

RESOLUTION 08-18701

A RESOLUTION SPECIFYING WATER AND WASTEWATER RATE AND FEE SCHEDULE ADJUSTMENTS ENACTED PURSUANT TO TITLE 69, CHAPTER 7, MONTANA CODE ANNOTATED.

WHEREAS, the City Council of the City of Billings, Montana, retained Red Oak Consulting to prepare water and wastewater rate and fee schedules for the municipal water and wastewater utility that would generate adequate funds to operate the utilities over the next three years as well as require each customer class of the utilities to pay its fair share of the cost of operating the water and wastewater systems; and

WHEREAS, the *WATER AND WASTEWATER RATE AND FEE STUDY, CITY OF BILLINGS, MONTANA*, dated March 2008, prepared by Red Oak Consulting projects a need for extension, expansion, repair, improvement, and continued operation and maintenance of existing and proposed water and wastewater system facilities for the providing of water and wastewater service to the inhabitants of the City of Billings, Montana, during the period beginning July 1, 2008 and ending June 20, 2011; and

WHEREAS, under Title 69, Chapter 7 of the Montana Code Annotated, and under the terms of City Resolution Number 13585, the City of Billings is authorized to regulate the City's municipal water and wastewater utility and to change water and wastewater rates, fees, and charges as may be deemed by the City Council to be reasonable and just, and

WHEREAS, it is essential to the public health, welfare, and safety of the inhabitants of the City of Billings and its environs to provide an adequate public water and wastewater system and to provide adequate funding to meet the cost of constructing, maintaining, and operating the same;

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

1. That the following schedule of rates, fees, and charges are found to be just, reasonable, and necessary for the continued sound operation of the water and wastewater utilities and that the proposed rates, fees, and charges are approved and adopted and published as the rates, fees, and charges of the City of Billings, Montana water and wastewater utilities, effective July 1, 2008; July 1, 2009; and July 1, 2010.

Schedule I

METERED WATER MONTHLY VOLUME CHARGES

<u>Customer Class</u>	<u>Effective Date</u>		
	<u>7/1/08</u>	<u>7/1/09</u>	<u>7/1/10</u>
Residential			
Block 1 (0-4 Ccf)	\$1.51	\$1.63	\$1.75
Block 2 (5-16 Ccf)	1.60	1.72	1.86
Block 3 (>16 Ccf)	2.39	2.57	2.77
Non-Residential	1.20	1.28	1.36
Seasonal	2.02	2.18	2.34
Resale	1.28	1.29	1.30

Schedule II

MINIMUM MONTHLY WATER CHARGES

<u>Meter Size (inches)</u>	<u>Effective Date</u>		
	<u>7/1/08</u>	<u>7/1/09</u>	<u>7/1/10</u>
Inside-City Customers			
3/4"	\$7.35	7.68	8.01
1"	8.33	8.71	9.11
1½"	9.63	10.08	10.56
2"	13.20	13.86	14.56
3"	39.50	41.69	44.02
4"	49.24	52.00	54.93

6"	71.96	76.05	80.39
8"	97.94	103.54	109.48
10"	150.90	159.59	168.81

Outside-City Customers

3/4"	\$8.35	8.51	8.68
1"	9.53	9.70	9.89
1½"	11.10	11.29	11.50
2"	15.42	15.66	15.92
3"	47.24	47.85	48.48
4"	59.03	59.77	60.54
6"	86.53	87.59	88.68
8"	117.96	119.38	120.85
10"	182.05	184.20	186.43

Schedule IV

RE-ESTABLISHMENT OF WATER SERVICE CHARGE

Normal Working Hours.....	\$55.00
Outside Normal Working Hours	\$100.00

Schedule V

WATER SPECIAL FEES AND CHARGES

<u>Item</u>	<u>Fee/Charges</u>
(1) Application for enlargement of the water service area of the city	75.00
(2) Application for extension of the water system of the city.....	130.00
(3) Application for introduction of water service to a previously unserved tract or parcel of land which does not require an extension of the water distribution system	45.00
(4) Application for water service line installation permits:	
(a) Water service line permit	60.00
(b) Fireline permit	60.00
(c) Combination water service line and fireline permit.....	60.00
(6) Water meter accuracy test fee	
Small meter (in shop)	25.00
Large meter (in field)	50.00
Hydrant Meter Rental (\$/day)	2.00
(8) Fireflow fee (\$/hydrant)	80.00
(9) Turn-on/Turn-off charge:	
(a) Normal working hours	20.00
(b) Outside normal working hours	75.00
(11) Water main tapping fee:	
(a) Two inch diameter tap or smaller (\$/tap-initial visit).....	135.00
1) Subsequent site visits (\$/visit).....	135.00
(b) Over two inch diameter tap (\$/tap).....	300.00
1) Subsequent site visits (\$/visit).....	300.00
2) Extra charge for cylinder pipe	850.00
(12) Flushing, testing, and chlorinating fee (\$/initial visit)	80.00
(a) Water for flushing, testing and chlorinating (\$/Ccf).....	Current Seasonal Rate
(b) Subsequent site visits (\$/visit)	80.00
(15) Water Service Line/Fireline Repair Program Fee (\$/month).....	1.25
(16) Private Fireline Service Repair Program Fee	1.00 DELETE
(17) Credit/Debit/Charge Card Convenience Fee (%/transaction)	3.00 DELETE

Schedule VI

WATER SYSTEM DEVELOPMENT FEES

<u>Meter or Service Line Size</u>	<u>7/1/08</u>
3/4-Inch or less (1 EDU)	\$2,504
1-Inch	6,282
1½-Inch	15,487
2-Inch	26,064
3-Inch	63,395
4-Inch	139,686

For connections to the water system with meters larger than 4-inches, or when the unique usage characteristics of a large water user may require, the City will forecast the demands on an average-day and peak-day basis. The number of EDUs associated with the demands will be determined by the following:

$$EDUs = \left[\frac{ADD * 0.538}{489.7} \right] + \left[\frac{(PDD - ADD) * 0.462}{587.6} \right]$$

Where:

- ADD is the projected average-day demand of the new user in gallons per day, and
- PDD is the projected peak-day demand of the new user in gallons per day.

The constants used in the above formula are:

- 0.538 equals the proportion of the City's water facilities allocated to the average-day function in the City's cost-of-service analysis
- 489.7 equals the estimated average gallons per day demanded by an EDU
- 0.462 equals the proportion of the City's water facilities allocated to the max-day extra-capacity function in the City's cost-of-service analysis
- 587.6 equals the estimated gallons per day of max-day extra-capacity demanded by an EDU

Schedule VII

WATER INTERIOR AND LOCAL MAINS CONSTRUCTION FEE

Eliminate this schedule.

Schedule I

WASTEWATER MONTHLY VOLUME CHARGES

<u>Description</u>	<u>Effective Date</u>		
	<u>7/1/08</u>	<u>7/1/09</u>	<u>7/1/10</u>
<u>Dollars per Ccf</u>			
Customers Within the City			
Residential	\$1.42	\$1.54	\$1.67
Commercial – Domestic	1.42	1.54	1.67
Commercial – High	1.96	2.11	2.28
Outside City	1.42	1.54	1.67

Schedule IA

MINIMUM MONTHLY WASTEWATER CHARGES

<u>Meter Size (inches)</u>	<u>Effective Date</u>		
	<u>7/1/08</u>	<u>7/1/09</u>	<u>7/1/10</u>
Inside-City			
3/4"	\$5.44	\$5.75	\$6.07
1"	6.09	6.45	6.84

1½"	6.78	7.20	7.66
2"	6.95	7.40	7.87
3"	9.34	9.99	10.69
4"	26.90	29.09	31.44
6"	33.41	36.16	39.13
8"	48.59	52.67	57.07
10"	65.94	71.53	77.57

Outside-City

¾"	\$5.99	\$6.33	\$6.69
1"	6.70	7.11	7.53
1½"	7.46	7.93	8.43
2"	7.65	8.14	8.66
3"	10.27	10.98	11.75
4"	29.59	32.00	34.59
6"	36.75	39.78	43.05
8"	53.45	57.94	62.78
10"	72.54	78.69	85.34

Schedule II

WASTEWATER EXTRA STRENGTH SURCHARGE

<u>Unit Charges</u>	<u>Effective Date</u>		
	<u>7/1/08</u>	<u>7/1/09</u>	<u>7/1/10</u>
X – BOD (\$/lb)	\$0.3306	\$0.3527	\$0.3763
Y – TSS (\$/lb)	\$0.3307	\$0.3527	\$0.3764

Schedule III

WASTEWATER SPECIAL FEES AND CHARGES

<u>Item</u>	<u>Fee/Charges</u>
(1) Application for enlargement of the wastewater service area of the city	75.00
(2) Application for extension of the wastewater collection system of the city.....	130.00
(3) Application for introduction of wastewater service to a previously unserved tract or parcel of land, which does not require extension of the wastewater collection system	45.00
(4) Application for sanitary sewer service permits:	
(a) Domestic users sewer service line installation permit	60.00
(b) Industrial users permit.....	1,200.00
(c) Minor industrial users permit.....	56.00 DELETE
(6) Septage Disposal Permit Fee (\$/1,000 gallons):	
As of July 01, 2008.....	28.62
As of July 01, 2009.....	30.53
As of July 01, 2010.....	32.58
(9) Credit/Debit/Charge Card Convenience Fee (5/transaction).....	3.00 DELETE

Schedule IV

CHARGE FOR RE-ESTABLISHMENT OF WASTEWATER SERVICE

Normal Working Hours.....	\$55.00
Outside Normal Working Hours	\$100.00

Schedule VI

WASTEWATER SYSTEM DEVELOPMENT FEES

<u>Meter or Service Line Size</u>	<u>7/1/08</u>
3/4-Inch or less (1 EDU)	\$1,778
1-Inch	5,464
1½-Inch	15,850
2-Inch	27,342
3-Inch	70,948
4-Inch	166,086

For connections to the water system with meters larger than 4-inches, or when the unique usage characteristics of a large water user may require, the City will forecast the demands on an average-day and peak-day basis. The number of EDUs associated with the demands will be determined by the following:

$$EDUs = \left[\frac{ADD * 0.538}{489.7} \right] + \left[\frac{(PDD - ADD) * 0.462}{587.6} \right]$$

Where:

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- 0.462 equals the proportion of the City's water facilities allocated to the max-day extra-capacity function in the City's cost-of-service analysis
- 587.6 equals the estimated gallons per day of max-day extra-capacity demanded by an EDU

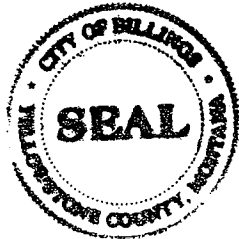
Schedule VII

WASTEWATER INTERIOR AND LOCAL MAINS CONSTRUCTION FEE

Eliminate this schedule.

2. That this Resolution is to be immediately filed in the City Clerk's Office, and that the decision adopting the adjusted rates shall be final ten days after such are so filed.
3. That the Public Works Department is directed to file a copy of the revised wastewater rate schedules with the Public Service Commission within ten days after filing of this Resolution by the City Clerk.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, on the 14th day of April, 2008.



THE CITY OF BILLINGS

BY:

Ron Tussing
Ron Tussing, Mayor

ATTEST:

BY: *Cari Martin*
Cari Martin, City Clerk

