

RESOLUTION #212
RESOLUTION OF THE TOWN OF VALIER, MONTANA
OF INTENT TO INCREASE WATER RATES
FOR THE USERS OF THE MUNICIPAL WATER SYSTEM

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 water system. Rates, charges, and classifications must be reasonable and just; and

WHEREAS, based on a recent review of the municipal water system, the Town does not meet the net revenue requirement for bonds previously issued and to cover all operating expenses; and

WHEREAS, the water rates have not been increased since 2018 to keep up with the increasing operating expenses; and

WHEREAS, it will be necessary for the Town to collect sufficient revenues to repay the Bonds and to pay the costs associated with the operation and maintenance of the Town's Water System (the "System");

NOW, THEREFORE, BE IT RESOLVED BY the Town Council of Valier as follows:

Section 1. Current Rates: The current monthly rate is \$33.95 per one Equivalent Dwelling Unit ("EDU").

Section 2. Equivalent Dwelling Units: The Town previously adopted the equivalent dwelling unit methodology for imposing rates and charges, which is based on the size of the line servicing each connection. A ¾ inch service, which is the standard service for single family residential users, is 1 EDU. The following table shows the number of EDUs for each size of service:

<u>Diameter</u>	<u>No. of Hookups</u>	<u>EUDs per Hookup</u>	<u>Total EDUs</u>
¾"	336	1.00	336.00
1"	3	1.79	5.37
1 ½"	3	4.00	12.00
2"	3	7.14	21.42
TOTAL	345		375.09

Section 3. Rate Increase

The Town intends to charge users of the System a monthly base rate connection charge of \$38.95 per EDU, effective as of November 26, 2025. Each user of the System is charged a monthly base rate connection charge to pay the costs of operation and maintenance of the System and debt service on the Bonds and establish appropriate reserves. The proposed new Monthly Charge for the use and availability of the System, based on the figures in the table above, is as follows:

<u>Diameter</u>	<u>Cost per EDU</u>	<u>Multiplier</u>	<u>Monthly Charge</u>
¾"	38.95	1.00	38.95
1	38.95	1.79	69.72
1 ½"	38.95	4.00	155.80
2"	38.95	7.14	278.10

This represents an increase of approximately 14.72% for a single-family residential dwelling with a ¾" line.

Section 4. Usage Charge: The current charge of \$1.99 per one thousand gallons of water usage will increase by .25 making the new cost \$2.24.

Section 5. Public Hearing: A public hearing on the rate increases for the System shall be held on November 10, 2025, commencing at 7:00 PM at the Civic Center, 514 Montana Street, Valier, Montana.

Section 6. Notice: The Town Clerk/Treasurer is hereby authorized to publish or cause to be published a copy of a notice of the passage of Resolution #212 in the Valerian newspaper on October 22, 2025; October 29, 2025 and November 5, 2025 by law and to mail or cause to be mailed a copy of said notice to all persons who own property in the Town and to all customers of the Town at least seven (7) days and not more than thirty (30) days prior to the Public Hearing. The mailed notice must contain an estimate of the amount that the property owner or customer will be charged under the proposed rate increase.

Section 7. Effective Date of Resolution: This resolution shall be immediately filed with the Town Clerk/Treasurer and shall become effective upon passage.

PASSED AND ADOPTED by the Town Council of the Town of Valier, Montana, and approved by the Mayor of said Town this 13th day of October, 2025.

AYES	4
NAYES	0
ABSTAIN	0
ABSENT	0

Glenn Wunderlich, Mayor

Attest: _____

Stephanie Sullivan Clerk/Treasurer

