

## **NOTICE OF RATE INCREASE AND PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that on May 3, 2010, the City Council (the "Council") of the City of Belgrade, Montana (the "City"), adopted a Resolution of Intention of the City of Belgrade, Montana to Increase the Rates for Users of the Municipal Water System.

The City anticipates issuing water system revenue bonds in the amount of approximately \$3,322,000 (the "Bonds") for the purpose of paying a portion of the costs of improvements to its municipal water system (the "System").

Effective as of July 1, 2010, the base rate for residential and non-residential water service for up to 5,000 gallons will be increased from \$12.65 to \$15.82 per month (the "Base Rate Charge"). The charge per excess 1,000 gallons will be increased from \$.95 to \$1.19 per month. This proposed rate increase represents an average increase of approximately 25% over the existing rates.

On **June 7, 2010**, at **7:00 p.m.** at the City Council Chambers, 91 East Central Avenue, Belgrade, Montana, the Council will conduct a public hearing and pass upon all protests against the proposed water rate increase.

Further information about the proposed rate increase may be obtained by contacting the City of Belgrade, 91 East Central Avenue, Belgrade, Montana 59714, phone (406) 388-3760.

Done by Order of the Council of the City of Belgrade, Montana, this 11<sup>th</sup> day of May, 2010. Marilyn Foltz, Director of Finance and Records.