

RESOLUTION NUMBER _____

A resolution of the Missoula City Council establishing a Mullan Road Corridor Sewer Project Fee

WHEREAS, on April 18, 2002, the City and County of Missoula executed an Interlocal Agreement (the “Agreement”) relative to the Design, Construction, Operation and Maintenance of the Mullan Road Corridor Sewer Project; and

WHEREAS, subsequent to the execution of the Agreement, Rural Special Improvement District (RSID) 8474 was formed leading to the installation of sanitary sewer in the Mullan Road area; and

WHEREAS, the Agreement specified that the City of Missoula would advance funding in the amount of \$1,000,000 for existing plumbed units in the RSID boundary plus an additional \$800,000 in upsizing assistance; and

WHEREAS, the Agreement specified that the City would collect contributions from developers when an additional service is sought for any parcel in the RSID boundary, assessed on an Equivalent Dwelling Unit Assessment (EDUA) basis, during the time the RSID bonds are outstanding. These additional EDUA’s are in addition to the number of EDUA’s paid for by the property owner in the RSID. Such contributions would be applied to repay a portion of the \$1,800,000 advanced by the City; and

WHEREAS, the Agreement specified that the City would collect contributions from developers when sewer service is extended to areas outside the RSID 8474 boundary called the Extended Service Project Area, during the time the RSID bonds were outstanding. Such contributions would be applied to repay a portion of the \$1,800,000 advanced by the City; and

WHEREAS, the RSID bonds will no longer be outstanding as of July 1, 2023 and therefore the developer contributions required under the Agreement can no longer be collected after that date; and

WHEREAS, the City has only collected \$330,000 of the City’s investment from properties in both the Extended Service Project Area and the original RSID 8474 boundary; and

WHEREAS, the Public Works & Mobility Department (PWM) wishes to continue collecting contributions from the properties benefited by the project up to the full amount of the City’s \$1,800,000 advance in the following manner: (1) in the Extended Service Project Area which have not previously paid Mullan Road RSID 8474 sewer fees, and (2) within the RSID 8474 boundary from parcels which paid on an EDUA basis but are building more dwelling units than they originally paid for. The City believes that all properties benefiting from the investment should pay their share of the cost to extend sewer mains in the area. The funds will be used to replenish the Sewer Development Fund investment for use in other capital projects that will provide general benefit to the wastewater collection and treatment system; and

WHEREAS, the PWM Department seeks to create a new Mullan Road Corridor Sewer Project Fee to replace the fee previously collected under the Agreement; and

WHEREAS, the City Council conducted a public hearing on the ____ day of ____, 2023 concerning the adoption of the proposed Mullan Road Corridor Sewer Project fee; and

WHEREAS, the City Clerk published notice of the public hearing in the Missoulian in accordance with state law;

NOW THEREFORE, BE IT RESOLVED that the Missoula City Council adopts the Mullan Road Corridor Sewer Project Fees. These fees will be the same fee amount previously charged pursuant to the Agreement. The fee will be \$1,488.02 times the “Capacity Factor” for the water meter required for the connection. The fees will apply to all properties shown in the Extended Service Project Area which have not previously paid Mullan Road RSID 8474 sewer fees. The fees will also apply to all properties in the RSID 8474 boundary that paid on an EDUA basis, where they are developing more units than they paid for on the EDUA basis. All properties subject to the Mullan Road Corridor Sewer Project Fees are shown in Exhibit 1. Any previous contributions that have been made for EDUA connections on properties subject to the Mullan Road Corridor Sewer Project Fees will be credited against the total fee due for the property. The Mullan Road Corridor Sewer Project Fees will not apply to properties within the boundary that previously paid using the square foot of developable area approach outlined in the Agreement.

BE IT FURTHER RESOLVED THAT, the revenue generated by the Mullan Road Corridor Sewer Project Fees shall be placed in the Sewer Development Fund, with such funds to be used to fund capital projects or to repay indebtedness on capital projects of the utility associated with the Outstanding Infrastructure costs and

BE IT FURTHER RESOLVED THAT, the Mullan Road Corridor Sewer Project Fees are to be paid in addition to any other applicable development fee, special utility development fee, connection fee, impact fee, or other fee or charge associated with new development adopted by the City Council.

PASSED AND ADOPTED this ___ day of _____, 2023.

ATTEST:

APPROVED:

Martha L. Rehbein,
CMC City Clerk

Jordan Hess
Mayor

(SEAL)