

RESOLUTION 9708
Attachment 1

**2008 Water, Sewer, and Storm Drain
Rate Review Calendar**

Staff Meeting Analysis
Monday, OCTOBER 8, 2007

Staff Presentation to City Manager
Monday, OCTOBER 22, 2007

Presentation of Rate Analysis
Tuesday, DECEMBER 4, 2007
Commission Work Session

Set Public Hearing
Tuesday, DECEMBER 4 2007
City Commission Meeting

Publish Public Notices
1st Notice – Friday, DECEMBER 28, 2007
2nd Notice – Friday, JANUARY 4, 2008
3rd Notice – Friday, JANUARY 11, 2008

Mailed Notices
To the various utility billing districts during the period of
DECEMBER 26, 2007 THROUGH JANUARY 7, 2008

Public Hearing
Tuesday, JANUARY 22, 2008
City Commission Meeting

Commission Final Action
Tuesday, JANUARY 22, 2008
City Commission Meeting

Water, Sewer, and Storm Drain Rates Take Effect
At least ten days after final approval
FEBRUARY 5, 2008

RESOLUTION 9708
Attachment 2

**WATER, SEWER, STORM DRAIN FUNDS
REVENUE RATE INCREASE HISTORY**

UTILITY SERVICE RATE AND FEE INCREASES			
	Water (%)	Sewer (%)	Storm Drain (%)
1998	4.0	3.0	na
1999	0.0	0.0	na
2000	2.7	4.75	na
2001	3.0	8.1	na
2002	2.5	8.1	10.0
2003	2.0	8.1	10.0
2004	2.0	2.0	8.0
2005	2.0	1.0	1.0
2006	0.0	0.0	0.0
2007	5.0	5.0	0.0

For the 10 year period 1998-2007, the average rate increase is:

Water(%)	Sewer(%)	Storm Drain(%)
2.32	4.00	2.9

Rate Change Comparison

It is City practice to constantly keep up to date with regular, incremental rate changes while keeping in mind the difficulty that many customers have in making ends meet. Postponing rates often create a sudden return to reality when rates can no longer be ignored, and large rate increases are suddenly imposed.

	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07
(in %)								
Special Assessments:								
Street Districts	0.0	10.0	0.0	3.2	10.0	10.0	10.0	10.0
Boulevard Districts	0.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0
Sanitation								
Residential	0.0	0.0	0.0	3.0	0.0	3.0	3.0	4.5
Commercial	0.0	3.0	3.0	0.0	3.0	3.0	3.0	4.5

Other Charges and Fees Included

The water rate change also applies to Fire Hydrant charges. Fire hydrants are integral to the water system as a whole, and included as a monthly charge within the rate structure rather than a once a year special assessment. These water and sewer rate changes include water and sewer fees. Unlike other rates, fees do not have any impact upon monthly water and sewer bills. They are one time charges, such as; construction, repair or replacement of water services, fire lines, and sewer, water lab services, or repair of business fire lines.

Capital Improvement Program

The City maintains meticulous records, schedules and monitoring of the water and sewer systems. Theoretically, repair and replacement should be done according to the Capital Improvement Program (CIP). While the CIP is a useful benchmark and indicator of

priorities, it is not the only consideration. The City combines the CIP with maintenance records and current condition analysis to determine current financing needs.

Rate Change Notice

A Public Notice for utility rate changes must be published. 69-7-111, M.C.A requires a municipal rate hearing whenever municipal utility rates, charges, or classifications are to be changed, with procedures as follows:

1. Publish notice of hearing in a newspaper
 - a. First publication no more than 28 days prior to the public hearing
 - b. Publish at least 3 times at least 6 days apart
 - c. Last publication no less than 3 days prior to the hearing
2. Mail a notice of hearing to each utility customer and the Montana Consumer Counsel
 - a. At least 7 and no more than 30 days prior to hearing
 - b. Include an estimate of increase in the customer's average bill
3. Published Notice must contain
 - a. Date, time, and place of the hearing
 - b. Brief statement of the proposed action
 - c. Address and telephone number to contact for further information

Resolution 9226, Resolution 9227, Resolution 9334 Provides Terms and Conditions relating to the Water & Sewer Revenue Bonds, including:

Section 10.10 Rates and Charges

. . .The City covenants and agrees that the rates, charges and rentals to be charged to all users shall be maintained and shall be revised whenever and as often as may be necessary, according to schedules such that (i) the Revenues for each Fiscal Year will be at least sufficient to pay the principal and interest on all Bonds to become due in such Fiscal Year, to establish and maintain the Reserve Requirement, to pay promptly the reasonable and current Operating Expenses and to provide reserves for the repair and replacement of the System, and (ii) the Net Revenues for each Fiscal year will be at least equal to 125% of the maximum Principal and Interest Requirements for all future Fiscal Years. In the event the City does not demonstrate full compliance with the rate covenant prescribed herein for any Fiscal Year, the City shall retain a nationally recognized independent Consultant within 60 days of the day of the applicable Fiscal Year for the purpose of reviewing the existing rates and charges and making Bondholder recommendations for compliance with the covenant. The City covenants and agrees to implement the recommended rate changes and other recommendations of such Consultant within six months of the delivery of the applicable Consultants report.

CITY OF GREAT FALLS, MONTANA
Resolution No 9708, Attachment 3 pg2
2007 VS 2008 UTILITY FEES

Water Service Line Size (inches)

		(3/4")											
		0.75	1.00	1.25	1.50	2.00	3.00	4.00	6.00	8.00	10.00	12.00	
CONNECTION FEES													
WATER													
2007	\$	289	\$ 321	\$ -	\$ 391	\$ 423	\$ 637	\$ 819	\$ 1,269	\$ 2,121	\$ -	\$ 4,252	
2008	\$	304	\$ 337	\$ -	\$ 410	\$ 444	\$ 669	\$ 860	\$ 1,333	\$ 2,227	\$ -	\$ 4,464	

Fee shall be ADDED TO: General Plumbing Permit for extension to new buildings; or, Inspection Permits for larger diameter pipe.

SEWER

Single Family Residential

2007	\$	159
2008	\$	167

Commercial & Multi Family Units

2007	\$	159	\$ 297	\$ -	\$ 583	\$ 1,225	\$ 2,333	\$ 4,205	\$ 6,077	\$ 9,322	\$ 12,890	\$ 17,933
2008	\$	167	\$ 312	\$ -	\$ 612	\$ 1,286	\$ 2,450	\$ 4,415	\$ 6,380	\$ 9,788	\$ 13,535	\$ 18,830

Fee is IN ADDITION TO the Inspection Fee, and is for connection of service line to sewer line, which does not include installation. There is no fee for STORM SEWER connection.

Where one meter serves one multi-purpose development, either mobile home, multiple family housing units, local business, commercial, industrial, residential use zones or variance, the connection charge will be based upon the size of the water tap. If there is no water tap, the charge will be based upon the the sewage being discharged on the same ratio as for other sewer connections.

TAPPING FEES (Water)

Fee for any new or replacement tap being made on a water main.

1 to 5 taps	Fee per Tap:											
2007	\$	311	\$ 327	\$ -	\$ 493	\$ 621						
2008	\$	326	\$ 343	\$ -	\$ 517	\$ 652						

6 or more taps	Fee per Tap:											
2007	\$	278	\$ 305	\$ -	\$ 493	\$ 621						
2008	\$	292	\$ 320	\$ -	\$ 517	\$ 652						

INCLUDED in this fee is installation of a corporation stop on the main, and furnishing of corporation stop, curb stop and box. NOT INCLUDED, and to be BILLED EXTRA, is the cost of saddles, clamps and other extraneous fitting required for the tap.

INSPECTION FEES

Fees for inspection and approval of all water service work and all sewer connections under Title 13 OCCGF.

WATER	Flat fee of :											
2007	\$	100	PLUS costs for test taps, testing equipment, overtime, and chemicals.									
2008	\$	100	PLUS costs for test taps, testing equipment, overtime, and chemicals.									

SEWER	Flat fee of :											
2007	\$	100										
2008	\$	100										

RIGHT OF WAY PERMIT (Water & Sewer)

Flat fee of :												
2007	\$	35										
2008	\$	35										

Fee for the Permit to be issued for any excavation in a dedicated right-of-way. (Formerly the Street Opening Permit.)

FIRE LINES

NEW	Flat fee of :											
2007	\$	100										
2008	\$	100										

REPAIR	Flat fee of :											
2007	\$	100										
2008	\$	100										

LICENCES -- DRAINLAYER (Sewer)

Flat fee of :												
2007	\$	60										
2008	\$	60										

Fee for License to excavate, construct, or connect and sewer, drain or cesspool.

TURN ON/OFF

Flat fee of :												
2007	\$	35										
2008	\$	35										

WATER TREATMENT PLANT (WTP)

Laboratory Fees		Alkalinity	Hardness	pH	Specific Conductance	Total Coliform & E. coli, P/A	Total Coliform & E. coli, MPN	Turbidity	HPC
2007	\$	15	\$ 21	\$ 7	\$ 7	\$ 19	\$ 25	\$ 7	\$ 28
2008	\$	15	\$ 21	\$ 7	\$ 7	\$ 21	\$ 25	\$ 7	\$ 28

WASTEWATER TREATMENT PLANT (WWTP)

Industrial Discharge Permit Application Fees (Based upon Wastewater Discharge Quantity)
 Gallons per Day (GPD)

2007	\$	83	\$ 133	\$ 171	\$ 171	\$ 171	\$ 51					
2008	\$	87	\$ 140	\$ 180	\$ 180	\$ 180	\$ 54					

Hauled Waste Disposal Fees

0 to 100 Gallons
 2007 No Charge Disposal of wastes from holding tanks of privately owned recreational vehicles must be
 2008 No Charge Disposal of wastes from holding tanks of privately owned recreational vehicles must be

Over 100 Gallons
 2007 \$ 18 per 1,000 gallons, or portion thereof, for hauled waste or all other discharges.
 2008 \$ 19 per 1,000 gallons, or portion thereof, for hauled waste or all other discharges.

Additional Fees

Additional fees may be charged for necessary testing prior to acceptance of wastes classified as non-domestic or industrial in nature.

CITY OF GREAT FALLS, MONTANA
Resolution No 9708, Attachment 3 pg3
2007 VS 2008 STORM DRAIN RATES

	Rates 2007	% Change	PROPOSED Rates 2008
	(per month)		(per month)
A Single Family			
Base Rate	\$ 1.3198680000	0.00%	\$ 1.3198680000
Rate per Square Foot	\$ 0.0003959604	0.00%	\$ 0.0003959604
Sq Ft Cap	15,000	na	15,000
B Multiple Resid.			
Base Rate	\$ 1.3198680000	0.00%	\$ 1.3198680000
Rate per Square Foot	\$ 0.0004949505	0.00%	\$ 0.0004949505
Sq Ft Cap	0	na	0
C Commercial ++			
Base Rate	\$ 1.3198680000	0.00%	\$ 1.3198680000
Rate per Square Foot	\$ 0.0006434357	0.00%	\$ 0.0006434357
Sq Ft Cap	0	na	0
D Heavy Commercial			
Base Rate	\$ 1.3198680000	0.00%	\$ 1.3198680000
Rate per Square Foot	\$ 0.0008909109	0.00%	\$ 0.0008909109
Sq Ft Cap	0	na	0
E Unimproved Areas			
Base Rate	\$ 1.3198680000	0.00%	\$ 1.3198680000
Rate per Square Foot	\$ 0.0000989901	0.00%	\$ 0.0000989901
Sq Ft Cap	10,000	na	10,000

RESOLUTION 9708
Attachment 4

PUBLIC NOTICE
PUBLIC HEARING ON RESOLUTION 9708
TO ESTABLISH WATER, SEWER, AND STORM DRAIN RATES AND FEES

The City of Great Falls is proposing to raise water and sewer utility service rates and fees, February 5, 2008. The increases are necessary to meet bonded debt coverage, to keep up with inflation, to cover the cost of service, and provide for necessary capital improvements. A public hearing will be held on January 4, 2008 at 7:00 p.m. in the Civic Center Commission Chambers.

Residential customers typically have a 1" meter and use 1250 cubic feet of water per month with a winter average of 573 cubic feet of water per month. A typical residential customer would see rate increases as follows:

A water bill increase from \$21.37 to \$22.47 per month
A sewer bill increase from \$13.44 to \$14.12 per month, and
A storm drain bill will not increase.
These monthly bills include base service charges of \$4.65 for water, \$1.78 for fire hydrant, \$5.40 for sewer, and \$1.32 for storm drain

The metered water rates would increase:

From \$0.81 to \$0.85 per hundred cubic feet for the first 300 cubic feet per month, and from \$1.35 to \$1.42 per hundred cubic feet for all water over 300 cubic feet per month.

The sewer rates would increase:

From \$1.10 to \$1.16 per hundred cubic feet for the first 300 cubic feet per month, and from \$1.83 to \$1.92 per hundred cubic feet for all water over 300 cubic feet per month.

The storm drain rates would not increase.

For further information contact a Utilities Customer Service Representative at 727-7660 or in Room 104 of the Civic Center, 8:00 am to 5:00pm