

RESOLUTION 2018-18

A Resolution of the Four Corner County Water and Sewer District to Apply a Special Assessment Equalization Rate.

RECITALS

WHEREAS, the Four Corners County Water and Sewer District (“District”) is a county water and sewer district duly established in 2003;

WHEREAS, the District securing funding for the purchase of its assets to be paid through a special assessment bond, which is levied annually against the properties located within the District boundaries in force and effect as of December 23, 2015, the date of purchase; and

WHEREAS, the District has informed all properties which have annexed since December 23, 2015, that those properties would be proportionately responsible for the bonds as if the properties were within the District as the time of purchase; and

WHEREAS, the District has been informed by its bond counsel that it may not impose the proportionate cost through special assessment on properties annexed after December 23, 2015; and

WHEREAS the special assessment amount has decreased per property owners as the number of property owners increased. IE: the 2015 tax year (October of 2015 and May 2016) was \$635; the 2016 tax year (October 2016 and May 2017) was \$608; for the 2017 tax year (October 2017 and May 2018) was \$533; and

WHEREAS, the projected special assessment for 2019 tax year (October 2018 and May 2019) is approximately \$509; and

WHEREAS, in order to ensure that all properties within the District proportionately contribute to the purchase of the entire system, including the properties annexed after December 23, 2015, the District is considering enacting a Special Assessment Equalization Rate, which applies to all properties annexed into the District since 12/23/2015; and

WHEREAS, enactment of the Special Assessment Equalization Rate would exceed 5% in any 12-month period and thus requires a rate hearing with appropriate notice pursuant to 7-13-2275, MCA; and

WHEREAS, pursuant to 7-13-2275, Notice of the proposed overage use rate adjustment was mailed on September 12, 2018 to all customer informing them of the proposed variable rates and the date of the special meeting being September 25, 2018 as well as published in the Bozeman Daily Chronicle and was posted on the District website as well as the Korner Klub and the Buffalo Bump Pizza; and

WHEREAS, it was determined that the notice for the September 25, 2018 hearing may not have met the statutory requirements. Therefore Notice of the hearing to be held on October 16, 2018 was mailed on October 5, 2018 to all customers informing them of the proposed water usage rates for usage above the category base rate and was published in the Bozeman Daily Chronicle on the October 7 and October 14, 2018; and

WHEREAS, if enacted the District shall segregate the collected Special Assessment Equalization rate and shall utilize collected fund to pay down bonds from the purchase.

NOW THEREFORE, the Four Corners County Water and Sewer District resolves to enact the Special Assessment Equalization Rate which shall be applied to all lots, parcels and tracts of land which were annexed into the District after December 23, 2015.

The amount of that rate shall be approximately \$509 with the final amount being set by Board Resolution in the same amount as the Special Assessment Tax amount for the 2018 tax year.

Each subsequent year the amount shall be established by resolution.

Dated this __ day of October 2018.

Cory Klumb, President

ATTESTED:

Maralee Parsons Sullivan, Secretary