

Bond Case Briefs

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POLITICAL SUBDIVISIONS - MONTANA

Town of Kevin v. North Central Montana Regional Water Authority

Supreme Court of Montana - July 30, 2024 - P.3d - 2024 WL 3579464 - 2024 MT 159

Town brought action against regional water authority, seeking a declaratory judgment under the Uniform Declaratory Judgment Act (UDJA) that the town was not, and never had been, a member of regional water authority, among other declaratory relief, and also seeking attorney fees.

Following a bench trial, the District Court entered judgment for town, and, following a hearing, granted town's motion for attorney fees. Regional water authority appealed attorney fee award.

The Supreme Court held that:

- UDJA provides a legal basis for attorney fees between two governmental subdivisions when appropriate, and
- Equities and tangible parameters supported award of attorney fees to town.

The Uniform Declaratory Judgment Act (UDJA) provides a legal basis for attorney fees between two governmental subdivisions when appropriate.

Equities and tangible parameters supported award of attorney fees to town under the Uniform Declaratory Judgment Act (UDJA) in its action against regional water authority seeking a declaration that it was not a member of the authority, even if water authority did not act in bad faith; town, which had approximately 175 residents, paid over \$55,000 in legal fees, while water authority could spread out its costs over a much larger base and had access to grant funding from the state for much of the litigation, water authority possessed what the town needed and it was necessary to seek a declaration to get the relief and change the status quo, and town offered to settle the case numerous times and the water authority never seriously entertained the possibility of settlement but forced it to trial because it did not want to set a precedent for other members to withdraw.