

RESOLUTION 2023 –01

Resolution of Intention the Town of Twin Bridges, Montana to Increase Rates for the Users of the Municipal Water System

WHEREAS, under Section 69-7-101, Montana Code Annotated, the Town of Twin Bridges (the “Town”) 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 Town’s water system (the “System”). Rates, charges, and classification must be reasonable and just; and

WHEREAS, it is necessary for the Town to collect sufficient revenues to pay the costs associated with the operation and maintenance of the System, and to build necessary reserves; and

WHEREAS, pursuant to Section 69-7-111, Montana Code Annotated, the Council shall order 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.

NOW, THEREFORE, BE IT RESOLVED by the Town Council (the “Council”) of the Town as follows:

SECTION 1: Intent to Increase the Water System Rates. It is the intent of the Town Council to increase its rates for the users of the System effective for the billing period beginning July 20, 2023.

SECTION 2: Current Base Rate Charge. The Town’s monthly charge consists of a base rate charge on all connections to the System based on an Equivalent Dwelling Unit (“EDU”) system. The base rate charge for each connection is the base rate for the service line times the number of EDU’s applicable to the connection. The EDU for each size of service is as follows:

<u>SERVICE LINE</u>	<u>EDU’s</u>
¾ Inch	1.00
1 Inch	1.70
1 ¼ inch	2.60
1 ½ inch	4.00
2 inch	7.10
3 inch	15.30
4 inch	28.44
6 inch	64.00
8 inch	113.78
10 inch	177.78

The Town currently charges a base rate/or shut off rate of \$33.56 per month per EDU to users of the System who are connected to the System whether there is actual water use or not. The charges are shown below:

<u>SERVICE LINE</u>	<u>COST PER EDU</u>	<u>EDU’s</u>	<u>BASE RATE CHARGE</u>
¾ Inch	\$33.56	1.00	\$ 33.56
1 Inch	\$33.56	1.70	\$ 57.05
1 ¼ inch	\$33.56	2.60	\$ 87.26
1 ½ inch	\$33.56	4.00	\$ 134.24
2 inch	\$33.56	7.10	\$ 238.28

3 inch	\$33.56	15.30	\$ 513.47
4 inch	\$33.56	28.44	\$ 954.45
6 inch	\$33.56	64.00	\$2,147.84
8 inch	\$33.56	113.78	\$3818.46
10 inch	\$33.56	177.78	\$5966.30

SECTION 3: Proposed Monthly Base Rate. Effective July 20,2023, the Town proposes to charge all users connected to the System a flat rate of \$35.85 per month per EDU, regardless of water usage (the “Base Rate Charge”).

<u>SERVICE LINE</u>	<u>COST PER EDU</u>	<u>EDU's</u>	<u>BASE RATE CHARGE</u>
¾ Inch	\$35.85	1.00	\$ 35.85
1 Inch	\$35.85	1.70	\$ 60.95
1 ¼ inch	\$35.85	2.60	\$ 93.21
1 ½ inch	\$35.85	4.00	\$ 143.40
2 inch	\$35.85	7.10	\$ 269.80
3 inch	\$35.85	15.30	\$ 513.47
4 inch	\$35.85	28.44	\$ 1019.57
6 inch	\$35.85	64.00	\$ 2294.40
8 inch	\$35.85	113.78	\$ 4079.01
10 inch	\$35.85	177.78	\$ 6373.41

Proposed Monthly Usage Rate: In addition to the base rate change, the Town proposes to increase the monthly water usage charge from \$.75 per 1,000 gallons consumed per connection or proportionate charge for gallons of water consumed in excess of any 1,000-gallon increment (the “Usage Rate”) to \$1.50 per 1,000 gallons.

Proposed Monthly Late Fee: No change in the late fee.

Proposed Monthly Charge. The proposed monthly water charge for each connection consists of the proposed monthly Base Rate Charge plus the proposed monthly Usage Rate for such connection.

SECTION 4: Rate of Increase. For a user with a ¾ inch service connection and no water usage, the Proposed Monthly Charge represents an increase of \$2.29 per month over the current monthly charge (or approximately 6.8%). For a user with a 3/4 –inch service connection using 5,000 gallons of water a month, the Proposed Monthly Charge represents an increase of \$3.75 per month over the current monthly charge.

SECTION 5: Determination of Annual Budget for the System. At least once each year the Council of the Town shall determine the amount of money needed to pay the costs of the System including but not limited to: (a) the payment of the reasonable expense of operation and maintenance of the System; (b) administration of the System; (c) the payment of principal and interest on any bonded or other indebtedness of the System; and (d) the establishment or maintenance of any required reserves, including reserves needed for expenditures for depreciation and replacement of facilities, as may be determined necessary from time to time by the Council or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the System. Based on the annual needs of the System, the Council will establish monthly charges for the use of the System.

SECTION 6: Further Rate Increases. The Town proposes a 3% base rate increase to keep up with inflation effective July 1, 2024, and the following three consecutive years (2025, 2026, 2027, 2028) evaluating rates

for adequacy at that time. Subsequent adjustment to the rates and charges for the use of the System will be made by a resolution of the Council duly adopted after a public hearing with notice thereof given as provided by law.

Service Line	EDU's	Water Base Rate Charge					
		Current Rates	July 2023 to June 2024	July 2024 to June 2025	July 2025 to June 2026	July 2026 to June 2027	July 2028 to June 2029
¾ Inch	1.00	\$33.56	\$35.85	\$36.93	\$38.03	\$39.17	\$40.35
1 Inch	1.70	\$57.05	\$60.95	\$62.77	\$64.66	\$66.60	\$68.59
1 ¼ inch	2.60	\$87.26	\$93.21	\$96.01	\$98.89	\$101.85	\$104.91
1 ½ inch	4.00	\$134.24	\$143.40	\$147.70	\$152.13	\$156.70	\$161.40
2 inches	7.10	\$238.28	\$269.80	\$277.89	\$286.23	\$294.82	\$303.66
3 inches	15.30	\$513.47	\$513.47	\$528.87	\$544.74	\$561.08	\$577.91
4 inches	28.44	\$954.45	\$1,019.57	\$1,050.16	\$1,081.67	\$1,114.12	\$1,147.54
6 inches	64.00	\$2,147.84	\$2,294.40	\$2,363.23	\$2,434.13	\$2,507.15	\$2,582.37
8 inches	113.78	\$3,818.46	\$4,079.01	\$4,201.38	\$4,327.42	\$4,457.25	\$4,590.97
10 inches	177.78	\$5,966.30	\$6,373.41	\$6,564.62	\$6,761.55	\$6,964.40	\$7,173.33

SECTION 7: Public Hearing. A public hearing on the rate increases for the System will be held on July 11, 2023, commencing at 7:00 p.m. in the meeting room at the Town Hall, 104 East 6th Avenue, in Twin Bridges, Montana.

SECTION 8: Notice. The Town Clerk-Treasurer is hereby authorized and directed to publish or cause to be published a copy of a notice of the passage of this resolution in The Madisonian, a newspaper of general circulation in the Town, on June 22, 2023; June 29, 2023, and July 6, 2023 by law, and to mail or cause to be mailed a copy of said notice to all persons who own property in the Town and to all customers of the Town at least 7 days and not more than 30 days prior to the public hearing. The mailed notice must contain an estimate of the amount that the property owner or customer will be charged under the proposed ordinance or resolution. The Town Clerk is also authorized and directed to mail by first class, postage prepaid, notice of all hearings to the Montana Consumer Counsel.

Passed and approved this 13th day of June 2023.



 Mayor

Attest:


 Town Clerk-Treasurer



Certificate as to Resolution and Adopting Vote

I the undersigned, being the duly qualified and acting recording officer of the Town of Twin Bridges, Montana (the Town), hereby certify that the attached is a true copy of a Resolution entitled

2023-01 Resolution of Intention the Town of Twin Bridges, Montana to Increase Rates for the Users of the Municipal Water System

(the Resolution), on file in the original records of the Town in my legal custody; that the Resolution was duly adopted by the Town Council of the Town at a Regular Council Meeting on June 13, 2023 at 7:00 pm and that the meeting was duly held by the Town Council and was attended through by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: Matt Greemore, Scott Holbrook, and Jordan High; voted against the same: 0; abstaining from voting thereon: 0; or were absent: Nolan Frandsen and James "JB" Klyap.

Witness by my hand officially this 13th day of June 2023.



Kristi Millhouse/Town Clerk-Treasurer