

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the Town of Froid, Montana (the "Town"), hereby certify that the attached resolution is a true copy of Resolution No. 2017-5, entitled: "RESOLUTION OF THE TOWN OF FROID, MONTANA TO INCREASE THE RATES FOR THE USERS OF THE MUNICIPAL SEWER SYSTEM" (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 on June 12, 2017, 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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: Gregg Labatte, Dan Mogen, Dan Kjelshus, and Gale Strandlund; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand officially this 12th day of June, 2017.

Town Clerk-Treasurer

RESOLUTION NO. 2017-5

RESOLUTION OF THE TOWN OF FROID, MONTANA TO
INCREASE THE RATES FOR THE USERS OF THE
MUNICIPAL SEWER SYSTEM

RECITALS

WHEREAS, the Town of Froid, Montana (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 Town's sewer system (the "System"). Rates, charges, and classifications must be reasonable and just; and

WHEREAS, pursuant to Title 7, Chapter 7, Part 44, Montana Code Annotated (the "Act"), the Town has issued and there is outstanding its Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Fund Program), Series 2004 (the "Bond"); and

WHEREAS, it is necessary for the Town to collect sufficient revenues to repay the Bond and other obligations of the System, to pay the costs associated with the operation and maintenance of the System, and to build necessary reserves and in anticipation of improvements to the System anticipated to be constructed in 2018; and the Town has determined that it is necessary to increase the rates of the System to do so; and

WHEREAS, pursuant to Section 69-7-111, M.C.A., the Town Council shall order a public hearing prior to the passage or enactment of an ordinance or resolution imposing, establishing, changing or increasing rates, fees, or charges for services or facilities; and

WHEREAS, a notice of public hearing was mailed to all users of the Town's System notifying them that pursuant to Resolution No. 2017-2, adopted May 15, 2017, it was the intention of the Town to increase the rates and charges for sewer service and notice of public hearing was published as required by Section 69-7-111, M.C.A. A public hearing was held on June 12, 2017, commencing at 6:30 p.m. at the Froid Community Center, 103 2nd Street North, Froid, Montana for the purpose of hearing comments from the public on the sewer rate increase; and

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

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

Section 1. Determination of Annual Budget for System. Each year the Council of the Town 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 Council or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the System. Based on the annual needs of the System, the Council will establish monthly charges for the use and availability of the System.

Section 2. Current Rates. The Town currently charges users of the System a flat rate of \$20.00 per month.

Section 3. Fixing of Rates. Effective as of July 1, 2017, the flat rate charged to users of the System will be \$40.00 per month.

Section 4. Further Rate Increases. Subsequent adjustments to the flat rate will be made by resolution of the Town Council duly adopted after a public hearing with notice thereof given as provided by law.

Section 5. Effective Date of Resolution. This resolution shall be immediately filed with the Town Clerk-Treasurer and shall become effective upon passage.

Passed and approved this 12th day of June, 2017.

Mayor

Attest:

Town Clerk-Treasurer