

RESOLUTION NO. 205

RESOLUTION OF INTENTION OF THE TOWN OF STEVENSVILLE, MONTANA TO ADJUST THE RATES AND CHARGES, AND TO INCREASE MUNICIPAL SEWER CHARGES

RECITALS

WHEREAS, the Town of Stevensville, Montana (the "Town") has made improvements to its municipal sewer system (the "System"), and are retiring the bonds therefore, and the cost of power for the operation of the plant has increased beyond expectations; and,

WHEREAS, it is necessary to collect sufficient revenues to repay said bonds and pay costs associated with the operation and maintenance of the System; and,

WHEREAS, under Section 69-7-101, Montana Code Annotated (1997), the Town has the power and authority to regulate, establish, and change, as it considers proper rates, charges, and classifications imposed for utility services to its inhabitants and other persons served by the municipal systems. Rates, charges, and classifications must be reasonable and just; and,

WHEREAS, the Town's current charges for water use are as follows:

Water Connection	Multiplier	Monthly Sewer Charge
3/4 "	1	\$ 28.60
1"	1.7	\$ 48.63
1 1/2"	4.0	\$114.40
2"	7.1	\$203.07

WHEREAS, the Town in consultation with its engineer and the Montana Rural Water Users Association has determined it to be in the best interest of the Town and the users of the System, using the system of rate and charges based on an Equivalent Dwelling Unit (EDU) system, to increase the charges to meet the increasing expenses, effective as of July 1, 2004; and,

WHEREAS, a final public hearing on the proposed increases was held on April 12, 2004 at the hour of 6:30 P. M. after due notice was given by the Town Clerk according to Section 69-7-111, Montana Codes Annotated (2003).

NOW, THEREFORE, BE IT RESOLVED by the Town Council (the "Council") of the Town as follows:

Section 1. Equivalent Dwelling Unit System. Effective July 1, 2004, the Town will increase the rates and charge all users of the System based on the Equivalent Dwelling Unit (EDU) system. The system is based on the size of the water lines or meters serving each

unit connected to the System, with EDU being the projected volume use per unit based on the cross-sectional area of the line or meter. A base rate or a multiplier of one is established for the size of line or meter most commonly used by users of the System, which is currently 3/4 inch (the "Standard Line"). Users with meters larger than the Standard Line are assigned a EDU based on a ratio of the cross sectional area of the larger line or meter to that of the Standard Line.

Section 2. Sewer Charges. The Town will increase sewer charges for all connections to the System in the amount necessary to pay the costs of operating and maintaining the System, paying principal of and interest on any outstanding debt of the System and the establishing and maintaining of any reserves therefor, determined on an annual basis. The Town will determine the total amount of revenue to be raised by the Sewer Charge on an annual basis, the total number of connections for each EDU and the total number of customer equivalents. The Sewer Charge for each user will be the base rate for the Standard Line times the number of EDUs applicable to the unit being served by the System per month. The increased Monthly Sewer Charge for each of the size of services, based on 803.3 of customer equivalents and effective as of July 1, 2004, shall be as follows:


<u>SIZE</u>	<u>COST PER METER SIZE</u>	
	<u>COST/MONTH</u>	<u>COST/QUARTER</u>
3/4 INCH X 1	\$ 35.09	\$ 105.27
1 INCH X 1.79	\$ 62.81	\$ 188.43
1-1/2 X 4	\$ 140.36	\$ 421.08
2 INCH X 7.14	\$ 250.54	\$ 751.63

Subsequent adjustments to the Sewer Charge will be made from time to time by a resolution of the Town Council duly adopted after giving notice thereof as required by law.

Section 3. Rate Increase. This rate represents an increase of approximately 23%.

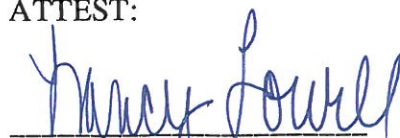
Dated this 12th day of April, 2004.

Passed and approved this 12th day of April, 2004.



Mayor

ATTEST:



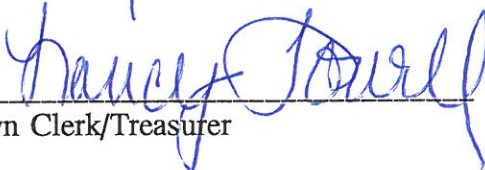
Town Clerk

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the Town of Stevensville, Ravalli County, Montana (the "Town"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION OF INTENTION OF THE TOWN OF STEVENSVILLE, MONTANA TO ADJUST THE RATES AND CHARGES, AND TO INCREASE MUNICIPAL SEWER CHARGES" (the "Resolution"), on file in the original records of the Town in my legal custody; that the Resolution was duly adopted by the Town Council of the Town at a regular meeting, and that the meeting was duly held by the Town Council 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 Council Members voted in favor thereof: Thomas Brown, Jake Weitzel, Robert Summer and Paul Ludington; voting against the same: None; Abstaining from voting thereon: none; and members absent: none.

WITNESS my hand officially this 12 day of April, 2004.


Town Clerk/Treasurer