

RESOLUTION 23-

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

WHEREAS, water and wastewater cost of service studies have been completed and water and wastewater rate and fee schedules have been prepared for the municipal water and wastewater utility that would generate adequate funds to operate the utilities, 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 cost-of-service studies anticipate a need for extension, repair, improvement, and continued operation and maintenance of existing and proposed water and wastewater system facilities for the providing of water and wastewater services to inhabitants of the City of Billings, Montana; and

WHEREAS, under Title 69, Chapter 7 of the Montana Code Annotated, 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, adopted, and published as the rates, fees, and charges of the City of Billings, Montana water and wastewater utilities, effective July 1, 2023 and July 1, 2024.

WATER RATE AND FEE SCHEDULES

Schedule I METERED WATER MONTHLY VOLUME CHARGES

Customers within the City

<u>Customer Class</u>	<u>Effective 7/1/23</u> <u>\$ per kGal</u>	<u>Effective 7/1/24</u> <u>\$ per kGal</u>
Residential		
Tier 1 (0-10,000 Gallons)	\$ 4.35	\$ 4.87
Tier 2 (11,000-32,000 Gallons)	\$ 5.20	\$ 5.82
Tier 3 (33,000-75,000 Gallons)	\$ 6.76	\$ 7.57
Tier 4 (> 75,000 Gallons)	\$ 10.15	\$ 11.37
Non-Residential	\$ 3.68	\$ 3.97
Bulk Water Resellers	\$ 4.55	\$ 4.91
Seasonal	\$ 6.14	\$ 6.88
Multi-Family	\$ 4.27	\$ 4.78

Customers outside the City

<u>Customer Class</u>	<u>Effective 7/1/23</u> <u>\$ per kGal</u>	<u>Effective 7/1/24</u> <u>\$ per kGal</u>
Residential		
Tier 1 (0-10,000 Gallons)	\$ 4.49	\$ 5.03
Tier 2 (11,000-32,000 Gallons)	\$ 5.39	\$ 6.04
Tier 3 (33,000-75,000 Gallons)	\$ 7.03	\$ 7.87
Tier 4 (> 75,000 Gallons)	\$ 10.53	\$ 11.79
Non-Residential	\$ 3.91	\$ 4.22
Resale	\$ 2.97	\$ 4.42

Schedule II MINIMUM MONTHLY WATER CHARGES

Customers within the City

<u>Meter Size</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
3/4"	\$ 8.60	\$ 8.75
1"	\$ 9.75	\$ 9.95
1-1/2"	\$ 11.80	\$ 12.05
2"	\$ 16.85	\$ 17.20
3"	\$ 52.55	\$ 53.60
4"	\$ 68.45	\$ 69.80
6"	\$ 102.65	\$ 104.70
8"	\$ 140.30	\$ 143.10
10"	\$ 204.40	\$ 208.50

Customers outside the City

<u>Meter Size</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
3/4"	\$ 9.35	\$ 9.55
1"	\$ 10.60	\$ 10.80
1-1/2"	\$ 12.80	\$ 13.05
2"	\$ 18.40	\$ 18.75
3"	\$ 57.10	\$ 58.25
4"	\$ 74.40	\$ 75.90
6"	\$ 111.60	\$ 113.85
8"	\$ 152.50	\$ 155.55
10"	\$ 226.65	\$ 231.20

Schedule III PRIVATE FIRE PROTECTION CHARGES

<u>Connection Size</u>	<u>Inside City</u>	
	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
1-1/4"	\$ 32.60	\$ 34.55
1-1/2"	\$ 43.50	\$ 46.10
2"	\$ 69.70	\$ 73.90
3"	\$ 174.00	\$ 184.45
4"	\$ 304.55	\$ 322.80
6"	\$ 695.90	\$ 737.65
8"	\$ 1,217.85	\$ 1,290.90
10"	\$ 1,913.60	\$ 2,028.40
12"	\$ 2,755.75	\$ 2,921.10
14"	\$ 3,750.80	\$ 3,975.85

	<u>Outside City</u>	
	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
1-1/4"	\$ 33.15	\$ 35.15
1-1/2"	\$ 44.10	\$ 46.75
2"	\$ 70.55	\$ 74.80
3"	\$ 176.45	\$ 187.05
4"	\$ 308.65	\$ 327.15
6"	\$ 705.60	\$ 747.95
8"	\$ 1,234.75	\$ 1,308.85
10"	\$ 1,940.35	\$ 2,056.75
12"	\$ 2,794.00	\$ 2,961.65
14"	\$ 3,803.00	\$ 4,031.20

WATER SPECIAL FEES AND CHARGES

<u>Schedule IV</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
1.) Application for extension of the water distribution system of the City	\$ 200.00	\$ 200.00
2.) Application for water service line installation permits	\$ 130.00	\$ 135.00
3.) Special agreements	\$ 140.00	\$ 140.00
4.) Water meter accuracy test fee		
(a) Small meter (in shop)	\$ 70.00	\$ 70.00
(b) Large meter (in field)	\$ 230.00	\$ 260.00
(c) Hydrant meter rental (\$/day)	\$ 5.50	\$ 5.50
5.) Construction meter setting and removal fee (\$/meter)	\$ 70.00	\$ 70.00
6.) Fireflow fee (\$/hydrant)	\$ 120.00	\$ 120.00
7.) Turn-on/Turn-off charge		
(a) Normal working hours	\$ 40.00	\$ 40.00
(b) Outside normal working hours	\$ 100.00	\$ 100.00
8.) Water main tapping fee		
(a) Two-inch diameter tap or smaller (\$/tap each visit)	\$ 155.00	\$ 160.00
(b) Over two-inch diameter tap (\$/tap each visit)	\$ 360.00	\$ 365.00
9.) Flushing, testing, and chlorinating fee (\$ each visit)	\$ 160.00	\$ 160.00
--Water for flushing, testing, and chlorinating charged at current seasonal rate per kGal		
10.) Delinquent service charge		
(a) Normal working hours	\$ 80.00	\$ 80.00
(b) After 5:00 p.m. weekdays	\$ 120.00	\$ 120.00
(c) Weekends/Holidays	\$ 260.00	\$ 260.00
11.) NSF/Returned item fee	\$ 25.00	\$ 25.00
12.) Late payment interest charge (%/month)	1.5%	1.5%
13.) Water service line/fireline repair program fee (\$/month)	\$ 1.30	\$ 1.30

Schedule V

WATER SYSTEM DEVELOPMENT FEES

Residential

	<u>Tier by Lot Size (sq ft)</u>	<u>Outdoor Component</u>	<u>Indoor Per Unit (up to 4 Units)</u>
	<u>Effective 7/1/23</u>		
	< 5,400	\$ 630	
All Meter Sizes	5,400 to 8,600	\$ 1,270	\$ 1,390
	8,601 to 11,800	\$ 1,865	
	> 11,800	\$ 4,895	

Meter or Service Line Size	Non-Residential (Including Multi-Family above 4 units)		Irrigation
	Effective 7/1/23		
3 / 4" or less (1 EDU)	\$ 8,925		\$ 11,075
1"	\$ 15,140		\$ 18,775
1 1 / 2 "	\$ 30,270		\$ 37,550
2"	\$ 48,435		\$ 60,090
3"	\$ 96,875		\$ 120,175
4"	\$ 151,370		\$ 187,780

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 basis. The System Development Fee (SDF) will be calculated as follows:
 $SDF = (ADD * 8.52) * 1.04$

Where:

ADD is the projected average day demand of the new user in gallons per day,

8.52 equals the unit cost of the existing system buy-in component plus the unit cost of the development related new facility component and .04 equals the administrative fee.

Schedule I

WASTEWATER MONTHLY VOLUME CHARGES

Customer Class	Effective 7/1/23	Effective 7/1/24
	\$ per kGal	\$ per kGal
<u>Customers within the City</u>		
Residential	\$ 5.41	\$ 5.75
Large Residential	\$ 5.41	\$ 5.75
Commercial-Domestic Strength	\$ 5.41	\$ 5.75
<u>Customers outside the City</u>		
	\$ 5.41	\$ 5.75

Schedule IA

MINIMUM MONTHLY WASTEWATER CHARGES

Customers within the City

Meter Size	Effective 7/1/23	Effective 7/1/24
3/4"	\$ 7.40	\$ 7.85
1"	\$ 9.40	\$ 10.00
1-1/2"	\$ 11.55	\$ 12.25
2"	\$ 12.10	\$ 12.85
3"	\$ 19.50	\$ 20.70
4"	\$ 73.95	\$ 78.50
6"	\$ 94.10	\$ 99.90
8"	\$ 141.15	\$ 149.90
10"	\$ 194.95	\$ 206.95

Customers outside the City

<u>Meter Size</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
3/4"	\$ 8.15	\$ 8.65
1"	\$ 10.30	\$ 11.00
1-1/2"	\$ 12.70	\$ 13.45
2"	\$ 13.30	\$ 14.10
3"	\$ 21.40	\$ 22.75
4"	\$ 81.35	\$ 86.35
6"	\$ 103.50	\$ 109.90
8"	\$ 155.25	\$ 164.90
10"	\$ 214.45	\$ 227.65

Schedule IB

LOCKWOOD WASTEWATER MONTHLY CHARGES

<u>Lockwood Sewer District</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
Volume Charge	\$1.425/kGal	\$1.475/kGal
Fixed Monthly Fee	\$ 28,789	\$ 30,036
Surcharge Fee	6%	6%

Schedule IC

PHILLIPS 66 WASTEWATER MONTHLY CHARGES

<u>Phillips 66 Billings Refinery</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
Volume Charge	\$0.865/kGal	\$0.895/kGal
Fixed Monthly Fee	\$ 33,837	\$ 35,244
Surcharge Fee	6%	6%

Schedule ID

EXXONMOBIL WASTEWATER MONTHLY CHARGES

<u>ExxonMobil Refinery</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
Volume Charge	\$0.626/kGal	\$0.648/kGal
Fixed Monthly Fee	\$ 30,055	\$ 31,346
Surcharge Fee	6%	6%

Schedule II**WASTEWATER EXTRA STRENGTH SURCHARGE**

<u>Unit Charges</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
X = BOD (\$/lb)	\$ 0.9019	\$ 0.9019
Y = TSS (\$/lb)	\$ 0.5811	\$ 0.5811
Z = TKN (\$/lb)	\$ 1.7217	\$ 1.7217

WASTEWATER SPECIAL FEES AND CHARGES**Schedule III**

	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
1.) Application for extension of the wastewater collection system of the City	\$ 200.00	\$ 200.00
2.) Application for sanitary sewer service permits:		
(a) Domestic users service line installation permit	\$ 130.00	\$ 135.00
(b) Industrial users permit	\$ 2,500.00	\$ 2,800.00
3.) Special agreements	\$ 140.00	\$ 140.00
4.) Septage disposal permit fee (\$/1,000 gallons)	\$ 61.12	\$ 61.12
5.) Delinquent service charge		
(a) Normal working hours	\$ 80.00	\$ 80.00
(b) After 5:00 p.m. weekdays	\$ 120.00	\$ 120.00
(c) Weekends/Holidays	\$ 260.00	\$ 260.00
6.) NSF/Returned item fee	\$ 25.00	\$ 25.00
7.) Late payment interest charge (%/month)	1.5%	1.5%

Schedule IV**WASTEWATER SYSTEM DEVELOPMENT FEES**

<u>Meter or Service Line Size</u>	<u>Effective 7/1/23</u>	
	<u>City Service Area</u>	<u>Lockwood Service Area</u>
3/4" or less (*1EDU)	\$ 2,800	\$ 1,270
1"	\$ 8,600	\$ 3,895
1-1/2"	\$ 24,970	\$ 11,315
2"	\$ 43,100	\$ 19,530
3"	\$ 111,830	\$ 50,670
4"	\$ 261,800	\$ 118,630

For connections to the wastewater system with meters larger than 4 inches or when the unique usage characteristics of a large wastewater user may require, the City will forecast the requirements for the flow, Biochemical Oxygen Demand (BOD), and Total Suspended Solids (TSS) to determine the number of Equivalent Dwelling Units (EDUs). The System Development Fee (SDF) will be calculated as follows:

$$(\$6.83 * \text{Flow} * (0.596 + (\text{BOD} * 0.1538 / 200) + (\text{TSS} * 0.153 / 200) + (\text{TKN} * 0.972 / 55))) * 1.04$$

Where:

BOD is the projected BOD loading of the new user's effluent in milligrams per liter, and
TSS is the projected TSS loading of the new user's effluent in milligrams per liter, and
TKN is the projected TKN loading of the new user's effluent in milligrams per liter.

The constants used in the above formula are:

\$ 6.83 equals the unit cost of the existing system buy-in component plus the unit cost of the development related new facility component.

0.596 equals the proportion of the City's wastewater facilities allocated to the flow parameter in its cost-of service analysis.

0.1538 equals the proportion of the City's wastewater facilities allocated to the BOD parameter in its cost-of service analysis.

0.153 equals the proportion of the City's wastewater facilities allocated to the TSS parameter in its cost-of service analysis.

0.972 equals the proportion of the City's wastewater facilities allocated to the TKN parameter in its cost-of service analysis.

1.04 represents the administrative charge.

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.

ADOPTED AND APPROVED by the City Council of the City of Billings, Montana, on the 22nd day of May 2023.

CITY OF BILLINGS

By: _____
William A. Cole, Mayor

ATTEST:

By: _____
Denise R. Bohlman, City Clerk