

RESOLUTION 2023 –02

Resolution of Intention the Town of Twin Bridges, Montana to Increase Rates for the Users of the Municipal Sewer 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 repay the Bond, 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 Sewer 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 Flat Rate Charge. The Town currently charges users of the System a flat rate of \$50.76 per month per equivalent dwelling unit (EDU) (the “Sewer Rate Charge”). The EDUs are current determined based on the water service line size. The current user base classification is as follows:

<u>SERVICE LINE</u>	<u>COST PER EDU</u>	<u>EDU’s</u>	<u>BASE RATE CHARGE</u>
¾ Inch	\$50.76	1.00	\$ 50.76
1 Inch	\$50.76	1.70	\$ 86.29
1 ¼ inch	\$50.76	2.60	\$ 131.98
1 ½ inch	\$50.76	4.00	\$ 203.04
2 inch	\$50.76	7.10	\$ 360.40
3 inch	\$50.76	15.30	\$ 776.63
4 inch	\$50.76	28.44	\$ 1443.61
6 inch	\$50.76	64.00	\$ 3248.64
8 inch	\$50.76	113.78	\$ 5775.47
10 inch	\$50.76	177.78	\$ 9024.11

SECTION 3: Proposed Rate Increase. Effective July 20,2023, the Town proposes to charge all users connected to the system a flat rate of \$53.55 per month per EDU, regardless of sewer 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	\$53.55	1.00	\$ 53.55
1 Inch	\$53.55	1.70	\$ 91.04
1 ¼ inch	\$53.55	2.60	\$ 139.23
1 ½ inch	\$53.55	4.00	\$ 214.20
2 inch	\$53.55	7.10	\$ 380.21
3 inch	\$53.55	15.30	\$ 819.32

4 inch	\$53.55	28.44	\$ 1522.96
6 inch	\$53.55	64.00	\$ 3427.20
8 inch	\$53.55	113.78	\$ 6092.92
10 inch	\$53.55	177.78	\$ 9520.12

This represents approximately a 5.4% increase over the current Sewer Rate Charges.

Proposed Monthly Usage Rate: In addition to the base rate charge, the Town proposes to add a monthly sewer usage charge of \$1.00 per 1,000 gallons consumed per connection or proportionate charge for gallons of sewage discharged. The per gallon charge is to help keep the base rate from taking a \$13.00 increase.

Proposed Monthly Charge: The proposed monthly sewer charge for each connection consists of the proposed monthly base rate charge plus the proposed monthly usage rate for each connection.

Proposed Monthly Late Fee: No changes.

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.

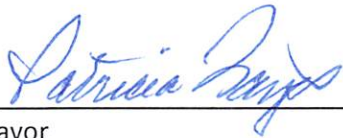
SECTION 6: Further Rate Increases. The Town proposes a 3% base rate increase effective July 1, 2024, and the following three consecutive years (2025, 2026, 2027, 2028) evaluating rates for adequacy at that time. Subsequent adjustment to the rates and charges for the use of the System will be made by a resolution of the Council duly adopted after a public hearing with notice thereof given as provided by law.

Service Line	Sewer Base Rate Charge						July 2028 to June 2029
	EDU's	Current Rates	July 2023 to June 2024	July 2024 to June 2025	July 2025 to June 2026	July 2026 to June 2027	
¾ Inch	1.00	\$50.76	\$53.55	\$55.16	\$56.81	\$58.52	\$60.27
1 Inch	1.70	\$86.29	\$91.04	\$93.77	\$96.58	\$99.48	\$102.46
1 ¼ inch	2.60	\$131.98	\$139.23	\$143.41	\$147.71	\$152.14	\$156.70
1 ½ inch	4.00	\$203.04	\$214.20	\$220.63	\$227.24	\$234.06	\$241.08
2 inches	7.10	\$360.40	\$380.21	\$391.61	\$403.36	\$415.46	\$427.92
3 inches	15.30	\$776.63	\$819.32	\$843.89	\$869.21	\$895.29	\$922.15
4 inches	28.44	\$1,443.61	\$1,522.96	\$1,568.65	\$1,615.71	\$1,664.18	\$1,714.11
6 inches	64.00	\$3,248.64	\$3,427.20	\$3,530.02	\$3,635.92	\$3,744.99	\$3,857.34
8 inches	113.78	\$5,775.47	\$6,092.92	\$6,275.71	\$6,463.98	\$6,657.90	\$6,857.63
10 inches	177.78	\$9,024.11	\$9,520.12	\$9,805.72	\$10,099.89	\$10,402.89	\$10,714.98

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.

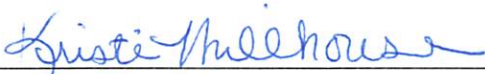
SECTION 8: Notice. The Town Clerk-Treasurer is hereby authorized and directed to publish or cause to be published a copy of a notice of the passage of this resolution in *The Madisonian*, a newspaper of general circulation in the Town, on June 22, 2023, June 29, 2022, and July 6, 2023, by law, and to 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

2023-02 Resolution of Intention the Town of Twin Bridges, Montana to Increase Rates for the Users of the Municipal Sewer 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