

Res. 23-11121

COUNCIL ACTION Approved

11-0

Item 3.

MAY 22 2023

db
CITY CLERK

City Council Regular

Date: 05/22/2023
Title: Public Hearing and Resolution Adopting Water and Wastewater Rates and Fees
Presented by: Jennifer Duray
Department: Public Works
Presentation: Yes
Legal Review Yes

by P66 rate reduced per staff recommendation
& new funds to be accounted separately

RECOMMENDATION

Staff recommends that the City Council conduct a public hearing and approve the proposed resolution adopting the water and wastewater rate and fee schedule effective July 1, 2023.

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

Public Works engaged AE2S Nexus to conduct a cost of service rate study to review and recommend appropriate water and wastewater user rates, the resale rate for the County Water District of Billings Heights, and wholesale rates for Lockwood Water and Sewer District, Phillips 66 Billings Refinery, and Exxon Refinery, as well as calculate the System Development Fees (SDFs) for water and wastewater. The methodology used in the study follows industry standard approaches and recommends rates for each class of customer. The rates allow the Public Works Department to adequately recover costs in proportion to the cost of providing service for each customer class. The rates also reflect the addition of \$1 million of water funds and \$1 million of wastewater funds to set aside for pipe extensions in both FY24 and FY25. The following is a summary of the rates and fees proposed for FY24 and FY25:

1. Increase the water minimum monthly fees for all water customers by 2% in both FY24 and FY25.
2. Increase the volumetric rate for residential, seasonal and multi-family water customers by 12% in both FY24 and FY25.
3. Increase the volumetric rate for non-residential water customers and bulk water resellers by 12% in FY24 and 8% in FY25.
4. The resale rate for the County Water District of Billings Heights will not increase in FY24. However, the FY25 rate will increase by approximately 48.8%.
5. Increase private fire protection charges to reflect the current costs of services by increasing the fee by 6% in FY24 and FY25.
6. Increase the wastewater minimum monthly fees by an average of 4.6% in FY24 and 6.2% in FY25.
7. Increase the wastewater volumetric rate by 6.6% in FY24 and 6.2% in FY25.
8. Adjust the volume charge, fixed monthly fee, and SDF for Lockwood Water and Sewer District, Exxon Refinery, and Phillips 66 Billings Refinery to reflect the current costs of services.
9. Change the residential water SDF methodology to reflect the nexus between lot sizes and impact to the water system. This change results in a flat rate per unit, up to 4 units, for the indoor component and a tier rate structure for the outdoor component based on lot size.
10. There will be no change to the non-residential water SDF and the irrigation SDF will increase minimally by 0.4%.
11. Decrease the Billings wastewater SDF by an average of 10.2% and the Lockwood SDF by 11.2%.
12. Increase various miscellaneous water and wastewater fees to reflect current cost of services.

The attached resolution specifies the proposed rates and fees. A comparison of current versus proposed rates is also attached. A public hearing is required per MCA 69-7-111 and if the current proposed resolution is approved, rates will be effective July 1, 2023 and July 1, 2024 as indicated.

ALTERNATIVES

City Council may:

- Approve the recommended resolution;
- Approve an amended resolution; or
- Not approve a resolution. If Council does not approve a resolution specifying rates and fees for FY24 and FY25, the rates and fees will continue at current levels, leaving insufficient revenues in the water and wastewater funds to pay for planned debt service for the west end project or sustain the adopted capital improvement program.

FISCAL EFFECTS

The proposed rate and fee adjustments will generate approximately \$2.4 million in water revenues in FY24 and an additional \$3.7 million in FY25, as well as \$2.2 million in wastewater revenues in FY24 and an additional \$2 million in FY25.

Attachments

Resolution
Rate and Fee Comparison

Water and Wastewater Rate and Fee Comparison

METERED WATER MONTHLY VOLUME CHARGES

Customer Class	Within the City			
	Volume	Current Rate	Effective 07/01/2023	Effective 07/01/2024
Residential				
Tier 1	0-10,000 Gallons	\$3.88	\$4.35	\$4.87
Tier 2	11-32,000 Gallons	\$4.64	\$5.20	\$5.82
Tier 3	33-75,000 Gallons	\$6.04	\$6.76	\$7.57
Tier 4	> 75,000 Gallons	\$9.06	\$10.15	\$11.37
Non-Residential		\$3.29	\$3.68	\$3.97
Bulk Water Resellers		\$4.06	\$4.55	\$4.91
Seasonal		\$5.48	\$6.14	\$6.88
Multi-family		\$3.81	\$4.27	\$4.78

Customer Class	Outside the City			
	Volume	Current Rate	Effective 07/01/2023	Effective 07/01/2024
Residential				
Tier 1	0-10,000 Gallons	\$4.01	\$4.49	\$5.03
Tier 2	11-32,000 Gallons	\$4.81	\$5.39	\$6.04
Tier 3	33-75,000 Gallons	\$6.28	\$7.03	\$7.87
Tier 4	> 75,000 Gallons	\$9.40	\$10.53	\$11.79
Non-Residential		\$3.49	\$3.91	\$4.22
Resale		\$2.97	\$2.97	\$4.42

MINIMUM MONTHLY WATER CHARGES

Meter Size	Within the City			Outside the City		
	Current Fee	Effective 07/01/2023	Effective 07/01/2024	Current Fee	Effective 07/01/2023	Effective 07/01/2024
3/4"	\$8.45	\$8.60	\$8.75	\$9.15	\$9.35	\$9.55
1"	\$9.55	\$9.75	\$9.95	\$10.40	\$10.60	\$10.80
1-1/2"	\$11.55	\$11.80	\$12.05	\$12.55	\$12.80	\$13.05
2"	\$16.50	\$16.85	\$17.20	\$18.05	\$18.40	\$18.75
3"	\$51.50	\$52.55	\$53.60	\$56.00	\$57.10	\$58.25
4"	\$67.10	\$68.45	\$69.80	\$72.95	\$74.40	\$75.90
6"	\$100.65	\$102.65	\$104.70	\$109.40	\$111.60	\$113.85
8"	\$137.55	\$140.30	\$143.10	\$149.50	\$152.50	\$155.55
10"	\$200.41	\$204.40	\$208.50	\$222.20	\$226.65	\$231.20

PRIVATE FIRE PROTECTION CHARGES

Meter Size	Within the City			Outside the City		
	Current Fee	Effective 07/01/2023	Effective 07/01/2024	Current Fee	Effective 07/01/2023	Effective 07/01/2024
1 1/4"	\$30.75	\$32.60	\$34.55	\$31.25	\$33.15	\$35.15
1 1/2"	\$41.05	\$43.50	\$46.10	\$41.60	\$44.10	\$46.75
2"	\$65.75	\$69.70	\$73.90	\$66.55	\$70.55	\$74.80
3"	\$164.15	\$174.00	\$184.45	\$166.45	\$176.45	\$187.05
4"	\$287.30	\$304.55	\$322.80	\$291.20	\$308.65	\$327.15
6"	\$656.50	\$695.90	\$737.65	\$665.65	\$705.60	\$747.95
8"	\$1,148.90	\$1,217.85	\$1,290.90	\$1,164.85	\$1,234.75	\$1,308.85
10"	\$1,805.30	\$1,913.60	\$2,028.40	\$1,830.50	\$1,940.35	\$2,056.75
12"	\$2,599.75	\$2,755.75	\$2,921.10	\$2,635.85	\$2,794.00	\$2,961.65
14"	\$3,538.50	\$3,750.80	\$3,975.85	\$3,587.75	\$3,803.00	\$4,031.20

WATER SPECIAL FEES AND CHARGES

	Current Fee	Effective 07/01/2023	Effective 07/01/2024
Application for extension of the water distribution system of the City	\$190.00	\$200.00	\$200.00
Application for water service line installation permits	\$125.00	\$130.00	\$135.00
Special agreements	\$130.00	\$140.00	\$140.00
Water meter accuracy test fee			
Small meter	\$65.00	\$70.00	\$70.00
Large meter	\$200.00	\$230.00	\$260.00
Hydrant meter rental (\$/day)	\$5.50	\$5.50	\$5.50
Construction meter setting and removal fee	\$65.00	\$70.00	\$70.00
Fireflow fee	\$112.00	\$120.00	\$120.00
Turn-on/Turn-off charge - Normal working hours	\$36.00	\$40.00	\$40.00
Turn-on/Turn-off charge - After hours	\$100.00	\$100.00	\$100.00
Water main tapping fee			
Two-inch diameter tap or smaller	\$155.00	\$155.00	\$160.00
Over two-inch diameter tap	\$355.00	\$360.00	\$365.00
Flushing, testing, and chlorinating fee	\$155.00	\$160.00	\$160.00
Delinquent service charge			
1) Normal working hours	\$80.00	\$80.00	\$80.00
2) After 5:00 p.m. weekdays	\$120.00	\$120.00	\$120.00
3) Weekends/Holidays	\$260.00	\$260.00	\$260.00
NSF/Returned item fee	\$25.00	\$25.00	\$25.00
Late payment interest charge (%/month)	1.50%	1.50%	1.50%
Water service line/fireline repair program fee (\$/month)	\$1.30	\$1.30	\$1.30

WATER SYSTEM DEVELOPMENT FEES

Residential		Effective 07/01/2023			
Current	All Meter Sizes	Tier by Lot Size (sq ft)	Outdoor Component	Indoor Per Unit (Up to 4 Units)	
\$2,950		< 5,400	\$630	\$1,390	
		5,400 to 8,600	\$1,270		
		8,601 to 11,800	\$1,865		
		> 11,800	\$4,895		
With 4% Administration Charge					
Meter or Service Line Size		Non-Residential (Including Multi-Family above 4 units)		Irrigation	
		Current Fee	Effective 07/01/2023	Current Fee	
		\$8,925	8,925	\$11,030	
3/4" or less (1 EDU)		\$15,140	\$15,140	\$18,705	
1"		\$30,270	\$30,270	\$37,415	
1 1/2"		\$48,435	\$48,435	\$59,875	
2"		\$96,875	\$96,875	\$119,720	
3"		\$151,370	\$151,370	\$120,175	
4"				\$187,075	
With 4% Administration Charge					

WASTEWATER MONTHLY VOLUME CHARGES

Customer Class	Within the City			Effective 07/01/2024
	Current Rate	Effective 07/01/2023	Effective 07/01/2024	
Residential	\$5.08	\$5.41	\$5.75	
Large Residential	\$5.08	\$5.41	\$5.75	
Commercial	\$5.08	\$5.41	\$5.75	
Public Buildings	\$5.08	\$5.41	\$5.75	
Outside the City				
All Users	\$5.08	\$5.41	\$5.75	

MINIMUM MONTHLY WASTEWATER CHARGES

Meter Size	Within the City			Outside the City		
	Current Fee	Effective 07/01/2023	Effective 07/01/2024	Current Fee	Effective 07/01/2023	Effective 07/01/2024
3/4"	\$7.05	\$7.40	\$7.85	\$7.75	\$8.15	\$8.65
1"	\$9.00	\$9.40	\$10.00	\$9.90	\$10.30	\$11.00
1-1/2"	\$11.05	\$11.55	\$12.25	\$12.15	\$12.70	\$13.45
2"	\$11.55	\$12.10	\$12.85	\$12.70	\$13.30	\$14.10
3"	\$18.65	\$19.50	\$20.70	\$20.50	\$21.40	\$22.75
4"	\$70.65	\$73.95	\$78.50	\$77.70	\$81.35	\$86.35
6"	\$89.95	\$94.10	\$99.90	\$98.95	\$103.50	\$109.90
8"	\$134.90	\$141.15	\$149.90	\$148.40	\$155.25	\$164.90

10"	\$186.30	\$194.95	\$206.95	\$204.95	\$214.45	\$227.65
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LOCKWOOD WATER AND SEWER DISTRICT WASTEWATER MONTHLY CHARGES

	Current Fee	Effective 07/01/2023	Effective 07/01/2024
Volume Charge	\$1.513/kGal	\$1.425/kGal	\$1.475/kGal
Fixed Monthly Fee	\$25,239	\$28,789	\$30,036
Surcharge Fee	6%	6%	6%

PHILLIPS 66 BILLINGS REFINERY WASTEWATER MONTHLY CHARGES

	Current Fee	Effective 07/01/2023	Effective 07/01/2024
Volume Charge	\$0.625/kGal	\$0.865/kGal	\$0.895/kGal
Fixed Monthly Fee	\$14,032	\$33,837	\$35,244
Surcharge Fee	6%	6%	6%

EXXONMOBIL WASTEWATER MONTHLY CHARGES

	Current Fee	Effective 07/01/2023	Effective 07/01/2024
Volume Charge	\$0.597/kGal	\$0.626/kGal	\$0.648/kGal
Fixed Monthly Fee	\$29,741	\$30,055	\$31,346
Surcharge Fee	6%	6%	6%

WASTEWATER EXTRA STRENGTH SURCHARGE

Unit Charges	Current Fee	Effective 07/01/2023	Effective 07/01/2024
X = BOD (\$/lb)	\$0.9019	\$0.9019	\$0.9019
Y = TSS (\$/lb)	\$0.5811	\$0.5811	\$0.5811
Z = TKN (\$/lb)	\$1.7217	\$1.7217	\$1.7217

WASTEWATER SPECIAL FEES AND CHARGES

	Current Fee	Effective 07/01/2023	Effective 07/01/2024
Application for extension of the wastewater collection system of the City	\$190.00	\$200.00	\$200.00
Application for domestic service line installation permit	\$125.00	\$130.00	\$135.00
Application for industrial users permit	\$2,250.00	\$2,500.00	\$2,800.00
Special Agreements	\$130.00	\$140.00	\$140.00
Septage disposal permit fee (\$/1,000 gallons)	\$61.12	\$61.12	\$61.12
Delinquent service charge			
1) Normal working hours	\$80.00	\$80.00	\$80.00

2) After 5:00 p.m. weekdays	\$120.00	\$120.00	\$120.00
3) Weekends/Holidays	\$260.00	\$260.00	\$260.00
NSF/Returned item fee	\$25.00	\$25.00	\$25.00
Late payment interest charge (%/month)	1.50%	1.50%	1.50%

WASTEWATER SYSTEM DEVELOPMENT FEES

Meter or Service Line Size	City Service Area		Lockwood Service Area	
	Current Fee	Effective 07/01/2023	Current Fee	Effective 07/01/2023
3/4" or less (1 EDU)	\$3,120	\$2,800	\$1,430	\$1,270
1"	\$9,575	\$8,600	\$4,385	\$3,895
1-1/2"	\$27,795	\$24,970	\$12,740	\$11,315
2"	\$47,985	\$43,100	\$21,990	\$19,530
3"	\$124,485	\$111,830	\$57,050	\$50,670
4"	\$291,435	\$261,800	\$133,570	\$118,630
With 4% Administration Charge				

RESOLUTION 23-11121

**A RESOLUTION SPECIFYING WATER AND WASTEWATER RATE
AND FEE SCHEDULE ADJUSTMENTS ENACTED PURSUANT
TO TITLE 69, CHAPTER 7, MONTANA CODE ANNOTATED.**

WHEREAS, water and wastewater cost of service studies have been completed and water and wastewater rate and fee schedules have been prepared for the municipal water and wastewater utility that would generate adequate funds to operate the utilities, as well as require each customer class of the utilities to pay its fair share of the cost of operating the water and wastewater systems; and

WHEREAS, the cost-of-service studies anticipate a need for extension, repair, improvement, and continued operation and maintenance of existing and proposed water and wastewater system facilities for the providing of water and wastewater services to inhabitants of the City of Billings, Montana; and

WHEREAS, under Title 69, Chapter 7 of the Montana Code Annotated, the City of Billings is authorized to regulate the City's municipal water and wastewater utility and to change water and wastewater rates, fees, and charges as may be deemed by the City Council to be reasonable and just, and

WHEREAS, it is essential to the public health, welfare, and safety of the inhabitants of the City of Billings and its environs to provide an adequate public water and wastewater system and to provide adequate funding to meet the cost of constructing, maintaining, and operating the same;

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

1. That the following schedule of rates, fees, and charges are found to be just, reasonable, and necessary for the continued sound operation of the water and wastewater utilities and that the proposed rates, fees, and charges are approved, adopted, and published as the rates, fees, and charges of the City of Billings, Montana water and wastewater utilities, effective July 1, 2023 and July 1, 2024.

WATER RATE AND FEE SCHEDULES

Schedule I

METERED WATER MONTHLY VOLUME CHARGES

Customers within the City

<u>Customer Class</u>	<u>Effective 7/1/23</u> \$ per kGal	<u>Effective 7/1/24</u> \$ per kGal
Residential		
Tier 1 (0-10,000 Gallons)	\$ 4.35	\$ 4.87
Tier 2 (11,000-32,000 Gallons)	\$ 5.20	\$ 5.82
Tier 3 (33,000-75,000 Gallons)	\$ 6.76	\$ 7.57
Tier 4 (> 75,000 Gallons)	\$ 10.15	\$ 11.37
Non-Residential	\$ 3.68	\$ 3.97
Bulk Water Resellers	\$ 4.55	\$ 4.91
Seasonal	\$ 6.14	\$ 6.88
Multi-Family	\$ 4.27	\$ 4.78

Customers outside the City

<u>Customer Class</u>	<u>Effective 7/1/23</u> \$ per kGal	<u>Effective 7/1/24</u> \$ per kGal
Residential		
Tier 1 (0-10,000 Gallons)	\$ 4.49	\$ 5.03
Tier 2 (11,000-32,000 Gallons)	\$ 5.39	\$ 6.04
Tier 3 (33,000-75,000 Gallons)	\$ 7.03	\$ 7.87
Tier 4 (> 75,000 Gallons)	\$ 10.53	\$ 11.79
Non-Residential	\$ 3.91	\$ 4.22
Resale	\$ 2.97	\$ 4.42

Schedule II

MINIMUM MONTHLY WATER CHARGES

Customers within the City

<u>Meter Size</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
3/4"	\$ 8.60	\$ 8.75
1"	\$ 9.75	\$ 9.95
1-1/2"	\$ 11.80	\$ 12.05
2"	\$ 16.85	\$ 17.20
3"	\$ 52.55	\$ 53.60
4"	\$ 68.45	\$ 69.80
6"	\$ 102.65	\$ 104.70
8"	\$ 140.30	\$ 143.10
10"	\$ 204.40	\$ 208.50

Customers outside the City

<u>Meter Size</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
3/4"	\$ 9.35	\$ 9.55
1"	\$ 10.60	\$ 10.80
1-1/2"	\$ 12.80	\$ 13.05
2"	\$ 18.40	\$ 18.75
3"	\$ 57.10	\$ 58.25
4"	\$ 74.40	\$ 75.90
6"	\$ 111.60	\$ 113.85
8"	\$ 152.50	\$ 155.55
10"	\$ 226.65	\$ 231.20

Schedule III PRIVATE FIRE PROTECTION CHARGES

<u>Connection</u>	<u>Inside City</u>	
	<u>Size</u>	<u>Effective 7/1/23</u>
1-1/4"		\$ 32.60
1-1/2"		\$ 43.50
2"		\$ 69.70
3"		\$ 174.00
4"		\$ 304.55
6"		\$ 695.90
8"		\$ 1,217.85
10"		\$ 1,913.60
12"		\$ 2,755.75
14"		\$ 3,750.80
<u>Outside City</u>		
	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
1-1/4"	\$ 33.15	\$ 35.15
1-1/2"	\$ 44.10	\$ 46.75
2"	\$ 70.55	\$ 74.80
3"	\$ 176.45	\$ 187.05
4"	\$ 308.65	\$ 327.15
6"	\$ 705.60	\$ 747.95
8"	\$ 1,234.75	\$ 1,308.85
10"	\$ 1,940.35	\$ 2,056.75
12"	\$ 2,794.00	\$ 2,961.65
14"	\$ 3,803.00	\$ 4,031.20

WATER SPECIAL FEES AND CHARGES

Schedule IV

		<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
1.) Application for extension of the water distribution system of the City		\$ 200.00	\$ 200.00
2.) Application for water service line installation permits		\$ 130.00	\$ 135.00
3.) Special agreements		\$ 140.00	\$ 140.00
4.) Water meter accuracy test fee			
(a) Small meter (in shop)		\$ 70.00	\$ 70.00
(b) Large meter (in field)		\$ 230.00	\$ 260.00
(c) Hydrant meter rental (\$/day)		\$ 5.50	\$ 5.50
5.) Construction meter setting and removal fee (\$/meter)		\$ 70.00	\$ 70.00
6.) Fireflow fee (\$/hydrant)		\$ 120.00	\$ 120.00
7.) Turn-on/Turn-off charge			
(a) Normal working hours		\$ 40.00	\$ 40.00
(b) Outside normal working hours		\$ 100.00	\$ 100.00
8.) Water main tapping fee			
(a) Two-inch diameter tap or smaller (\$/tap each visit)		\$ 155.00	\$ 160.00
(b) Over two-inch diameter tap (\$/tap each visit)		\$ 360.00	\$ 365.00
9.) Flushing, testing, and chlorinating fee (\$ each visit)		\$ 160.00	\$ 160.00
	<i>--Water for flushing, testing, and chlorinating charged at current seasonal rate per kGal</i>		
10.) Delinquent service charge			
(a) Normal working hours		\$ 80.00	\$ 80.00
(b) After 5:00 p.m. weekdays		\$ 120.00	\$ 120.00
(c) Weekends/Holidays		\$ 260.00	\$ 260.00
11.) NSF/Returned item fee		\$ 25.00	\$ 25.00
12.) Late payment interest charge (%/month)		1.5%	1.5%
13.) Water service line/fireline repair program fee (\$/month)		\$ 1.30	\$ 1.30

Schedule V

WATER SYSTEM DEVELOPMENT FEES

Residential

	<u>Tier by Lot Size (sq ft)</u>	<u>Outdoor Component</u>	<u>Indoor Per Unit (up to 4 Units)</u>
			<u>Effective 7/1/23</u>
All Meter Sizes	< 5,400	\$ 630	
	5,400 to 8,600	\$ 1,270	\$ 1,390
	8,601 to 11,800	\$ 1,865	
	> 11,800	\$ 4,895	

Meter or Service Line Size	<u>Non-Residential</u> <u>(Including Multi-Family</u> <u>above 4 units)</u>	Irrigation
<u>Effective 7/1/23</u>		
3 / 4" or less (1 EDU)	\$ 8,925	\$ 11,075
1"	\$ 15,140	\$ 18,775
1 1 / 2 "	\$ 30,270	\$ 37,550
2"	\$ 48,435	\$ 60,090
3"	\$ 96,875	\$ 120,175
4"	\$ 151,370	\$ 187,780

For connections to the water system with meters larger than 4 inches or when the unique usage characteristics of a large water user may require, the City will forecast the demands on an average day basis. The System Development Fee (SDF) will be calculated as follows:

$$SDF = (ADD * 8.52) * 1.04$$

Where:

ADD is the projected average day demand of the new user in gallons per day.

8.52 equals the unit cost of the existing system buy-in component plus the unit cost of the development related new facility component and .04 equals the administrative fee.

Schedule I

WASTEWATER MONTHLY VOLUME CHARGES

Customer Class	<u>Effective 7/1/23</u>		<u>Effective 7/1/24</u>	
	\$ per kGal		\$ per kGal	
<u>Customers within the City</u>				
Residential	\$ 5.41		\$ 5.75	
Large Residential	\$ 5.41		\$ 5.75	
Commercial-Domestic Strength	\$ 5.41		\$ 5.75	
<u>Customers outside the City</u>				
	\$ 5.41		\$ 5.75	

Schedule IA

MINIMUM MONTHLY WASTEWATER CHARGES

Customers within the City

<u>Meter Size</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
3/4"	\$ 7.40	\$ 7.85
1"	\$ 9.40	\$ 10.00
1-1/2"	\$ 11.55	\$ 12.25
2"	\$ 12.10	\$ 12.85
3"	\$ 19.50	\$ 20.70
4"	\$ 73.95	\$ 78.50
6"	\$ 94.10	\$ 99.90
8"	\$ 141.15	\$ 149.90
10"	\$ 194.95	\$ 206.95

Customers outside the City

<u>Meter Size</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
3/4"	\$ 8.15	\$ 8.65
1"	\$ 10.30	\$ 11.00
1-1/2"	\$ 12.70	\$ 13.45
2"	\$ 13.30	\$ 14.10
3"	\$ 21.40	\$ 22.75
4"	\$ 81.35	\$ 86.35
6"	\$ 103.50	\$ 109.90
8"	\$ 155.25	\$ 164.90
10"	\$ 214.45	\$ 227.65

Schedule IB

LOCKWOOD WASTEWATER MONTHLY CHARGES

<u>Lockwood Sewer District</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
Volume Charge	\$1.425/kGal	\$1.475/kGal
Fixed Monthly Fee	\$ 28,789	\$ 30,036
Surcharge Fee	6%	6%

Schedule IC

PHILLIPS 66 WASTEWATER MONTHLY CHARGES

<u>Phillips 66 Billings Refinery</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
Volume Charge	\$0.756/kGal	\$0.782/kGal
Fixed Monthly Fee	\$ 33,815	\$ 35,222
Surcharge Fee	6%	6%

Schedule ID

EXXONMOBIL WASTEWATER MONTHLY CHARGES

<u>ExxonMobil Refinery</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
Volume Charge	\$0.626/kGal	\$0.648/kGal
Fixed Monthly Fee	\$ 30,055	\$ 31,346
Surcharge Fee	6%	6%

Schedule II**WASTEWATER EXTRA STRENGTH SURCHARGE**

<u>Unit Charges</u>	<u>Effective 7/1/23</u>	<u>Effective 7/1/24</u>
X = BOD (\$/lb)	\$ 0.9019	\$ 0.9019
Y = TSS (\$/lb)	\$ 0.5811	\$ 0.5811
Z = TKN (\$/lb)	\$ 1.7217	\$ 1.7217

WASTEWATER SPECIAL FEES AND CHARGES**Schedule III**

	<u>Effective</u> <u>7/1/23</u>	<u>Effective</u> <u>7/1/24</u>
1.) Application for extension of the wastewater collection system of the City	\$ 200.00	\$ 200.00
2.) Application for sanitary sewer service permits:		
(a) Domestic users service line installation permit	\$ 130.00	\$ 135.00
(b) Industrial users permit	\$ 2,500.00	\$ 2,800.00
3.) Special agreements	\$ 140.00	\$ 140.00
4.) Septage disposal permit fee (\$/1,000 gallons)	\$ 61.12	\$ 61.12
5.) Delinquent service charge		
(a) Normal working hours	\$ 80.00	\$ 80.00
(b) After 5:00 p.m. weekdays	\$ 120.00	\$ 120.00
(c) Weekends/Holidays	\$ 260.00	\$ 260.00
6.) NSF/Returned item fee	\$ 25.00	\$ 25.00
7.) Late payment interest charge (%/month)	1.5%	1.5%

Schedule IV**WASTEWATER SYSTEM DEVELOPMENT FEES**

<u>Meter or Service Line Size</u>	<u>Effective 7/1/23</u>	
	<u>City Service Area</u>	<u>Lockwood Service Area</u>
3/4" or less (*1EDU)	\$ 2,800	\$ 1,270
1"	\$ 8,600	\$ 3,895
1-1/2"	\$ 24,970	\$ 11,315
2"	\$ 43,100	\$ 19,530
3"	\$ 111,830	\$ 50,670
4"	\$ 261,800	\$ 118,630

For connections to the wastewater system with meters larger than 4 inches or when the unique usage characteristics of a large wastewater user may require, the City will forecast the requirements for the flow, Biochemical Oxygen Demand (BOD), and Total Suspended Solids (TSS) to determine the number of Equivalent Dwelling Units (EDUs). The System Development Fee (SDF) will be calculated as follows:

$$(\$6.83 * \text{Flow} * (0.596 + (\text{BOD} * 0.1538/200) + (\text{TSS} * 0.153/200) + (\text{TKN} * 0.972/55))) * 1.04$$

Where:

BOD is the projected BOD loading of the new user's effluent in milligrams per liter, and
TSS is the projected TSS loading of the new user's effluent in milligrams per liter, and
TKN is the projected TKN loading of the new user's effluent in milligrams per liter.

The constants used in the above formula are:

\$ 6.83 equals the unit cost of the existing system buy-in component plus the unit cost of the development related new facility component.

0.596 equals the proportion of the City's wastewater facilities allocated to the flow parameter in its cost-of service analysis.

0.1538 equals the proportion of the City's wastewater facilities allocated to the BOD parameter in its cost-of service analysis.

0.153 equals the proportion of the City's wastewater facilities allocated to the TSS parameter in its cost-of service analysis.

0.972 equals the proportion of the City's wastewater facilities allocated to the TKN parameter in its cost-of service analysis.

1.04 represents the administrative charge.

2. That this Resolution is to be immediately filed in the City Clerk's Office and that the decision adopting the adjusted rates shall be final ten days after such are so filed.

ADOPTED AND APPROVED by the City Council of the City of Billings, Montana, on the 22nd day of May 2023.



CITY OF BILLINGS

By: William A. Cole
William A. Cole, Mayor

ATTEST:

By: Denise R. Bohlman
Denise R. Bohlman, City Clerk