

Town of Stevensville
PO BOX 30
Stevensville, MT 59870

RESOLUTION NO. 550

**RESOLUTION OF THE 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 7-13A307, 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 August 6, 2024, at 6:00 p.m. at the Town of Stevensville, 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 of the Town of Stevensville, Montana , the new rates for sewer shall be effective September 1, 2024 (September usage), as follows:

New Sewer Rate \$56.50 per EDU

Next rate increase for sewer will be June 1, 2025:

\$6.75 for sewer per EDU

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: (sewer rates are based off of water meter size at said location)

Water Line/Meter Size	Connections	Multiplier	EDU's
¾ inch	801	1.00	836.00
1 inch	44	1.79	78.76
1.5 inch	22	4.00	88.00
2 inch	3	7.14	21.42
3 inch	1	16.00	16.00
4 inch	0	28.57	0
TOTAL	871		1005.18

Section 3. Proposed Rate. The Town currently bills rates and charges to users of the Sewer System on a monthly billing cycle.

Water Line/Meter Size	Cost per EDU	Multiplier	Base Rate SEWER
¾ inch	\$56.50	1.00	\$56.50
1 inch	\$56.50	1.79	\$101.14
1.5 inch	\$56.50	4.00	\$226.00
2 inch	\$56.50	7.14	\$403.41
3 inch	\$56.50	16.00	\$904.00
4 inch	\$56.50	28.57	\$1,614.21

Section 4. 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 5. Effective Date of Resolution. This resolution shall be immediately filed with the Town Clerk and shall become effective upon passage.

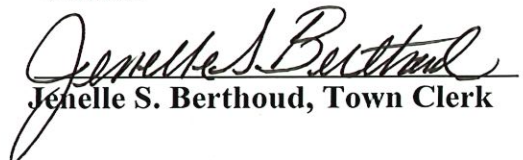
BE IT FURTHER RESOLVED THAT, the adoption of this resolution voids previous resolutions pertaining to rates for the users of the municipal sewer system.

PASSED AND ADOPTED, dated this 6th day of August 2024, after motion and second at a special meeting of the Stevensville Town Council.

Approved:


 Bob Michalson, Mayor

Attest:


 Jenelle S. Berthoud, Town Clerk