

RESOLUTION NO. 04-01

WEST CENTRAL CONSERVANCY DISTRICT

A RESOLUTION AMENDING WEST CENTRAL CONSERVANCY DISTRICT'S RESOLUTION 02-02 "A RESOLUTION AMENDING AND RESTATING WEST CENTRAL CONSERVANCY DISTRICT'S SCHEDULE OF RATES AND CHARGES TO BE COLLECTED BY THE WEST CENTRAL CONSERVANCY DISTRICT, FROM THE USERS OF THE SEWAGE WORKS OF SAID CONSERVANCY DISTRICT AND OTHER MATTERS CONNECTED THEREWITH."

WHEREAS, the Board of Directors of the West Central Conservancy District ("District") adopted Resolution No. 02-02 entitled **"A Resolution Amending and Restating West Central Conservancy District's Schedule of Rates and Charges to be Collected by the West Central Conservancy District, from the Users of the Sewage Works of said Conservancy District and other matters connected therewith"** ("Rate Resolution") on February 19, 2002; and

WHEREAS, the District after consultation with the District's engineer, American Consulting, Inc., projects that in order to serve the projected number of new customers, within the boundaries of the District, it will be necessary for the District to incur charges and to expend District funds to provide for the required infrastructure improvements to serve new customers and new developments within the District boundaries; and

WHEREAS, the District employed its financial adviser, H.J. Umbaugh & Associates to prepare a special purposes report to advise the District as to the rates and charged necessary to provide to the District the necessary funds to finance necessary improvements to serve its customers and those requesting sewer service; and

WHEREAS, the District, based upon past experience, believes that the cost of construction of the necessary improvements over the years will increase on a regular basis and it is necessary for the District to insure that the District has provided for a method of collecting the funds necessary to meet the rising costs and demands for the District's services; and

WHEREAS, the District finds that based upon the advice from its financial adviser and engineer, it is necessary to amend the Rate Resolution and modify the District's schedule of rates and charges so as to produce sufficient revenues to provide the funds necessary for the replacement and improvements to the District's sewer system in an equitable manner and to pay the principal and interest on revenue bonds and principal and interest in accordance with any applicable bond, line of credit or other financing resolutions.

NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE WEST CENTRAL CONSERVANCY DISTRICT:

Section 1: Section III (c) (1) of Rate Resolution No. 02-02 is hereby deleted and the following substituted therefore:

1. SYSTEM DEVELOPMENT CHARGE:

All User Classes and All Users:

- a.) From the effective date of this Resolution through December 31, 2004 a system development charge (System Development Charge) in the amount of Three Thousand Nine Hundred Dollars (\$3,900.00) per EDU shall be collected by the District.
- b.) The System Development Charge (SDC) per EDU shall be adjusted each year on each January 1st after the effective

date of this Resolution by an amount equal to 3.4% annually based upon the 10 year average construction cost index per the Engineering News Record in accordance with the following schedule:

<u>Year</u>	<u>SDC Charge</u>
2005	4033
2006	4170
2007	4312
2008	4459
2009	4611
2010	4768
2011	4930
2012	5098

- c.) The number of EDU's or EDU equivalent shall be determined by the District's engineer; provided however, no User connection shall be less than one (1) EDU.
- d.) For any previous agreement entered into by the District which references a "Facility Utilization Fee then in effect" and/or an "Interceptor Utilization Fee then in effect," the applicable amount to which such agreements refer shall be as follows:
 - (1) From the effective date of this Resolution through December 31, 2004 the Facility Utilization Fee shall be equal to Two Thousand Four Hundred and Thirty-Two Dollars (\$2,432.00) per EDU ("Initial Facility Amount"). The Initial Facility Amount shall increase each year thereafter by 3.4% effective as January 1st of each year.
 - (2) From the effective date of this Resolution through December 31, 2004 the Interceptor Fee shall be equal to One Thousand Four Hundred and Sixty-eight Dollars (\$1,468.00) per EDU ("Initial Interceptor Amount"). The Initial Interceptor Amount shall increase each year thereafter by 3.4% effective as of January 1st of each year.

Section 2: Section III (c)(7) of Rate Resolution 02-02 is hereby deleted.

Section 3: All other provisions of Rate Resolution 02-02 shall remain in full force and effect.

Section 4: This Resolution shall be in full force and effect from and after July 1, 2004.

Passed and adopted by the Board of Directors of the West Central Conservancy District on the ___ day of May, 2004.

BOARD OF DIRECTORS
WEST CENTRAL CONSERVANCY DISTRICT

William E. Holland, Chairman

Karl P. Buetow, Vice Chairman

Paul M. Allen, Financial Secretary

Barbara Thompson, Secretary

James Webb, Member