

**RESOLUTION NO. 379**

**TOWN OF STEVENSVILLE, MONTANA TO INCREASE  
THE  
RATES FOR THE USERS OF THE MUNICIPAL SEWER  
SYSTEM**

**WHEREAS**, the Town of Stevensville, Montana (the "Town") pursuant to authority conferred by Montana Code Annotated (M.C.A.), Title 7, Chapter 13, Part 43, as amended (the "Act"), and other laws of the State of Montana, has established and presently owns and operates a municipal sewer system (the "System"); and

**WHEREAS**, pursuant to Section 7-13-4307, M.C.A., the rates and charges established for the services and facilities afforded by the System must be sufficient in each year to provide income and revenues adequate for the payment of reasonable expense and operation and maintenance and for payment of the sums required to be paid into the sinking fund and for the accumulation of reserves and the making of such expenditures for depreciation and replacement of the System; and

**WHEREAS**, it is necessary to collect sufficient revenues to repay such sewer system revenue bonds and pay costs associated with the operation and maintenance of the System; and

**WHEREAS**, the Town has determined that the current rates and charges for the services and facilities afforded by the System are inadequate to meet the requirements of Section 7-13-4307, M.C.A.; and

**WHEREAS**, pursuant to Sections 7-13-4308 and 69-7-101, M.C.A., 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 municipal systems. Rates, charges, and classifications must be reasonable and just; and

**WHEREAS**, the Town in consultation with its engineer has determined it to be in the best interest of the Town and the users of the System to increase the rates and charges for the services provided by the System in order to collect sufficient revenues to meet the requirements of Sections 7-13-4307 and 7-7-4424. M.C.A.; and

**WHEREAS**, a notice of public hearing was mailed to all users of the Town's System notifying them that it was the intention of the Town to increase the rates and charges for the System and notice of public hearing was published as required by Section 69-7-11 J, M.C.A. A public hearing was held on September 10, 2015 at 6:00 p.m. at the Chambers of the Town Council, Town Hall, 206 Buck Street, Stevensville, Montana, for the purpose of hearing comments from the public on the sewer rate increase; and

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

**NOW, THEREFORE, BE IT RESOLVED, THAT,** by the Town Council (the "Council") of the Town of Stevensville the new rates for O&M for water shall be effective November 1, 2015 and shall increase 3% per year until November 1, 2020, unless amended, as follows:

Section 1. Determination of Annual Budget for 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 and availability of the System.

Section 2. Equivalent Dwelling Unit and Water Usage. The Town utilizes an equivalent dwelling unit methodology for imposing rates and charges, which is based on the size of the water line or meter servicing each connection. A 3/4 inch service, which is the standard service for single family residential users, is **1** Equivalent Dwelling Unit (EDU). The following table shows the number of EDUs for each size of service:

<u>Water Line/Meter Size</u>	<u>Connections</u>	<u>Multiplier</u>	<u>EDU</u>
3/4"	703	1.0	703
1"	40	1.79	71.60
1.5"	20	4.00	80.00
2.0	3	7.14	21.42

There are currently 876.02 EDUs in the Town.

Section 3. Monthly O&M Sewer Charge. The Town currently charges users of the System a base rate charge for O&M per EDU per month (the "Base Rate Charge") as follows:

Section 4. Current Rate. The Town currently bills O&M rates and charges to users of the System on a monthly billing cycle.

Water Line/Meter Size	Cost per EDU	Multiplier	Base Rate
¾"	\$28.08	1.00	\$28.08
1"	\$28.08	1.79	50.26
1.5"	\$28.08	4.00	112.32
2"	\$28.08	7.14	200.49

Rates for November 1, 2016

Water Line/Meter Size	Cost per EDU	Multiplier	Base Rate
¾"	\$28.92	1.00	\$28.92
1"	\$28.92	1.79	51.77
1.5"	\$28.92	4.00	115.68
2"	\$28.92	7.14	206.49

Rates for November 1, 2017

Water Line/Meter Size	Cost per EDU	Multiplier	Base Rate
¾"	\$29.79	1.00	\$29.79
1"	\$29.79	1.79	53.32
1.5"	\$29.79	4.00	119.16
2"	\$29.79	7.14	212.70

Rates for November 1, 2018

Water Line/Meter Size	Cost per EDU	Multiplier	Base Rate
¾"	\$30.68	1.00	\$30.68
1"	\$30.68	1.79	54.92
1.5"	\$30.68	4.00	122.72
2"	\$30.68	7.14	219.05

Rates for November 1, 2019

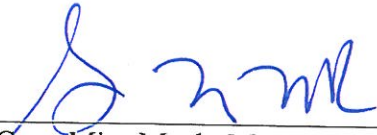
Water Line/Meter Size	Cost per EDU	Multiplier	Base Rate
¾"	\$31.60	1.00	\$31.60
1"	\$31.60	1.79	56.56
1.5"	\$31.60	4.00	126.40
2"	\$31.60	7.14	225.62

Section 5. Further Rate Increases. Subsequent adjustments to the Base Rate and Usage Charge or other charges will be made by resolution of the Town Council duly adopted after a public hearing with notice thereof given as provided by law.

Section 6. Effective Date of Resolution. This resolution shall be immediately filed with the Town Clerk and shall become effective upon passage.

Passed and approved this 10<sup>th</sup> day of September, 2015.

ATTEST:

  
\_\_\_\_\_  
Gene Mim Mack, Mayor

  
\_\_\_\_\_  
Stacy Bartlett, Town Clerk

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the Town of Stevensville, Ravalli County, Montana (the "Town"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION OF THE TOWN OF STEVENSVILLE, MONTANA TO INCREASE THE 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 meeting on September 10, 2015, and that the meeting was duly held by the Town Council and was attended throughout 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: Councilmember Perrin, Councilmember Hunter and Mayor Mim Mack. Councilmember Holcomb and Councilmember Crews voted against the same. Vote: 3-2.

WITNESS my hand officially this 10<sup>th</sup> day of September, 2015.

  
Stacy Bartlett, Town Clerk