

RESOLUTION 26-_____

A RESOLUTION ADOPTING STORM SEWER SYSTEM DEVELOPMENT FEES

WHEREAS, § 7-13-4301, MCA, authorizes the City of Billings to establish, construct, extend, operate, and maintain a storm sewer system for public use; and

WHEREAS, Title 7, Chapter 6, Part 16, MCA, authorizes impact fees for stormwater collection, retention, detention, treatment, disposal, and flood control facilities, and expressly provides for adoption by resolution; and

WHEREAS, new development creates additional demand for stormwater facilities and should pay its proportionate share of the eligible capital improvements required to serve that demand; and

WHEREAS, the City prepared the City of Billings Stormwater System Development Fee Report, including its supporting capital improvement schedule and financial analysis, to document the proposed fees in accordance with § 7-6-1602, MCA; and

WHEREAS, Resolution 26-11347, adopted June 8, 2026, established a stormwater Equivalent Residential Unit (ERU) of 3,751.22 square feet of impervious area; and

WHEREAS, the City Council finds, based on the City of Billings Stormwater System Development Fee Report, that the fees adopted below are reasonably related to and reasonably attributable to the additional demand created by development and do not exceed development's proportionate share of eligible capital costs;

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

- 1. NOTICE OF HEARING.** On Monday, October 26, 2026, at 5:30 p.m., or as soon thereafter as the matter was considered on the agenda in the Council Chambers of City Hall, Billings, Montana, the City Council held a public hearing and considered comments and objections to adoption of this resolution. The City Clerk published notice twice prior to the hearing in the Yellowstone County News, as provided in § 7-1-4127, MCA.
- 2. EFFECTIVE DATE.** This resolution shall be effective January 1, 2027.
- 3. ERU ASSIGNMENTS AND FEE SCHEDULE.** The following ERU assignments and system development fee schedule are approved and adopted:
 - a. Regardless of actual size, each single-family residential property is assigned 1.0 ERU.
 - b. Regardless of actual size, each duplex is assigned 1.5 ERUs.

- c. Each commercial property is assigned a number of ERUs by dividing its impervious area by 3,751.22 square feet. No commercial property shall be assigned fewer than 1.0 ERU, subject to the net-increased-demand limitations in Section 5.
- d. A base system development fee of \$967 per ERU is established.
- e. Commercial developments connected to the City storm sewer system receive a 47% service-demand credit. The adopted charge, rounded to the nearest whole dollar, is \$513 per ERU.
- f. Commercial developments not connected to the City storm sewer system receive a 66% service-demand credit. The adopted charge, rounded to the nearest whole dollar, is \$329 per ERU.

5. EXISTING DEVELOPMENT AND COLLECTION TIMING. No fee shall be imposed for remodeling, rehabilitation, other improvements to an existing structure, or rebuilding a damaged structure unless units of service demand increase. For an improvement or change in an existing structure or use, only the net increase between the old and new service demand may be charged. Existing lawful demand shall be recognized in determining that net increase. The commercial minimum shall not be applied as a minimum additional charge to existing development. No fee is due when there is no net increase in demand.

For development requiring a building permit, the fee shall be due at issuance of the building permit. For development not requiring a building permit, collection shall occur only at a time permitted by § 7-6-1603(2), MCA.

6. COLLECTION AND EXPENDITURE. Stormwater system development fees shall be deposited in a special proprietary fund created specifically for the stormwater public facilities. Funds shall be invested, with all interest accruing to that fund. Fees shall not be transferred to a different fund and shall be spent and accounted for solely for that public facility. Fees shall be used only to acquire, construct, or improve the specific public facility project for which they were collected.

7. REFUNDS. Fees collected or spent contrary to this resolution or § 7-6-1602, MCA, shall be refunded to the person who owned the property when the fee was paid. Upon written request under § 7-6-1603(9), MCA, any refund due under § 7-6-1603(1)(c), MCA, shall be paid within 90 days. The City shall not impose conditions on refunds required by Title 7, Chapter 6, Part 16, MCA.

8. APPEALS. A person charged a fee who believes an error has been made may submit a written appeal to the Public Works Director within 30 calendar days after receiving the written assessment. The appeal shall identify the property, disputed determination, grounds, and supporting information. The Director shall issue a reasoned written decision within 30 calendar days after receipt, unless the appellant agrees to an extension.

The appellant may appeal that decision to the City Council by filing a written request with the City Clerk within 30 calendar days after receiving the Director's decision. If the Director does not issue a timely decision, the appellant may request Council review directly. The Clerk shall schedule review at the next reasonably available Council meeting and provide notice to the appellant. The appellant shall have an opportunity to present information and arguments. The City Council shall issue a written decision stating its basis.

9. REPORT UPDATES. Public Works shall complete and present to the City Council a review and update of the documentation required by § 7-6-1602(2), MCA, no later than October 26, 2031, and at intervals not exceeding five years thereafter.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 26th day of October 2026.

CITY OF BILLINGS

BY: _____
Mike Nelson, Mayor

ATTEST:

BY: _____
Denise R. Bohlman, City Clerk