estimated amount of Three Hundred Twenty-Six Thousand Four Hundred Eighty-six Dollars and No Cents (\$326,486.00).

AND BE IT FURTHER RESOLVED that the special improvement lighting district in the amount of Thirteen Thousand Five Hundred Dollars and No Cents (\$13,500.00) be renewed for the fiscal year 1997/1998.

PASSED AND APPROVED THIS 29 DAY OF SEPTEMBER, 1997.

  
Mayor Neil P. Gallagher

ATTEST:   
Clerk/Treasurer Linda F. Roginske

RESOLUTION 6.97


A resolution of the Town Council of the Town of Whitehall, Montana, of its intention to object to conducting the November 04, 1997 Election of Officers by mail ballot.

WHEREAS 13-19-204, (1) MCA states: A political subdivision may, by resolution of the governing body, object to the conduct of one of its election under chapter;

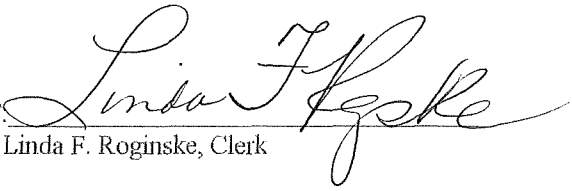
WHEREAS 13-19-204, (2) MCA states: The resolution must include a statement of reasons for objection;

BE IT RESOLVED that the Town Council objects to conducting it November 04, 1997 Election of Officers by mail ballot for the following reasons:

1. Election at the polls is an a visual demonstration of democracy in action and an institution of the American Society;
2. Change in election procedures, at this time can cause discontent;
3. Poll voting allows better opportunities for correction of voting records when in wrong ward;
4. Poll voting better reduces fraudulent voting;
5. Poll voting provides a more private voting situation.

  
\_\_\_\_\_  
Mayor Neil P. Gallagher

ATTEST:

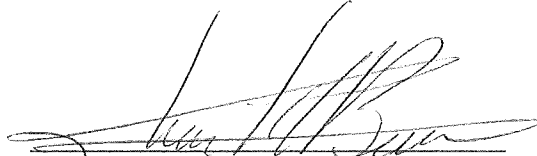
  
\_\_\_\_\_  
Linda F. Roginske, Clerk

DATED: September 08, 1997

Resolution 5.97

Be it hereby resolved that no primary election is necessary pursuant to MCA 13-14-115 (3) which states: In a political sub-division with a population of 10,000 or less, the governing body may determine that a primary need not be held if: (a) the number of candidates for an office exceeds twice the number to be elected to that office in no more than one-half of the offices on the ballot.

PASSED AND EFFECTIVE THIS 14<sup>th</sup> day of July, 1997.

  
COUNCIL PRESIDENT

ATTEST:

  
Linda F. Roginske, Clerk/Treasurer



## FAIR HOUSING RESOLUTION #3.97

WHEREAS, the Town of Whitehall desires to give meaning to the guarantees of equal rights contained in the Constitution and laws of this State and the United States, and to encourage and bring about mutual self-respect and understanding among all citizens and groups in the Town of Whitehall; and,

WHEREAS, under the Federal State Fair Housing Law, Title VIII of the Civil Rights Act of 1968, it is illegal to deny housing to any person because of race, color, religion, sex, or national origin; and

WHEREAS, under the Montana State Fair Housing Law, Title 49-2-305, MCA, it is illegal to deny housing to any person because of race, color, religion, sex, or national origin;

THEREFORE, be it resolved the Town of Whitehall, Montana makes a firm commitment to do all within its power to eliminate prejudice, intolerance, disorder, and discrimination in housing.

THEREFORE, be it also resolved that a Fair Housing Law poster, which has the "Equal Housing Opportunity" logo, will be displayed at Town Hall.

THEREFORE, be it also resolved that the following procedures will be used to accomplish the purpose of the aforementioned resolution:

1. The Town Council shall inform all Town employees of the Town's commitment to fair housing.
2. The Town Council will post this resolution in Town buildings and other public places and publicize it.
3. The Town Council shall direct all employees to forward immediately to the Mayor any reports they receive of housing discrimination.
4. The Mayor shall forward such complaints to the Montana Human Rights Commission, Department of Labor and Industry, P. O. Box 1728, Helena, Montana 59624-1728, within 10 days of receipt of said complaint.

Date: 7-22-97

Paul P. Hallay  
Mayor

ATTEST: Linda Fluke

## HATCH ACT RESOLUTION # 2.97

WHEREAS, the federal Hatch Act restricts the political activity of local government employees employed in connection with programs financed in whole or in part by federal loans or grants; and

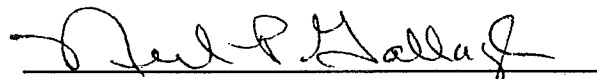
WHEREAS, the Hatch Act attempts to deter the political influence of public employees connected with federally funded programs; and

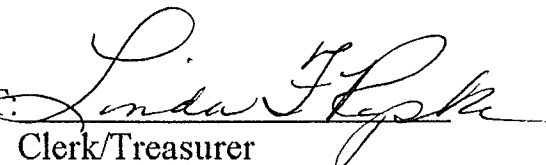
WHEREAS, the Town of Whitehall receives federal loans and grants from the federal government to support various programs; and

WHEREAS, local governments which receive loans and grants from the federal government are required to inform all employees of the provisions of the Hatch Act and to adopt a policy of compliance with its regulations;

THEREFORE, BE IT RESOLVED, that the Town Clerk is hereby appointed to serve as Hatch Act Information Officer, and that as such she/he will inform each of the Town's officials and employees of the provisions of the Hatch Act through the use of an employee manual, written memoranda or other written means of notification, maintained on file a copy of the brochure entitled *Political Activity and the State and Local Employee*, and monitor compliance with the provisions of the Hatch Act.

Date: 7-22-97

  
\_\_\_\_\_  
Mayor

ATTEST:   
\_\_\_\_\_  
Clerk/Treasurer

RESOLUTION NO. 1-97

A Resolution of the Town Council of the Town of Whitehall, Montana of its intention to provide that all property owners with delinquent Special Improvement Lighting District assessments after final notification shall have their names forwarded to the county to process a lien.

BE IT RESOLVED by the Town Council of the Town of Whitehall, County of Jefferson, State of Montana, that, after notification of property owners of unpaid fiscal year 1996-97 Special Improvement Lighting District assessments, the Town Council authorizes the processing of all property owners within the Town of Whitehall, Montana who have not fully paid the current assessments for such district for the fiscal year 1996-97 shall have their names forwarded to the County Assessors and the County Treasurer of Jefferson County, Montana to be incorporated into the taxes assessed in 1997, together with all costs and penalties, and that said assessment shall constitute a lien upon and against the property upon which said assessment is made, all in accordance with Section 7-12-4338;

AND BE IT FURTHER RESOLVED that said list of delinquent property owners will be forwarded on May 31, 1997.

PASSED AND APPROVED on this 14 day of April, 1997.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
Town Clerk

RESOLUTION 7.96

BE IT RESOLVED that pursuant to Section 69-7-111, M.C.A., the Town Council of the Town of Whitehall, Montana, does hereby increase its water rates in two stages.

Stage 1) The flat rate shall be increased approximately 45%. This shall be an interim increase until all water meters are installed and reading them begins. The increased flat rates follow:

Single Person Residence	\$13.25	Single Family Residence	\$22.00
Apartments	\$22.00	Sprinkling	\$11.60
Each Addition Apartment	\$13.25	Auto Sales	\$28.60
Barber Shop	\$13.25	Bars	\$33.00
Beauty Shop	\$33.00	Bowling Alley	\$13.25
Cafe	\$88.00	Car Wash	\$26.50
Church Buildings	\$13.25	Dentist Offices	\$22.00
Doctors' Offices	\$13.25	Drug Store with Fountain	\$22.00
Funeral Home	\$39.60	Grocery Store	\$17.60
Garage & Body Shop	\$13.25	Hotel - per room	\$ 3.30
Laundromat	\$44.00	Meat Market	\$17.60
Motel - per room	\$ 3.30	Office Buildings	\$13.25
Private Lodges or Clubs	\$13.25	Railroad Depot	\$13.25
Retail Dry Goods Store	\$13.25	Service Stations	\$28.75
Theater	\$13.25	Businesses Not on List	\$13.25

Interim metered rate: Minimum	4,500 gallons	\$33.90
Next	2,500 gallons	\$ 7.50 per 1000
Next	3,000 gallons	\$3.50 per 1000
Next	10,000 gallons	\$2.60 per 1000
Next	10,000 gallons	\$2.19 per 1000
All in excess of 30,000 gallons		\$1.85 per 1000

Stage 2) The metered rate shall go into effect when all meters are installed and reading them begins. The metered rate consists of two portions: base and variable

Base Rate - \$16.95 for 3/4 inch meter (includes the first 3,000 gallons)

Base Rate - \$28.82 for 1 inch meter (includes the first 5,100 gallons)

Base Rate - \$67.80 for 1 1/2 inch meter (includes the first 12,000 gallons)

Base Rate - \$120.35 for 2" meter (includes the first 21,300 gallons)

Variable Rate - \$1.27 per 1,000 gallons

DATED this \_\_\_ day of January, 1997.

USDA-FmHA  
Form FmHA 1942-47  
(Rev. 1-90)

FORM APPROVED  
OMB NO. 0575-0015

LOAN RESOLUTION 5.96  
(Public Bodies)

A RESOLUTION OF THE Town Council  
OF THE Town of Whitehall  
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A  
PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS  
Water System  
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Town of Whitehall  
*(Public Body)*  
(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of  
\$59,000 (Fifty nine thousand dollars)

pursuant to the provisions of State Statute; and

WHEREAS, the Association intends to obtain assistance from the Farmers Home Administration, United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form FmHA 400-4, "Assurance Agreement," and Form FmHA 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by FmHA. No free service or use of the facility will be permitted.

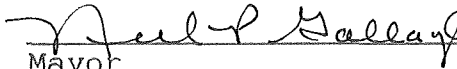
RESOLUTION NO. 3.95

A resolution of the Town Council of the Town of Whitehall, Montana relating to approval of the 1996/1997 final budget and renewal of the street lighting improvement district.

BE IT RESOLVED by the Town Council of the Town of Whitehall, County of Jefferson, State of Montana, that the Town Council approves the 1996/1997 final budget in the estimated amount of Two Hundred Seventy-eight Thousand Two Hundred and Eighty-one Dollars and No Cents (278,281.00).

AND BE IT FURTHER RESOLVED that the special improvement lighting district in the amount of Thirteen Thousand Five Hundred Dollars and No Cents (\$13,500.00) be renewed for the fiscal year 1996/1997.

PASSED AND APPROVED THIS 19th DAY OF AUGUST, 1996.

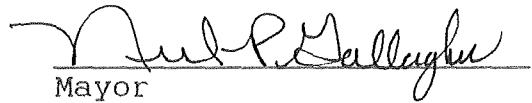
  
\_\_\_\_\_  
Mayor

ATTEST:   
\_\_\_\_\_  
Clerk/Treasurer

RESOLUTION 2.96

The Town Council of the Town of Whitehall, Montana, hereby declares April 11, 1996 as drug abuse resistance education (D.A.R.E.) day and will celebrate May 20th, 1996. The Town recognizes the contributions made to the Town's young people by this program and its instructor, Sheriff's Deputy Jeri Goodwin. The concern for the Town's children is greatly appreciated.

Duly passed this 13th day of May, 1996, by the Town Council of Whitehall, Montana.

  
\_\_\_\_\_  
Mayor

ATTEST:   
\_\_\_\_\_  
Town Clerk

DATE: 5-20-96

RESOLUTION NO. 1-96

A Resolution of the Town Council of the Town of Whitehall, Montana of its intention to provide that all property owners with delinquent Special Improvement Lighting District assessments after final notification shall have their names forwarded to the county to process a lien.

BE IT RESOLVED by the Town Council of the Town of Whitehall, County of Jefferson, State of Montana, that, after notification of property owners of unpaid fiscal year 1995-96 Special Improvement Lighting District assessments, the Town Council authorizes the processing of all property owners within the Town of Whitehall, Montana who have not fully paid the current assessments for such district for the fiscal year 1995-96 shall have their names forwarded to the County Assessors and the County Treasurer of Jefferson County, Montana to be incorporated into the taxes assessed in 1996, together with all costs and penalties, and that said assessment shall constitute a lien upon and against the property upon which said assessment is made, all in accordance with Section 7-12-4338;

AND BE IT FURTHER RESOLVED that said list of delinquent property owners will be forwarded on May 15, 1996.

PASSED AND APPROVED on this 8th day of April, 1996.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
Town Clerk