

RESOLUTION NO. 3386

A RESOLUTION TO SET THE WATER AND SEWER RATES AND CHARGES FOR THE CITY OF RED LODGE FOR THE NEXT FIVE YEARS EFFECTIVE ON JULY 1, 2015.

WHEREAS, the water and sanitary sewer rates and charges in effect at the present time are not adequate to provide revenues to defray the increased costs of operation, maintenance, and capital of the City's water and sewer distribution facilities and systems; and

WHEREAS, a Water and Sewer Rate Study has been conducted for the City of Red Lodge, March 2015, to insure that rates, charges and classifications are reasonable and just in accordance with MCA 69-7-101 and to insure that undertakings are self-supporting in accordance with MCA 7-7-4424; and

WHEREAS, the Red Lodge Capital Improvements Plan, February 2015, identifies numerous required capital projects for both the water and sewer systems; and,

WHEREAS, the provision of the water and sewer systems and facilities is essential to the preservation of the public's health and welfare; and,

WHEREAS the City Council of the City of Red Lodge advertised and conducted a public hearing on May 26, 2015, pursuant to the Rules and Regulations governing Water and Waster Water Service for the City of Red Lodge, Title 10, Chapter 8, Section 1 and MCA Section 69-7-111; and

WHEREAS, current budgetary requirements with respect to the operation of said facilities in addition to on-going and future projects require the proposed rates to become effective on or about July 1, 2015, to enable the City to proceed as expeditiously as possible to accomplish the objectives herein cited; and

WHEREAS, pursuant to Montana law, the City Council has determined the new water and waste water rates to be adequate, reasonable and just.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA:

That the City Council of the City of Red Lodge, deeming it both advisable and necessary to increase the municipal water and sewer rates and charges for all users, hereby adopts the following rate schedule for the 5 year period beginning July 1, 2015:

Monthly Water Fees:

		Current	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Base Rate per EDU		-	\$ 22.95	\$ 23.41	\$ 23.88	\$ 24.35	\$ 24.84
Capital Expenses per EDU		-	\$ -	\$ 2.81	\$ 5.63	\$ 9.85	\$ 14.07
Curb-Stop Fee per Service		-	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total		-	\$ 24.95	\$ 28.22	\$ 31.51	\$ 36.20	\$ 40.91
Meter Size	EDUs	Monthly Service Charge					
¾"	1.00	\$ 22.95	\$ 24.95	\$ 28.22	\$ 31.51	\$ 36.20	\$ 40.91
1"	1.79	\$ 32.79	\$ 43.08	\$ 48.93	\$ 54.82	\$ 63.23	\$ 71.65
1½"	4.00	\$ 39.35	\$ 93.80	\$ 106.88	\$ 120.03	\$ 138.82	\$ 157.65
2"	7.14	\$ 71.05	\$ 165.86	\$ 189.20	\$ 212.68	\$ 246.22	\$ 279.83
3"	16.00	\$ 163.96	\$ 369.20	\$ 421.50	\$ 474.11	\$ 549.28	\$ 624.59
4"	28.57	\$ 327.91	\$ 657.68	\$ 751.08	\$ 845.02	\$ 979.23	\$ 1,113.71
Block		Monthly Usage Charge per 1,000 gallons					
0 to 3,000 gallons		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,001 to 8,000 gallons		\$ 4.12	\$ 4.12	\$ 4.20	\$ 4.29	\$ 4.37	\$ 4.46
8,001 to 20,000 gallons		\$ 5.41	\$ 5.41	\$ 5.52	\$ 5.63	\$ 5.74	\$ 5.86
> 20,001 gallons		\$ 6.83	\$ 6.83	\$ 6.97	\$ 7.11	\$ 7.25	\$ 7.39

Fiscal Year being July 1- June 30

One (1) EDU = equivalent dwelling unit, which is a typical ¾" residential water service.

Monthly Sewer Fees:

		Current	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Base Rate per EDU		-	\$ 23.83	\$ 24.31	\$ 24.79	\$ 25.29	\$ 25.79
Capital Expenses per EDU		-	\$ 10.82	\$ 13.55	\$ 16.28	\$ 20.38	\$ 24.48
Total		-	\$ 34.65	\$ 37.86	\$ 41.07	\$ 45.67	\$ 50.27
Meter Size	EDUs	Monthly Service Charge					
¾"	1.00	\$ 23.83	\$ 34.65	\$ 37.86	\$ 41.07	\$ 45.67	\$ 50.27
1"	1.79	\$ 42.66	\$ 62.02	\$ 67.76	\$ 73.52	\$ 81.75	\$ 89.99
1½"	4.00	\$ 95.32	\$ 138.60	\$ 151.43	\$ 164.29	\$ 182.67	\$ 201.10
2"	7.14	\$ 170.15	\$ 247.40	\$ 270.30	\$ 293.26	\$ 326.07	\$ 358.96
3"	16.00	\$ 381.82	\$ 554.40	\$ 605.71	\$ 657.16	\$ 730.70	\$ 804.39
4"	28.57	\$ 680.82	\$ 989.95	\$ 1,081.56	\$ 1,173.45	\$ 1,304.75	\$ 1,436.34
Block		Monthly Usage Charge per 1,000 gallons					
0 to 3,000 gallons		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,001 to 8,000 gallons		\$ 1.61	\$ 1.61	\$ 1.64	\$ 1.68	\$ 1.71	\$ 1.74
8,001 to 20,000 gallons		\$ 1.61	\$ 2.11	\$ 2.15	\$ 2.20	\$ 2.24	\$ 2.28
> 20,001 gallons		\$ 1.61	\$ 2.67	\$ 2.72	\$ 2.78	\$ 2.83	\$ 2.89

Fiscal Year being July 1- June 30

One (1) EDU = equivalent dwelling unit, which is a typical ¾" residential water service.

Based upon an assumed average usage of 6,000 gallons per month, the rate structure is estimated to increase the monthly charges as follows for a typical ¾" service.

Fund	Current	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Current Target Rate
Water	\$ 35.31	\$ 37.31	\$ 40.83	\$ 44.37	\$ 49.32	\$ 54.29	\$ 58.74
Sewer	\$ 28.66	\$ 39.48	\$ 42.78	\$ 46.10	\$ 50.79	\$ 55.50	\$ 37.76
Water and Sewer	\$ 63.97	\$ 76.79	\$ 83.61	\$ 90.46	\$ 100.12	\$ 109.79	\$ 96.51
Increase Over Current	-	\$ 12.82	\$ 19.64	\$ 26.49	\$ 36.15	\$ 45.82	-

Fiscal Year being July 1- June 30

Discontinuance/Reestablishment Charges:

- A. Water Service: Charge for discontinuance/reestablishment of water service:
 - Inside normal working hours (When City Hall is open) — Fifty dollars (\$50.00).
 - Outside normal working hours — Seventy-five dollars (\$75.00).

- B. Wastewater Service: Charge for discontinuance/reestablishment of wastewater service:
 - Per hour—Sixty dollars (\$60.00).

Miscellaneous Fees.

Application fee for service area enlargements	\$500.00
Application fee for extensions	\$500.00
Fee for special meter accuracy test (Data Log)	\$75.00
Fee for setting/removing fire hydrant meter	\$50.00 (A deposit shall also be required for anticipated water use.)
Fee for performing fire flow test (Admin)	\$60.00
Main Tapping fee:	\$500.00
Late payment interest charge	1% per month
Fee for disposal septage	\$25.00 for 1,000 gallons or a yearly fee as determined by City Council for each individual hauler

These fees and charges supersede and replace any previously established rates for water and/or sewer services.

PASSED and APPROVED by the City Council of the City of Red Lodge this ____ day of June, 2015.

APPROVED by the Mayor this ____ day of _____, 2015.

CITY OF RED LODGE

Ed Williams, Mayor

ATTEST:

Loni Hanson, City Clerk