

AMENDED ORDINANCE

December 22, 2018

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 supersedes and replaces any and all 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 statutes;

WHEREAS, The District has incurred bonded indebtedness with annual debt service, rates and fees must be sufficient to fund that indebtedness.

WHEREAS, Montana WSD statutes 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, 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;

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

As required by Montana Law (MCA-13-2301), the Boards of Directors shall review rates and fees on an annual basis. The rates and fees for the upcoming fiscal year shall be set by resolution. The Board of Directors may increase rates up to five percent without conducting a public hearing. Rate increases greater than five percent require a public hearing per MCA 7-13-2275. The Board of Directors will adopt a resolution establishing the rates and fees for the next fiscal year.

ARTICLE III - WATER AND SEWER CONNECTION AND REACTIVATION CHARGES

A. Water Service Connection Charge

A fee 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, District construction to provide the connection to the property boundary, applicable water metering equipment, temporary water use during construction, and water service inspection services. The water connection fee is set on the current rates and fees resolution.

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. Upon payment, the District shall reinstate water service.

B. Wastewater Connection Charge

A fee for new sewer 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, District construction to provide the connection to the property line, and sewer inspection services. The wastewater connection is provided on the current rates and fees resolution.

ARTICLE IV - BILLING

A. Invoicing

The District will send invoices to property owners on a quarterly basis in arrears. 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 (1.0%) 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.

Each delinquent account submitted to Gallatin County shall be assessed a delinquent account fee to offset the costs incurred in the process. The Delinquent Account Fee is provided on the current rates and fees resolution.

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.

Hebgen WSD Rates and Fees Ordinance (December 22, 2018)

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 22nd day of December 2018 by the following vote: ___ Ayes ___ Nays ___ Abstains.

_____ Yes	_____ No	_____ Charles Fleming, President
_____ Yes	_____ No	_____ Dan Alder, Vice President
_____ Yes	_____ No	_____ Myron Moore, Secretary/Treasurer
_____ Yes	_____ No	_____ Karl Cook, Director

The undersigned, Myron Moore, 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 December 22, 2018.

Myron Moore, Secretary