



**City of Missoula, Montana
City Council Committee Agenda Item**

Committee: Public Works and Mobility

Item: Resolution establishing the Mullan Road Corridor Sewer Project Fee

Date: May 18, 2023

Sponsor(s): Logan McInnis

Prepared by: Ashley Strayer

Ward(s) Affected:

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

Action Required:

Set a public hearing on June 26, 2023 to consider a resolution to establish the Mullan Road Corridor Sewer Project Fee effective July 1, 2023

Recommended Motion(s):

I move the City Council: Set a public hearing on June 26, 2023 to consider resolution to establish the Mullan Road Corridor Sewer Project Fee effective July 1, 2023

Timeline:

Committee discussion:	May 24, 2023
Council action (or sets hearing):	June 5, 2023
Public Hearing (if required):	June 26, 2023
Final Consideration	June 26, 2023
Deadline:	N/A

Background and Alternatives Explored:

Subsequent to a 3/13/2002 Interlocal Agreement between the City of Missoula and Missoula County, the Public Works & Mobility Department (PWM) invested \$1,800,000 in Sewer Development Fees in the Mullan Road Sewer RSID 8474 completed by Missoula County. The interlocal agreement specified that the City would collect fees from properties as they connect to the sewer, in order to recoup PWM's investment in the project. These fees have been referred to as the RSID 8474 sewer fees. The interlocal agreement will no longer authorize PWM to collect these fees after July 1, 2023.

PWM's fee collections to date are short of its original investment in the project. Thus, PWM is proposing a new fee to replace the RSID 8474 sewer fees that are about to sunset. The properties that were subject to the RSID 8474 sewer fees were in one of two categories:

- A) inside the RSID 8474 boundary but paid on an Equivalent Dwelling Unit Assessment (EDUA) basis, or
- B) in an area referred to as the Extended Area Boundary.

Under the Interlocal Agreement with the County, if a property in category A developed more units than they paid for on an EDUA basis, they were charged \$1,488.02 for each additional unit.

Properties in Category B did not previously pay any sewer fees so they were charged \$1,488.02 for each unit that they develop.

The new fee will be called the Mullan Road Corridor Sewer Project Fee. This fee will be identical to the RSID 8474 sewer fees described above: \$1,488.02 for each equivalent dwelling unit (EDU). An EDU will be defined as a structure requiring a ¾" water service. The fee for a structure requiring a larger water service will be calculated by multiplying \$1,488.02 times the "Capacity Factor" for each meter size as listed in the Sewer Development Fee table. The attached Exhibit 1 identifies those properties in Categories A and B that will be subject to the fee.

The proposed Mullan Road Corridor Sewer Project Fee will be adopted through the attached Resolution. PWM intends to create a Public Works Fee Schedule and the fee would be added to that schedule.

Financial Implications:

Fees collected pursuant to this Resolution will be deposited in the Sewer Development Fund.

Links to external websites: