

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Gore Hill County Water District, Montana (the “District”), hereby certify that the attached is a true copy of a Resolution entitled: “RESOLUTION OF THE GORE HILL COUNTY WATER DISTRICT, MONTANA APPROVING A RATE INCREASE FOR THE USERS OF THE DISTRICT’S WATER SYSTEM” (the “Resolution”), on file in the original records of the District in my legal custody; that the Resolution was duly adopted by the Board of Directors of the District at a regular meeting on May 2, 2023, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 Directors voted in favor thereof: \_\_\_\_\_  
\_\_\_\_\_; voted against the same: \_\_\_\_\_; abstained from voting thereon: \_\_\_\_\_; or were absent: \_\_\_\_\_.

WITNESS my hand officially this \_\_\_\_\_ day of May, 2023.

\_\_\_\_\_  
Secretary

RESOLUTION NO. 2023-005

RESOLUTION OF THE GORE HILL COUNTY WATER DISTRICT, MONTANA APPROVING A RATE INCREASE FOR THE USERS OF THE DISTRICT'S WATER SYSTEM

RECITALS

WHEREAS, Gore Hill County Water District, Montana (the "District") has determined to undertake certain improvements to its water system (the "System"), including installing replacement water wells and related improvements (the "Project"); and

WHEREAS, pursuant to Title 7, Chapter 13, Parts 22 and 23, Montana Code Annotated ("M.C.A."), the District is authorized to issue bonds for the purpose of financing the Project; and

WHEREAS, based on the information provided to the District by Great West Engineering, Inc., the District's engineer on the Project, the estimated cost of the Project is approximately \$1,848,146, of which \$277,250 will be paid from or reimbursed by a Cascade County ARPA grant, and \$61,896 will be paid from funds the District has on hand and available therefor; and

WHEREAS, the District proposes to pay the remaining estimated amount of \$1,509,000 of the costs of the Project by issuing a series of water system revenue bonds that the District will be required to repay, with interest thereon, over a term of 30 years; and

WHEREAS, it will be necessary for the District to collect sufficient revenues to pay the costs associated with the operation and maintenance of the System, to pay debt service on the District's water system revenue bonds, and to establish and maintain appropriate reserves; and

WHEREAS, the District has determined that the current rates of the System do not produce sufficient revenues; and

WHEREAS, the Board of Directors of the District (the "Board") has determined it is in the best interests of the District to increase the rates and charges for the use and availability of the System; and

WHEREAS, under Section 7-13-2301, MCA, the Board of Directors (the "Board") of the District is directed to fix and collect water rates and charges for the sale and distribution of System services to all users; and

WHEREAS, a notice of public hearing was mailed to all customers of the District's System and to all persons who own property in the District notifying them that pursuant to Resolution No. 2023-004, adopted April 10, 2023, it was the intention of the District to increase rates for the use and availability of the System and notice of public hearing was published as required by Section 7-1-2121, M.C.A. A public hearing was held on May 2, 2023 at 7:00 p.m. at the Gore Hill County Water District Office, 4503 62nd Ave SW, Great Falls, Montana, for the purpose of hearing comments from the public on the water rate increase; and

WHEREAS, all persons appearing were given an opportunity to speak at the public hearing.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

Section 1. Determination of Annual Budget for System. Each year the Board shall determine the amount of money needed to pay the costs of the System including but not limited to (a) the payment of the reasonable expense of operation and maintenance of the System; (b) administration of the System; (c) the payment of principal and interest on any bonded or other indebtedness of the System; and (d) the establishment or maintenance of any required reserves, including reserves needed for expenditures for depreciation and replacement of facilities, as may be determined necessary from time to time by the Board or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the System. Based on the annual needs of the System, the Board will establish rates and charges for the use and availability of the System.

Section 2. Current Water Rates and Charges. The District currently charges users of the System a flat rate of \$34.70 per user per month (the “Flat Rate”). In addition the District charges a usage fee of \$4.15 for each one thousand gallons of water used per month based on water meter measurements (the “Usage Charge”). The current monthly charge is the sum of the Flat Rate and the Usage Charge.

Section 3. Fixing of Rates. Effective as of June 2023, (i) the Flat Rate will be increased to \$60.70 per user per month, and (ii) the Usage Charge will stay at \$4.15 for each one thousand gallons of water used per month based on water meter measurements.

Section 4. Further Rate Increases. Subsequent adjustment to the rates and charges for the use of the System will be made by a resolution of the Board duly adopted after a public hearing with notice thereof given as provided by law.

Section 4. Effective Date of Resolution. This resolution shall be immediately filed with the Secretary and shall become effective upon passage.

Passed and approved this 2nd day of May, 2023.

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President, Board of Directors

Attest:

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Secretary