

EXHIBIT 6
DATE 1/13/05
HB 11

FAX TRANSMISSION

From: Sun Prairie Village
County Water and Sewer District
1047 Grant Drive
P.O. Box 1127
Great Falls, MT 59403-1127

Date: January 12, 2005

Reference: Testimony - House Bill 11

Send To: Pam Smith
D.N.R.C.

FAX No: (406) 444-6721

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Remarks: Dear Pam:

I hope to be present for the hearing tomorrow, however my attending will be weather dependent. To ensure that our testimony is placed on the record, I was told this morning that if I sent it to you, you would see that it was given to the committee and placed in the record.

I will not make a decision on driving down until in the morning to see what the roads are like.

Thanks for handling this for me. I certainly appreciate it.

Please give me a call if you need more information. If I don't come I will be in the office after 8:00 a.m.

Bobby Broadway, General Manager

OUR FAX NUMBER IS (406) 965-2927

TESTIMONY
Joint Long-Range Planning Committee
2005 Legislature
House Bill 11

RE: Sun Prairie Village County Water and Sewer District

Mr. Chairman:

Members of the Committee:

My name is Bobby Broadway, I am the General Manager for the Sun Prairie Village County Water and Sewer District. I am accompanied this morning by Craig Nowak of Morrison Maierle Inc. Mr. Nowak is the engineer on our project and will be available to answer any technical questions you might have.

Sun Prairie Village is a residential community located 7.5 miles west of Great Falls. We have approximately 1,353 residents and 484 service connections.

Our water improvements project has three phases which include the replacement of a 28 year old eight inch PVC water main, increased water storage, and individual water meters. The water main was poorly constructed and we experience at least 4 or more major leaks annually. I might note that this pipeline is only one and a half miles long. In the 14 years I have worked for the District we have expended approximately \$58,000 in making repairs to this pipeline. The leaking pipe not only costs money, which would be better used for other necessary repairs or improvements, but is also the cause of a high loss of potable water and a very high potential for contamination of the water. Replacement of the pipeline would free money for other uses, ensure a safe drinking water and potentially reduce the cost of pumping water and extend the life of well pumps by reducing the head losses of the current pipeline. The reduced pumping costs would be realized because the new main would be a larger 10 inch pipe. There is nothing but advantages for the community in replacing this pipeline.

The secondary water storage facility for the community currently provides only about 70 percent of the needed fire protection in the event of a major power outage or loss of pumping capacity from our main reservoir. The project calls for expanding the reservoir from 85,000 to 150,000 gallons. This expansion would not only allow for adequate fire flows, but would also provide increased water pressure for our customers and allow for better management of chlorine residuals in the storage facility and distribution system. This improved storage facility would contribute greatly to the health and safety of our residents.

There is an increasing need to install water meters in the community. This need is driven by the need to conserve a declining resource and to ensure equitable billing of rates. As you are aware, Montana has been in an extended drought. Our area has not escaped the effects of the drought and we need a means of encouraging conservation. It is also felt that residents should pay for what they use and not have to subsidize their neighbors who may use an excessive amount

of water. With our current flat rate, that is exactly what happens. Also with a flat rate there is no incentive to conserve. I have to say that this is not necessarily the most popular of projects we have proposed. Some of our residents are concerned that they will see their water rates increase with meters because they are used to using all the water they want under a flat rate system of charges. Metering has an additional advantage from a management standpoint in that it allows us to determine how much water is produced and distributed and to detect losses where there are large disparities in the production and distribution.

The Board of Directors at its last meeting, further noted their commitment to the water system improvements by passing a resolution of intent to pursue funding, both in the form of grants and loans as well as in house matching funds. It is their intent to hold a bond election in October 2005 to seek approval of the necessary debt authority from our residents. It is the intent of the Board of Directors to put any bonded debt into a special assessment tax which would be paid through the taxes and we may also see a drop in the monthly average water and sewer rates charged directly to customers. However, the combined debt service in taxes and the monthly user rate would equal or exceed the required target rate. Further, the Board has voted by resolution its intent to seek a Community Development Block Grant which would be targeted to low and moderate income residents to make the costs to those residents more doable

Thank you for your attention and consideration of our project as a part of HB11. If you have any questions I will be happy to answer them.