

RESOLUTION OF INTENTION OF THE TOWN OF PLEVNA, MONTANA TO INCREASE THE RATES FOR USERS OF THE MUNICIPAL WATER AND WASTEWATER SYSTEMS

WHEREAS, it is necessary to increase the rates and charges for the services provided by the Systems in order to collect sufficient revenues to pay costs associated with the operation, maintenance, and improvements to the Systems; and

WHEREAS, to be eligible for key State of Montana infrastructure grant programs, a "target" rate must be met and Plevna's current target rate is \$143.75; and

WHEREAS, under Section 69-7-101, Montana Code Annotated, 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 utility systems. Rate, charges, and classifications must be reasonable and just.

NOW, THEREFORE, BE IT RESOLVED, by the Town Council (the "Council") of the Town of Plevna as follows:

Section 1: Intent to Increase Water and Sewer Charges. It is the intent of the Town of Plevna to implement rate increases for users of the Systems effective January 1, 2015; effective January 1, 2016; and effective January 1, 2017 as set forth herein.

Section 2: Water Rate Increase. Effective as of January 1, 2015, the base rate per Equivalent Dwelling Unit (EDU) and incremental rate for residential and non-residential water service will be increased as follows:

On January 1, 2015 the base EDU rate will increase from \$15.00 to \$25.00 and will now include the first 1,000 gallons of usage (the "Per EDU charge"). Additional usage above 1,000 gallons will increase from \$4.00/1,000 gallons to \$4.50/1,000 gallons on January 1, 2015.

Effective as of January 1, 2016, the rate per Equivalent Dwelling Unit (EDU) for residential and non-residential water service will be increased from \$25.00 to \$35.00 and still include the first 1,000 gallons usage. Additional usage above 1,000 gallons will increase from \$4.50/1,000 gallons to \$5.00/1,000 gallons.

Effective as of January 1, 2017, the rate per Equivalent Dwelling Unit (EDU) for residential and non-residential water service will be increased from \$35.00 to \$45.00 and still include the first

1,000 gallons usage. Additional usage above 1,000 gallons will increase from \$5.00/1,000 gallons to \$5.50/1,000 gallons.

Section 3: Chart of Water Rate Increases.

	<u>Current base</u>	<u>January 2015</u>	<u>January 2016</u>	<u>January 2017</u>
1 EDU	\$15.00	\$25.00	\$35.00	\$45.00
2 EDU	\$30.00	\$50.00	\$70.00	\$90.00
3 EDU	\$45.00	\$75.00	\$105.00	\$135.00
4 EDU	\$60.00	\$100.00	\$140.00	\$180.00
5 EDU	\$75.00	\$125.00	\$175.00	\$225.00
6 EDU	\$90.00	\$150.00	\$210.00	\$270.00
7 EDU	\$105.00	\$175.00	\$245.00	\$315.00
8 EDU	\$120.00	\$200.00	\$280.00	\$360.00
9 EDU	\$135.00	\$225.00	\$315.00	\$405.00
10 EDU	\$150.00	\$250.00	\$350.00	\$450.00
	Usage from 1 st gallon	New Incremental Starts w/ usage over 1000 gallons		
Incremental	\$4.00/1,000gal	\$4.50/1,000	\$5.00/1,000	\$5.50/1,000

Section 4: Sewer Rate Increase. Effective as of January 1, 2015, the base rate per Equivalent Dwelling Unit (EDU) and incremental rate for residential and non-residential sewer service will be increased as follows:

On January 1, 2015, the base EDU rate will increase from \$10.00 to \$20.00 and will now include the first 1,000 gallons of water usage (the "Per EDU charge"). Additional usage above 1,000 gallons will increase from \$2.00/1,000 gallons to \$2.50/1,000 gallons on January 1, 2015.

Effective as of January 1, 2016, the rate per Equivalent Dwelling Unit (EDU) for residential and non-residential sewer service will be increased from \$20.00 to \$30.00 and still include the first 1,000 gallons water usage. Additional usage above 1,000 gallons will increase from \$2.50/1,000 gallons to \$3.00/1,000 gallons.

Effective as of January 1, 2017, the rate per Equivalent Dwelling Unit (EDU) for residential and non-residential water service will be increased from \$30.00 to \$40.00 and still include the first 1,000 gallons usage. Additional usage above 1,000 gallons will increase from \$3.00/1,000 gallons to \$3.50/1,000 gallons.

Section 5: Chart of Sewer Rate Increases.

	<u>Current base</u>	<u>January 2015</u>	<u>January 2016</u>	<u>January 2017</u>
1 EDU	\$10.00	\$20.00	\$30.00	\$40.00
2 EDU	\$20.00	\$40.00	\$60.00	\$80.00
3 EDU	\$30.00	\$60.00	\$90.00	\$120.00
4 EDU	\$40.00	\$80.00	\$120.00	\$160.00
5 EDU	\$50.00	\$100.00	\$150.00	\$200.00
6 EDU	\$60.00	\$120.00	\$180.00	\$240.00
7 EDU	\$70.00	\$140.00	\$210.00	\$280.00
8 EDU	\$80.00	\$160.00	\$240.00	\$320.00
9 EDU	\$90.00	\$180.00	\$270.00	\$360.00
10 EDU	\$100.00	\$200.00	\$300.00	\$400.00
Usage from 1 st gallon		New Incremental Starts w/ usage over 1000 gallons		
Incremental	\$2.00/1,000gal	\$2.50/1,000	\$3.00/1,000	\$3.50/1,000

Section 6: Public Hearing. A public hearing on the rate increase will be held on **December ?, 2014** commencing at **insert time** p.m at the Plevna Community Center, **insert address** Plevna, MT.

Section 7: Notice. The Town Clerk/Treasurer is hereby authorized and directed to publish, or cause to be published, a copy of a notice of passage of this resolution in the *Fallon County Times*, a newspaper of general circulation in the Town, in the form and manner prescribed by law, and to mail or cause to be mailed a copy of said notice to all persons served by the utility at least 7 days and not more than 30 days prior to the public hearing. The mailed notice must contain an estimate of the amount the customer's average bill will increase. The Town Clerk/Treasurer is also authorized and directed to mail first class, postage prepaid, notice of all hearings to the Montana Consumer Counsel.

Passed and Approved this 10th day of November 2014.



Mayor, William E. Benner

ATTEST:



Vivian Panasuk, Clerk/Treasurer

