

RESOLUTION NO. 2024-R07

RESOLUTION OF THE CITY COUNCIL OF TOWNSEND, MONTANA, TO ADJUST RATES FOR THE USERS OF ITS WATER SYSTEM

RECITALS

WHEREAS, pursuant to § 69-7-101, MCA, the City of Townsend, Montana (the “City”) has the power and authority to regulate, establish, and change, as it considers proper, rates, charges, and classifications imposed for utility services to its inhabitants and other persons served by the municipal systems; provided that rates, charges, and classifications must be reasonable and just;

WHEREAS, the City intends to adjust the rates for all users of its water system (“System”) to provide for necessary improvements to the System, by increasing the rates three times: first, on September 1, 2024, by \$23.49; second, on November 1, 2024, by \$23.49; and third, on January 1, 2025, by \$23.48, for a total increase of \$70.46, as further detailed below;

WHEREAS, pursuant to § 69-7-111, MCA, the City Council ordered a public hearing prior to the passage or enactment of an ordinance or resolution imposing, establishing, changing or increasing rates, fees, or charges for services or facilities; and

WHEREAS, a public hearing was held on July 16, 2024, after proper notice was given by publication in the MT 43 News, a newspaper in general circulation in the City, on June 28, July 5, and July 12, all of the year 2024, and by mailing a copy of said notice to all persons served by the System at least 7 days and not more than 30 days prior the public hearing, including an estimate of the amount that the property owner or customer would be charged under the proposed resolution.

THEREFORE, NOW BE IT RESOLVED THAT:

The Council adjusts the rates for all users of the System as follows.

SECTION 1. RATES

1.1. Adjusted Residential Rate. Single family residential users of the System will be charged the following monthly flat rate (“Residential Rate”) per Equivalent Dwelling Unit (“EDU”): effective September 1, 2024, \$44.06; effective November 1, 2024, \$67.55; and effective January 1, 2025, \$91.03. If the water service line serves a structure or structures containing multiple livable dwelling units, each livable dwelling unit will be classified as one (1) EDU and charged the Residential Rate. Multiple livable dwelling units include duplexes, multiplexes, apartment complexes, nursing homes, retirement homes, mobile home courts and other similar facilities.

1.2. Adjusted Commercial and Industrial Rate. Existing commercial and industrial users of the System will be charged the product of the Residential Rate and a multiplier deemed to be fair, reasonable, and equitable (“Commercial/Industrial Rate”) as shown in the tables below.

EFFECTIVE SEPTEMBER 1, 2024

<u>Water Service Line Size</u>	<u>Cost per EDU</u>	<u>Multiplier</u>	<u>Commercial/Industrial Rate</u>
≤ 3/4"	\$44.06	1	\$44.06
1"	\$44.06	1.79	\$78.87
1 1/2"	\$44.06	4	\$176.24
2"	\$44.06	7.14	\$314.59
2 1/2"	\$44.06	11.16	\$491.71
3"	\$44.06	16	\$704.96
4"	\$44.06	28.57	\$1,258.79
5"	\$44.06	44.64	\$1,966.84
6"	\$44.06	64.29	\$2,832.62
7"	\$44.06	87.11	\$3,838.07
8"	\$44.06	113.78	\$5,013.15
9"	\$44.06	114	\$5,022.84
10"	\$44.06	117.78	\$5,189.39

EFFECTIVE NOVEMBER 1, 2024

<u>Water Service Line Size</u>	<u>Cost per EDU</u>	<u>Multiplier</u>	<u>Commercial/Industrial Rate</u>
≤ 3/4"	\$67.55	1	\$67.55
1"	\$67.55	1.79	\$120.91
1 1/2"	\$67.55	4	\$270.20
2"	\$67.55	7.14	\$482.31
2 1/2"	\$67.55	11.16	\$753.86
3"	\$67.55	16	\$1,080.80
4"	\$67.55	28.57	\$1,929.90
5"	\$67.55	44.64	\$3,015.43
6"	\$67.55	64.29	\$4,342.79
7"	\$67.55	87.11	\$5,884.28
8"	\$67.55	113.78	\$7,685.84
9"	\$67.55	114	\$7,700.70
10"	\$67.55	117.78	\$7,956.04

EFFECTIVE JANUARY 1, 2025

<u>Water Service Line Size</u>	<u>Cost per EDU</u>	<u>Multiplier</u>	<u>Commercial/Industrial Rate</u>
≤ 3/4"	\$91.03	1	\$91.03
1"	\$91.03	1.79	\$162.94
1 1/2"	\$91.03	4	\$364.12
2"	\$91.03	7.14	\$649.95
2 1/2"	\$91.03	11.16	\$1,015.89
3"	\$91.03	16	\$1,456.48
4"	\$91.03	28.57	\$2,600.73
5"	\$91.03	44.64	\$4,063.58
6"	\$91.03	64.29	\$5,852.32
7"	\$91.03	87.11	\$7,929.62
8"	\$91.03	113.78	\$10,357.39
9"	\$91.03	114	\$10,377.42
10"	\$91.03	117.78	\$10,721.51

If a commercial or industrial user of the System with a water service line size larger than 2" can demonstrate to the satisfaction of the City that the line size in excess of 2" is for the purpose of fire protection only and not for the purpose of serving the commercial or industrial use, the Council may charge that commercial or industrial user not less than the 2" diameter rate, as determined by the Council. For purposes of this resolution, "commercial" and "industrial" are used in common parlance, and collectively refer to non-residential property uses or zoning, without referring to any use or zoning specifically defined by the City's zoning ordinance. These uses include, without limitation, schools, governmental buildings, and churches.

1.3. Adjusted Metered Rate. In lieu of either the Residential Rate or the Commercial/Industrial Rate, metered users of the System will be charged the sum a minimum monthly charge set by water service line size, plus a usage charge of \$0.90 per every 1,000 gallons of water consumed per connection in that month in excess of the monthly gallons allowed per that line size, as shown in the table below.

EFFECTIVE SEPTEMBER 1, 2024

<u>Water Service Line Size</u>	<u>Minimum Monthly Charge</u>	<u>Monthly Gallons Allowed</u>
≤ 3/4"	\$44.06	9,000
1"	\$78.87	12,000
1 1/2"	\$176.24	30,000
2"	\$314.59	75,000
2 1/2"	\$491.71	103,000
3"	\$704.96	130,000
4"	\$1,258.79	270,000
5"	\$1,966.84	385,000
6"	\$2,832.62	500,000
7"	\$3,838.07	550,000
8"	\$5,013.15	600,000
9"	\$5,022.84	700,000
10"	\$5,189.39	800,000

EFFECTIVE NOVEMBER 1, 2024

<u>Water Service Line Size</u>	<u>Minimum Monthly Charge</u>	<u>Monthly Gallons Allowed</u>
≤ 3/4"	\$67.55	9,000
1"	\$120.91	12,000
1 1/2"	\$270.20	30,000
2"	\$482.31	75,000
2 1/2"	\$753.86	103,000
3"	\$1,080.80	130,000
4"	\$1,929.90	270,000
5"	\$3,015.43	385,000
6"	\$4,342.79	500,000
7"	\$5,884.28	550,000
8"	\$7,685.84	600,000
9"	\$7,700.70	700,000
10"	\$7,956.04	800,000

EFFECTIVE JANUARY 1, 2025

<u>Water Service Line Size</u>	<u>Minimum Monthly Charge</u>	<u>Monthly Gallons Allowed</u>
≤ 3/4"	\$91.03	9,000
1"	\$162.94	12,000
1 1/2"	\$364.12	30,000
2"	\$649.95	75,000
2 1/2"	\$1,015.89	103,000
3"	\$1,456.48	130,000
4"	\$2,600.73	270,000
5"	\$4,063.58	385,000
6"	\$5,852.32	500,000
7"	\$7,929.62	550,000
8"	\$10,357.39	600,000
9"	\$10,377.42	700,000
10"	\$10,721.51	800,000

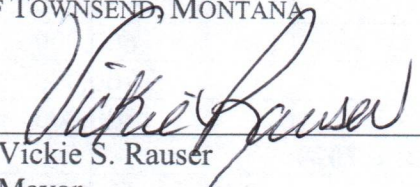
1.4. Future Rate Increases. Subsequent adjustments to the City's water rates will be made by resolution of the Council, duly adopted after a public hearing with notice thereof given as provided by law.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TOWNSEND, MONTANA,
ON AUGUST 6, 2024.**

CITY:

CITY OF TOWNSEND, MONTANA

By:


Vickie S. Rauser

Its:

Mayor

Attest:


Kari Williams

Its:

Clerk and Treasurer