
MONDAY, AUGUST 8, 2011

The Board of County Commissioners met in continued session at 8:00 o'clock A.M. Chairman Dupont, Commissioners Lauman and Holmquist, and Clerk Robinson were present.

Chairman Dupont opened public comment on matters within the Commissions' Jurisdiction, no one present to speak, Chairman Dupont closed the public comment period.

MONTHLY MEETING W/ MARK CAMPBELL, FAIRGROUNDS

[9:00:22 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Fairground Operations Manager Mark Campbell, Clerk DeReu

Campbell summarized a monthly report for Fairground operations that have been very busy he noted. He reported grandstand ticket sales are steady with receipts ahead of last year's sales to date. The upcoming events and activities were reviewed.

CONSIDERATION OF EXTENSION REQUEST: BEAR SPRINGS ESTATES

[9:18:36 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Planner Alex Hogle, Clerk DeReu

Hogle reported Bear Springs Estates was given a standard one-year preliminary plat extension, which is set to expire on September 15, 2011. He explained an additional one-year extension is being requested.

Commissioner Holmquist made a **motion** to approve a one-year extension through September 15, 2012 for Bear Springs Estates. Commissioner Lauman **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

CONSIDERATION OF EXTENSION REQUEST: CANYON CREEK RANCH

[9:19:40 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Planner Alex Hogle, Clerk DeReu

Hogle reported Canyon Creek Ranch was given a standard one-year preliminary plat extension, which is set to expire on September 30, 2011. He explained an additional one-year extension is being requested.

Commissioner Lauman made a **motion** to approve a one-year extension through September 30, 2012 for Canyon Creek Ranch. Commissioner Holmquist **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

CONSIDERATION OF EXTENSION REQUEST: HASKELL'S PASS SUBDIVISION

[9:20:40 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Planner Alex Hogle, Clerk DeReu

Hogle reported Haskell's Pass Subdivision was given a standard one-year preliminary plat extension, which is set to expire on December 22, 2011. He explained an additional one-year extension is being requested.

Commissioner Holmquist made a **motion** to approve a one-year extension through December 22, 2012 for Haskell's Pass Subdivision. Commissioner Lauman **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

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(Continued)

DOCUMENT FOR SIGNATURE: WATER WELL MOU/ LHC & ROAD DEPT.

[9:15:24 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Public Works Director Dave Prunty, Clerk DeReu

Prunty reported the MOU water agreement allows them to have an area in West Valley/ Smith Valley, which would be closer than running to the road department shop to fill up water trucks.

Commissioner Lauman made a **motion** to approve the MOU with LHC. Commissioner Holmquist **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

DOCUMENT FOR SIGNATURE: DPHHS CONTRACT #12-07-5-11-018-0

[9:22:06 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Clerk DeReu

Commissioner Lauman made a **motion** to approve DPHHS Contract #12-07-5-11-018-0. Commissioner Holmquist **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

DOCUMENT FOR SIGNATURE: DPHHS CONTRACT #12-07-5-31-007-0

[9:24:07 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Clerk DeReu

Commissioner Holmquist made a **motion** to approve DPHHS Contract #12-07-5-31-007-0. Commissioner Lauman **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

CONSIDERATION OF PRINT BIDS: LIBRARY

[9:25:30 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Clerk DeReu

Commissioner Lauman made a **motion** to award the print bid to North Star Printing for 1,000 envelopes for \$87.49 and three-sets of two-sided business cards for \$103.36. Commissioner Holmquist **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

Commissioner Holmquist made a **motion** to award the print bid to Insty Prints for 1,000 letterhead for \$82.00. Commissioner Lauman **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

CONSIDERATION OF AMENDMENT TO JUVENILE ACCOUNTABILITY BLOCK GRANT/ YOUTH COURT

[9:27:59 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Clerk DeReu

Pence noted the request is to re-allocate \$3,000 that Flathead County contributes towards the local match portion for Montana Board of Crime Control instead to MBCC VOCA Grant #11-V01-90961.

Commissioner Lauman made a **motion** to approve the amendment to the block grant. Commissioner Holmquist **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

At 5:00 o'clock P.M., the Board continued the session until 8:00 o'clock A.M. on August 9, 2011.

TUESDAY, AUGUST 9, 2011

The Board of County Commissioners met in continued session at 8:00 o'clock A.M. Chairman Dupont, Commissioners Lauman and Holmquist, and Clerk Robinson were present.

Chairman Dupont opened public comment on matters within the Commissions' Jurisdiction, no one present to speak, Chairman Dupont closed the public comment period.

CITIZENS FOR A BETTER FLATHEAD AWARD TO MIKE PENCE

[9:14:38 AM](#)

Members present:

- Chairman James R. Dupont
- Commissioner Dale W. Lauman
- Commissioner Pamela J. Holmquist

Others present:

- Assistant Mike Pence, Mayre Flowers, Clerk DeReu

Mayre Flowers presented Mike Pence with an award for work with energy efficiency. She explained in 1995 Citizens for a Better Flathead began recognizing individuals in the community who provided outstanding leadership, both in promoting sound planning and broad public participation in shaping the future of Flathead County. She stated Mike Pence has been involved in spearheading cost effective savings in pursuing energy efficient options for Flathead County, which has shown significant savings to taxpayers.

QUARTERLY JUVENILE DETENTION FACILITY TOUR

[9:22:59 AM](#)

Members present:

- Chairman James R. Dupont
- Commissioner Dale W. Lauman
- Commissioner Pamela J. Holmquist

CONSIDERATION OF ADOPTION OF RESOLUTION: SET TERMS OF BOND ISSUE/ SERIES 2011

[10:15:14 AM](#)

Members present:

- Chairman James R. Dupont
- Commissioner Dale W. Lauman
- Commissioner Pamela J. Holmquist

Others present:

- Assistant Mike Pence, Finance Director Sandy Carlson, Clerk DeReu

Commissioner Holmquist made a **motion** to adopt Resolution #2300B to authorize the sale. Commissioner Lauman **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Flathead County, Montana (the "County"), hereby certify that the attached resolution is a true copy of Resolution No. 2300B, entitled: "RESOLUTION RELATING TO \$800,000 GENERAL OBLIGATION BONDS, SERIES 2011; 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 regular meeting on August 9, 2011, 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: **Chairman Dupont, Commissioner Lauman and Commissioner Holmquist**; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand and seal officially this 9th day of August, 2011.



FLATHEAD COUNTY CLERK & RECORDER
Paula Robinson

By/s/D. DeReu
D. DeReu, Deputy Clerk

**TUESDAY, AUGUST 9, 2011
(Continued)**

RESOLUTION NO. 2300B

RESOLUTION RELATING TO \$800,000 GENERAL OBLIGATION BONDS, SERIES 2011; 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 Flathead 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 \$6,900,000 principal amount of general obligation bonds of the County for the purpose of paying the costs of acquiring rights and interests in and to a parcel of land located near Stillwater Road in the vicinity of the new Forest Service Building, in Kalispell, Montana, or another suitable location within Flathead County; of designing, constructing, equipping and furnishing thereon an Emergency Coordination Center (the "Project"); and paying costs associated with the sale and issuance of the bonds. In 2009, the County issued bonds in the aggregate principal amount of \$6,100,000 to pay a portion of the costs of the Project and associated issuance costs.

On June 29, 2011, the County authorized and provided for the issuance and sale of its general obligation bonds in the amount of \$800,000 (the "Bonds") to fund, or reimburse the County for, a portion of the costs of the Project and pay costs of issuing the Bonds. Pursuant to such authorization, this Board at a public sale duly noticed and held on August 2, 2011, awarded the sale of the Bonds to D.A. Davidson & Co., of Great Falls, Montana (the "Purchaser"), on a bid to purchase the Bonds at a purchase price of \$813,440.00 plus accrued interest to the date of delivery, if any, the Bonds to bear interest at the rates designated by the Purchaser in such bid and as set forth in Section 2.01 of this resolution, which rates result in a true interest cost of 3.034796%. The rates of interest designated by the Purchaser result in a total dollar interest cost of \$265,257.93. It is hereby found, determined and declared that the interest rates designated by the Purchaser and set forth in Section 2.01 are consistent with the Purchaser's bid accepted by this Board on August 2, 2011 and are hereby approved. It is now desirable, proper and in the best interest of the County that the form and details of the Bonds be set forth and prescribed in the official proceedings of this Board.

1.02. Recitals. All acts, conditions and things required by the Constitution and laws of the State of Montana, including Montana Code Annotated, Title 7, Chapter 7, Parts 21 and 22, as amended (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 indebtedness of the County, will not exceed 2.50% of the total assessed value of taxable property, determined as provided in Section 15-8-111, M.C.A., within Flathead County, Montana, as 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 "General Obligation Bonds, Series 2011." The Bonds shall be in the denomination 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 (or until subject to mandatory sinking fund redemption as to the term bonds maturing in 2023, 2025, 2027, and 2029) at the rates shown opposite such years and amounts, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Rate</u>
2012	\$35,000	3.000%	2019	\$40,000	3.000%
2013	35,000	3.000	2020	45,000	3.000
2014	35,000	3.000	2023*	135,000	3.000
2015	35,000	3.000	2025*	100,000	3.125
2016	40,000	3.000	2027*	105,000	3.400
2017	40,000	3.000	2029*	115,000	3.600
2018	40,000	3.000			

*Term bond subject to mandatory sinking fund redemption as set forth in Section 2.07 below.

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, 2012. 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 18, 2011, and upon authentication of any Bond the Registrar 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:

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(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 National Association, of Seattle, Washington, to act as Registrar. The County reserves the right to appoint a successor bond registrar, transfer agent or paying agent, as authorized by the Model Public Obligations Registration Act of Montana, Montana Code Annotated, Title 17, Chapter 5, Part 11, as amended (the "Registration Act"), but the County agrees to pay the reasonable and customary charges of the Registrar for the services performed.

2.06. Optional Redemption. Bonds maturing in the years 2012 through 2019 shall not be subject to redemption prior to maturity, but Bonds maturing in the years 2020, 2023, 2025, 2027, and 2029 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 it deems fair), on July 1, 2019 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 to be redeemed optionally shall be fixed by the County Treasurer who shall give notice thereof to the Registrar at least forty-five days prior to the date of optional redemption. The Registrar shall, at least thirty days prior to the designated redemption date, cause notice of optional redemption to be mailed, by first class mail, 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 optional 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, the Registrar shall also give, or cause to be given, notice of the optional redemption of any Bond or Bonds or portions thereof at least 35 days before the redemption date by certified or first-class mail or telecopy to the Purchaser and 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 one or more 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.

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2.07. Mandatory Sinking Fund Redemption. The Bonds having stated maturities in 2023, 2025, 2027, and 2029 are subject to mandatory sinking fund redemption on July 1 in the respective years and the respective principal amounts set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date:

Stated Maturity of Term Bond (July 1)	Sinking Fund Payment Date (July 1)	Principal Amount on Sinking Fund Payment Date
2023	2021 2022	\$45,000 \$45,000
2025	2024	\$50,000
2027	2026	\$50,000
2029	2028	\$55,000

If the term bonds with stated maturities in 2023, 2025, 2027, and 2029 are not previously purchased by the County in the open market or prepaid, in respect of the term bond maturing in 2023, \$45,000 in principal amount would remain to mature in 2023; in respect of the term bond maturing in 2025, \$50,000 in principal amount would remain to mature in 2025; in respect of the term bond maturing in 2027, \$55,000 in principal amount would remain to mature in 2027; and in respect of the term bond maturing in 2029, \$60,000 in principal amount would remain to mature in 2029. The principal amounts of the term bonds having stated maturities in 2023, 2025, 2027, and 2029 required to be redeemed on the above Sinking Fund Payment Date shall be reduced by the principal amount of such term bonds theretofore redeemed at the option of the Board and as to which amounts have not been previously applied to reduce the principal amount of such bonds on a Sinking Fund Payment Date.

2.08. 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 are permitted by the Act.

2.09. Execution and Delivery. The Bonds shall be forthwith prepared for execution under the direction of the County Clerk and Recorder, and shall be executed on behalf of the County by the signatures of the Chairman of the Board of County Commissioners, the County Treasurer, and the County Clerk and Recorder, 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 Treasurer in accordance with Montana Code Annotated, Section 7-7-2257. 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.

2.10. Securities Depository for the Bonds.

(a) For purposes of this Section 2.10, 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, attached to this resolution as Exhibit B, which is hereby incorporated by reference and made a part hereof.

(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

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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. Construction Account; Use of Proceeds. There is hereby created a special account designated as the "2011 Construction Account" (the "Construction Account"), to be held by the County Treasurer of the County separate and apart from all other funds of the County. The County will appropriate to the Construction Account (a) the proceeds of the sale of the Bonds in the amount of \$800,000 and (b) all income derived from the investment of amounts on hand in the Construction Account. The Construction Account shall be used solely to defray expenses of the Project and to pay costs of issuance associated with the sale and issuance of the Bonds, and may, if necessary, be used for the transfer to the Debt Service Account described in Section 3.02 of amounts sufficient for the payment of interest and principal, if any, due upon the Bonds prior to the completion and payment of all costs of the Project. Upon completion and payment of all costs of the Project, any remaining proceeds of Bonds in the Construction Account shall be credited and paid to the Debt Service Account.

3.02. Debt Service Account. So long as any of the Bonds are outstanding and any principal thereof or interest thereon unpaid, the County Treasurer shall maintain a separate and special 2011 Debt Service Account (the "Debt Service Account") 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 Account: (a) any proceeds of the Bonds in excess of \$800,000 that are payable to the County, (b) all funds to be credited and paid thereto in accordance with the provisions of Section 3.01, (c) any taxes levied in accordance with this resolution, (d) all income derived from the investment of amounts on hand in the Debt Service Account, and (e) such other money as shall be received and appropriated to the Debt Service Account from time to time.

Section 4. Tax Levies. The full faith, 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, 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.

Section 5. Arbitrage and Certification of Proceedings.

5.01. Certification. The Chairman of the Board of County Commissioners, the County Treasurer, and the County Clerk and Recorder, 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 Internal Revenue Code of 1986, as amended, 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 applicable provisions of the Code and the Treasury Regulations, 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:

TUESDAY, AUGUST 9, 2011
(Continued)

(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 2011 is not reasonably expected to exceed \$5,000,000. To date in 2011, the County has issued no such tax-exempt bonds; and in the calendar years 2006 through 2010, the County issued no such tax-exempt bonds, except its \$6,100,000 General Obligation Bonds, Series 2009, \$200,000 Rural Special Improvement District No. 142 Bond, \$508,000 Pooled Rural Special Improvement District Bonds, (Rural Special Improvement District Nos. 139, 140, and 141), \$344,000 Rural Special Improvement District No. 143, \$430,820 Rural Special Improvement District No. 144, \$274,000 Rural Special Improvement District No. 145, \$203,500 Rural Special Improvement District No. 147, \$173,000 Rural Special Improvement District No. 146, and \$368,000 Rural Special Improvement District No. 149.

(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)(ii) 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 2011 under Section 265(b)(3) other than the Bonds. The County hereby represents that it does not anticipate that the County and all "subordinate entities" of the County will issue in 2011 obligations bearing interest exempt from federal income taxation under Section 103 of the Code (including "qualified 502(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, 2011, 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, 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; provided, however, that if such deposit is made more than 90 days before the stated maturities or redemption date of the Bonds to be discharged, the County shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bond from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity date.

Section 7. Continuing Disclosure.

(a) Purpose and Beneficiaries. Although the original purchaser and other participating underwriters in the primary offering of the Bonds need not comply with amendments to Rule 15c2-12 promulgated by the Securities and 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"), in respect of the primary offering of the Bonds, because the aggregate principal amount of the Bonds and any other securities required to be integrated with the Bonds is less than \$1,000,000, to enhance the marketability of the Bonds, the County nevertheless hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. 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 any provisions of this Section 7, 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 any agreement or covenant contained in this Section 7, 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 Section 7 constitute a default under the Bonds or under any other provision of this resolution.

TUESDAY, AUGUST 9, 2011
(Continued)

As used in this Section 7, "Owner" or "Bondowner" 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 which (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, either directly or indirectly through an agent designated by the County, the following information at the following times in an appropriate manner:

(1) to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB, the information (the "Disclosure Information") of the type described below, which information may be unaudited and which, for financial statement information, shall be for the most recent fiscal year of the County (if in response to a request, the most recent fiscal year ending not less than 270 days before the date of the request), and, for other such information, the information most recently compiled by the County on a customary basis and publicly available under applicable data privacy or other laws:

(A) audited financial statements of the County for the then most recent completed fiscal year or if unavailable as of the date of request, updated financial results for the then most recent completed fiscal year similar to the format shown in Appendix A to the Official Statement relating to the Bonds (the "Official Statement");

(B) updated figures for the County for the then current fiscal year to include general obligation bonds outstanding, market valuation, taxable valuation, estimated County population, and debt capacity;

(C) a description of any additional borrowing or future financing of the County;

(D) tax levy figures for the then current fiscal year in format similar to the table in the section captioned "Tax Levies" in the Official Statement;

(E) tax collection figures for the then most recent completed fiscal year in format similar to the table in the section captioned "Tax Collections" in the Official Statement; and

(F) a list of the major taxpayers of the County for the then current fiscal year in format similar to the table in the section captioned "Major Taxpayers" in the Official Statement.

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 Internet Web site of the MSRB. The County shall clearly identify in the Disclosure Information each document so incorporated by reference. If the Disclosure Information is changed because it is no longer compiled or publicly available or this paragraph (c)(1) is amended as permitted by subsection (e), then the County shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of information provided.

(2) 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 security 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 obligated person;

(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; and

(N) appointment of a successor or additional trustee or the change of name of a trustee, if material.

TUESDAY, AUGUST 9, 2011
(Continued)

As used herein, for those events that must be reported if material, 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 hereunder 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.

(3) In a timely manner to the MSRB, in an electronic format as prescribed by the MSRB from time to time, notice of the occurrence of any of the following events or conditions:

(A) the failure of the County to provide the Disclosure Information required under paragraph (c)(1) at the time specified thereunder;

(B) the amendment or supplementing of this Section 7 pursuant to subsection (e), together with a copy of such amendment or supplement;

(C) the termination of the obligations of the County under this Section 7 pursuant to subsection (e); and

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

(d) Identifying Information to Accompany Documents. All documents provided to the MSRB pursuant to subsection (c) above shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(e) Term; Amendments; Interpretation. The covenants of the County in this Section 7 shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the County under this Section 7 shall terminate and be without further effect as of any date on which the County delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the County to comply with the requirements of this Section 7 will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

This Section 7 may be amended or supplemented by the County from time to time, without notice to or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the Clerk 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: (i) 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 (d)(2) of the Rule; (ii) this Section 7 as so amended or supplemented would have complied with the requirements of paragraph (d)(2) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule. This Section 7 is entered into to comply with, and should be construed so as to satisfy the requirements of, paragraph (d)(2) of the Rule.

(f) Limitation of Liability of the County. None of the agreements or obligations of the County contained in this Section 7 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.

Section 8. Effective Date. This resolution shall be effective upon passage.

PASSED by the Board of County Commissioners of Flathead County, Montana, this 9th day of August, 2011.

BOARD OF COUNTY COMMISSIONERS
Flathead County, Montana

By/s/James R. Dupont
James R. Dupont, Chairman

By/s/Dale W. Lauman
Dale W. Lauman, Member

ATTEST:
Paula Robinson, Clerk

By/s/Pamela J. Holmquist
Pamela J. Holmquist, Member

By/s/D. DeReu
D. DeReu, Deputy Clerk

TUESDAY, AUGUST 9, 2011
(Continued)

EXHIBIT A

(Face of the Bonds)

UNITED STATES OF AMERICA

STATE OF MONTANA

FLATHEAD COUNTY

GENERAL OBLIGATION BOND, SERIES 2011

No. R- _____			\$ _____ .00
<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	July 1,	August 18, 2011	33876R

REGISTERED OWNER:
PRINCIPAL AMOUNT:

CEDE & CO.
AND NO/100 DOLLARS

FLATHEAD 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 18, 2011 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 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, 2012, 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.

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, 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 \$800,000 (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 paying a portion of the costs of designing, constructing, equipping and furnishing thereon an Emergency Coordination Center; and of paying costs associated with the sale and issuance of the Bonds, all pursuant to resolutions duly adopted by the Board of County Commissioners, including Resolution No. _____ adopted on August 9, 2011 (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.

The Bonds maturing in the years 2012 through 2019 are payable on their respective stated maturity dates without option of prior payment, but Bonds having stated maturity dates in the years 2020, 2023, 2025, 2027, and 2029 are each 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 it deems fair), on July 1, 2019 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 optional redemption and the principal amount of the Bonds shall be fixed by the County Treasurer who shall give notice thereof to the Registrar at least forty-five days prior to the date of redemption. The Registrar shall, at least thirty days prior to the designated optional redemption date, cause notice of redemption to be mailed, by first class mail, 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 Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

The Bonds having stated maturities in 2023, 2025, 2027, and 2029 are subject to mandatory sinking fund redemption on July 1 in the respective years and the respective principal amounts set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date:

**TUESDAY, AUGUST 9, 2011
(Continued)**

Stated Maturity of Term Bond (July 1)	Sinking Fund Payment Date (July 1)	Principal Amount on Sinking Fund Payment Date
2023	2021 2022	\$45,000 \$45,000
2025	2024	\$50,000
2027	2026	\$50,000
2029	2028	\$55,000

If the term bonds with stated maturities in 2023, 2025, 2027, and 2029 are not previously purchased by the County in the open market or prepaid, in respect of the term bond maturing in 2023, \$45,000 in principal amount would remain to mature in 2023; in respect of the term bond maturing in 2025, \$50,000 in principal amount would remain to mature in 2025; in respect of the term bond maturing in 2027, \$55,000 in principal amount would remain to mature in 2027; and in respect of the term bond maturing in 2029, \$60,000 in principal amount would remain to mature in 2029. The principal amounts of the term bonds having stated maturities in 2023, 2025, 2027, and 2029 required to be redeemed on the above Sinking Fund Payment Date shall be reduced by the principal amount of such term bonds theretofore redeemed at the option of the Board and as to which amounts have not been previously applied to reduce the principal amount of such bonds on a Sinking Fund Payment Date.

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 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.

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 sufficient to pay the interest hereon when it falls due and also to pay and discharge the principal of this Bond at maturity; that this Bond, together with all other indebtedness of the County outstanding on the date of original issue hereof and on the date of the delivery of the Bonds of this issue to the original purchaser thereof, 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, Flathead County, State of Montana, by its Board of County Commissioners, has caused this Bond to be executed by the facsimile signatures of the Chairman of the Board of County Commissioners, the County Treasurer, and the County Clerk and Recorder, and by a facsimile of the official seal of the County.

(Facsimile Signature)
Chairman, Board of County Commissioners

(Facsimile Signature)
County Treasurer

(Facsimile Signature)
County Clerk and Recorder

(Facsimile Seal)

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

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

U.S. BANK 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:

TUESDAY, AUGUST 9, 2011
(Continued)

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

DOCUMENT FOR SIGNATURE: BUSH GRAVEL PIT AGREEMENT/ MARION SHOOTERS CLUB

[10:20:10 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Public Works Director Dave Prunty, Clerk DeReu

Prunty explained the agreement would allow Marion Shooters Club to use the county pit west of Marion on weekends for their NARA sanctioned club.

Commissioner Lauman made a **motion** to approve the agreement with Marion Shooters Club. Commissioner Holmquist **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

TAX REFUND: KRMC / FAMILY HEALTH CARE

[10:26:27 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, Clerk DeReu

Pence reported a dual payment was made and recommended approval.

Commissioner Holmquist made a **motion** to approve the tax refund to KRMC/ Family Health Care. Commissioner Lauman **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

TUESDAY, AUGUST 9, 2011
(Continued)

MONTHLY MEETING W/ SCOTT SAMPEY, OES & LINCOLN CHUTE, FIRE SERVICES AREA MANAGER

[10:28:15 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, OES Director Scott Sampey, OES Deputy Director Cindy Mullaney, Fire Services Area Manager Lincoln Chute

Discussion was held relative to flood damage, log jams and the lack of funding to mitigate them, managing FEMA's grant, upcoming fire restrictions, responsibilities of fire district trustees and work still needed on the 911 Center.

CONTINUATION OF DOCUMENT FOR SIGNATURE: DNRC COOPERATIVE FIRE CONTROL AGREEMENT

[10:45:55 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Dale W. Lauman
Commissioner Pamela J. Holmquist

Others present:

Assistant Mike Pence, OES Director Scott Sampey, OES Deputy Director Cindy Mullaney, Fire Service Area Manager, Lincoln Chute, Clerk DeReu

Commissioner Lauman made a **motion** to approve the DNRC Cooperative Fire Control Agreement. Commissioner Holmquist **seconded** the motion. **Aye** - Dupont, Lauman and Holmquist. Motion carried unanimously.

At 5:00 o'clock P.M., the Board continued the session until 8:00 o'clock A.M. on August 10, 2011.

WEDNESDAY, AUGUST 10, 2011

The Board of County Commissioners met in continued session at 8:00 o'clock A.M. Chairman Dupont, Commissioners Lauman and Holmquist, and Clerk Robinson were present.

11:00 a.m. County Attorney meeting @ Co. Atty's Office

12:00 p.m. Commissioner Dupont: Economic Development Authority Board meeting @ Zinc Air

At 5:00 o'clock P.M., the Board continued the session until 8:00 o'clock A.M. on August 11, 2011.

THURSDAY, AUGUST 11, 2011

The Board of County Commissioners met in continued session at 8:00 o'clock A.M. Chairman Dupont, Commissioners Lauman and Holmquist, and Clerk Robinson were present.

Chairman Dupont opened public comment on matters within the Commissions' Jurisdiction, no one present to speak, Chairman Dupont closed the public comment period.

BI-MONTHLY MEETING W/PAT MCGLYNN, EXTENSION OFFICE

[8:51:31 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Pamela J. Holmquist

Members absent:

Commissioner Dale W. Lauman

Others present:

Assistant Mike Pence, MSU Extension Agent Pat McGlynn, Clerk DeReu

McGlynn reported the grant proposal for grape research sent in for \$44,000 is in final review. She spoke about applicator pesticide certification work and hay inspections. McGlynn noted a group of Master Gardeners attend the Columbia Falls Farmers Market weekly to help answer gardening questions. She reported Mary Tuck was hired as the part time interim 4-H Director.

THURSDAY, AUGUST 11, 2011
(Continued)

MONTHLY MEETING W/ B. J. GRIEVE, PLANNING & ZONING OFFICE

[9:00:43 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Pamela J. Holmquist

Members absent:

Commissioner Dale W. Lauman

Others present:

Assistant Mike Pence, Planning & Zoning Director B. J. Grieve, Clerk DeReu

Grieve spoke about the backlog regarding planning and zoning violations, fiscal year revenue statistics, CTEP policy criteria, Old Red Bridge project estimates, West Valley moto-cross races, annual certification opportunities for staff at Big Sky, implementation of a permit tracking calendar system and responses on customer surveys.

MEETING W/ BSAC RE: UPDATE

[9:33:59 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Pamela J. Holmquist

Members absent:

Commissioner Dale W. Lauman

Others present:

Assistant Mike Pence, Sue Hanson, Harry Hyatt, David Christensen, Debbie Pierson, Clerk DeReu

Sue Hanson updated the commission on the Bigfork Stormwater Project and presented an overview of the proposed survey to be sent to Bigfork residence in order to gauge support of a proposed RSID.

Discussion was held relative to availability of grant funds and degradation of water quality.

The commission gave verbal approval of the draft survey proposed to be sent and the E & O budget presented.

Bigfork Stormwater Projected E & O Budget 2011-2012					
Item	Project	Number	Cost	Total	Timeline
Consultant	Survey 1	2 hrs	\$ 150.00	\$ 300.00	Aug. 2011
*Print Survey	Survey 1	6800	\$ 0.04	\$ 272.00	Sept. 2011
*Print Envelopes	Survey 1	3400	\$ 0.02	\$ 68.00	"
*Print Ret. Envl.	Survey 1	3400	\$ 0.05	\$ 170.00	"
Colored Envl.	Survey 1	3400	\$ 0.14	\$ 476.00	"
Plain Envl.	Survey 1	3400	\$ 0.06	\$ 204.00	"
Postage/Send	Survey 1	3400	\$ 0.22	\$ 748.00	Sept. 2011
Assembly	Survey 1	3400	\$ 0.05	\$ 170.00	Sept. 2011
Address	Survey 1	3400	\$ 0.05	\$ 170.00	Aug.-Sept. 11
*Print Brochure	Survey 1	3400	\$ 0.58	\$ 1,972.00	Sept. 2011
Contingency	Survey 1			\$ 2,500.00	
Tabulation	Survey 1	1000	?		Nov. 2011
Card	Survey 2	3400	\$ 0.50	\$ 1,700.00	Mar-12
				\$ 8,750.00	
Website Maint.	E & O	2 years	\$ 75.00	\$ 150.00	Fall 2011
Upgrade Website	E & O		\$ 250.00	\$ 250.00	Fall 2011
New Info. Boards	E & O	2	\$ 500.00	\$ 500.00	Mar-12
*Brochure	E & O	1000	\$ 0.58	\$ 580.00	Sept. 2011
Lakers-School Prog.	E & O	1 Trunk/Orient	\$ 2,000.00	\$ 2,000.00	Fall 2011
Advertising	E & O	6- 4 x 4	\$ 225.00	\$ 1,530.00	Mar-12
Letters/Project-River	E & O	700	\$ 0.04	\$ 28.00	Sept. 2011
Postage	E & O	700	\$ 0.22	\$ 154.00	Sept. 2011
Copy paper/Ink	E & O	2	\$ 75.00	\$ 150.00	Nov.11-Mar.12
Training	E & O	2	\$ 500.00	\$ 1,000.00	Sept. 2012
Stewardship Award	E & O	2	\$ 120.00	\$ 240.00	Jun-12
Contingency	E & O			\$ 1,000.00	
Workshop	E & O			\$ 1,000.00	Fall 2012
				\$ 8,582.00	
GRAND TOTAL:				\$ 17,332.00	

CONSIDERATION OF LAKESHORE PERMIT: HUBBARD

[9:56:04 AM](#)

Members present:

Chairman James R. Dupont
Commissioner Pamela J. Holmquist

Members absent:

Commissioner Dale W. Lauman

Others present:

Assistant Mike Pence, Planner Bailey Minnich, Clerk DeReu

Minnich entered into record Lakeshore Permit FLV 11-01; a minor variance application submitted by Rod Hubbard to place a boat rail system at 439 Hughes Bay Road on Flathead Lake closer to the side property line than what the required setback allows, based on the amount of lakeshore frontage.

Commissioner Holmquist made a **motion** to approve Lakeshore Permit FLV 11-01. Chairman Dupont **seconded** the motion. **Aye** - Dupont and Holmquist. Motion carried by quorum.

THURSDAY, AUGUST 11, 2011
(Continued)

DOCUMENT FOR SIGNATURE: CTA SCOPE OF SERVICES/COURTHOUSE RENOVATION

[9:57:33 AM](#)

Members present:
Chairman James R. Dupont
Commissioner Pamela J. Holmquist
Members absent:
Commissioner Dale W. Lauman
Others present:
Assistant Mike Pence, Clerk DeReu

Pence reported the proposal is to have CTA prepare an overall site plan.

Commissioner Holmquist made a **motion** to approve the document for signature for an overall site plan. Chairman Dupont **seconded** the motion. **Aye** - Dupont and Holmquist. Motion carried by quorum.

DOCUMENT FOR SIGNATURE: TITLE III OLDER AMERICAN ACT CONTRACT/AOA

[9:59:43 AM](#)

Members present:
Chairman James R. Dupont
Commissioner Pamela J. Holmquist
Members absent:
Commissioner Dale W. Lauman
Others present:
Assistant Mike Pence, Clerk DeReu

Commissioner Holmquist made a **motion** to approve the Title III Older American Act for AOA. Chairman Dupont **seconded** the motion. **Aye** - Dupont and Holmquist. Motion carried by quorum.

AUTHORIZATION TO PUBLISH CALL FOR BIDS: COURTHOUSE FURNITURE & EQUIPMENT

[10:01:16 AM](#)

Members present:
Chairman James R. Dupont
Commissioner Pamela J. Holmquist
Members absent:
Commissioner Dale W. Lauman
Others present:
Assistant Mike Pence, Clerk DeReu

Commissioner Holmquist made a **motion** to authorize publication of the call for bids request for courthouse furniture and equipment. Chairman Dupont **seconded** the motion. **Aye** - Dupont and Holmquist. Motion carried by quorum.

**CALL FOR BIDS
FLATHEAD COUNTY
COURTHOUSE FURNITURE & EQUIPMENT PACKAGE**

Flathead County is requesting Bids for the Courthouse Furniture Package located at 800 South Main Street, Kalispell, MT. This project requires a Furniture Vendor to provide and install all furniture as listed in the drawings & specifications.

Vendors may obtain plans and specifications from CTA Architects Engineers, 2 Main Street, Suite 205, Kalispell, MT, 59901, Phone 406.257.8172, Fax 406.257.8173, or from the Kalispell Plans Exchange and affiliated exchanges on or after Tuesday, August 16, 2011. All bidding questions should be directed to CTA Kalispell, Fran Quiram, at 406.257.8172 or emailed to franq@ctagroup.com.

Sealed Bids will be received by the Office of the Flathead County Commissioners, c/o Diana Kile, Deputy Clerk, 800 S. Main Street, West Annex, Kalispell, MT 59901, until **9:00 AM Local Time Wednesday, August 31, 2011**. Bids will be publicly opened and read aloud immediately thereafter at the lower level Commissioners Chambers and taken under advisement. All Sealed Bids must be clearly marked, "**Flathead County Courthouse Furniture & Equipment Package**".

Flathead County reserves the right to reject any or all bids, to waive formalities and to accept the bid(s) deemed most advantageous to the County.

Dated this 11th day of August, 2011.

Late Bids will not be opened.

BOARD OF COUNTY COMMISSIONERS
Flathead County, Montana

ATTEST:
Paula Robinson, Clerk

By/s/James R. Dupont
James R. Dupont, Chairman

By/s/D. DeReu
D. DeReu, Deputy Clerk

Publish on August 16 & 23, 2011.

THURSDAY, AUGUST 11, 2011
(Continued)

DOCUMENT FOR SIGNATURE: CITY OF KALISPELL CONTRACT FOR CONSTRUCTION/STILLWATER ROAD

10:02:39 AM

Members present:

- Chairman James R. Dupont
- Commissioner Pamela J. Holmquist

Members absent:

- Commissioner Dale W. Lauman

Others present:

- Assistant Mike Pence, Clerk DeReu

Pence noted the project is to provide material for chip sealing and is not to exceed \$20,000.

Commissioner Holmquist made a **motion** to approve the document for signature with the City of Kalispell for construction work on Stillwater Road. Chairman Dupont **seconded** the motion. **Aye** - Dupont and Holmquist. Motion carried by quorum.

MONTHLY MEETING W/ SANDY CARLSON, FINANCE DEPT.

10:04:02 AM

Members present:

- Chairman James R. Dupont
- Commissioner Pamela J. Holmquist

Members absent:

- Commissioner Dale W. Lauman

Others present:

- Assistant Mike Pence, Finance Director Sandy Carlson, Finance Technician Amy Dexter, Clerk DeReu

Carlson introduced Amy Dexter as a new employee in the Finance Department. Discussion was then held relative to Margie's Café & J.R.'s Pizza. The following cash balance report was summarized.

July 31, 2011
REVIEW OF CASH BALANCE

FUND	FUND NAME	APPROPRIATION	CASH RESERVES (\$ needed for 1st 6mos FY11)	TOTAL REQUIRED	RESOURCES AVAILABLE @7/31 beginning credit	YTD CASH BALANCE AS OF July 31, 2011	PROJECTED CASH BALANCE AS OF JUNE 30, 2012	PROJECTED DIFFERENCE	CASH RESERVE %
1000	GENERAL FUND	9,798,570	1,823,336	11,621,906	2,216,990	2,102,699	2,146,814	43,615	21.90%
2120	POOR FUND	376,583	36,584	413,167	(20,877)	(6,794)	41,616	48,409	11.80%
2130	BRIDGE FUND	962,767	271,219	1,234,000	364,108	366,563	329,188	(37,375)	33.50%
2140	WEED	667,720	114,025	781,745	113,624	137,134	150,238	13,104	24.72%
2160	COUNTY FAIR	1,131,199	314,362	1,445,561	128,977	140,694	60,000	(78,634)	5.75%
2180	DISTRICT COURT	728,618	111,178	839,796	286,578	216,756	175,381	(41,375)	24.87%
2190	COMP INS	831,237	162,941	994,178	306,625	(460,494)	229,369	689,863	27.50%
2210	PARK	624,232	114,870	739,102	213,656	213,877	154,614	(59,263)	24.77%
2220	LIBRARY	1,357,016	338,940	1,695,956	373,250	353,333	379,428	26,095	27.96%
2280	AREA OR AGING	280,199	28,119	308,318	109,387	107,097	89,717	(17,380)	38.87%
2290	48/EXT	134,503	31,739	166,242	17,736	8,517	12,924	4,407	9.61%
2300	SHERIFF	9,169,291	2,531,857	11,701,148	2,085,852	2,014,146	2,361,503	347,357	25.75%
2370	RETIREMENT	2,567,825	547,127	3,114,952	1,503,404	1,483,368	1,341,967	(141,401)	52.26%
2380	GROUP INS	2,766,360	650,244	3,416,604	180,774	109,969	1,288,680	1,178,911	46.50%
2390	SN VOTATION	644,798	96,857	741,655	210,868	139,388	138,414	(4,626)	30.72%
TOTAL COUNTYWIDE NON-VOTED		31,951,118	7,167,398	39,118,516	8,009,892	6,980,863	8,962,733	1,982,870	28.69%
2110	ROAD FUND	7,101,142	1,638,815	8,739,957	2,048,081	2,023,343	2,477,771	454,428	34.89%
2251	PLANNING	400,601	137,238	537,839	114,517	112,753	75,259	(37,494)	18.79%
TOTAL OUTSIDE CITIES NON-VOTED		7,501,743	1,776,053	9,277,796	2,162,598	2,136,096	2,553,030	416,934	34.63%
2270	HEALTH FUND	2,113,721	565,278	2,679,000	587,950	584,504	795,696	211,192	37.64%
TOTAL LEVIED FUNDS		2,113,721	565,278	2,679,000	587,950	584,504	795,696	211,192	37.64%
2200	MOSQUITO	181,289	57,611	238,900	43,390	43,703	47,697	3,994	25.98%
2272	EMS PROGRAM	236,375	101,529	337,904	100,764	95,208	55,631	(38,577)	24.13%
2273	SPECIAL EMS PROGRAM	446,772	70,708	517,480	56,499	67,355	47,635	(19,720)	10.66%
2372	PERMANENT MED LEVY	1,176,851	1,176,851	2,353,702	103,864	1,137,682	1,133,682	(4,020)	0.00%
2382	SEARCH & RESCUE LEVY	223,624	69,343	292,967	91,948	93,982	48,884	(45,098)	21.80%
2390	TRANSPORTATION	1,963,873	288,144	2,252,017	316,785	297,684	492,889	195,205	25.10%
3001	911 GO BOND DEBT SERVICE	471,117	60,057	531,174	20,193	31,834	25,492	(6,342)	6.01%
TOTAL COUNTYWIDE VOTED/EXEMPT		4,641,901	647,492	5,289,393	733,443	1,767,448	717,628	(1,049,820)	15.45%
2260	EMERGENCY/DISASTER	410,000	318,226	728,226	455,847	455,952	113,078	(342,854)	27.58%
TOTAL OUTSIDE CITIES VOTED		410,000	318,226	728,226	455,847	455,952	113,078	(342,854)	27.58%

2:00 p.m. AOA Board meeting @ Kalispell Senior Center

At 5:00 o'clock P.M., the Board continued the session until 8:00 o'clock A.M. on August 12, 2011.

FRIDAY, AUGUST 12, 2011

The Board of County Commissioners met in continued session at 8:00 o'clock A.M. Chairman Dupont, Commissioners Lauman and Holmquist, and Clerk Robinson were present.

NO MEETINGS SCHEDULED

At 5:00 o'clock P.M., the Board continued the session until 8:00 o'clock A.M. on August 15, 2011.
