Dry-Redwater Regional Water Authority

The Dry-Redwater Regional Water Authority (DRWA) is locally owned by the Town of Circle, Town of Jordan, Town of Richey, Dawson Conservation District, Richland Conservation District, McCone Conservation District, Garfield Conservation District, McCone County and Garfield County.

The general purpose of the DRWA is to own and operate a water system that will provide good quality and quantity household and livestock water to the owners and members in the coverage area.

The board members may be contacted for more information..

McCone County

Tod Kasten.....485-3588

Henry Helgeson.....485-2913

Pat Eggebrecht.....525-3525

Garfield County

Mike McKeever.....557-2905

Baan Wille.....557-2601

Dean Rogge..... 557-2354

Dawson County

John "Sonny" Whiteman.....773-5575

Marco Unruh..... .773-5640

Richland County

Roger Meyer..... ..774-3322

BENEFITS OF A REGIONAL WATER SYSTEM

Improved quality of life associated with high quality safe drinking water: Health benefits of good water. More and more harmful chemicals (many carcinogens) are being found in our ground water all the time. Water from the DRWA system will meet the same water quality standards as all other public systems.

Reduction of costs associated with water: No need to drill or maintain a well. Discontinuing water softening, water treatment, and water hauling. No electrical pumping costs.

Fire Protection: Hydrants can be installed in various locations for rapid water refill for rural fire fighting.

Livestock Use: Permanent backup in case of well failure. Adequate supply due to steady pressure. Increased weight gains in calves. Possible cost share for delivery to pastures from the NRCS EQIP Program.

Spray Use: Fewer plugged nozzles. Potential reduction in chemical costs as a result of increased spray efficiency. The system supplies a currant analysis of water quality upon request to assist the user in proper mixing of chemicals. This means better mixing of chemicals.

Increased resale value of user's property: Resale value may increase up to 10% of the property value of the homestead.

Improved potential for economic development: Demand readily available for quality and quantity of water. Benefits of construction employment.

Contact us at:
Dry-Redwater Regional Water Authority
P.O. Box 276
Circle, MT 59215
Email: drwa@wb.midrivers.com

Dry-Redwater Regional Water Authority

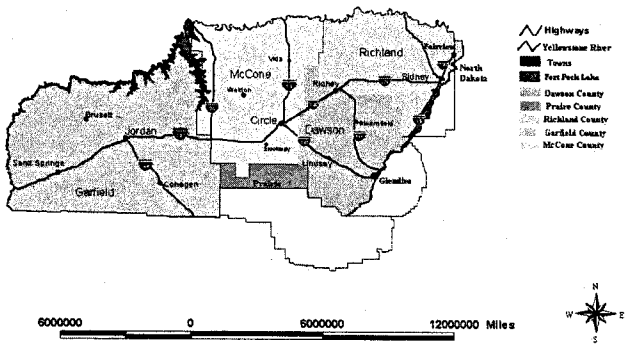
A cooperative effort on the parts of

Garfield, McCone, Richland, & Dawson Conservation Districts,

Garfield & McCone County

Towns of
Circle, Jordan, Richey & Lambert

Proposed Dry Redwater Rural Water Project



Committed to providing feasible good quality and quantity household and livestock water to the owners and members in the coverage area.

EXHIBIT 7
DATE 1/10/07
HB 11

Dry-Redwater Regional Water Authority

The Dry-Redwater Regional Water Authority (DRWA) is locally owned by the Town of Jordan, Town of Richey, Town of Circle, Dawson County Conservation District, Richland County Conservation District, McCone Conservation District, Garfield County Conservation District, McCone County and Garfield County. The board of directors is made up of one individual appointed by each of the owners.

The general purpose of the DRWA is to own and operate a water system that will provide good quality and quantity household and livestock water to the owners and members in the coverage area.
*The proposed area now also includes all area in Dawson, Richland and McKenzie Co west of the Yellowstone River.

General Data from feasibility study:
The estimated total cost of the project is $97,000,000. This estimate is for costs projected out to 2010 and is based on the directive of using conservative (higher) cost estimates. There is no cost savings taken into consideration for existing water towers, building and other equipment that could be used.

The project is financially feasible based upon the standards used for any potential rural water system in the U.S. This is based upon the standard assumptions that the Federal Government will pay 75% and the State of Montana 12.5% of the total construction costs. About 12.5% of the construction costs will be borne by the users.

2087 potential hookups have indicated interest to date. Most of these are included within the proposed area that indicates that it is financially feasible.

The final rate schedule will be set by the Board of Directors of DRWA to pay for the construction loan, operational costs and to fund a replacement account.

A potential rate schedule and cost of water is:

Base Rate (All Users)	$26.00 / month
Water Treatment/Booster Station (All Users)	$2.05/1000 gal.
Pipeline Maintenance (Rural Users)	$1.45/1000 gal.

YOU CAN'T PUT A PRICE ON GOOD QUALITY WATER

Existing Water System Maintenance (Community Users *)
*This fee will be set by the individual community based on their operating budget. The study will use the same rate for illustration purposes.

Example rates for 8000, 5000 and 2000 gallons per month

	8,000	*5,000*	*2000*
Rural / City User Base Rate (minimal)	$26.00	$26.00	$26.00
Water Treatment/Booster	$16.40	$10.25	4.10
Pipeline or Water Maintenance Fee	$11.60	7.25	2.90
Total Monthly Bill:	**$54.00**	**$44.00**	**$33.00**

Of these monthly costs about $10.00 per month is used to build reserves (for back-up) for loan payment and operational costs. These funds will build to the benefit of the water authority and the use will be controlled by the Board.

Cost Comparison of Bottled or Bulk Water Use
Average cost per gal. for 5-gal.bottle (high $1.10 – low $0.82) = $0.95/gal.$57.40/month = 60 gal. of drinking water

For $57.40 on the rural system you will get 8,000-gallons of treated water delivered at 5 gpm at a minimum pressure of 35 psi. You will not have to haul water bottles or schedule a cistern to be filled.

Pasture Tap Rates for 100 head of livestock

	48,000 gallons or 24,000 gallons	
	16 Gals./head	***8 Gals/head***
Base Rate (minimal)	$ 26.00	$ 26.00
Water Treatment/Booster	$ 98.40	$ 49.20
Pipeline Maintenance	$ 69.60	$ 34.80
Total Monthly Bill : per 100 head	**$194.00**	**$110.00**

Cost Comparisons for stock well costs

Drill and case well $35.00/ft average depth 200-250 ft cost $7,000-$8,750

If a well lasts 15 years the monthly cost is $39.00 to 48.00 per month

Pump and Motor $1,000.00 If a pump lasts 5 years the monthly cost is $16.70

Control pit/pressure tank $2,800 with a 15 years life has a monthly cost of $15.60

Annual stock well electrical rate is $240.00 per year or $20.00/month

The cost to run electricity to a new well site is $17,160.00/mile or $3.25/ft

For a new well that already has electric service the monthly costs before any water is pumped is $91.30 to $100.30.

Water Rate Breakdown	***Operations***	***Reserves***
Loan Payment	$26.00	
Loan Reserve		$ 3.00
	$26.00	$ 3.00
Water Treatment/Booster	$ 1.53	$ 0.57
Pipeline Maintenance	$ 0.84	$ 0.61
At 8,000 gallons	$44.96	$12.44
At 5,000 gallons	$37.85	$ 8.90

THE NEXT STEP in the process of moving this project forward is to ask everyone that wants to take the next step to provide a $100.00 Good Intention Fee. This Good Intention Fee is a Refundable fee. If the system is not built, if the system is unable to deliver water to you, or if you at some point in the future decide not to hookup for any reason the fee will be refunded to you without interest. The purpose of the fee is to show proof of firm support from us to the government and the potential funding agencies. The $100.00 Good Intention Fee will be applied to the projected $500.00 hookup fee should you hookup to the system. By signing up now you will be assured of being able to hookup at this reduced hookup rate. All others that decide to they might want to hookup at construction time will be charged the actual cost of hookup, which is projected to be easily a $1,000.00 and higher depending on each users location and situation.

For more information please call the:
McCone Conservation District, Jeanne Rae, 485-2744 ext 100. or Engineer Brian Milne 433-5617; or any board member

The checks are to be made out to the DRWA.
Please return the following information and your Good Intention Fee to:
DRWA at PO Box 276 Circle, MT 59215

Name:_____
Phone Number_____
Address:
_____

Best estimate of location of hookup.
(write others below if more)
(1) Section _____ Township _____ Range _____

(2) Section ___ Township ___ Range _____