



# BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

NOVEMBER 2006

**BOND ELECTION INFORMATION**

406-995-2660

[www.bigskywatersewer.com](http://www.bigskywatersewer.com)

## WATER PROJECT BOND ELECTION

The Big Sky County Water & Sewer District has a mail ballot bond election scheduled for **Tuesday, December 5th**. This bond election is to authorize the District to borrow \$5 million dollars to fund several drinking water projects. These projects include:

- \$2,700,000 for a new pipeline to connect the Mountain, Meadow, Lone Moose and Aspen Groves water systems
- \$600,000 for 2 new wells in the Meadow Village
- \$1,700,000 for water system replacement work

This newsletter has information about each project, and the costs of debt service for the bonds to property owners in the District. It also has information about the voting procedure for local and out of area voters.

## MAIL BALLOT ELECTION

The Gallatin County Elections Department will conduct a mail ballot bond election for the District on **Tuesday, December 5, 2006**. The water projects will be funded by a general obligation bond and State Revolving Fund loan. State law requires a bond election that, if approved by the voters, authorizes the District to bond and borrow up to 5 million dollars for the project. On November 15th, Gallatin County will mail a mail ballot to registered voters of the District that own property, or reside in the water jurisdictional area of the District. The water jurisdictional area are those properties that are serviced by the District's public water system as shown on map on page 4.

**MAIL BALLOT**  
**GENERAL**  
**OBLIGATION**  
**BOND ELECTION**  
**TUESDAY**  
**DECEMBER 5, 2006**

The project, costs and their estimated impact to property owners are described in more detail on the following pages of this newsletter.

## WATER PROJECT SUMMARY

### Water Supply- Well Drilling

With the unprecedented growth that the Big Sky area has experienced over the past 3 years we are rapidly reaching the maximum capacity of the Meadow Village water system. The Meadow Village customers are supplied water from 3 wells located near the golf course area. These same wells were all drilled more than 20 years ago. During the months of July and August the largest wells in the Meadow run almost 24 hours per day to keep up with daily demand. If more water wells are not drilled and developed, our daily summer demand will exceed production within the next year or two.

The Big Sky County Water & Sewer District awarded contracts to drill two new six inch test wells and two sixteen inch completed wells in the Meadow Village this summer. Mahurin and Goswick Drilling recently finished drilling these new wells. They are currently working on pump testing these wells to determine the volume of water that can eventually be produced from each well. Based on the six inch test wells and initial pump test results, we are hoping to get an additional 400-600 gallons per minute which equates to 576-864,000 gallons per day. This volume of water will almost double the total production for the Meadow Village.

### PUBLIC INFORMATIONAL MEETING FOR BOND ELECTION:

**THURSDAY**  
**NOVEMBER 30TH**  
**7:00 PM**

Meeting will be held at the District office  
561 Little Coyote Road, Big Sky



Water Projects *Continued from page 1...*

### Water Distribution- Inter-System Connections

The District is also working on a new water line that connects all of the water systems together. Up until now, the Water & Sewer District has supplied water to its customers through 4 separate water systems. These systems are:

- Aspen Groves
- Meadow Village
- Mountain Village
- Lone Moose Meadows.

Each system has its own wells and water storage tank(s). The District has engineered new water lines that connect all of these systems together. These lines include a new 8 inch steel pipeline that is being constructed from the end of Aspen Groves up to the east end of Low Dog road in the Mountain Village area. A new line that will be constructed along the west edge of the Aspen Groves subdivision up to the Aspen Groves water tank. A 600 foot section of water

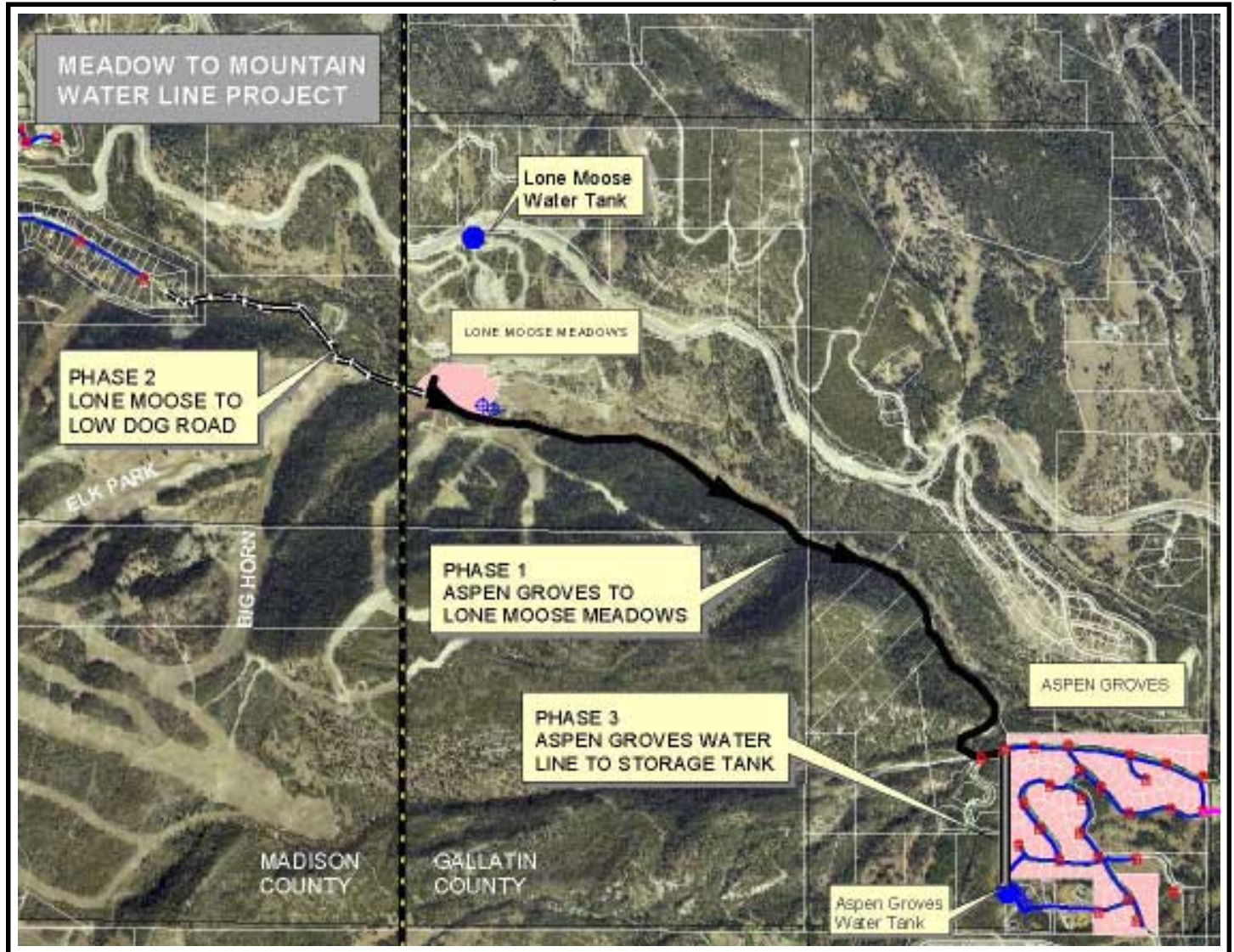
line will be laid to connect Aspen Groves to the Meadow Village water system. The Lone Moose water system will also be connected to the new 8 inch line to take advantage of its added well water supply and water tank storage.

A contract has been awarded to Michigan based Snow Machines Incorporated to construct these water main extensions. Work began this fall and has been shut down for the winter months.

Benefits of this project include expanding the total water storage available to the Meadow Village. The water tanks located in Cascade and in Lone Moose will add almost 2 million gallons of storage to the Meadow if it is needed. Connecting a new water to Aspen Groves will provide better water quality for those customers in addition to back-up water storage.

The map view below shows the project area and the sections of water main that will be constructed for this part of the project. ❁

**Map view of Mountain/Meadow water line project area**



## Water System Repairs

The bond also includes 1.7 million dollars for water distribution system replacement work. Two areas of the Meadow Village water system have been targeted for replacement. These areas are the Hidden Village and Silverbow condominium water systems. Both of these developments have the original water lines that were installed approximately 30 years ago. In the case of Hidden Village, the owner's association there is in the process of replacing and resurfacing all of the roads. Replacing the water mains in Hidden Village ahead of the road work will reduce the District's overall costs for the replacement work since much of the road restoration and paving work will be done by the Hidden Village association. The District is also engineering a water system replacement for the Silverbow condominium area. The Hidden Village project is first priority, and as such, will be bid first. Depending on the engineering and bid costs for this project, the Silverbow replacement work may be done at a later time.

## WATER PROJECT COSTS & BENEFITS

The water project being funded by the 5 million dollar bond includes new water mains to connect all of the District's water systems together, drilling and completing 2 new high capacity wells in the Meadow Village area, and capital to replace the Hidden Village and possibly the Silverbow water systems.

### Project Benefits

- Project increasing the Meadow Village water production by 40% with 2 new Meadow Wells.
- Water system improvements to keeps pace with rapid growth of planned developments.
- Connecting water system together adds redundancy to the total water storage available to the Aspen Groves, Lone Moose and Meadow Village water systems.
- Interconnection will increase the water tank storage that is available for fire protection
- System replacements will reduce total water leak losses in the Meadow Village area.

## PROJECT COSTS AND IMPACT TO PROPERTY OWNERS

Engineers for the District estimate that these water projects will cost 5 million dollars. The project will be financed with a State Revolving Fund (SRF) loan from the State of Montana which is a 20 year loan at 3.75% interest. The District has 2 options for financing the project, a general obligation (GO) bond or a revenue bond. In the case of a GO bond, the debt is repaid from money collected as a mill rate on property taxes. A revenue bond, which does not require an election, uses the quarterly user fees as the method for collecting debt service money. As has been the case with our past bond issues the District Board selected the GO bond as the preferred financing method. Because the GO bond requires a vote, the SRF loan award is conditioned on the passage of the bond election on December 5th.

If the bond is approved, the SRF loan will be repaid from funds collected from an annual tax levy. The annual debt service for the project loan will be collected as a mill rate on property taxes. The water project annual debt service is projected at \$350,000 per year. To collect this amount with the current taxable value of the water jurisdictional area of the District, the District will need to levy about **27 mills** as a property tax on those properties that are in the water jurisdictional area. To calculate your tax cost, multiply the mill rate (0.027 mills) against the "Total Taxable Value" of your property. That will give you an estimate on your annual debt service cost for this \$5 million dollar bond.

## Who Pays

The property tax base for the debt repayment for this project has been defined as the Water System Jurisdictional Area. The jurisdictional area is comprised of land that meets the following criteria:

- Land currently having water service available.
- Land planned for future water service.

Both improved and vacant lots within the Water Jurisdictional Area will be subject to the tax levy. Refer to the map on the page 4 and sample ballot on page 7.

If you are unsure if your land is in the water jurisdictional area please contact the District office for assistance.

## Who Votes on the Water Bond Election

Property owners and residents who own land or reside within the water jurisdictional area of the District (areas shown in gray on the map on page 4) will be eligible to vote on the water bond indebtedness. ☘

## ELECTION & VOTING INFORMATION

The bond election will be done as mail ballot election conducted by the Gallatin County Elections Department. The procedure for voting will be the same as other mail ballot elections that the District has conducted in the past. The county will start mailing ballots out on **November 15th**. See page 5 for an example ballot with the voting question on it.

A proof of voter registration absentee ballot request form is enclosed with this mailing and on the District website [www.bigskywatersewer.com](http://www.bigskywatersewer.com). Please see the back of that form (page 6) for more information on the procedure to obtain the mail ballots.

You will not be able to vote at any Big Sky polling place. **This election is mail ballot only.**

If you have questions about the voting procedure, or the mail ballot election please contact the Gallatin County Election Department.

### GALLATIN COUNTY ELECTION DEPT.

311 W. Main, Room 103

Bozeman, MT 59715

Tel. (406) 582-3060

Fax (406) 582-3068

Email: [elections@gallatin.mt.gov](mailto:elections@gallatin.mt.gov)



**ELECTION & VOTING INFORMATION**

This bond election is being conducted as a "Mail Ballot Election". Registered voters who are allowed to vote in the December 5th election fall into two categories:

- 1. Registered electors who reside in the Water Jurisdictional area of the District; or
- 2. Nonresident property owners within the Water Jurisdictional Area who are registered to vote some other place within the United States and show proof of their registration.

**Registered Electors Residing in the Water Jurisdictional Area of the District**

Residents that live within the Water Jurisdictional area of the District who are **registered to vote in the Big Sky precinct** can vote.

**Nonresident Property Owners Registered to Vote Within the United States**

For all nonresident property owners, the only way to vote is by absentee ballot. To qualify to vote, owners **must submit to Gallatin County individual proof of voter registration** in the jurisdiction where they are currently registered to vote in addition to their absentee ballot application. The proof of registration form is provided in this newsletter. It will also be available on the District's website [www.bigskywatersewer.com](http://www.bigskywatersewer.com). Please fill it out and mail or fax it to the Gallatin County Election Department.

After it has been approved, the election department will mail out an absentee ballot. If you intend to vote, please send in or fax your "Proof of Voter Registration Form" as soon as possible to allow enough time for the absentee ballot to be mailed back to you, and then mailed back to the election department before December 5th.

The county will accept completed application forms for absentee ballots via fax at 406-582-3068 or by regular mail until noon, December 4th. **Faxed in absentee ballots will not be accepted.**

**Corporate Voting**

The president, vice-president, or secretary of any corporation owning property within the District may vote on behalf of the corporation. Contact the Gallatin County Election Department for further information at (406) 582-3060.

**Website**

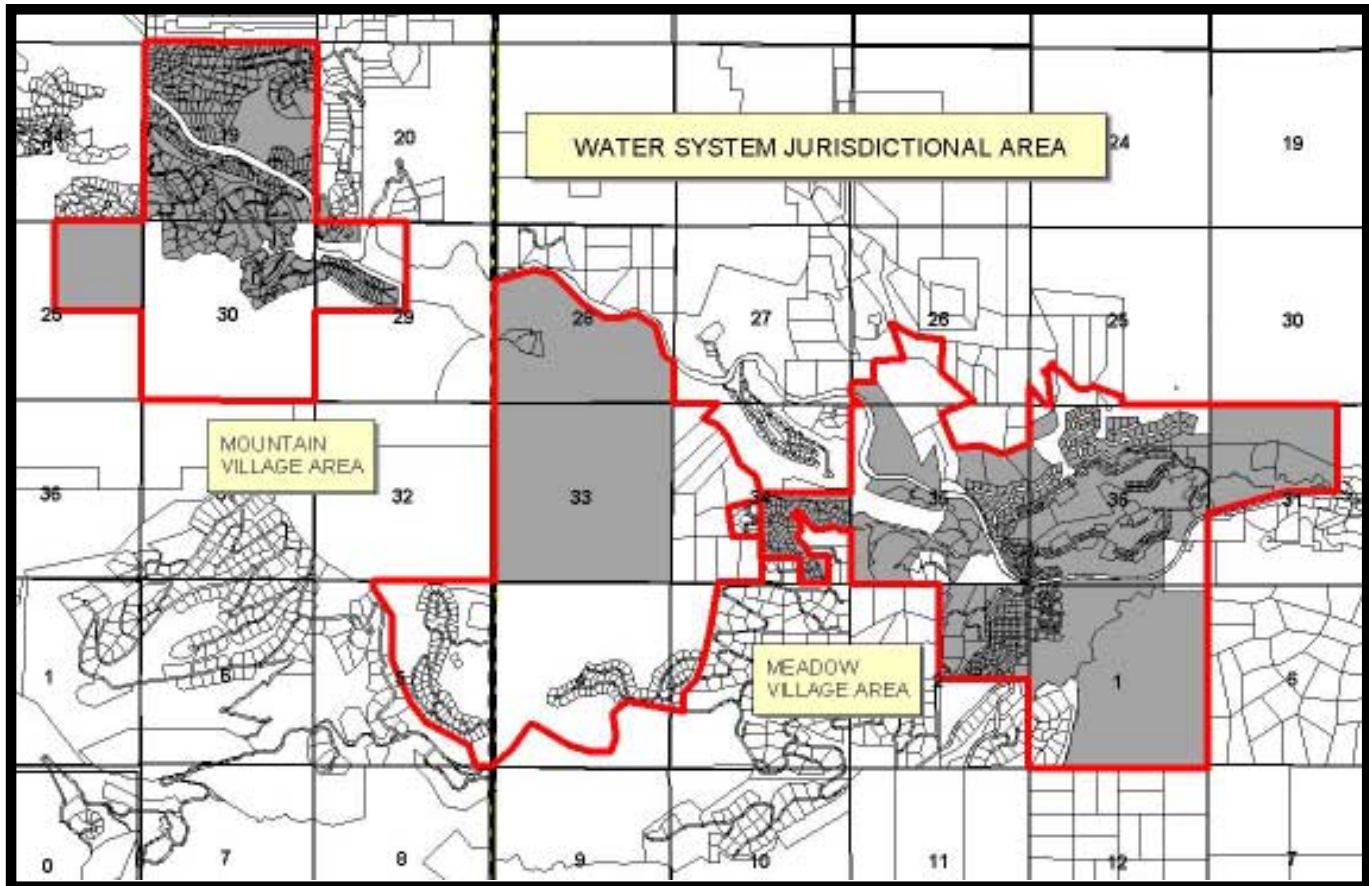
The District has a website where you can download the forms to request absentee ballots at:

[www.bigskywatersewer.com/elections.htm](http://www.bigskywatersewer.com/elections.htm)

**Contact Information**

If you have questions about the voting procedure please contact the Election Department at 406-582-3060 or by email [elections@gallatin.mt.gov](mailto:elections@gallatin.mt.gov).

**WATER JURISDICTIONAL AREA FOR PROJECT DEBT SERVICE**



**ABSENTEE BALLOT REQUEST FORM & PROOF OF VOTER REGISTRATION  
FROM THE GALLATIN COUNTY ELECTION DEPARTMENT  
GALLATIN COUNTY, MONTANA**

**NOTICE**

7-13-2255. **Provision for vote by nonresident property owners.** An elector owning real property within the district need not reside within the district in order to vote.  
7-13-2212 (2) An individual who is the owner of such real property need not possess the qualifications required of an elector in 13-1-111(1)(c), **provided that such elector is qualified if he is registered to vote in any state of the United States and files proof of such registration with the election administrator.**

**Nonresidents-** If you would like a ballot to vote on this election, please complete the applicable sections below and take this form to your local Election Official to be certified. Please return **COMPLETED** and **CERTIFIED** election forms to the Gallatin County Election Department to receive a mail ballot form in time to vote on this election. **The Gallatin County Election Department will accept faxed Absentee Ballot Request Forms to 406-582-3068, but will not accept faxed or emailed ballots.**

**SEE REVERSE SIDE FOR MORE INFORMATION**

**PART A**

**VERIFICATION OF VOTER REGISTRATION  
TO BE COMPLETED BY ELECTION OFFICIAL**

STATE \_\_\_\_\_

County/City \_\_\_\_\_

I, \_\_\_\_\_ of said County/City do hereby certify that I am the lawful custodian of the  
[ NAME & TITLE ]  
voting records of said County/City. I further certify that \_\_\_\_\_ registered to vote in  
[ ELECTOR'S NAME ]  
this County/City on \_\_\_\_\_ and is currently registered.  
[ DATE ]

IN TESTIMONY WHEREOF, I have set my hand and affixed the SEAL of said County/City, this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

**SEAL**

\_\_\_\_\_  
[ SIGNATURE OF ELECTION OFFICIAL ]

**PART B**

**ABSENTEE BALLOT REQUEST FORM  
TO BE COMPLETED AND SIGNED BY ELECTOR (LAND OWNER)**

I \_\_\_\_\_ the undersigned, as owner of real property within the  
[ PRINT NAME ]  
Big Sky County Water & Sewer District No. 363 do hereby make application for an Official Ballot for the election to  
be held **December 5, 2006**. The legal description of my real property within the district is as follows:

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X

\_\_\_\_\_  
[ SIGNATURE OF ELECTOR (LAND OWNER) ]

\_\_\_\_\_  
[ DATE ]

**PART C**

**MAILING INFORMATION**

Mail ballot to me at:

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Mail Completed Request To:

Gallatin County Election Dept.  
311 W. Main - Room 103  
Bozeman, MT 59715

DETACH AND FAX OR MAIL TO GALLATIN COUNTY BY NOON ON DECEMBER 4, 2006

## ELECTION & VOTING INFORMATION

The bond election will be done as mail ballot election conducted by the Gallatin County Elections Department. Registered voters for Montana county water & sewer district elections who are eligible to vote fall into two categories:

- Registered electors who reside in the Water Jurisdictional area of the District; or
- Nonresident property owners of the District's Water Jurisdictional Area who are registered to vote some other place within the United States and show proof of their registration.

### Registered Electors Residing in the District

All residents within the Water Jurisdictional Area of the District who are registered to vote in the Big Sky precinct will be mailed a ballot.

All property owners who own land within the Water Jurisdictional Area of the District must submit their proof of voter registration in the jurisdiction where they are currently registered to vote. If you are a registered voter in Big Sky but you want your ballot sent to a different address than your voter registration address, you must contact the Gallatin County Election Department to request an "Address Designation Form" to have the ballot sent to a different address than the voter registration address. Once completed and signed, you may fax the form to Gallatin County at 406-582-3068.

### Nonresident Property Owners Registered to Vote Within the United States

For nonresident property owners to receive a mail ballot, owners **must submit individual proof of voter registration to Gallatin County** from the jurisdiction where they are currently registered to vote. An "Absentee Ballot Request Form" which is used for proof of registration is provided on the other side. The Form must be received by the Gallatin County Elections Department in time for a ballot to be mailed to you and received back via mail no later than **8:00 p.m. December 5, 2006**. The **County Elections Department will accept completed "Absentee Ballot Request & Proof of Voter Registration Forms sent in by mail, or by fax at 406-582-3068**. If your local election administrator uses a raised seal stamp, please shade the seal relief with pencil so it is visible if the form is faxed. **Gallatin County will not accept faxed or emailed ballots.**

### Joint Ownership of Property

If you own property jointly as husband and wife or reside in some other form of joint tenancy, **each person must complete and submit the "Absentee Ballot Request Form"** to receive individual ballots.

### Corporate Voting

The president, vice-president, or secretary of any corporation owning property within the District may vote on behalf of the corporation. Contact the Gallatin County Election Department for further information at (406) 582-3060.

### Mail Ballot

Once you receive a mail ballot from Gallatin County, it will have separate instructions on how to complete and return your ballot.

### Contact Information

If you have questions about the voting procedure, or the mail ballot election, please contact the Gallatin County Elections Administrator at (406) 582-3060.

## GALLATIN COUNTY ELECTION DEPARTMENT

Attn: Charlotte Mills

311 W. Main, Room 103

Bozeman, MT 59715

Telephone (406) 582-3060      **FAX 406-582-3068**

Email: [elections@gallatin.mt.gov](mailto:elections@gallatin.mt.gov)

# **SAMPLE GENERAL OBLIGATION BOND BALLOT**

## **BIG SKY COUNTY WATER AND SEWER DISTRICT NO. 363, MONTANA GENERAL OBLIGATION BOND ELECTION**

December 5, 2006

INSTRUCTIONS TO VOTERS: Make an X or similar mark in the vacant square before the words “BONDS – YES” if you wish to vote for the bond issue; if you are opposed to the bond issue, make an X or similar mark in the square before the words “BONDS – NO.”

Shall the Board of Directors of Big Sky County Water and Sewer District No. 363, Montana (the “District”) be authorized to sell general obligation bonds of the District in an amount not to exceed Five million and No/100 Dollars (\$5,000,000), payable over a period of not more than twenty (20) years, for the purpose of paying the costs of designing, constructing, and installing improvements to the district’s water system, consisting of connecting the Mountain Village, Lone Moose Meadows, Aspen Grove, and Meadow Village water systems into one system using 8-inch steel pipe; drilling two new Meadow Village production wells and connecting them to the system; and water system mainline replacement work, all to provide the District with a redundant water supply system that will be able to distribute water during peak demands; related improvements; and paying costs associated with the sale and issuance of the bonds (the “Project”)? The total cost of the Project is estimated to be \$5,000,000 and would be paid from the proceeds of the proposed bonds in an amount not to exceed \$5,000,000. The Project will benefit all properties in the Water System Jurisdictional Area, the boundaries of which are on file in the office of the District and the office of the Gallatin County Clerk and Recorder. The bonds shall be payable from an ad valorem property tax levied against all properties in the Water system Jurisdictional Area and other available revenues of the Water System and the Water System Jurisdictional Area.

- BONDS — YES
- BONDS — NO



## MEETING SCHEDULE

The District generally meets the third Tuesday of each month at the District office, 561 Little Coyote Road located in the Meadow Village. The public is invited to all Board meetings and your input is welcomed. Please call the District office at 406-995-2660 to confirm meeting times and dates.

## MOVED LATELY?

If you have had a change in your mailing address, please let us know. You may update our mailing information by writing or emailing the District, or by calling our office at 406-995-2660.

## GALLATIN COUNTY ELECTION DEPT.

Attn: Charlotte Mills  
311 W. Main, Room 103  
Bozeman, MT 59715.....(406) 582-3060  
FAX 406-582-3068  
Email: [elections@gallatin.mt.gov](mailto:elections@gallatin.mt.gov)

## BIG SKY COUNTY WATER & SEWER DISTRICT

Attn: Ron Edwards, General Manager  
PO Box 160670  
Big Sky, MT 59716.....(406) 995-2660  
Email: [wsd363@3rivers.net](mailto:wsd363@3rivers.net)  
Website: [www.bigskywatersewer.com](http://www.bigskywatersewer.com)

## BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

561 Little Coyote Road • P.O. Box 160670  
Big Sky, MT 59716  
(406) 995-2660 • FAX (406) 995-3053  
[www.bigskywatersewer.com](http://www.bigskywatersewer.com)

### Staff:

*Ron Edwards, General Manager*  
*Terry Smith, Financial Officer*  
*Marlene Kennedy, Administrative Assist.*  
*Grant Burroughs, Engineer/Operator*  
*Eric Daniels, Assistant Operater*  
*Jim Jones, Operator*  
*Jim Muscat, Operator*  
*Nic Wellenstein, Operator*

### Board of Directors:

*Paul "Packy" Cronin, President*  
*Gary McRae, Vice President*  
*Richard Fast, Secretary*  
*Richard Allgood, Director*  
*Dr. Jeff Daniels, Director*  
*Bill Olson, Director*  
*William W. Shropshire, Director*

**BIG SKY COUNTY WATER &  
SEWER DISTRICT No. 363**  
**P.O. Box 160670, Big Sky, MT 59716**

**FIRST CLASS MAIL**

**DECEMBER 5 BOND ELECTION & VOTING INFORMATION**