RESOLUTION NO. 343

RESOLUTION OF THE TOWN OF ALBERTON, MONTANA ESTABLISHING RATES FOR MULTIPLE DWELLING UNIT STRUCTURES

RECITALS

WHEREAS, Resolution No. 336 adopted by the Town Council of the Town of Alberton (the "Town") on December 3, 2024, increased the monthly Base Rate for the use or availability of the water system of the Town (the "System) to \$30 per connection; and

WHEREAS, the Monthly Base Usage Amount remained the same; and

WHEREAS, the Town believes the current Base Rate of \$30 per month currently does not adequately compensate the Town for water service made available to multiple dwelling structures, and therefore the Town has determined that it is necessary to adjust the Base Rate for connections that serve multiple dwelling units; and

WHEREAS, a "multiple dwelling structure" is defined as a structure or structures that are or that contain multiple, separate dwelling units, whether owned or rented. Multiple dwelling structures may include multiple houses, trailers, mobile homes, manufactured homes, or other detached housing units on one property served by the same water service line or multiple units within one structure and that do not have individual water service lines per each unit; and

WHEREAS, the multiple dwelling structure base rate (the "MDS Base Rate") established by this resolution is payable monthly and applied only to multiple dwelling structures regardless of the size of the water service lines serving the structure or structures; and

WHEREAS, under Title 69, Chapter 7, Part 1, 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 systems. Rates, charges, and classifications must be reasonable and just; and

WHEREAS, pursuant to Section 69-7-111, M.C.A., the Town Council shall order a public hearing prior to the passage or enactment of an ordinance or resolution imposing, establishing, changing or increasing rates, fees, or charges for services or facilities; and

WHEREAS, a notice of public hearing was mailed to all users of the System, notifying them that pursuant to Resolution No. 342, adopted by the Town Council of the Town on March 4, 2025, it was the intention of the Town to adjust the water base rate for connections that serve multiple dwelling units, and notice of public hearing was published as required by Section 69-7-111, Montana Code Annotated. A public hearing was held on April 1, 2025, at 7:00 p.m. at the Community Center located at 701 Railroad Ave. in Alberton, Montana, for the purpose of hearing comments from the public on the base rate adjustment; and

WHEREAS, all persons appearing were given an opportunity to speak at the public hearing.

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

Section 1. <u>Multiple Dwelling Structures</u>. The determination of whether a combination of units constitutes a "multiple dwelling structure" shall be made by the Town, recognizing the hallmark of a multiple dwelling structure is the presence of multiple dwelling units (whether attached or detached) served by one service line or by fewer service lines than the number of dwelling units served.

Section 2. MDS Base Rate. The following rates based on the formula below will be applied to all multiple dwelling structures, using the number of units (2 or over) as a multiplying factor in this formula. The examples shown below are not an exhaustive list of unit options, and they do not include water usage, which will continue to be charged in the manner described in Resolution No. 336. The MDS Base Rate is payable monthly.

2 Units: 2 (units) X 0.85 = 1.70 X \$30 (Current Base Rate) = \$51.00 MDS Base Rate

3 Units: 3 (units) X 0.85 = 2.55 X \$30 (Current Base Rate) = \$76.50 MDS Base Rate

4 Units: 4 (units) X 0.85 = 3.40 X \$30 (Current Base Rate) = \$102.00 MDS Base Rate

10 Units: 10 (units) X 0.85 = 8.50 X \$30 (Current Base Rate) = \$255.00 MDS Base Rate

An increase of 0.85 is added to the multiplier of 1.70 used for a 2-unit multiple dwelling structure for each unit in addition to 2 units. Thus, for illustrative purposes only, a multiple dwelling structure of 5 units would be charged an MDS Base Rate of \$127.50 (4.25 X \$30) per month.

The portion of the monthly charge for water service consisting of the Monthly Base Usage Amount continues in effect and is not proposed to be adjusted.

Only multiple dwelling structures will be charged the MDS Base Rate. The Base Rate for users of the System that do not have a multiple dwelling structure will remain at \$30 per month per connection as established in Resolution No. 336.

Section 3. <u>Determination of Annual Budget for System</u>. Each year the Council of the Town shall determine the amount of money needed to pay the costs of the System including but not limited to: (a) the payment of the reasonable expense of operation and maintenance of the System; (b) administration of the System; (c) the payment of principal and interest on any bonded or other indebtedness of the System; and (d) the establishment or maintenance of any required reserves, including reserves needed for expenditures for depreciation and replacement of facilities, as may be determined necessary from time to time by the Council or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the System. Based on the annual needs of the System, the Council will establish monthly charges for the use of the System.

Section 4. <u>Future Rate Adjustments</u>. Subsequent adjustments to the water rates will be made by resolution of the Council duly adopted as provided by law.

Section 5. <u>Effective Date of Resolution</u>. This resolution shall be immediately filed with the Town Clerk-Treasurer and shall become effective 10 days after filing with the Town Clerk-Treasurer.

Passed and approved this 1st day of April, 2025.

Mayor

ATTEST:

Town Clerk-Treasurer

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the Town of Alberton, Montana (the "Town"), hereby certify that the attached resolution is a true copy of Resolution No. 343 entitled: "RESOLUTION OF THE TOWN OF ALBERTON, MONTANA ESTABLISHING RATES FOR MULTIPLE DWELLING UNIT STRUCTURES" (the "Resolution"), on file in the original records of the Town in my legal custody; that the Resolution was duly adopted by the Town Council of the Town at a regular meeting on April 1, 2025; that the meeting was duly held by the Town Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

| I further certify that, upon vote being taken on the Resolution at said meeting, the | |
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| following Council Members voted in favor thereof: Marvin Garding, | |
| Betsy Huggelmann, Sharon Briggs, Kyle Cirin cione: voted | |
| against the same: | ; abstained from voting |
| thereon:; or wer | e absent: |
| WITNESS my hand officially this 1st day of April, 2025. | |
| | - Cocc |
| | Town Clerk-Treasurer |