NOTICE OF WATER RATE INCREASE AND PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on February 14, 2023, the City Council (the “Council”) of the City of Harlowton, Montana (the “City”), adopted a Resolution of Intention of the City of Harlowton, Montana to Increase Rates for the Users of the City’s Water System (the “System”).

The City currently charges a monthly water charge for the use and availability of the System, consisting of a base rate for connection to the system, based on the equivalent dwelling unit (“EDU”) system (the “Base Rate”), and a usage charge (the “Usage Charge”) for use of the System. The current Base Rate for each service connection size is as follows:

|  |  |  |
| --- | --- | --- |
| Diameter of Service Line | Multiplier | Base Rate |
| ¾” | 1 | $37.70 |
| 1" | 1.79 | 67.48 |
| 1 ½” | 4 | 150.80 |
| 2" | 7.14 | 269.17 |

## In addition to the Base Rate, the City charges a monthly water Usage Charge of $1.00 per 1,000 gallons consumed, per connection, or proportionate charge for gallons of water consumed in excess of any 1,000 gallon increment.

## Effective as of the April 2023 billing, the City proposes to increase the Base Rate by $1.00 per EDU, as follows:

|  |  |  |
| --- | --- | --- |
| Diameter | Multiplier | Proposed Base Rate |
| ¾” | 1.00 | $38.70 |
| 1" | 1.79 | $69.27 |
| 1 ½” | 4.00 | $154.80 |
| 2" | 7.14 | $276.32 |

## The City proposes to increase its Usage Charge in $1.75 per 1,000 gallons consumed, per connection, or proportionate charge for gallons of water consumed in excess of any 1,000 gallon increment.

## For a user with a 3/4” service connection using 5,000 gallons of water a month, the proposed Monthly Charge of $47.45 represents an increase of approximately 11% over the current Monthly Charge of $42.70.

In addition to the proposed increase to the monthly charge described in Section 3, the City proposes to increase water rates pursuant to a Municipal Water Supply Agreement between the City and Central Montana Regional Water Authority (“CMRWA”). The rates described below will not become effective until CMRWA connects to and begins providing water to the City.

CMRWA also utilizes the EDU methodology for imposing rates and charges for the use and availability of its water system. Pursuant to the Municipal Water Supply Agreement, the City will be charged a base rate based on the total number of EDUs to be served by CMRWA, together with a usage rate based on gallons of water used.

Effective as of the date that water from the CMRWA water system is available to City, the City proposes to increase its Base Rate to include the CMRWA base rate charge per EDU, so that the total Base Rate (the “Total CMRWA Base Rate”) per user is as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Diameter | CMRWA Cost per EDU | Multiplier | CMRWA  Base Rate Charge | City’s Proposed Base Rate | Total CMRWA Base Rate |
| 3/4 inch | $37.72 | 1.00 | $ 37.72 | $ 38.70 | $ 76.42 |
| 1.00 inch | 37.72 | 1.79 | 67.52 | 69.27 | 136.79 |
| 1.50 inch | 37.72 | 4.00 | 150.88 | 154.80 | 305.68 |
| 2.00 inch | 37.72 | 7.14 | 269.32 | 276.32 | 545.64 |

The City does not propose to further increase the proposed Usage Charge in connection with the City’s connection to CMRWA.

Effective as of the date that water from the CMRWA water system is available to City, which is expected to be June 2023, the total Monthly Charge for each connection to the System consists of the Total CMRWA Base Rate plus the Proposed Usage Charge for such connection.

For a user with a 3/4” service connection using 5,000 gallons of water a month, the total Monthly Charge following connection to CMRWA of $85.17 represents an increase of approximately 99.46% over the current Monthly Charge of $42.70.

On March 14, 2023, commencing at 6:00 p.m. in the Harlowton City Hall, 17 South Central Avenue, Harlowton, Montana, the Council will conduct a public hearing and pass upon all protests against the proposed water rate increase. Further information about the proposed rate increase may be obtained by contacting Lara Brisco, City Clerk-Treasurer, P.O. Box 292, Harlowton, Montana 59036, phone: (406) 632-5523.

Done by Order of the Council of the City of Harlowton, Montana, this 14th day of February, 2023.

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Mail: February 22, 2023