

MINUTES OF THE CITY COUNCIL OF LAUREL

December 17, 2024

A special meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Council President Sparks at 6:30 p.m. on December 17, 2024.

COUNCIL MEMBERS PRESENT:

Thomas Canape	Heidi Sparks
Michelle Mize	Jessica Banks
Casey Wheeler	Irv Wilke
Richard Kloose	Jodi Mackay

COUNCIL MEMBERS ABSENT:

None

OTHER STAFF PRESENT:

Kurt Markegard, Planning Director/Interim CAO
Kelly Strecker, Clerk/Treasurer
Matt Wheeler, Public Works Director
Britney Harakal, Administrative Assistant
Forrest Sanderson, /LURA Consultant

Council President Sparks led the Pledge of Allegiance to the American flag.

MINUTES: None.

CORRESPONDENCE: None.

COUNCIL DISCLOSURE OF EX-PARTE COMMUNICATIONS: None.

PUBLIC HEARING:

- Public Hearing on Water and Sewer Rate Increase

Council President Sparks opened the public hearing and asked Staff to present the item.

Matt Wheeler, Public Works Director, briefly reviewed the proposed increases; see attached letter. Last year the auditors stated a rate study was needed for the Sewer Fund. The City has not done a rate increase since 2015. After reaching out to our current engineering firm, they stated they do not do rate studies. The City worked with Morrison and Maierle, along with Raffelis, to complete the rate studies. It was decided to do both water and sewer at the same time. Over the past nine months, City Staff have met with Raffelis at least 30 times.

Todd Cristiano, Raffelis, briefly reviewed the process used to establish the new rate structure. The goal was to make sure all customer classes were paying their fair share.

Council President Sparks opened the floor for public comment and stated that copies of the rules governing the public hearing were posted in the council chambers.

Council President Sparks asked three (3) times if there were any proponents. There were none.

Council President Sparks asked if there were any opponents.

Laurin Peterson, 1014 W. Maryland Lane, stated his bill last month was \$175. He asked why his bill was so high. He questioned how much more of an increase there would be.

Council President Sparks asked three (3) more times if there were any opponents. There were none.

Council President Sparks read the attached letter from Jerry Peter, 1126 4th Ave, into the record.

Council President Sparks asked Staff the respond to the questions posed by the public.

Matt Wheeler, Public Works Director, stated there are not many changes to the new structure; however, anyone is able to bring their bills in to get an idea of the changes that would occur to their bill. He also noted that anytime there is an unusually high usage bill, it could be a leak.

Council President Sparks closed the public hearing.

CONSENT ITEMS: None.

CEREMONIAL CALENDAR: None.

REPORTS OF BOARDS AND COMMISSIONS: None.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT): None.

SCHEDULED MATTERS: None.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT): None.

COUNCIL DISCUSSION: None.

MAYOR UPDATES: None.

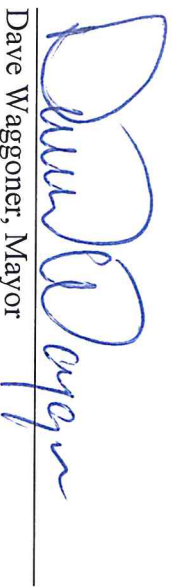
UNSCHEDULED MATTERS: None.

ADJOURNMENT:

Motion by Council Member Mize to adjourn the council meeting, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All eight council members present voted aye. Motion carried 8-0.

There being no further business to come before the council at this time, the meeting was adjourned at 6:45 p.m.

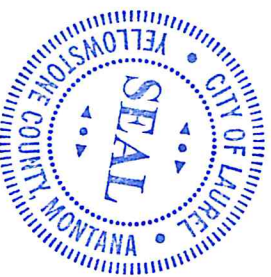

Britney Harakal, Administrative Assistant


Dave Waggoner, Mayor

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 23rd day of December 2024.

Attest:


Kelly Streckler, Clerk/Treasurer







OUR PRIORITIES



Minimized
Customer Impacts



Affordability



Revenue Stability






Fairness



Long-Term
Planning

Dear Customer,

We are reaching out to inform you about important updates to the City of Laurel's water and wastewater rates, based on a recent comprehensive rate study. Our rates need to be updated to address several key issues, including:

-  Increasing operational costs; the City has not increased rates since 2015, and since then, our costs have increased
-  Urgent maintenance and upgrades for our aging infrastructure
-  Ensuring every customer covers the cost of their water and sewer service

The City Council carefully considered these changes. A public hearing to share more information about these rates is scheduled for December 17, 2024, with a vote on the proposed rates within 30 days.

The results of the rate study recommended a change to how we charge for water. The water rates structure will change to prioritize affordable and equitable rates, and encourage water efficiency. We're moving to a tiered water rate structure. Under this model, the cost per gallon increases as usage rises, which encourages conservation and ensures that high water users contribute more to support the system's additional capacity needs. Many customers may find themselves in the higher tiers during the summer months and in the lower tier during the winter months.

These rate changes are a necessary step towards achieving a balanced and efficient rates structure and will ensure we can continue providing safe and reliable water and sewer services for generations to come.

We appreciate your support as we continue to work to be a stronger and more resilient water utility and community. The following page includes details of the new rates structure. Note that our billing system is not changing, only our rates are. If you have any questions about these new rates or would like assistance with understanding your bill, please contact our customer service team at (406) 628-4796.

Sincerely,

Dave Waggoner

EXAMPLES OF THREE RESIDENTIAL CUSTOMERS WITH 3/4" METERS WITH DIFFERENT WATER AND WASTEWATER USAGE AND ANTICIPATED IMPACTS ON THEIR BILLS

Indoor Use	Average Use	Summer Use
4,000 Gallons of Water 3,000 Gallons of Wastewater	6,000 Gallons of Water 3,000 Gallons of Wastewater	15,000 Gallons of Water 3,000 Gallons of Wastewater
Water: Monthly Increase of \$0.10 Sewer: Monthly Increase of \$9.54 Total Change: \$9.64	Water: Monthly Decrease of \$0.74 Sewer: Monthly Increase of \$9.54 Total Change: \$8.80	Water: Monthly Increase of \$0.94 Sewer: Monthly Increase of \$9.54 Total Change: \$10.20

Water Rates Structure

Water
Monthly Minimum Charge/Base
Charge, \$ per Bill

Meter Size	Existing	Proposed
<i>Inches</i>		
3/4"	\$32.61	\$32.61
1"	\$56.11	\$56.11
1.25"	\$85.57	\$85.57
1.5"	\$121.86	\$121.86
2"	\$215.28	\$215.28
3"	\$478.86	\$478.86
4"	\$852.82	\$852.82
6"	\$1,915.49	\$1,915.49
10"	\$5,291.82	\$5,291.82

Includes capital charge of \$8 per EDU

Volume Rate
\$ per 1,000 gallons

Threshold	Existing	Proposed
Residential		
0 - 1,000	\$0.00	\$2.17
1,001 - 5,000	\$2.86	\$2.17
5,001 - 10,000	\$2.86	\$2.71
10,001 - 20,000	\$2.86	\$3.26
Over 20,000	\$2.86	\$4.34
Commercial		
0 - 1,000	\$0.00	\$3.27
Over 1,000	\$2.86	\$3.27
Industrial		
0 - 1,000	\$0.00	\$4.02
Over 1,000	\$2.86	\$4.02

Sewer Rates Structure

Meter Size	Existing	Proposed
<i>Inches</i>		
3/4"	\$29.24	\$29.24
1"	\$52.34	\$52.34
1.25"	\$81.29	\$81.29
1.5"	\$116.96	\$116.96
2"	\$208.77	\$208.77
3"	\$467.84	\$467.84
4"	\$835.39	\$835.39
6"	\$1,879.84	\$1,879.84
Multi	\$29.27	\$29.27

All Usage
Rate, \$ per Kgal \$5.27
Rate, \$ per Kgal \$8.45

Includes capital charge of \$10.00 per EDU



Acct - 20485-00

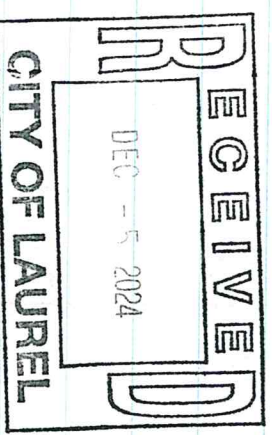
12-1-24

City of Laurel
PO Box 10
Laurel, MT 59044

To Whom it may concern:

I am not arguing against this proposed change in how water usage is paid for. Large volume users will complain it doesn't cost more per gallon to treat 50,000 gallons than 5000 gallons. It does however stress the plants because they were designed for a certain usage and must be upgraded as population increases. What I would like to see is instead of beautification projects, lets fix our cities' streets. I has been brought to my attention by visitors that we might as well live in the country, our city streets aren't much more than gravel roads.

Henry Peter
1126 4th Ave
Laurel, MT 59044



Public Hearing:

Topic: Water & Sewer Rate Increase

Date: December 17, 2024

Name:	Address:
Dan Gately 1014 W Maryland Ln	1119 Cherry Hills Dr 623 Oak Ave.
Karin Petersen	1014 W Maryland Ln

