

**AMENDED ORDINANCE**

**August 14, 2011**

**AN ORDINANCE ESTABLISHING RATES, FEES AND CHARGES FOR THE PUBLIC  
SEWER AND WATER SYSTEM OF THE HEBGEN LAKE ESTATES COUNTY  
WATER AND SEWER DISTRICT**

**This ordinance supercedes and replaces any previous ordinances.**

**WHEREAS**, the Hebgen Lake Estates County Water and Sewer District ("District") was created to operate and maintain a public water and sewer system ("public system") for purposes beneficial to the District; and

**WHEREAS**, the District may establish, by ordinance, rules and regulations for the operation, maintenance, use, and availability of the public system; and

**WHEREAS**, the District sets rates, fees and charges to cover the administration, operation, maintenance and replacement expenses of the public system including penalties and interest charges for delinquent accounts; and

**WHEREAS**, the District Board has the authority under Section 7-13-2218 and Section 7-13-2301, MCA to establish and collect rates, fees and charges for various services;

**WHEREAS**, the District rates and fees structure must be in conformance with Montana statues;

**WHEREAS**, the District's Engineer has provided estimated costs for the construction of the wastewater treatment improvements;

**WHEREAS**, the District's Engineer has provided the estimated annual debt service for the bonded indebtedness;

**WHEREAS**, the District's Engineer in coordination with the District's Treasurer has developed estimated administrative and operation and maintenance costs upon construction of the improvements;

**WHEREAS**, Montana WSD statues allow the assignment of debt service to vacant lots;

**WHEREAS**, the District has been awarded a Treasure State Endowment Grant in the amount of \$720,000 that requires the monthly water and sewer rate to be 150 percent of the Department of Commerce target rate;

**WHEREAS**, Water and Sewer rates and charges are based on an equivalent dwelling unit (EDU) basis. An EDU is a single family residence, condominium, townhouse, guest cabin, etc. Lots in the District are designated by covenants and zoning to allow 1, 2 or multiple EDUs per parcel. A vacant lot zoned as a duplex plot is considered to have 2 EDUs. The Yellowstone Village Condominium properties have multiple EDUs. The owner of a duplex lot may file a deed restriction restricting the

property to a single EDU. The owners of adjoining lots may aggregate lots to a single EDU;

**WHEREAS**, Montana law requires the District Board of Directors to review the rates and fees on an annual basis, rates and fees are subject to change;

**WHEREAS**, the treatment project construction and O&M costs are estimates and subject to change. The actual costs will become known when the construction contract is bid and awarded and when the project is completed. The amount of grant funding and bonded indebtedness may change upon the final costs and rates and fees adjusted accordingly;

**NOW, THEREFORE**, be it ordained and enacted by the Board of Directors of the Hebgen Lake Estates County Water and Sewer District, State of Montana, pursuant to the authority granted under Section 7-13-2218(9) and Section 7-13-2301, MCA, the following rates, fees and charges for the public sewer and water system:

### **ARTICLE I - CURRENT RATES**

The current water and wastewater rates shall remain in effect until such time that the increased rates are needed for debt service and administration and operation and maintenance of the new treatment system. The current rates are:

#### **Occupied EDUs**

Water	\$15.00 per month
<u>Sewer</u>	<u>\$60.00 per month</u>
Total	\$75.00 per month

#### **Vacant EDUs**

Water Availability	\$10.00 per month
<u>Wastewater Availability</u>	<u>\$40.00 per month</u>
Total	\$50.00 per month

Current rates will remain in effect until such time as treatment system bonded debt service is due and/or as required by funding agencies.

### **ARTICLE II - FUTURE RATES**

#### **Occupied EDUs**

Water	\$15.00 per month
<u>Sewer</u>	<u>\$93.00 per month</u>
Total	\$108.00 per month

These rates included administrative and O&M costs and treatment system bonded debt service.

**Vacant EDUs**

District Administrative Fee	\$20.00 per month
<u>Wastewater Debt Service</u>	<u>\$30.00 per month</u>
Total	\$50.00 per month

These rates will become effective at such time as treatment system bonded debt service is due and/or as required by funding agencies.

**ARTICLE III - WATER AND SEWER CONNECTION AND REACTIVATION CHARGES**

A. Water Service Connection Charge

A water service connection inspection permit charge for new water service connections shall be paid to the District before final approval and permit issuance. The connection inspection charge shall cover the cost of processing the application, applicable water metering equipment, temporary water use during construction, and water service inspection services. Inspection Charge. The water connection inspection charge shall be \$1,000.00.

B. Water Service Reactivation Charge

Any owner violating the rules and regulations of the District which has resulted in the termination of water service shall be charged a water service reactivation fee in the amount of \$200.00. Upon payment, the District shall reinstate water service.

B. Wastewater Connection Charge

A connection inspection charge for improvements shall be paid to the District before final approval and permit issuance. The connection inspection charge shall cover the cost of processing the application and providing sewer inspection services. The wastewater connection inspection charge shall be \$1,000.00.

**ARTICLE IV - BILLING**

## A. Invoicing

The District will send invoices to property owners on a quarterly basis. Payment is due within 31 days of the invoice.

## **ARTICLE V - PENALTIES**

### A. Penalty for Nonpayment of Charges

The District shall charge a one percent (1.00%) per month, or twelve percent (12%) per annum penalty for sewer and/or charges that are not paid within 31 days of the invoice.

### B. Delinquent Accounts

If a customer user fee account balance is more than ninety (90) days past due as of June 30th each year, then the entire balance on the account is due and payable immediately. The District shall notify the Gallatin County Assessor's office of all delinquent accounts of record for collection as an assessment on property tax bills in accordance with Section 7-13-2301(4), MCA.

## **ARTICLE VI - VALIDITY**

### A. Superseding Previous Ordinances

This Ordinance governing rates, fees and charges for the public system shall supersede all previous ordinances of the District pertaining to rates, fees and charges.

### B. Invalidation Clause

Invalidity of any section, clause, sentence or provision in the Ordinance shall not affect the validity of any other section, clause, sentence or provision of this Ordinance which can be given effect without such invalid part or parts.

### C. Amendment

Pursuant to Section 7-13-2275, MCA, the District, through its duly authorized officers, reserves the right to amend this Ordinance in part or in whole whenever it deems necessary.

Passed and adopted by the Board of Directors of the Hebgen Lake Estates County Water and Sewer District , State of Montana, on this \_\_\_th day of \_\_\_\_\_, 2011 by the following vote: \_\_\_ Ayes \_\_\_ Nays \_\_\_ Abstains.

\_\_\_\_\_  
Yes                  No                  \_\_\_\_\_  
Myron Moore, President

\_\_\_\_\_  
Yes                  No                  \_\_\_\_\_  
Charles Fleming, Vice President

\_\_\_\_\_  
Yes                  No                  \_\_\_\_\_  
John Carstensen, Secretary/Treasurer

\_\_\_\_\_  
Yes                  No                  \_\_\_\_\_  
Gene Cook, Director

The undersigned, John Carstensen, hereby certify that I am the Secretary of the Hebgen Lake Estates County Water and Sewer District, and that the foregoing Ordinance was duly adopted by the Board of Directors of the District at a regular meeting on June 12, 2009, 2009

John Carstensen, Secretary