

City Council Work Session

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Meeting Date: 03/02/2026

TITLE: Meadowlark Mobile Home Park - Request for Water Service

PRESENTED BY: Mac Fogelsong, City Engineer

Department: Public Works

Presentation: Yes

Legal Review: No

Project Number: N/A

RECOMMENDATION

After a staff presentation, staff recommends the City Council discuss the merits of expanding the water service area to Meadowlark Mobile Home Park to provide the property with City water and provide staff and the applicant direction for subsequent applications that could include annexation.

EXECUTIVE SUMMARY

Meadowlark Mobile Home Park has formally requested connection to the City's water system to address ongoing water quality concerns. The proposed water main extension to Meadowlark Mobile Home Park would be fully funded through the Montana DEQ Emerging Contaminant Grant, including design, construction, staff time, and the City's water system development fee, resulting in no capital cost to the City.

The property is located outside the City's designated annexation areas, and annexation would require preparation of an urban planning study and submission of a petition for Council consideration. If annexed, the property is estimated to generate approximately \$126,000 annually in property tax revenue and \$115,064 in street maintenance district fees, while projected emergency service costs based on 2025 call volume are estimated at approximately \$63,000--\$73,000 per year. Council direction is requested on whether water service should be conditioned upon annexation, provided without annexation, or declined.

If the City desires to provide water service without annexation, the City would require a waiver of right to protest future annexation,

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

The Meadowlark manufactured home court is located on Jellison Road, generally north of the City landfill and west of Blue Creek Road. The court consists of about 220 manufactured homes, currently served by the City sewer system and a privately owned and operated public water supply system utilizing multiple groundwater wells. The City of Billings allowed a sewer connection for the manufactured home court to the City system without annexation in 2016. The Meadowlark water system has challenges with drinking water and has poor aesthetics, including odors and discolored water. Meadowlark water system personnel have been working with the Montana Department of Environmental Quality (DEQ) and the City of Billings to address water quality concerns.

The discoloration and odors in the drinking water indicate high levels of iron and manganese. The Meadowlark Mobile Home Park has a water treatment plant that was placed into service in either 2009 or 2010. The water treatment plant was designed specifically for iron and manganese removal. For several years, the treatment plant reduced the iron and manganese levels in the water system to tolerable and acceptable levels. However, the effectiveness of the plant has diminished. With it, the manganese in the water exceeds EPA's secondary maximum contaminant level (SMCL), and residents' complaints about the water quality have increased. Additionally, manganese is one of the substances on the Environmental Protection Agency's (EPA) list of emerging contaminants.

The owners of the Meadowlark Mobile Home Park have decided that the one long-term solution is to secure funding through the Montana Department of Environmental Quality (MTDEQ) Emerging Contaminant Grant that will fund the construction of a water main down Jellison Road from the Meadowlark Mobile Home Park to Blue Creek Road where it will connect to the City of Billings' water distribution system. From a financial standpoint, funding has been obtained through DEQ in order to construct the water main and pay the City water system development fee. The overall cost of the project is estimated at \$2,364,253.00. The City would act as the grant recipient in order to complete the project, as required by DEQ funding requirements. Through the agreement with DEQ, the City will be reimbursed by the DEQ grant for the cost of the project, including staff time. If constructed, the new water main will have the benefit of providing fire protection at the landfill entrance and, in the future, could be looped through the landfill to provide redundancy to the landfill water system.

Emergency services have indicated there were a high number of calls for service to this area in 2025 (370 calls). The Police Department and Fire Department have concerns with annexation based on call volume and lack of fire

hydrants within the court. Representatives of emergency services will be available to discuss these concerns in detail at the work session.

The property is located outside the zones for annexation identified on the City's Limits of Annexation Map and if annexation is required for service, the applicant would need to prepare an urban planning study and submit an annexation petition.

FISCAL EFFECTS

For the water main extension, the MTDEQ will reimburse the City for the design, construction, and staff time through the MTDEQ Emerging Contaminant Grant, such that there is no cost to the City. In addition, DEQ would pay the City water system development fee. Meadowlark will pay the monthly water fees at the rates established by Council, which include the metered volume charges and the fixed monthly water charges for customers outside the City.

There may be a financial impact to the City to provide water service to Meadowlark Mobile Home Park with water, primarily dependent on the potential cost and demand for emergency service, if annexed. If the property were to be annexed to the City, City staff estimates about \$126,000 will be generated in tax revenue and \$115,064 will be generated in street maintenance district fees annually. Based on known emergency service calls from the manufactured home park in 2025, fire department staff estimates this level of calls would cost approximately \$30,000 - \$40,000 if served by the City. Similarly, police services would cost about \$33,000 annually, assuming each call is one hour in duration.

STAKEHOLDERS

ALTERNATIVES

City Council may:

- Direct staff to move forward with providing water service to Meadowlark Mobile Home Park through annexation; or,
- Direct staff to move forward with providing water service to Meadowlark Mobile Home Park without annexation (waiving annexation requirements); or
- Provide direction not to provide water service to Meadowlark Mobile Home Park. If water is not provided, Meadowlark Mobile Home Park will continue to have water quality problems for its residents.

Attachments

Presentation
Application for Water Service
