

**NOTICE OF RESOLUTION OF INTENTION TO CREATE
METROPOLITAN SANITARY SEWER DISTRICT NO. ONE**

NOTICE IS HEREBY IS GIVEN, that on the 25th day of March, 1997, the Board of County Commissioners of Dawson County, Montana (the "Board"), adopted Resolution #2014-7, which is a Resolution of Intention to Create Metropolitan Sanitary Sewer District No. One (the "District"), as modified by Amendment to Resolution #2014-7 adopted April 1, 2014 (collectively, the "Resolution"), as a metropolitan sanitary sewer district for the acquisition and construction of improvements for collecting, transporting, disposing and treating sewage from the West Glendive area to the City of Glendive Wastewater Treatment Plant (the "Treatment Plant") and for establishing fees, rates and charges for payment to the City of Glendive for accepting, treating and disposing of the sewage in the Treatment Plant. By resolution adopted by the City Council, the City of Glendive concurred in the Resolution.

The general character of the improvements to be made or acquired by the District is for an adequate sewer system and for disposal of sewage (a) by acquiring and operating and maintaining the present existing sewer system improvements (the "Existing Sewer System") within Rural Special Improvement Districts No. 10M, 31M, and 10SLM sewer lateral and trunk pipelines serving the proposed District 47M, including the Northwest System (Highland Park) of approximately 9,300 feet of 8" pipe, 23 manholes, and a 6" siphon under I-94, and the Southern System of approximately 40,000 feet of 8", 10", and 12" gravity pipe, 24 manholes, 3 lift stations, and 1,500 feet of forcemain, including all appurtenances and accessories thereto and useful or necessary to operate the same; (b) by replacing or reconstructing mains and laterals as needed within the Existing Sewer System, (c) by abandoning the use and maintenance of the West Glendive Sewage Lagoon as operated by Rural Special Improvement Districts No. 10 SLM of Dawson County, Montana; and (d) by building and constructing, operating and maintaining a sewer pipeline connection from the boundaries of the Existing Sewer System to the connection point to the Treatment Plant, together with all lift stations, appurtenances and accessories for the sewer pipeline connection. The District will also be assessed for the cost and expense of repairing, preserving, operating and maintaining all acquired, constructed and installed improvements.

In addition, the District will be subject to the establishment and payment of fees, rates and charges to the City of Glendive, as they may be adjusted from time to time, for the services and benefits directly or indirectly afforded by sewer system and the receipt, treatment and disposal of the sewage from the District into the Treatment Plant. The Board will enter into an interlocal agreement with the City of Glendive with respect to the construction and operation of the Treatment Plant, which will include the details on the establishment fees, rates and charges by the City of Glendive with respect to the acceptance, treatment and disposal of sewage from the District.

A description of the boundaries of the District is more particularly set forth in Exhibit "A" attached and by this reference made a part of this notice.

The total preliminary estimated cost of the construction of improvements for the Treatment Plant is estimated at Fifteen Million dollars (\$15,000,000). The fees, rates and charges of the City of Glendive for the receipt, treatment and disposal of sewage will be based on the flow of sewage from the District as a percentage of total flow of wastewater into the Treatment Plant (the "Flow Percentage"), which is initially estimated at Thirty Point Seven Percent (30.7%). The Flow Percentage will be applied to the total direct, indirect and incidental costs and expenses of constructing and

financing the Treatment Plant, as well as the costs and expenses of operating, maintaining, repairing and preserving the facility. Based on the initial percentage, the estimated amount of the indirect cost and expense of construction to be included in the fees, rates and charges is Four Million Six-Hundred and Five Thousand dollars (\$4,605,000). The estimated construction cost of the improvements to connect to the Treatment Plant is Two Million Nine-Hundred Thousand dollars (\$2,900,000). Total projected direct and indirect cost of construction is Seven Million Five Hundred and Five Thousand dollars. (\$7,505,000) Including interest at 3% for twenty (20) years, the projected direct and indirect cost relating to construction and financing is Thirteen Million Nine-Hundred Twelve Thousand Three-Hundred Sixty dollars (\$13,912,360). Using the current number of tracts or units within the boundaries of the District, the average estimated cost per tract or unit for financed direct and indirect construction and financing costs will be fifty-four dollars and fifty cents (\$54.50) per month, which is exclusive of operation, maintenance, repair and preservation costs.

The original of the Resolution is on file in the office of the County Clerk and Recorder of Dawson County, Montana, in the City of Glendive, Montana, to which Resolution reference is hereby made, and for further particulars regarding the boundaries of said District and other matters pertaining thereto, you are hereby directed and referred to said Resolution.

At any time within 30 days after the date of the first publication of this Notice, an owner of property liable to be assessed for the improvements, fees, rates and charges may make a written protest against the proposed improvements, fees, rates and charges. The protest must be in writing and be delivered to the County Clerk at 207 W. Bell St., Glendive Montana 59330 attn: Sewer District.

The Board will be in session at the Dawson County Courthouse Conference Room in Glendive, Montana, on May 6, 2014, at 10:00 o'clock a.m., when and where it intends to create the said District, at which time and place the Board will hear and pass upon all protests against the improvements, fees, rates and charges that may be made by any person or firm or corporation, or the agent of the person or firm or corporation, owning real property within the proposed District.

Any person shall have the right to appear at said time and place in person or by agent or counsel and show cause, if any there be, why the District should not be created.

DONE BY ORDER of Board of County Commissioners of Dawson County, Montana, this 1st day of April, 2014.

Shirley A. Kreiman

COUNTY CLERK AND RECORDER OF DAWSON COUNTY,
MONTANA, AND EX-OFFICIO CLERK OF THE BOARD OF
COUNTY COMMISSIONERS OF DAWSON COUNTY,
MONTANA