

RIVER ROCK WASTEWATER TREATMENT PLANT UPGRADE

River Rock Water & Sewer District customers will have another opportunity to vote for a \$3.8 million dollar general obligation bond election on January 27, 2012. The bond proceeds are necessary to fund a mandatory upgrade to the lagoon wastewater system. The upgrade will consist of a new mechanical treatment plant necessary to meet the more stringent groundwater discharge permit limits that the Montana Department of Environmental Quality requires.

A **YES** vote for the General Obligation Bond will result in a mill levy of approximately **\$250.00** per year reflected on your taxes.

A **NO** vote means the General Obligation bond fails and the District will pursue the more expensive Revenue Bond. The Revenue Bond will be paid on the monthly sewer bills and will cost approximately **\$343.00** per year (or **\$28.60 additional per month on the sewer bill.**)

The River Rock Water & Sewer District Board encourages property owners and residents to vote in favor of the bond for the following reasons:

- The Montana State Revolving Fund Loan program has initially agreed to forgive \$300,000 from the loan repayment schedule.
- The bond election is for a General Obligation (GO) bond which is repaid through a property tax mill levy and is the cheapest option for River Rock to borrow money and repay it over the 20 year loan term.
- A Revenue Bond is the only other funding option, but this option is more expensive and therefore less desirable. Over the life of a loan backed by **revenue bonds** the total principal and interest costs increase by 1.6 million dollars. If this vote for a general obligation bond fails, the district will then be forced to finance through a revenue bond since the system upgrade is mandated by the state.

In addition to the loan repayment costs, the project will add costs to the annual operation and maintenance budget for the wastewater sewer system, and it will also add depreciation costs for the new equipment. This cost is estimated at \$162,915 per year which would mean that each River Rock customer would pay an additional **\$13.17 per month** on their sewer bill. **This amount is independent from the loan debt service costs.**

- **Election Information.** The general obligation bond election is being conducted as a "Mail Ballot Election" administered by the Gallatin County Elections Department. All residents within the District who are registered to vote in the River Rock District should receive a ballot from the Gallatin County election office. Nonresident property owners can vote in the election if they request a ballot, and Corporations may also vote in District elections. Contact the Gallatin County Election Department for election questions and for more information at (406) 582-3060, or by email Elections@gallatin.mt.gov. Ballots are due back into the Gallatin County Elections Department **no later than 8:00 PM on February 17, 2012.**

The District has more detailed information about the project, project costs, election requirements and answers to frequently asked questions on our website at www.riverrockwatersewer.com. If you have questions about the project you can also email us at rrwsdprojects@gmail.com.

The District will hold **informational meetings** for the public regarding the Wastewater Treatment Plant upgrade prior to the regularly scheduled Board meeting on **January 19, 2012** at 7:00 PM at the River Rock Community Center and again as a special meeting on **February 6, 2012** at 7:00 PM in the Cafeteria at Ridgeview Elementary School.