

RESOLUTION 2023 –06

Resolution of 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, a notice of public hearing was mailed to all users of the System notifying them that, pursuant to Resolution 2023-02, adopted June 13, 2023, it was the intention of the Town to increase the rates and charges for users of the System and notice of public hearing was published as required by Section 69-7-111. A public hearing was on July 11th, 2023; at 7:00 pm in the meeting room of the Town Hall, 104 East 6th Avenue, Twin Bridges, MT; for the purpose of hearing comments from the public on the sewer rate increase; and

WHEREAS, all person appearing were given an opportunity to speak at the public hearing.

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

SECTION 1: Current Base Rate Charge. The Town monthly charge consists of a flat rate charge on all connections to the system based on an 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>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 flat rate/or shut off rate of \$50.76 per month per EDU to users of the System who are connected to the System whether there is actual usage 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	\$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 2: New Sewer Base Rate. Effective July 20, 2023, the Sewer Rate Charge will increase to \$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.

2.01 Monthly Usage Rate: In addition to the base rate charge, the Town will charge a monthly sewer usage charge of \$1.00 per 1,000 gallons consumed per connection or a proportionate charge for gallons of sewage discharged of any 1,000 gallon increment (the usage rate).

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

2.03 Monthly Late Fee: No changes to the current 10% late fee for all accounts over 30 days past due.

2.04 Rate of Increase: For a user with a ¾ inch service connection and no sewage usage, the proposed monthly charge represents an increase of \$2.79 per month over the current monthly charge (approximately 5.4%). For a user with a ¾ -inch service connection discharging 5,000 gallons of sewage a month, the monthly charge represents an increase of \$5.00 per month over the current monthly charge.

SECTION 3: Determination of Annual Budget for the System. 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

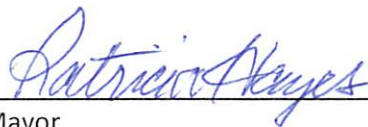
Council or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the System. Based on the annual needs of the System, the Council will establish monthly charges for the use of the System.

SECTION 4: Further Rate Increases. The Town proposes a 3% base rate increase effective July 1, 2024, and the following four consecutive fiscal years (July 1, 2024, July 1, 2025, July 1, 2026, July 1, 2027) 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	Sewer 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 2027 to June 2028
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 5: Effective Date of Resolution. This resolution shall be immediately filed with the Town Clerk/Treasurer and shall become effective July 20, 2023.

Passed and approved this 11th day of July 2023.



Mayor

Attest:



Town Clerk-Treasurer



Certificate as to Resolution and Adopting Vote

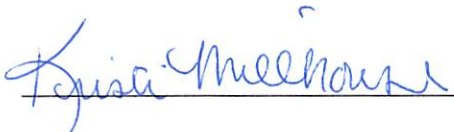
I the undersigned, being the duly qualified and acting recording officer of the Town of Twin Bridges, Montana (the Town), hereby certify that the attached is a true copy of a Resolution entitled

2023-06 Resolution 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 **July 11, 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: **Scott Holbrook, Nolan Frandsen, and James "JB" Klyap**; voted against the same: **0**; abstaining from voting thereon: **0**; or were absent: **Matt Greemore and Jordan High.**

Witness by my hand officially this **11th** day of **July 2023**.



Kristi Millhouse/Town Clerk-Treasurer