

RESOLUTION NO. 119-2025

RESOLUTION OF INTENTION TO INCREASE WATER RATES, SEWER RATES, AND PLANT INVESTMENT FESS AND CHARGES FOR BIGFORK COUNTY WATER AND SEWER DISTRICT AND CALLING FOR A PUBLIC HEARING AND NOTICE THEREOF.

RECITALS

WHEREAS, the District has hired Raftelis Financial Consultants, Inc, to provide a detailed rate study and 5 year financial plan to ensure that an adequate level of income from water and sewer rates are maintained to finance daily operations, fund needed maintenance and improvement projects, meet debt coverage requirements, fund reserves, and ensure rates are fair and aligned with the District's goals and community values.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District (the "Board") as follows:

1. Reason for Proposed Water Rate Increase. Revenue from rates need to be sufficient to cover operating expenses, repair and replace capital, debt service coverages, and supplement growth-related capital when necessary. Current rates are not sufficient to cover annual expenses. Therefore, revenue adjustments are required to generate sufficient revenue to cover annual expenses and to build reserves over the 5-year financial plan. Equal annual revenue adjustments of 7% from FY 2026 to FY 2030 are needed to meet these requirements.
2. Existing Monthly Base Water Charge.

FY 2025 BASE WATER CHARGES (CURRENT)		
Meter Size	Allowance (THOUSAND GALLONS)	\$/ Per Month
3/4"	5,000	\$29.80
1"	13,000	\$74.75
1 1/2"	25,000	\$149.65
2"	40,000	\$239.60
3"	75,000	\$483.40
4"	125,000	\$749.15
6"	250,000	\$1,498.50

3. Proposed Rates and Charges. The District proposes establishing new monthly base water rates as follows:

<b>FY 2026 BASE WATER CHARGES (PROPOSED)</b>		
<b>Meter Size</b>	<b>Allowance (Thousand Gallons)</b>	<b>\$/ Per Month</b>
¾"	0	\$31.89
1"	0	\$79.98
1 ½"	0	\$160.12
2"	0	\$256.37
3"	0	\$517.24
4"	0	\$801.59
6"	0	\$1,603.39

4. Volume Charges. The new rate structure will remove the gallonage allowance and create different tier blocks for each meter size. This volume structure is better aligned with the demand patterns for customers of the same meter size. The tiered thresholds will change based on meter size.

5. Existing Monthly Water Volume Charges.

FY 2025 VOLUME WATER CHARGES (CURRENT)		
Meter Size	Threshold (Thousand Gallons)	\$/ Per Thousand Gallons
3/4"	5,000	\$0.00
3/4"	10,000	\$1.65
3/4"	30,000	\$2.35
3/4"	>30,000	\$3.30
1"	5,000	\$0.00
1"	10,000	\$1.65
1"	30,000	\$2.35
1"	>30,000	\$3.30
1.5"	5,000	\$0.00
1.5"	10,000	\$1.65
1.5"	30,000	\$2.35
1.5"	>30,000	\$3.30
2"	5,000	\$0.00
2"	10,000	\$1.65
2"	30,000	\$2.35
2"	>30,000	\$3.30
3"	5,000	\$0.00
3"	10,000	\$1.65
3"	30,000	\$2.35
3"	>30,000	\$3.30
4"	5,000	\$0.00
4"	10,000	\$1.65
4"	30,000	\$2.35
4"	>30,000	\$3.30

6. Proposed Monthly Water Volume Charges.

FY 2025 VOLUME WATER CHARGES (CURRENT)		
Meter Size	Threshold (Thousand Gallons)	\$/Per Thousand Gallons
3/4"	5,000	\$1.25
3/4"	15,000	\$1.57
3/4"	35,000	\$2.35
3/4"	>35,000	\$3.52
1"	15,000	\$1.25
1"	60,000	\$1.57
1"	170,000	\$2.35
1"	>170,000	\$3.52
1.5"	25,000	\$1.25
1.5"	75,000	\$1.57
1.5"	200,000	\$2.35
1.5"	>200,000	\$3.52
2"	40,000	\$1.25
2"	90,000	\$1.57
2"	240,000	\$2.35
2"	>240,000	\$3.52
3"	50,000	\$1.25
3"	100,000	\$1.57
3"	250,000	\$2.35
3"	>250,000	\$3.52
4"	50,000	\$1.25
4"	100,000	\$1.57
4"	250,000	\$2.35
4"	>250,000	\$3.52

7. Reason for Proposed Sewer Rate Increase. Revenue from rates need to be sufficient to cover operating expenses, repair and replace capital, debt service coverages, and supplement growth-related capital when necessary. Current rates are not sufficient to cover annual expenses. Therefore, revenue adjustments are required to generate sufficient revenue to cover annual expenses and to build reserves over the 5-year financial plan. Equal annual revenue adjustments of 16% from FY 2026 to FY 2030 are needed to meet these requirements.

8. Existing Monthly Base Sewer Charges.

FY 2025 SEWER CHARGES (CURRENT)		
Meter Size	Allowance (THOUSAND GALLONS)	\$/ Per Month
¾"	5,000	\$50.60
1"	13,000	\$127.00
1 ½"	25,000	\$254.25
2"	40,000	\$407.00
3"	75,000	\$763.35
4"	125,000	\$1,272.55
6"	250,000	\$2,545.25

9. Proposed Monthly Base Sewer Charges.

FY 2025 SEWER CHARGES (CURRENT)		
Meter Size	Allowance (THOUSAND GALLONS)	\$/ Per Month
3/4"	5,000	\$58.70
1"	13,000	\$147.33
1 1/2"	25,000	\$294.95
2"	40,000	\$472.16
3"/Flathead Lake Lodge Rate	75,000	\$885.55
4"	125,000	\$1,476.26
6"	250,000	\$2,952.70
FLAT	0	\$58.70

10. Plant Investment Fees For New Connections. All people, developers, corporations, or others requesting connection to the district water and sewer system will be charged a plant investment fee to cover their proportionate share of the capital costs of the existing system. Plant investment fees are designed to recover the cost of capacity required to serve the district.

11. Existing Plant Investment Fees.

<b>FY 2025 PLANT INVESTMENT FEES (CURRENT)</b>		
<b>Meter Size</b>	<b>Edu Ratio</b>	<b>Plant Investment Fee</b>
3/4"	1.00	\$2,600
1"	1.79	\$4,656
1 1/2"	4.00	\$10,400
2"	7.14	\$18,564
3"	16.00	\$41,600
4"	28.57	\$74,282
5"	44.64	\$116,064
6"	64.29	\$167,154
7"	87.11	\$226,486
8"	133.78	\$295,828
9"	144.00	\$374,000
10"	177.78	\$462,228

12.

Proposed Plant Investment Fees

<b>FY 2025 PLANT INVESTMENT FEES (PROPOSED)</b>		
<b>Meter Size</b>	<b>Edu Ratio</b>	<b>Plant Investment Fee</b>
3/4"	1.00	\$7,368
1"	1.79	\$13,189
1 1/2"	4.00	\$29,472
2"	7.14	\$52,608
3"	16.00	\$117,888
4"	28.57	\$210,504
5"	44.64	\$328,908
6"	64.29	\$473,689
7"	87.11	\$641,826
8"	133.78	\$985,691
9"	144.00	\$1,060,992
10"	177.78	\$1,309,883

13. Other Charges.

Water Late Fees proposed to increase from \$2.50 per month to \$12.50 per month.  
Sewer Late Fees proposed to increase from \$2.50 per month to \$12.50 per month.  
Proposed Water and Sewer service turn-on/turn-off cost of \$25.00.

Proposed Check for Leak/Data log fee of \$25.00.

Proposed Transfer of Service fee of \$25.00.

Proposed Door tag fee for non-payment of \$5.00.

14. Effective Date. The above-referenced proposed rates will go into effect July 1, 2025. These rate increases are scheduled for yearly review and hearings FY 2026 through FY 2030, according to Section 7-13-2301, per MCA the board will review the rates and charges annually.

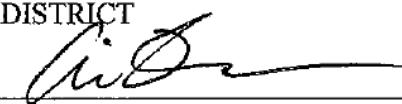
15. Public Hearing. A public hearing on adopting the water rate increase will be held on May, 2025, commencing at ~~1 pm at 163 Highways Blvd~~ in Bigfork, Montana.

16. Notice. The Secretary is hereby authorized and directed to publish or cause to be published a notice of the passage of this resolution (in the form attached as Exhibit "A") in the Daily Interlake, a newspaper of general circulation in the District, once a week for two weeks (with 6 days separating each publication) in accordance with Section 7-1-2121, MCA, and to mail or cause to be mailed a copy of said notice to all property owners in the District and all customers of the District at least 7 and not more than 30 days prior to the public hearing. Tyler Hantz, Assistant District Manager, may be contacted for more information about the rates or the hearing at (406) 837-4566.

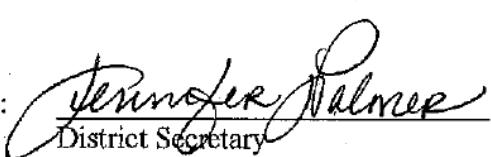
Passed and approved by the Board of Directors this 15<sup>th</sup> day of May 2025.

BIGFORK COUNTY WATER AND SEWER  
DISTRICT

ATTEST:

  
President

By:

  
District Secretary

## EXHIBIT A

### NOTICE OF PUBLIC HEARING ON INCREASING WATER RATES FOR THE BIGFORK COUNTY WATER AND SEWER DISTRICT

NOTICE IS HEREBY GIVEN that the Board of Directors of the Bigfork County Water and Sewer District, Flathead County, Montana, (the "District") will meet on the \_\_\_\_\_ day of May, 2025, at \_\_\_\_\_ in Bigfork, Montana, for the purpose of holding a public hearing on increasing water rates for the District. The District Board proposes to increase the current monthly water rate by 7% per meter size and increase sewer rates by 16% per meter size effective July 1, 2025, and to increase the monthly water and sewer rates to follow a 5-year rate increase schedule. The FY 2026 Rate increases are posted below:

#### Proposed Monthly Base Sewer Charges.

FY 2026 BASE WATER CHARGES (PROPOSED)		
Meter Size	Allowance (Thousand Gallons)	\$/ Per Month
3/4"	0	\$31.89
1"	0	\$79.98
1 1/2"	0	\$160.12
2"	0	\$256.37
3"	0	\$517.24
4"	0	\$801.59
6"	0	\$1,603.39

Proposed Monthly Water Volume Charges.

FY 2025 VOLUME WATER CHARGES (CURRENT)		
Meter Size	Threshold (Thousand Gallons)	\$/ Per Thousand Gallons
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1.5"	25,000	\$1.25
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2"	90,000	\$1.57
2"	240,000	\$2.35
2"	>240,000	\$3.52
3"	50,000	\$1.25
3"	100,000	\$1.57
3"	250,000	\$2.35
3"	>250,000	\$3.52
4"	50,000	\$1.25
4"	100,000	\$1.57
4"	250,000	\$2.35
4"	>250,000	\$3.52

Proposed Monthly Base Sewer Charges.

FY 2025 SEWER CHARGES (CURRENT)		
Meter Size	Allowance (THOUSAND GALLONS)	\$/ Per Month
3/4"	5,000	\$58.70
1"	13,000	\$147.33
1 1/2"	25,000	\$294.95
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Other Charges.

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Proposed Check for Leak/Data log fee of \$25.00.

Proposed Transfer of Service fee of \$25.00.

Proposed Door tag fee for non-payment of \$5.00.

Proposed Plant Investment Fees.

<b>FY 2025 PLANT INVESTMENT FEES (PROPOSED)</b>		
<b>Meter Size</b>	<b>Edu Ratio</b>	<b>Plant Investment Fee</b>
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5"	44.64	\$328,908
6"	64.29	\$473,689
7"	87.11	\$641,826
8"	133.78	\$985,691
9"	144.00	\$1,060,992
10"	177.78	\$1,309,883

All persons who own property in the District and customers of the District may appear and be heard at the time and place of the hearing. For further information regarding the hearing or the proposed new rates, contact Tyler Hantz, Assistant District Manager, at P.O. BOX 1108, Bigfork, MT, 59911 or phone at (406) 837-4566.

Dated this May day of 15th, 2025.

BY ORDER OF THE BOARD OF DIRECTORS OF  
THE BIGFORK COUNTY WATER AND SEWER  
DISTRICT

By: 

President

Publish on May 18th and 25th, 2025