



City of Missoula, Montana
Item to be Referred to City Council Committee

Committee: Public Works

Item: **A RESOLUTION OF THE MISSOULA CITY COUNCIL AMENDING THE CURRENT FEES FOR NEW TAPS INTO EXISTING MISSOULA WATER SYSTEM MAINS, ESTABLISHING AN STAFF ASSISTANCE FEE, AND AMENDING THE UTILITY RATE SCHEDULE TO BE EFFECTIVE JANUARY 1, 2022.**

Date: November 4, 2021

Sponsor(s): Logan McInnis

Prepared by: Katie Emery

Ward(s) Affected:

- | | |
|---|---------------------------------|
| <input type="checkbox"/> Ward 1 | <input type="checkbox"/> Ward 4 |
| <input type="checkbox"/> Ward 2 | <input type="checkbox"/> Ward 5 |
| <input type="checkbox"/> Ward 3 | <input type="checkbox"/> Ward 6 |
| <input checked="" type="checkbox"/> All Wards | <input type="checkbox"/> N/A |

Action Required:

Conduct a public hearing and adopt a Resolution of the Missoula City Council amending the current fees for new taps into existing Missoula Water system mains, establishing an Employee Assistance Fee, and amending the Utility Rate Schedule.

Recommended Motion(s):

I move the City Council: **[First reading and preliminary adoption]** Set a public hearing on December 6, 2021 for a Resolution of the Missoula City Council amending the current fees for new taps into existing Missoula Water system mains, establishing a Staff Assistance Fee, and amending the Utility Rate Schedule to be effective January 1, 2022. **[Second and final reading]** Adopt a Resolution of the Missoula City Council amending the current fees for new taps into existing Missoula Water system mains, establishing a Staff Assistance Fee, and amending the Utility Rate Schedule to be effective January 1, 2022.

Timeline:

Referral to committee:	November 8, 2021
Committee discussion:	November 10, 2021
Council action (or sets hearing):	November 15, 2021
Public Hearing (if required):	December 6, 2021
Deadline:	December 13, 2021

Background and Alternatives Explored:

On June 20, 2016, the City Council adopted the initial rules, regulations, and rate schedule applicable to the Missoula Water utility as part of Ordinance 3576. Council approved the establishment of tap connection fees on February 26, 2018 and increased the fees on July 20, 2020 in Resolution 8439.

Due to a proposed procedural change, the utility would like to decrease the water tap fees remove the cost of the saddle and sleeve materials provided by a third-party. The proposed fees would include costs associated with staff, abatement, administration, and equipment. This

fee will continue to only be applied to properties that request a new connection to a water main. The fee would increase by 3% each year until 2024 for inflation.

The utility has also found it necessary to establish a staff assistance fee of \$45.00 per hour to cover the cost of staff. This fee would only be applied to those that request assistance on private projects.

Financial Implications:

Annual revenue from water tap fee and the staff assistance fee will vary based on economic conditions.

Links to external websites: N/A