

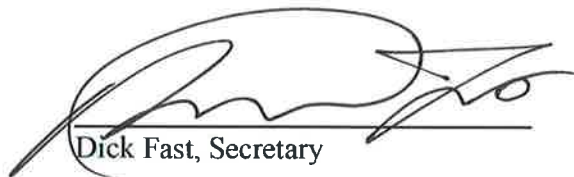
ORIGINAL

CERTIFICATE AS TO ORDINANCE AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Big Sky County Water & Sewer District No. 363, Montana (the "District"), hereby certify that the attached ordinance is a true copy of an Ordinance entitled: "AN ORDINANCE OF THE BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363, MONTANA, GRANTING THE OF CH SP ACQUISITIONS TO ANNEX LANDS IN SECTION 32, as described in the ordinance INTO THE BIG SKY COUNTY WATER AND SEWER DISTRICT NO. 363" (the "Ordinance"), on file in the original records of the District in my legal custody; that the Ordinance was duly adopted with the first reading passing on march 18, 2025 by the Board of Directors of the District and the second reading at a regular meeting on may 20, 2025, and that the meeting was duly held by the Board of Directors and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Ordinance has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Annexation Ordinance on the First Reading passed with Directors voted in favor thereof being 7 (Y) and Directors voting against the same being zero (N) with zero (A) abstained from voting thereon and on the Second Reading with Directors voted in favor thereof being 5 (Y) and Directors voting against the same being zero (N) with one (A) abstained from voting thereon.

WITNESS my hand and seal officially this 20 day of may, 2025.

  
Dick Fast, Secretary

**BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363  
ORDINANCE 25-01**

AN ORDINANCE OF THE BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363, MONTANA, GRANTING THE PETITION OF CH SP ACQUISITION, LLC TO ANNEX LAND IN SECTION 32 INTO THE BIG SKY COUNTY WATER AND SEWER DISTRICT NO. 363

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

**Section 1. Recitals and Findings.**

1.01. The District has received a petition from the CH SP Acquisitions, LLC a Montana limited liability company ("the Petitioner"), who owns the real property seeking annexation, requesting the addition of certain lands more particularly described in Section 1.03 below to the District, which petition has been determined and certified to meet the requirements of the Title 7, Chapter 7, Parts 22 and 23, Montana Code Annotated.

1.02. The District Board determined that the land is contiguous to the District boundary; there is adequate capacity for the existing District; the District has an obligation to provide service pursuant to *Agreement For the Sale of Water, Treatment of Wastewater and Grant of Right to use Land for Storage and Disposal of Treated Wastewater*, dated March 2001; and the petitioner is willing to enter into an agreement for annexation which addresses, including but not limited the number of SFEs currently approved, the mathematics of the various volume per SFE that is approved by MDEQ, the flow monitoring which exists and additional monitoring and period of reporting of flow and an acceptable "variation rate" recognize peak flows and low flows in light of the Agreement and plant capacity.

1.03. The Petitioner is the owner of certain real property ("Property"), hereinafter referred to and described as follows:

Parcel 1: S1/2N1/2 and S1/2 of Section 32, T6S,R3E excepting therefrom all of the Yellowstone Mountain Club Subdivision Phases 1 and 2, recorded in Book 4 of Plats, Page 408, as amended and Spanish Peaks Resort P.U.D. Phase 3 Subdivision, recorded in Book 4 of Plats, Page 783, being 445.68 acres more or less; and

Parcel 2: N1/2N1/2 of Section 32, T6S,R3E, being 160 acres more or less and

Parcel 3: Lots 2, 3, 4, 5 8, 9 and 10 of Spanish Peaks P.U.D. Phase 3 Subdivision recorded in Book 4 of Plats, Page 783 being collectively 29.5 acres more or less.

1.04. As a condition of the Annexation Ordinance, the Petitioner and its successors in interest and assigns agrees to:

1. Petitioner agrees to pay all general obligation bond tax levy and charges, assessment, and costs in accordance with the rules and regulations of the District. The levy will be effective the first year that the Property is annexed into the District.
2. Petitioner execute prior to the 2<sup>nd</sup> reading of this Ordinance the Annexation Agreement for the Property and abide by the terms, agreements and conditions of said Annexation Agreement.
3. Petitioner agrees to indemnify and to hold the District harmless against any claims made against the District for lost damages concerning the development of the annexed lands.
4. Petitioner agrees to execute any further documentation of the Annexation Agreement terms, conditions and obligations.

1.05. Section 7-13-2341, Montana Code Annotated, District may grant the petition by adoption of an ordinance upon the finding that the District will have sufficient capacity to serve the Property as set forth herein.

At the meeting held on March 18, 2025, the Board for the District made the following decision regarding process for annexation: The Property is contiguous; The District will have sufficient capacity to meet the needs of the current District and serve the Property, the District has an obligation to provide service pursuant to *Agreement For the Sale of Water, Treatment of Wastewater and Grant of Right to use Land for Storage and Disposal of Treated Wastewater*, dated March 2001; and the Petitioner is willing to enter into an agreement for annexation which addresses, including but not limited the number of SFEs currently approved, the additional SFEs for the annexed Property, the flow monitoring which exists and additional monitoring and reporting of flow and timing of determination of possible additional SFEs based upon flow and plant capacity.

**Section 2. Agreements, Commitments, Obligations Incorporated.** The findings and recitals, including the Petitioner's agreement to the conditions of Annexation are incorporated into the Annexation Ordinance.

**Section 3. Effect of the Addition of Property to the District.** Upon the second reading and filing of the certificate of approval of the Ordinance, the Property described above shall be a part of the District and shall be included in the both the Water System Jurisdictional Area and the Sewer System Jurisdictional Area and shall be subject to all the rules, regulations, ordinance fees, charges, taxes levied or imposed against other property of the District, and posses the rights, privileges and powers set forth in Title 7, Chapter 13, Part 22 and 23, Montana Code Annotated.

**Section 5. Instructions to Secretary; Filing.** If the Ordinance is approved, the President and Secretary of the Board are hereby directed to certify that fact to the Secretary of State and the County Clerk and Recorder and request that the Secretary of State issue a certificate that the Ordinance has been approved and the territory has been added to the District. The Secretary of

State shall transmit the certificate to the County Clerk and Recorder for filing, upon which the territory is deemed added to the District.

First reading of this Ordinance passed at a duly notice meeting with a vote of 7 in favor and 0 against.

Second reading of this Ordinance passed at a duly noticed meeting with a vote of 4<sup>s</sup> to 0.

Passed and approved this 20 day of may, 2025.

  
President, Board of Directors

ATTEST:

  
Secretary

(SEAL)