



**AGENDA  
CITY OF LAUREL  
CITY COUNCIL MEETING  
TUESDAY, MAY 13, 2025  
6:30 PM  
COUNCIL CHAMBERS**

**WELCOME . . .** By your presence in the City Council Chambers, you are participating in the process of representative government. To encourage that participation, the City Council has specified times for citizen comments on its agenda -- once following the Consent Agenda, at which time citizens may address the Council concerning any brief community announcement not to exceed one minute in duration for any speaker; and again following Items Removed from the Consent Agenda, at which time citizens may address the Council on any matter of City business that is not on tonight's agenda. Each speaker will be limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. Citizens may also comment on any item removed from the consent agenda prior to council action, with each speaker limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. If a citizen would like to comment on an agenda item, we ask that you wait until the agenda item is presented to the Council by the Mayor and the public is asked to comment by the Mayor.

Any person who has any question concerning any agenda item may call the City Clerk-Treasurer's office to make an inquiry concerning the nature of the item described on the agenda. Your City government welcomes your interest and hopes you will attend the Laurel City Council meetings often.

**Pledge of Allegiance**

**Roll Call of the Council**

**Approval of Minutes**

1. Approval of Minutes of April 22, 2025.

**Correspondence**

2. Police Monthly Report - April 2025.
3. Burwell Thank You Card
4. Fire Monthly Report - April 2025
5. Floodplain Permit Correspondence
6. Beartooth RC&D Correspondence May 2025

**Council Disclosure of Ex Parte Communications**

**Public Hearing**

**Consent Items**

**NOTICE TO THE PUBLIC**

*The Consent Calendar adopting the printed Recommended Council Action will be enacted with one vote. **The Mayor will first ask the Council members if any Council member wishes to remove any item from the Consent Calendar for discussion and consideration.** The matters removed from the Consent Calendar will be considered individually at the end of this Agenda under "Items Removed from the Consent Calendar." (See Section 12.) The entire Consent Calendar, with the exception of items removed to be discussed under "Items Removed from the Consent Calendar," is then voted upon by roll call under one motion.*

7. Claims entered through May 9, 2025.
8. Approval of Payroll Register for PPE 4/27/2025 totaling \$262,821.61.

**Ceremonial Calendar**

9. Poppy Day Proclamation

**Reports of Boards and Commissions**

10. Budget/Finance Committee Minutes of April 22, 2025.
11. Public Works Committee Minutes of April 21, 2025.

- [12.](#) Laurel Airport Authority Minutes of December 3, 2024.
- [13.](#) Emergency Services Committee Minutes of March 24, 2025.

### **Audience Participation (Three-Minute Limit)**

*Citizens may address the Council regarding any item of City business that is not on tonight's agenda. Comments regarding tonight's agenda items will be accepted under Scheduled Matters. The duration for an individual speaking under Audience Participation is limited to three minutes. While all comments are welcome, the Council will not take action on any item not on the agenda.*

### **Scheduled Matters**

- [14.](#) Resolution No. R25-29: A Resolution Of The City Council To Accept Studies Of The City's Existing Water And Wastewater Rate Structures And Recommendations For Any Necessary Modifications To The Existing Rate Structures Prepared By Raftelis Financial Consultants, Inc., And Amending Previous Resolution No. R25-25.
- [15.](#) Resolution R25-30: A Resolution Of Intent To Increase The City Of Laurel's Water And Wastewater Rates And Charges To Become Effective On July 10, 2025, And Setting A Date And Time For A Public Rate Hearing.

### **Items Removed From the Consent Agenda**

### **Community Announcements (One-Minute Limit)**

*This portion of the meeting is to provide an opportunity for citizens to address the Council regarding community announcements. The duration for an individual speaking under Community Announcements is limited to one minute. While all comments are welcome, the Council will not take action on any item not on the agenda.*

### **Council Discussion**

*Council members may give the City Council a brief report regarding committees or groups in which they are involved.*

### **Mayor Updates**

### **Unscheduled Matters**

### **Adjournment**

*The City makes reasonable accommodations for any known disability that may interfere with a person's ability to participate in this meeting. Persons needing accommodation must notify the City Clerk's Office to make needed arrangements. To make your request known, please call 406-628-7431, Ext. 2, or write to City Clerk, PO Box 10, Laurel, MT 59044, or present your request at City Hall, 115 West First Street, Laurel, Montana.*

**File Attachments for Item:**

1. Approval of Minutes of April 22, 2025.

# MINUTES OF THE CITY COUNCIL OF LAUREL

April 22, 2025

A regular meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Mayor Dave Waggoner at 6:36 p.m. on April 22, 2025.

COUNCIL MEMBERS PRESENT: Thomas Canape, Heidi Sparks  
Michelle Mize Jessica Banks  
Casey Wheeler Irv Wilke  
Jodi Mackay

COUNCIL MEMBERS ABSENT: Richard Klose

OTHER STAFF PRESENT: Brittney Harakal, Administrative Assistant

Mayor Waggoner led the Pledge of Allegiance to the American flag.

## MINUTES:

Motion by Council Member Wilke to approve the minutes of the regular meeting of April 8, 2025, as presented, seconded by Council Member Sparks. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

## CORRESPONDENCE:

- Resignation of Evan Bruce from the Park Board.

COUNCIL DISCLOSURE OF EX-PARTE COMMUNICATIONS: None.

PUBLIC HEARING: None.

## CONSENT ITEMS:

- **Claims entered through April 18, 2025.**  
A complete listing of the claims and their amounts is on file in the Clerk/Treasurer's Office.
- **Clerk/Treasurer Financial Statements for the month of March 2025.**
- **Approval of Payroll Register for PPE 4/13/2025 totaling \$260,637.31.**
- **Council Workshop Minutes of April 15, 2025.**

The Mayor asked if there was any separation of consent items. There was none.

Motion by Council Member Sparks to approve the consent items as presented, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

CEREMONIAL CALENDAR: None.

## REPORTS OF BOARDS AND COMMISSIONS:

- Budget/Finance Committee Minutes of April 8, 2025.
- Park Board Minutes of April 3, 2025.
- Public Works Committee Minutes of March 17, 2025.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT): None.

## SCHEDULED MATTERS:



- **Appointment of Irv Wilke to the Police Commission for a three-year term ending April 30, 2028.**

Motion by Council Member Canape to approve the Mayor's appointment of Irv Wilke to the Police Commission for a three-year term ending April 30, 2028, seconded by Council Member Sparks. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R25-27: A Resolution Of The City Council Authorizing The Mayor To Execute The Agreement Between The City Of Laurel And The Yellowstone Valley Animal Shelter For The Provision Of Animal Shelter Services.**

Motion by Council Member Mackay to approve Resolution No. R25-27, seconded by Council Member Wilke. There was no public comment or Council discussion.

To answer the question posed by the Council at last week's meeting. The YVAS does not take cats or chickens, but will help find placement in a hoarding situation.

A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

- **Resolution No. R25-28: A Resolution Of The City Council Authorizing The Execution Of The Legal Services Agreement Related To The AFFF Product Liability Litigation. (<https://www.cleangroundwater.com/settlement>)**

Motion by Council Member Sparks to approve Resolution No. R25-28, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All seven Council Members present voted aye. Motion carried 7-0.

**ITEMS REMOVED FROM THE CONSENT AGENDA:** None.

**COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT):** None.

**COUNCIL DISCUSSION:**

The next Emergency Services Committee meeting will be on Monday at 6 p.m. in Council Chambers.

April is a five-Tuesday month. There will be no Council meeting next week.

The next Cemetery Commission meeting will be on April 29, 2025, at 5 p.m. in the Council Conference Room.

**MAYOR UPDATES:**

Loves have closed on their property, and they are moving forward with their project. They have received 98% of their permits.

**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 seven Council Members present voted aye. Motion carried 7-0.

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

  
Brittney Haraka, Administrative Assistant

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 13<sup>th</sup> day of May 2025.

DRAFT

\_\_\_\_\_  
Dave Waggoner, Mayor

Attest:

\_\_\_\_\_  
Kelly Strecker, Clerk/Treasurer

**File Attachments for Item:**

2. Police Monthly Report - April 2025.



# Laurel Police Department

215 W. 1<sup>st</sup> Street Laurel, Mt. 59044 ▪ Phone 406-628-8737 ▪ Fax 406-628-4641

Total Calls

Printed on May 1, 2025

[CFS Date/Time] is between '2025-02-26 00:00' and '2025-03-24 11:54' and

[Primary Incident Code->Code : Description] All

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## Code : Description

## Totals

10-15 : With Prisoner	0	0
: Abandoned Vehicle	17	17
: Agency Assist	47	47
: Alarm - Burglary	8	8
: Alarm - Fire	3	3
AMB : Ambulance	69	69
: Animal Complaint	8	8
: Area Check	1	1
: Assault	2	2
: Bad Checks	0	0
: Barking Dog	4	4
: Bomb Threat	0	0
: Burglary	2	2
: Child Abuse/Neglect	4	4
: Civil Complaint	9	9
: Code Enforcment Violation	6	6
: Community Integrated Health	3	3

<b>Code : Description</b>	<b>Totals</b>	
: Counterfeiting	1	1
: Criminal Mischief	4	4
: Criminal Trespass	6	6
: Cruelty to Animals	1	1
: Curfew Violation	4	4
: Discharge Firearm	1	1
: Disorderly Conduct	10	10
: Dog at Large	22	22
: Dog Bite	0	0
DUI : DUI Driver	3	3
: Duplicate Call	1	1
: Escape	0	0
: Family Disturbance	12	12
: Fight	2	2
FIRE : Fire or Smoke	7	7
: Fireworks	0	0
: Forgery	0	0
: Found Property	7	7
: Fraud	5	5
: Harassment	6	6
: Hit & Run	2	2

<b>Code : Description</b>		<b>Totals</b>	
: ICAC	0	0	
: Identity Theft	1	1	
: Indecent Exposure	0	0	
: Insecure Premises	1	1	
: Intoxicated Pedestrian	0	0	
: Kidnapping	0	0	
: Littering	2	2	
: Loitering	2	2	
: Lost or Stray Animal	7	7	
: Lost Property	3	3	
: Mental Health	2	2	
: Missing Person	4	4	
: Noise Complaint	1	1	
: Open Container	0	0	
: Order of Protection Violation	0	0	
: Parking Complaint	13	13	
: Possession of Alcohol	0	0	
: Possession of Drugs	1	1	
: Possession of Tobacco	1	1	
: Privacy in Communications	1	1	
: Prowler	0	0	

<b>Code : Description</b>	<b>Totals</b>	
: Public Assist	32	32
: Public Safety Complaint	8	8
: Public Works Call	15	15
: Report Not Needed	4	4
: Robbery	0	0
: Runaway Juvenile	1	1
: Sexual Assault	2	2
: Suicide	0	0
: Suicide - Attempt	0	0
: Suicide - Threat	3	3
: Suspicious Activity	43	43
: Suspicious Person	5	5
: Theft	25	25
: Threats	2	2
: Tow Call	10	10
: Traffic Accident	14	14
: Traffic Hazard	9	9
: Traffic Incident	13	13
: TRO Violation	0	0
: Truancy	1	1
T/S : Traffic Stop	155	155

<b>Code : Description</b>	<b>Totals</b>	
: Unattended Death	1	1
: Unknown - Converted	0	0
: Unlawful Transactions w/Minors	0	0
: Unlawful Use of Motor Vehicle	0	0
: Vicious Dog	4	4
: Warrant	9	9
: Welfare Check	14	14
<b>Totals</b>	686	686



**File Attachments for Item:**

3. Burwell Thank You Card

City of Basel-family

We will always cherish the  
moment-riding in Tom's  
truck it was a special  
time and will be remembered  
always. We love you and  
Thank you for everything.  
It meant a lot!

Barbara's Jack  
Barwell

**File Attachments for Item:**

4. Fire Monthly Report - April 2025



# Laurel Fire Department

For the Month of:

April

Call Type	Number of Calls	Number of Hours
Structure Fire	4	
Wildland Fire	5	
Extrication	15	
Other Rescue	3	
Alarm	2	
Public Assist	6	
Medical Assist.	11	
Other Calls	23	
Severity Staffing	0	
<b>Total</b>	<b>69</b>	<b>801</b>
<b>Other Activities</b>	Training	236
<b>Total Hours for the Month</b>		<b>1037</b>

## Announcements:

**Structure Fire involving Tesla. Assisted medical with CPR calls. Getting crews training for wildland season. Attended Table Top in Gallatin County.**

### DEFINITIONS

#### Structure Firefighting

A structure fire is a fire involving the structural components of various types of residential, commercial or industrial buildings. We carry out all levels of Structure Firefighting, including entry and attack, ventilation, salvage, overhaul, and investigations.

#### Wildland Firefighting

Wildfire, brush fire, bush fire, desert fire, forest fire, grass fire, hill fire, peat fire, vegetation fire, etc..

#### Extrications

Rescue victims entrapped in automobiles, machinery, farm equipment, buildings, and trenches, etc..

#### Other Rescues

Rope Rescue, Water Rescue, Ice Rescue.

#### Alarms

Respond to any false alarms or malfunctions.

#### Other Calls

EMS assist, industrial or aircraft firefighting, vehicle fires, hazmat, spills, public safety, investigations, gas leaks, carbon monoxide problems, etc..

**Severity Staffing-** Montana DNRC pays up to 8 firefighters to staff the station each day and respond as a Task Force to wildland fires within Yellowstone, Stillwater and Carbon Counties, as and when needed. They can also be called up to respond to fires anywhere in the Southern Zone areas. The 2 State-owned type 5 wildland engines assigned to Laurel are the ones primarily used for these calls. This has proven to be beneficial to Laurel as a means for a quick response to all incidents.

**File Attachments for Item:**

5. Floodplain Permit Correspondence

## **NOTICE**

An application for a Floodplain Permit has been submitted to the City of Laurel Floodplain Administrator. Your comments and concerns are welcomed.

**Date of Notice:** May 2<sup>nd</sup>, 2025

**Date of Application:** April 14<sup>th</sup>, 2025

**Applicant:** Love's Travel Stops & County Stores, Inc  
PO Box 26210  
Oklahoma City OK 73120

**Scope/Purpose of Project:** The project proposes extending City of Laurel water and sanitary sewer west, along the Old Hwy 10 corridor, to serve the Love's Travel Stop development. The project site is being annexed into the City of Laurel. Below -grad water and sanitary sewer mains will be extended west along Old Hwy 10 via trenching and excavation

**Name of Stream / Water Body:** Yellowstone River

**Location of Project:** 2S, 24E, Section 7, 45.666213, -108.798981, 03-0821-17-2-07-01-0000, Tax ID# D12151, Firm Index 1420, Site is located adjacent to the intersection of 19th Ave W & I-90 Business off I-90 Exist 432 to W Laurel

Comments concerning this application for a permit related to this activity in the floodplain must be submitted within fifteen (15) days of this notice, or by May 16<sup>th</sup>, 2025

Kurt Markegard, Floodplain Coordinator  
115 West 1<sup>st</sup> Street  
P.O. Box 10  
Laurel, MT 59044  
Phone: 406-628-4796 ext 5305  
kmarkegard@laurel.mt.gov

**File Attachments for Item:**

6. Beartooth RC&D Correspondence May 2025

**EMPLOYEE HANDBOOK RECEIPT**  
***BEARTOOTH RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.***

I hereby acknowledge that I have had the opportunity to review the Employee Handbook containing the rules, regulations, and other policies and/or programs of my employment with Beartooth Resource Conservation and Development Area, Inc.

This Employee Handbook supersedes any and all previous documents that may have been presented to me regarding rules and regulations at Beartooth Resource Conservation and Development Area, Inc.

I understand that the statements contained in the Employee Handbook are not intended to be a contract for a specific term of employment. However, as a condition of employment, I understand and agree to conform to and comply with the rules and regulations as amended.

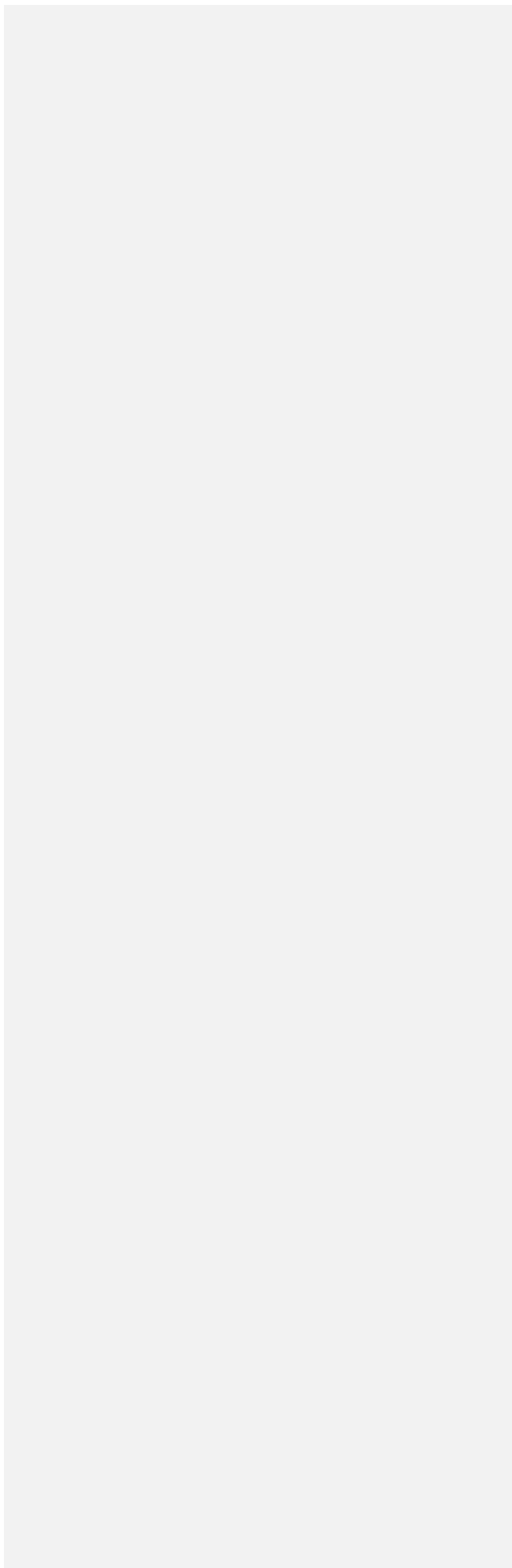
I further understand that this Employee Handbook contains confidential business information and is not to be shared with anyone except employees of Beartooth Resource Conservation and Development Area, Inc.

I also understand that I can report any act of sexual harassment to any company representative without fear of retaliation or job loss.

**Date**\_\_\_\_\_ **Name (print)**\_\_\_\_\_

**Signature**\_\_\_\_\_





**EMPLOYEE HANDBOOK**  
**FOR**  
**EMPLOYEES**  
**OF**  
**BEARTOOTH RESOURCE**  
**CONSERVATION & DEVELOPMENT**  
**AREA, INC.**



## **INTRODUCTION**

### **WELCOME!**

The purpose of this Employee Handbook is to provide you with a complete summary of the rules, regulations and available benefits pertaining to your work assignments and work activity as an employee of Beartooth Resource Conservation and Development Area, Inc. (hereinafter known as BRCD). Please read the contents carefully. This Employee Handbook supersedes any and all previous documents pertaining to rules and regulations at BRCD. During the course of your employment, you will want to refer back to it when you have a question.

This Employee Handbook is further intended to help you feel comfortable in your job and assist you in finding satisfaction in your job performance. Should you have any problem or concern relating to any action or situation affecting your work assignments or work conditions, please feel free to communicate your concerns. The Problem Resolution Procedure presented in this Employee Handbook is for the express purpose of helping you find a satisfactory resolution to any and all problems.

We hope you find your work satisfying and rewarding. We look forward to a successful business relationship.

### **EMPLOYEE HANDBOOK**

This handbook contains the rules and regulations for your employment relationship with BRCD. It is not intended to be a contract for employment between employee and BRCD.

However, as a condition of employment, each employee agrees to comply with the rules and regulations herein or as may be amended. It is our intention to provide each employee with the proper understanding of his/her job and to help each employee satisfactorily perform in his/her job.

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### **NON-DISCRIMINATION IN EMPLOYMENT**

BRCD complies with federal and state laws regarding non-discrimination in employment. Applicants for employment are considered for employment and employees shall hold their employment without discrimination because of their race, color, religion, national origin, age, sex, disability/handicap, or marital status as required by law, except when reasonable business demands so require and such distinction is required by law. In no event shall the hiring of any employee be considered as creating a contractual agreement or specified time period of employment.

### **PROVISIONAL EMPLOYMENT**

For each new employee and each employee who is promoted and/or moved to a new position, the first ninety- (90) days are a probationary period. This period is established as a time of adjustment for you to learn the job requirements and work rules. During this time you may be terminated with or without cause provided it does not violate Equal Employment Opportunity rules or a protected class. BRCD reserves the right to extend the provisional period up to an additional nine (9) months.

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### **PRODUCTIVITY/JOB SECURITY**

Job availability is dependent upon the ability of BRCD to meet the needs of our customers, and upon the continuation of funding sources including sponsoring entities and grant sources. All employees have the responsibility for quality and productivity. ~~As long as business is healthy and the competitive position of BRCD remains strong, job security should be enhanced. People are employed because they have skills that are needed to produce and distribute products and services that our customers demand. Unless these skills are properly used, quality, productivity and job security diminish.~~

### **OUTSIDE EMPLOYMENT**

Due to the nature of the business and the professional liability that may accrue, you must give your primary attention to the work of BRCD. Employees are permitted to work for outside employers or engage in their own commercial endeavors provided that it is disclosed, does not interfere with job performance, is not direct competition or would pose a conflict of interest with BRCD, or would reflect poorly on BRCD.

### **FULL-TIME EMPLOYEE**

A full time employee is one who works an annual average of forty (40) hours per week. A full-time employee is eligible for benefits.

### **PART-TIME EMPLOYEE**

A part-time employee is one who works an annual average of less than forty (40) hours per week. A part-time employee may be eligible for a prorated benefits package provided the carrier has the ability to do so.

### **TEMPORARY EMPLOYEE**

A temporary employee is one who is employed, full-time or part-time, for a specific job assignment with limited duration or during certain periods of time depending upon the demand of work as determined by BRCD. A temporary employee is not eligible for benefits.

### **EXEMPT EMPLOYEE**

An exempt employee is an executive, administrative or professional employee who is exempt from minimum wage or overtime requirements. Unless otherwise stated a All other employees are non-exempt.

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### **EMPLOYEE WORK RULES**

It is the policy of the BRCD that the following work rules will apply to all employees.

Working hours are agreed to by the Executive Committee-Board Chairman and will become part of the employee's file. However, hours and days of work could vary according to the needs of the office. Employees are required to provide advance notice of the need to adjust their work schedule.

The Executive Director General Manager shall act, on behalf of the Board Chairman, as the employees' immediate supervisor and may exercise authority upon consulting the Board Chair, and effectively recommend hiring, suspension, promotion and raises. The BRCD program Directors will carry out management of their respective programs. The General Manager may seek information or recommendations from the program Directors on staffing decisions.

### **LAYOFF/REDUCTION IN STAFF**

If a reduction in staff becomes necessary, the BRCD Board will give full consideration to skills, aptitudes and past work performance in determining work force adjustments. Seniority may be used as a determining factor in determining work adjustments

### **REHIRE**

Employees who are separated from employment either voluntarily or involuntarily and then rehired within thirty (30) days of the lay-off date and who have previously completed the provisional employment period will be immediately reinstated for allowable benefits and benefit accrual. All other rehired employees will be classified as a new hire unless otherwise stated by Executive Committee-

### **RESIGNATION**

A resignation is the voluntary decision of an employee to terminate his/her employment with BRCD. A notice of resignation two (2) weeks prior to the termination date is requested to be submitted to your supervisor. When resignation occurs, payment of final wages will be made at the time of the next regularly scheduled pay period or within 10 days of the resignation date, whichever is earlier.

Upon resignation, prior to the disbursement of the final paycheck, employees are required to return any BRCD property they may have in their possession including but not limited to; Keys, access codes, hard-copy and digital files, computers, credit cards and any other office/field equipment.

### **SCHEDULE OF WORK**

The normal scheduled work time is from 8:00 a.m. to 5:00 p.m. office hours are 8:30-4:30. The workweek is Sunday through Saturday. Work periods may vary from assignment to assignment and may require overtime. Each employee will be expected to work from Monday through Friday primarily unless stated otherwise designate a set workweek upon hire, which will be periodically reviewed and updated. Changes to the established workweek will be made by a memo in writing prior to the proposed change as defined in the employee work rules.

Each non-exempt employee is required to know his/her work schedule and be in attendance as assigned. Exempt employees are expected to meet the requirements of their job, which may necessitate varied hours of work [in line with approved schedule of work-](#)

### **FLEXIBLE HOURS**

The General Manager is authorized to approve requests for ad hoc or temporary alternative work schedules (two weeks or less) to accommodate special circumstances related to business or personal requirements. Employees who need a longer term alternative arrangement of their work schedules and who are eligible by nature of their job may formally request a change in their working hours, days or weeks, which will [determined when hired or](#) be submitted to the Board Chairman for review.

### **MEAL PERIODS**

An unpaid meal period is provided for employees who work eight (8) hour periods and will be at or near the middle of the work period. Meal periods must [are optional and will be a minimum thirty \(30\) minutes in duration](#). Meal periods which require attention to work assignments will be counted as working time.

### **BREAKS**

Fifteen (15) minute break periods are granted because we believe they result in good employee morale and increased productivity. Break periods are counted as working time [and are therefore optional](#). They may be taken once in the morning and once in the afternoon.

### **TARDINESS**

Reporting to work on time is required. "On-time" is defined as being properly dressed and prepared to begin work at the start of the scheduled work period. There will be no compensation for tardiness for non-exempt employees.

### **ATTENDANCE/ABSENTEEISM**

Regular attendance is required. When it is necessary to be absent, you must notify your supervisor as far in advance as possible, prior to a scheduled work period.

Irregular attendance, unexcused absences or unreported absences cause disruption to BRCD and are unacceptable.

An unexcused absence is one in which an employee requests but is not granted time away from his/her assigned work schedule. An unreported absence is one in which an employee does not contact BRCD the day he/she is out. Irregular attendance is defined as unpaid absences but does not include a formal leave of absence.

Two (2) unexcused absences or an unreported absence for a period of two (2) consecutive days may be considered as a voluntary resignation or may be a cause for disciplinary action. Irregular attendance exceeding twelve (12) days in a six- (6) month period is cause for disciplinary action.

### **INFORMATION MEETINGS**

On certain occasions you may be required to attend meetings to receive training or information regarding workplace policies, [board meetings](#), safety items, product and business information. Your supervisor

will notify you of these scheduled meetings and you may be required, as part of your workday, to attend. You will be compensated at the appropriate rate of pay for any hours spent in these meetings.

### **PERSONAL INFORMATION**

For accurate administration of your wages and benefits, and for compliance with Federal and State regulations, it is necessary that current and accurate personnel records be maintained. This information is also necessary in the event you must be reached for an emergency or available work. If there are changes, or if you are aware of any errors in your personnel records, please notify your supervisor immediately. Falsification of any personnel information is cause for termination. All personal information will be kept in confidence.

### **WAGE AND SALARY**

You will receive a rate of pay commensurate with your job position. Consideration for pay adjustments will be at the sole discretion of the Board. Changes to compensation, including salary increases or bonuses, will be contingent on funding availability and satisfactory employee performance appraisals. At the discretion of BRCD, salary and/or classification surveys may be conducted to evaluate equity in compensation.

### **PAY PERIOD/PAY DAY**

The pay period is monthly, from the 16<sup>th</sup> day of one month to the 15<sup>th</sup> day of the next month. The payday is the *twentieth day of each month*. Payroll advances are not available.

### **TIME REPORTING**

All employees are required to complete daily time cards/sheets, as provided by BRCD. The purpose of the time card/sheet is to keep track of your time for management to compute eligibility and amount of pay and/or evaluation of job specifications and requirements. ~~Actual hours worked must be recorded and cannot be based on estimates.~~ Time cards/sheets must be filled out accurately and completely, signed and turned in for approval. It is your responsibility to have your time cards/sheets turned in to management no later than the *fifteenth day of each month*. Time cards/sheets received after that time may result in your pay being delayed to the next scheduled payday. Filling in or modifying another employee's time card/sheet is not permitted and is a cause for termination.

### **OVERTIME**

For purposes of overtime pay, employees are classified as exempt or non-exempt. Exempt employees are not eligible for overtime pay. Non-exempt employees receive overtime pay for all hours worked over forty- (40) hours in a workweek. The overtime rate is one and one-half (1 1/2) times the base rate of pay. **All non-exempt overtime must be approved in advance by management.** Excessive logging of overtime, particularly unapproved overtime, will be cause for disciplinary action or even termination.

### **DEDUCTIONS**

Each paycheck will have certain amounts deducted from the gross pay, which includes the following deductions required by law:

- a. State and Federal Withholding Tax



- b. Social Security Contributions (FICA)
- c. Workers' Compensation Tax (where applicable)
- d. Court Mandated Withholdings

### **PERFORMANCE EVALUATION**

An evaluation of your work performance will be made on an annual basis [or with frequent informal check ins](#) and is for the express purpose of determining your standard of performance in relation to the job position requirements and work place rules and regulations. Performance evaluations [can](#)~~will~~ be a factor in the consideration of compensation [depending on available funding](#).

### **BENEFITS**

Various employee benefits may be available to you such as vacation, holidays, insurance programs, and Retirement Plan. Eligibility is dependent upon length of service, job classification, rate of pay, hours worked and standards set forth by the providers. Eligibility for benefits begins with your first day of employment.

### **EDUCATION**

Each employee is encouraged to continue his/her professional education. Each employee is individually responsible for his/her own occupational qualifications. BRCD will seek opportunities to help the employees by sending them to appropriate training courses or seminars [and approving the trainings depending of funding availability](#).

### **RETIREMENT PLAN**

BRCD will match an employee's contribution of up to 3% into a 401K plan. This retirement benefit will be maintained for employees that have been hired as permanent employees, both part time and full time

### **INSURANCE**

Unemployment and Workers Compensation Insurance is provided, as required by law, and covers all employees.

### **HOLIDAYS**

Full-time employees will receive the following paid holidays: One-half day before New Year's, New Year's Day, Thanksgiving Day, the day following Thanksgiving Day, one half day on Christmas Eve Day, and Christmas Day and all other recognized state or federal Holidays. Additional paid days off may be granted at the discretion of BRCD. ~~Holiday pay will be provided to all employees on a prorated basis according to the employment status of the individual employee. (ie; a 60% employee would be paid 60% of an 8-hour day or 4.8 hours)~~

**On any occasion where a paid Holiday falls on Saturday, the holiday leave will be granted for the preceding work day. On any occasion where a paid Holiday falls on Sunday, the holiday leave will be granted for the next work day.**

## **VACATION**

It is the policy of BRCD that each full-time employee shall earn annual vacation credits from the first day of employment. Annual leave cannot be earned while on leave-without-pay status, or on overtime hours.

Vacation leave credits are earned at a monthly rate calculated according to the following schedules applying to the total years of employment with BRCD. For calculating vacation-leave credits for a full time employee, 2080 hours (52 weeks x 40 hours) shall equal one year.

YEARS OF EMPLOYMENT	VACATION DAYS ACCRUED PER YEAR	VACATION DAYS ACCRUED PER MONTH
1 day to 10 years	18	1.50
10 years to 20 years	21	1.75
20 years or more	24	2.00

Permanent part-time employees are entitled to prorated annual vacation benefits. Prorated vacation time will be based on the amount of hours worked.

An employee whose employment is terminated with the BRCD for any reason shall be entitled to cash compensation for unused vacation based on their salary at the time of termination.

Annual vacation leave may be accumulated to a total not to exceed two times the maximum number of days earned annually. Annual leave time in excess of the maximum is not forfeited if it is taken within 90 calendar days from the last day of the calendar year in which the excess was accrued.

The dates when an employee's annual vacation leave can be taken shall be determined by agreement between each employee and their immediate supervisor.

BRCD reserves the right to alter vacation schedules due to BRCD work demands.

## **LEAVES OF ABSENCE**

After completion of one year of employment an unpaid leave of absence, not to exceed ten (10) working days may be granted for reasons of bona fide illness or for other reasons mutually agreed upon with BRCD. Leaves must be requested in writing and shall state the reason for the leave and the dates desired. Benefit contributions and benefit accruals will be suspended during leaves. Upon expiration of the leave, or upon notification to BRCD of your intent to return, you will be returned to the next available job opening in your classification. If you do not report upon the expiration of the leave, or any extension authorized by BRCD, you shall be considered as having voluntarily given your resignation.

- See military/local emergency volunteer leave of absence policy
- State law shall govern a maternity leave of absence
- Family leave is governed by Federal law and may require 30-day advance notice

### **SICK LEAVE**

It is the policy of BRCD that all permanent full-time employees earn sick leave at the rate of one day per calendar month of employment without restrictions to the number of days that may be accumulated. Permanent part-time employees are entitled to prorated accumulation of sick leave.

Sick leave credits are earned from the first day of employment, but employees are not entitled to take paid sick leave until they have been continuously employed for ninety days. Sick leave cannot be earned while on leave-without-pay status.

Employees may take sick leave, aside from personal illness, for the following reasons: the illness of an employee's immediate family member; a death of an employee's immediate family; attendance at a funeral of a fellow employee or a personal friend; and for dentist and doctor appointments.

An employee on sick leave shall inform the Supervisor as soon as is reasonably possible.

Sick leave is a valuable privilege intended to prevent loss of income. If abuse of sick leave is suspected, the supervisor may request a valid doctor's verification of illness or injury.

An employee who has been unable to work due to illness or accident may be required, before being permitted to return to work, to provide medical evidence that he/she is again able to perform all significant duties of the position in a competent manner, without hazard to himself/herself or others.

Sick leave charges and credits shall be charged to the nearest one half hour. Sick leave charges in excess of earned sick leave credit may be charged to earned and available annual leave.

Employees covered by the Worker's Compensation Act are entitled to benefits administered by the Industrial Accident Board when they suffer injury or illness as a result of their employment. An employee may elect to use his accrued sick leave credits to supplement his Worker's Compensation payments.

Any holiday which falls during a period that an employee is on sick leave, will not be charged against sick leave credits.

Employees who terminate employment with BRCD for any reason are entitled to a lump sum payment equal to one-fourth of the time attributed to the accumulated sick leave, based on the current salary of the employee at termination.

### **PARENTAL LEAVE**

BRCD is committed to complying with the following in regards to our parental leave policy: Title VII of the 1964 Civil Rights Act as amended by the Pregnancy discrimination Act of 1978; Family and Medical Leave Act; Americans with Disabilities Act; and applicable state and local family leave laws.

Employees are entitled to up to eight weeks of unpaid parental leave. Paid annual and sick leave may be substituted for unpaid parental leave in accordance with other provisions in this manual. This leave may be taken either by the father or mother.

When the employee returns to work, she/he is entitled to return to the same or equivalent job with no loss of service or other rights or privileges. Should the employee not return to work when released by the physician, she/he will be considered to have voluntarily terminated employment with BRCD.

#### **MILITARY/LOCAL EMERGENCY VOLUNTEER LEAVE**

It shall be the policy of BRCD that all employees who are members of the Montana National Guard or who are members of the organized or unorganized reserve of the military forces of the United States and who have been employed by BRCD for a period of six months, shall be given leave with pay for a period of time not to exceed fifteen working days in a calendar year for attending regular encampments, training cruises, training programs, active duty. In regards to local emergency organizations, the employee is granted the same leave with pay benefit for reasonable periods of time to serve their community in emergency situations with approval of the executive committee. Such leave will not be charged against vacation or sick leave.

#### **JURY DUTY**

Employees are encouraged to accept civic responsibility. A leave of absence will be granted when you are called to jury duty or subpoenaed as a witness. Jury Duty leave applies to full-time and part-time employees. Compensation will be provided by the courts. [Employees are allowed to use Paid Time Off if they would like to get paid time for jury duty.](#)

#### **HOUSEKEEPING**

You are responsible for good housekeeping practices and for keeping your assigned work area clean. Good housekeeping is essential to a safe, clean and pleasant work atmosphere and includes proper disposal of trash or waste materials.

#### **FIREARMS**

Possession of firearms, handguns or any related items or materials while performing job duties or while on BRCD premises or vehicles is prohibited. Violation of this policy may lead to suspension or termination.

#### **ACCIDENT OR INJURY REPORTING**

If you are injured on the job, or involved in an accident involving BRCD equipment, you must report the accident immediately (on the same work shift).

#### **ARRESTS or CITATIONS (REPORTING OF)**

All arrests or summons for legal violations while on BRCD business and/or while operating BRCD equipment must be reported immediately to your supervisor. Failure to report will result in disciplinary action being taken. [Personnel infractions regarding fiscal or fiduciary offenses will be taken seriously by the Executive Committee.](#)

#### **VISITORS**

Visitation is to take place in the break room, reception area or individual office of person receiving the visitor. Excessive interruptions by visitors are grounds for disciplinary action

including termination. Visitors are not allowed on external job sites due to liability and safety considerations. Employees are asked to consult with the job site supervisor in the event an emergency necessitates a visit.

## **EQUIPMENT**

Capital Equipment as defined by the OMB is “tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.” All capital assets are recorded at historical cost as of the date acquired. The acquisition cost includes installation charges and freight. All costs associated with making the asset serviceable are capitalized. Invoices substantiating the acquisition cost of each unit of property shall be retained for a minimum of three years.

Equipment with an economic useful life of 12 months or less are expensed for financial statement purposes, regardless of the acquisition or production cost. Equipment acquired with external support becomes the property of the organization unless restricted by the funding organization. The organization will obtain prior approval from the awarding agency prior to purchasing capital equipment.

~~In order to ensure the proper receipt and tracking of equipment, the organization tags all equipment at the time of acquisition and performs a physical inventory of equipment purchased with grant funds at least every two years.~~ The organization verifies the existence and condition of the equipment and the accuracy of records related to equipment. The organization establishes maintenance procedures and records of the operational condition of equipment. The Executive Director is notified of condition, location, loss or damage to equipment who then notifies appropriate Federal agency. Records are submitted to the Executive Director for review and approval.

The organization maintains records tracking equipment including description, serial number, source of funding ~~(including the Federal Award Identification Number, or FAIN)~~, percentage of federal participation in the cost of the equipment, title holder, acquisition date and cost, location, use and condition status, and disposition data. This information is maintained by the Executive Director.

## **EQUIPMENT FAILURE/DAMAGE/DISPOSAL**

Damage or needed repair of BRCD equipment must be reported immediately to the supervisor. Violation of this requirement is cause for disciplinary action.

Request disposition if an item purchased with grant funds is determined to be obsolete, and the item's value exceeds \$5,000. If it meets these ~~criteria~~<sup>eriterionscriteria</sup>, disposition rules are followed. This may include requesting disposition instructions from the awarding agency. Disposition practice requires compensating the federal awarding agency for its proportion of the original cost applied to the fair market value. The Executive Director and Board Chair should be notified prior to the disposal of an asset purchased with federal funds. Supplies less than \$5,000 are retained by ~~grantee~~<sup>the grantee</sup>.

## **TELEPHONE/EQUIPMENT USAGE**

Telephones and other BRCD equipment are furnished for the operation of the business. Telephone use for personal calls shall be kept to a minimum. ~~No personal long distance calls are to be made and charged to BRCD.~~ No personal use of other BRCD equipment is permitted without prior

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approval by management.

#### **ALCOHOL/DRUGS**

Personal use, sale, purchase, transfer, or possession of alcohol, ~~vaping, or marijuana~~ misused legal or illegal drug while performing job duties, while on BRCD grounds or in a BRCD vehicle is prohibited. The presence, in any detectable amount, of alcohol or any illegal drug while performing job duties or while on BRCD premises or in a BRCD vehicle is prohibited. Violation of this regulation is cause for discipline including termination.

#### **RELATIVES (EMPLOYMENT OF)**

Relatives of employees will not be employed into or assigned to jobs in which they have a direct or indirect working relationship with each other.

#### **COMPUTER, INTERNET, E-MAIL, and SOCIAL MEDIA USAGE**

Computers, computer files, internet access, the E-mail system, BRCD Social Media accounts and software furnished for employee use are the property of BRCD and intended for business use only. Employees are not to use a password, access a file or retrieve any stored communication without approval of the ~~Office General~~ Manager. To ~~insure~~ ensure compliance with this policy, computer and E-mail usage may be monitored. All emails and communications using BRCD corporate resources are the property of BRCD.

BRCD strives to maintain a workplace free of harassment and therefore prohibits the use of computers and E-mail in ways that are disruptive, offensive to others or harmful to morale. The display or transmission of sexually explicit images, messages and cartoons is not permitted. Other such misuse includes but is not limited to, ethnic slurs, racial comments, off-color jokes or anything that may be construed as harassment or disrespect for others.

BRCD Internet, E-mail and Social Media accounts may not be used for solicitation of commercial ventures, religious or political causes or other non-business matters.

BRCD purchases and licenses the use of various computer software for business purposes and does not own the copyright to the software or its related documentation. Employees may only use the software on approved area networks or on multiple machines according to the license agreement. Illegal duplication of software and related documentation is prohibited. ~~Employees~~ are ~~Employees are~~ required to notify their immediate supervisor upon learning of violations of this policy.

## **TRAVEL**

Mileage and meal reimbursement will be made to employees using their own vehicle for business purposes in accordance set forth in the Personnel Policy. These rates will correspond to the allowable rates set by the Federal Government (gsa.gov). See BRCD Travel Policies and Procedures in the BRCD Employee Handbook for more information.

1. At the end of each month, the employee will submit an expense report (Exhibit B) indicating class and expense line item to bill to. The employee must sign the form.
2. Receipts must be attached to the expense report
3. The Financial Officer will verify the expense report and prepare a document for the Executive Director to sign, before travel reimbursements are issued.
4. Improper or incomplete expense reports will be returned to the employee for correction or completion.
5. Payment of the expense report will be in accordance with the procedures in the Cash Disbursements Procedures section of this manual.

It is the policy of BRCD that employees representing BRCD on official business shall receive reimbursement for approved actual travel expenses, meals, mileage and incidental expenses not to exceed current Federal Per Diem reimbursement rates. BRCD corporate credit card may be used for approved expenses as an alternative to reimbursement. All charges must be supported by receipts.

Mileage will be reimbursed based on the current Federal rate.

Purchases of alcohol will not be reimbursed or purchased using the BRCD corporate credit card.

If you are travelling representing BRCD business, BRCD will pay for your meal(s). If you possess a BRCD corporate credit card, you may use it to purchase your meal, or you may use your own funds and request reimbursement during the payroll cycle. Meals purchased for others require approval by the General Manager.

Actual registration fees for approved conferences, workshops, and meetings shall first be approved and then either paid in advance or reimbursed to the person incurring them, provided a claim or reimbursement is supported by a receipt showing payment of the registration fee.

- The Executive Director shall approve all travel expenses.
- The Executive Director and the [Executive Committee](#) must review and approve advances in payment if requested. Expense advances may be approved by BRCD to offset any undue financial hardships on employees traveling on behalf of BRCD.
- The Finance Director reviews all travel claims to ensure that the costs claimed and billed are associated with specific projects and programs.
- Travel expenses are submitted by program directors, then reviewed by (1) Financial Director; (2) Executive Director; and (3) Executive Committee.

The willful misrepresentation or altering of claims is unlawful and grounds for dismissal, and may result in the filing of criminal charges.

## **PURCHASES**

### *To Prompt a Purchase:*

1. When the normal cash disbursement procedure of invoice is not appropriate, a bill pay request is written and forwarded with any invoice or other documentation to the Executive Director for approval or denial.
2. In the absence of backup materials, receipts for the purchase must be provided to the Financial Officer for attachment to the bill pay request within two days from the check date.
3. Purchases with a value of \$5,000 or more will require a minimum of two (2) formal written quotations from vendors. Orders will be placed based on the lowest or most appropriate and acceptable price quotation. Before a purchase is made, the appropriate committee must approve the purchase.

### *Credit Card Purchases:*

Staff members must be authorized by BRCD to carry a BRCD credit card in his or her name. In every case of credit card usage, the individual charging a BRCD account will be held personally responsible if the charge is deemed personal or unauthorized. Each staff member with a BRCD credit card is required to complete a monthly credit expense tracking form (Exhibit C) indicating the class and expenses account for each charge. Receipts for expenditures must be attached to the form and submitted to the Executive Director for review.

Authorized uses of the credit card include:

- Airline tickets (at coach class or lower rates) for properly authorized business trips.
- Lodging charges that do not exceed the authorized reimbursement rate for persons traveling on official BRCD business.
- Car rental charges (for mid-size or smaller vehicles) for properly authorized business trips
- Properly authorized expenditures such as computer software and office supplies.
- Receipts should be compiled and submitted citing the reason for the expense and which BRCD account is to be charged. The Financial Officer will reconcile all credit card charges to the monthly statement.
- Unauthorized use of the company credit card includes:
  - Personal or non-business expenditures of any kind
  - Expenditures which have not been properly authorized
  - Gifts or other expenditures which are prohibited by:
    - BRCD budget and/or policies
    - Federal, state, or local laws or regulations
    - Grant conditions or policies of the entities from which BRCD receives funds

### *Proper Documentation for all Purchases, including BRCD Credit Card Purchases:*

Every instance of credit card or other purchase use must be documented with travel authorizations, receipts, invoices paid for, nature of business, etc. before the expense will be considered authorized and will be approved for reimbursement. See details below.

Lodging - Employees must provide an itemized receipt from the hotel detailing every charge and the name of the person(s) for whom lodging was provided.

Other Expenditures (i.e. supplies fuel, training materials, etc.)- Employees must provide a receipt from the vendor detailing every individual good or service purchased (including class of service for commercial transportation) accompanied by an explanation of the specific business purpose which was furthered by each expenditure.



#### *Capital Expenditures:*

For all major expenditures such as computers, furniture, audit services, printing services, etc. the appropriate committee must be notified before a purchasing decision is made if the amount will exceed \$5000. There will be an analysis performed before any purchase/contract is in negotiation and or purchased. This will provide information of the most practical and economical choice.

#### *Consultants:*

Contracts with consultants will include rate and schedule of pay, deliverables, time frame, and other information such as a work plan, etc. Justification for payment should be submitted to file. For example, if BRCD hired a writer to create a publication, a copy of the final version should be included in the file.

#### *Contracts for Goods and Services:*

Contracts for purchasing products or services, similar to a purchase order, should be created and maintained for the file whenever appropriate. All contracts should be approved by the Executive Board. BRCD follows procurement procedures as specified in 2 CFR 200.317-200.326 Procurement Standards. Before a purchase is made, the staff member must use the purchasing checklist provided for the following: a) Procurements by states; b) General procurement standards; c) Competition; d) Methods of procurement to be followed (Thresholds determined by FAR at 48 CFR part 2, subpart 2.1) ; e) contracting with small and minority business, women's business enterprises, and labor surplus or firms; f) domestic preferences for procurement; g) procurement of recovered materials; h) contract cost and prices; i) Federal awarding agency or pass-through entity review; j) bonding requirements; k) contract provisions. The Financial Officer will check the suspension and debarment list prior to the award of a contract.

#### **VEHICLE USE**

You may be required to operate a motor vehicle (either personally owned or BRCD provided) while performing your job duties. Your responsibility will include strict compliance with BRCD policy and all traffic regulations of the city, county and state.

Anyone operating a vehicle on behalf of BRCD must possess a valid operator's license and have proper insurance coverage. Any changes or restrictions regarding your license or insurance must be reported to BRCD. A review of your motor vehicle driving record may be performed annually.

Non-BRCD personnel are to be allowed as passengers in the BRCD corporate vehicle for business purposes only. The vehicle must be driven by a current BRCD staff member.

Accidents and/or traffic violations while on BRCD business must be reported immediately to management. Failure to report accidents and/or traffic violations is cause for disciplinary action and/or termination. Fines and/or penalties resulting from accidents or traffic violations are solely your responsibility and shall not be paid for by BRCD.

Approved use of personal vehicle for official BRCD activity will be reimbursed of a rate not to exceed the current Federal reimbursement rate

### **SOLICITATION**

BRCD prohibits solicitation, gambling, conducting a lottery, distribution, or similar activity on its premises. Employees and non-employees (except representatives of suppliers properly identified for normal business), are prohibited from soliciting funds or signatures, conducting membership drives, distributing literature or gifts, offering to sell merchandise or services.

Employees' wishing to conduct fund drives for charitable organizations or employee gifts must request permission from their supervisor.

### **CUSTOMER CONFIDENTIALITY**

You are not to discuss or otherwise divulge any information concerning the business affairs of any customer of BRCD. Any action or expression by an employee considered objectionable by customers, prospective customers or your supervisor may be cause for disciplinary action including termination.

### **CUSTOMER RELATIONS**

To preserve and foster the public's trust and confidence in BRCD, it is imperative that all employees act with complete honesty and fairness. You are expected to be knowledgeable about your job and applicable laws and regulations pertaining to your job. Whenever you have a question relating to applicable laws or regulations, you should seek out appropriate advice before acting.

In dealing with the public, you are expected to exercise good judgment and common sense. Commitments to others should be made only if such commitments can realistically be met. In this regard, the products and services of BRCD should be presented accurately and fairly.

If you should become aware of actual or potential problems in any area of the business of BRCD, you are expected to inform your supervisor immediately. If you are aware of improvements to policies, procedures, products and/or possible business opportunity that will contribute to customer satisfaction and enhance BRCD, you are urged to bring those improvements to the attention of your supervisor.

### **ORGANIZATIONAL CONFIDENTIALITY**

You may have access to records and/or other information about BRCD and/or other workers. This includes proprietary information, operation procedures, trade secrets and intellectual property. You are not to discuss this information with anyone else without proper authority.

Anything BRCD does to design, produce and market their products that competitors cannot or do not do is treated as proprietary information, often called trade secrets. Any information that would damage the business of BRCD if it became public knowledge or was disclosed to a competitor is considered a trade secret. This includes, but is not limited to, information on production, service, sales or financial matters.

You are not to discuss proprietary information with any person from outside BRCD or with other employees in any public place where it is possible to be overheard. Should you leave BRCD for any reason, the obligation not to disclose proprietary information continues.

### **REPRESENTATION OF SERVICES**

Employees will, during their assigned duties, perform services in the name of BRCD. Upon termination of employment (either voluntarily or involuntarily) employee shall not falsely represent said services to a new employer and/or customer. All work/services provided by BRCD is in the name of BRCD. Any individual who seeks personal ownership/authorship in said services will be in violation of BRCD's proprietary information. These violations will be taken seriously.

### **CONFLICT OF INTEREST**

The Board of Directors has adopted a conflict of interest policy, which is periodically reviewed and updated. Annually, each BRCD Board member and officer will certify they have received and understand the policy. BRCD Staff will also be provided with the policy upon their hiring and periodically thereafter.

### **CODE OF CONDUCT**

You should always be mindful of the position of BRCD in the community. Good reputation and success requires continuing adherence to high standards.

**LANGUAGE** All employees are required to refrain from using slang, profanity, and/or offensive remarks concerning any Federal and/or State protected class (i.e. age, sex, race, religion, marital status, disability and national origin.)

**ATTIRE** Each employee reflects the image of BRCD and is required to wear suitable professional attire. See management for details.

**HYGIENE** All employees must maintain personal grooming habits that reflect a presentable image for yourself, and BRCD.

**BEHAVIOR** All employees are required to refrain from fighting or physical assault (whether serious or playful) on or with a customer or co-worker.

**TOBACCO PRODUCTS** Use of tobacco products on BRCD premises or while in contact with customers (including e-cigarettes or 'vaping') is not permitted.

**INSUBORDINATION** Refusal to follow directions of the supervisor, assaulting a supervisor, or using profane language to a supervisor is prohibited. Questioning, criticizing or denouncing management and its methods of operation publicly or to anyone other than the department head, supervisor or administrative personnel is considered detrimental to operations and the ability of management to carry out its responsibilities. Such behavior should be considered grounds for discipline or termination.

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### **DISCIPLINE/TERMINATION**

BRCD believes you should be given the opportunity to satisfactorily perform in your job. In the event of failure to perform you may be disciplined and/or terminated. When termination/separation occurs, payment of final wages will be made at the time of the next regularly scheduled pay period or within 10 days of the resignation date, whichever is earlier.

After you have completed the provisional employment period you may be disciplined and/or terminated for job-related reasons including a failure to satisfactorily perform job duties, disruption of business operations, failure to comply with employment rules and regulations, conflicts of interest, or other actions deemed serious and/or other legitimate business reasons, including business changes in the operation of BRCD. When termination occurs, payment of final wages will be made at the time of the next regularly scheduled pay period or within 10 days of the resignation date, whichever is earlier.

### **HARASSMENT/SEXUAL HARASSMENT**

All forms of harassment including any degrading work assignment(s), word(s) or action(s) toward an individual or any Federal and/or State protected class (i.e. age, sex, race, religion, marital status, disability and national origin) are prohibited.

It is specifically emphasized that sexual harassment in any form is expressly prohibited. Conduct of any kind that is perceived to be sexual harassment by a supervisor or employee will not be tolerated. Sexual harassment conduct includes but is not limited to: explicitly or implicitly subjecting an employee to sexual advances as a condition of the employee's employment; evaluation, salary, advancement, assigned duties, shifts or any other condition of employment; sexual flirtations, touching, advances or proposition; the development of a perceived flirtatious personal relationship between two employees where one employee is in a position to assign or review the work of the other; verbal abuse of a sexual nature; graphic or suggestive comments about an individual's dress or body; sexually degrading words to describe an individual; the display in the work place of sexually suggestive objects or pictures, including nude photographs; and/or any unwelcome conduct which unreasonably interferes with the employees job performance or creates a hostile or offensive work environment.

Any employee who engages in conduct of harassment will be subject to discipline and/or termination.

### **HARASSMENT HOTLINE**

Beartooth and BRCD have a zero tolerance policy regarding any discriminatory, harassing or retaliatory conduct in the workplace. Pursuant to that policy, we have subscribed to a telephone reporting/complaint service called the Harassment Hotline so that our employees can readily report such acts, including theft and safety ~~matters~~matters, without fear of retaliation, job loss or embarrassment.

The Hotline is an unbiased, ~~third-party~~third-party reporting system and satisfies the United States Supreme

Court's position that companies must "...clearly show they provide a simple complaint process that is calculated to encourage victims of harassment to come forward."

We do not anticipate that our employees will need to use the Harassment Hotline, as we expect and assume that all of our employees will conduct themselves free of harassment. Still, if it is needed, the service is available and allows ANY employee to report any allegation of sexual harassment, discrimination, retaliation, theft, or any safety concern that occurs in the workplace, or any harassment by a third party.

Sexual harassment, discrimination, retaliation and other dysfunctional behavior cannot and will not be tolerated under any circumstances. The only way we can stop such behavior in the workplace is bring it out in the open by communication and total employee/employer commitment.

**Reporting and Act of Harassment:** You are requested and strongly urged to report immediately to your supervisor any act of harassment. All complaints of harassment will be treated seriously and employee confidentiality will be respected.

For the convenience of our employees, the Hotline can be accessed 24-hours per day, 7-days per week. The ~~toll-free~~toll-free number is **1-800 -97-STOP IT** which is **1-800-977-8674**. Our company has a unique identification number, which is **990039**. Remember that any employee may call the toll- free telephone number at any time and report harassment, discrimination, retaliation, theft or any safety concern without fear of retaliation.

Remember that the company management cannot correct any situation that is of concern to you unless it knows about it. In this regard, your cooperation is needed and appreciated.

**Problem Resolution:** It is the intent of BRCD and BRCD to assure you that it is interested in your ideas, suggestions as well as your questions, concerns, problems or grievances. You should feel free to communicate your ideas, suggestions, concerns, problems or grievances to management.

An appropriate problem or grievance is defined as "An employee's expressed feeling of dissatisfaction concerning an application or interpretation of work related matters". If you have a grievance, you must follow the procedure contained in this Employee handbook. This procedure is your exclusive remedy for any dispute resolution. You will not be penalized for proper use of the procedure. However, it is not proper to use the procedure by presenting a grievance in bad faith or for the purpose of delay or harassment, or by presenting a problem or grievance that a reasonable person would judge to have no merit.

**Problem Resolution Procedure:** If you feel you have a problem or appropriate grievance, you must proceed as follows:

**STEP ONE:** Immediately bring the problem or grievance to the attention of the BRCD General ~~Manager, and~~Manager and attempt to resolve it *informally*.

**STEP TWO:** If you are unable to resolve your problem or grievance informally, present it in writing to the Executive Committee of the Board of Directors within ten (10) days of the occurrence of the matter. The Executive Committee will have ten (10) days in which to respond to you in writing. (If you are not able to communicate to the Chairman, you may present your problem or grievance in writing to another Executive Committee member).

**STEP THREE:** If your problem or grievance is not resolved to your satisfaction, present it in writing to the Board of Directors within ten (10) days of the Executive Committee written response. Your grievance will be reviewed and a final decision will be made within ten (10) days.

### **WHISTLEBLOWER POLICY**

The Beartooth RC&D requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Beartooth RC&D, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

**Reporting Responsibility:** It is the responsibility of all directors, officers and employees to report ethics violations or suspected violations in accordance with this Whistleblower Policy.

**No Retaliation:** No director, officer or employee who in good faith reports an ethics violation shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns with the Beartooth RC&D prior to seeking resolution outside the Beartooth RC&D.

**Reporting Violations:** Beartooth RC&D has an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with the Beartooth RC&D Board Chairman or a member of the Executive Committee whom you are comfortable in approaching. Supervisors and managers are required to report suspected ethics violations to the Beartooth RC&D's Board Chairman, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following the Beartooth RC&D's open door policy, individuals should contact the Beartooth RC&D's Board Chairman directly.

**Compliance Officer:** The Beartooth RC&D's Compliance Officer is the Board Chairman and is responsible for investigating and resolving all reported complaints and allegations concerning violations and, at his/her discretion, shall advise the Executive Committee. The Board Chairman

has direct access to the Executive Committee of the Board of Directors and is required to report to the Executive Committee at least annually on compliance activity. The Beartooth RC&D's Board Chairman is the chair of the Executive Committee.

**Accounting and Auditing Matters:** The Executive Committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Beartooth RC&D Board Chairman shall immediately notify the Executive Committee of any such complaint and work with the committee until the matter is resolved.

**Acting in Good Faith:** Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

**Confidentiality:** Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

**Handling of Reported Violations:** The Beartooth RC&D Board Chairman will notify the sender and acknowledge receipt of the reported violation or suspected violations within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.



## Administrative Fee Policy for Fiscal Sponsorship Services

### Beartooth Resource Conservation and Development Area, Inc.

#### Purpose

This policy outlines the administrative fee structure for fiscal sponsorship services provided by Beartooth Resource Conservation and Development Area, Inc. ("Beartooth RC&D"). It ensures transparency, consistency, and the sustainability of our support to sponsored projects.

#### 1. Overview of Services Provided

As a fiscal sponsor, Beartooth RC&D provides administrative and compliance services, including:

- Financial management and reporting oversight
- Processing and receipting of donations, grants, and other income
- Disbursement of funds to the sponsored group
- Compliance with federal and state regulations
- Inclusion in organizational annual audit
- General liability coverage and risk management
- Grant reporting and funder communication support
- Guidance on nonprofit operations and capacity building

#### 2. Administrative Fee Structure

Beartooth RC&D charges a percentage-based administrative fee on all incoming funds associated with the sponsored project, based on the type of funding source:

Source of Funds	Administrative Fee
Charitable Donations	
Foundation or Private Grants	
Government Grants	

\*Note: Additional fees may apply for complex grants requiring significant compliance, legal review, or insurance coverage.

#### 3. Timing of Fee Deduction

Administrative fees are deducted at the time Beartooth RC&D receives the funds. Disbursements to the sponsored group will reflect net amounts after applicable fees.



#### **4. Rationale for Fee**

These fees support Beartooth RC&D's operational infrastructure required to manage fiscal sponsorships responsibly, including:

- Staff time for accounting, compliance, and administration
- Bookkeeping and audit inclusion
- Insurance, legal, and risk management
- Technology and systems support
- General organizational overhead

#### **5. Adjustments and Exceptions**

Requests for fee adjustments must be submitted in writing and are subject to approval by the Executive Director and, if necessary, the Beartooth RC&D Board of Directors. Exceptions are rare and must be reviewed annually.

#### **6. Policy Review**

This policy is reviewed annually and may be updated to reflect changes in organizational needs, industry best practices, and the complexity of sponsored projects.

**Beartooth RC&D Area, Inc.**  
**Board of Directors Meeting Agenda**  
**Meeting 1 P.M. Thursday, March 20, 2025**  
**Sibanye Stillwater Conference Room**  
**517 West 1st Ave., Big Timber, MT**



1:00 pm	<b><u>Meeting Called to Order</u></b> <b>Pledge of Allegiance, Introduction of Members and Guests</b>	Chair, All	Information
	<b>Review Board Minutes</b>  <b><u>Congressional Updates</u></b> Tory Kolkhorst (Sen. Daines) Zoey Stroop/Quinton Winsted (Congressman Downing) Wesley DeGiulio (Sen. Sheehy) Will Boone (Troy Downing)  <b><u>Treasurer/Financial Reports</u></b> 1. Treasurer Update 2. RC&D Financials 3. RLF Financials  <b>Personnel Handbook Review</b> <b>Approval of Fiscal Sponsorship fee</b>  <b><u>Staff Reports – Program/Project updates</u></b>  1. Food/Ag Program – Joel Bertolino 2. Revolving Loan Fund – Nan Knight 3. Economic Development/ CRDC – Gaurav Thakur 4. Operations Support- Myrna Lastusky  <b><u>Regional Roundup</u></b> – <i>News and updates from regional members on projects and activities in key CEDS categories.... (see topics on next page)</i>  <b><u>Next Beartooth RC&amp;D Area, Inc. Board of Directors Meeting</u></b>  <b><i>July 17, 2025- Beartooth RC&amp;D Carbon County Joliet, MT</i></b>  <b>Adjourn</b>	Chair, All  Chair, All    Hauge/Knight  Bertolino Bertolino/Knight   Bertolino Knight Thakur Lastusky  Roe et al	Action  Information  Action  Information Action  Information Information Information Information  Information
2:30 PM			Information

## **Regional Roundup**

### **CEDS SWOT**

Our goals for the Roundup are to find out what's happening in the area, keep the conversations focused, inform the others attending the meeting, and to tie it all back to and reinforce the importance of the CEDS. Please help us identify the projects in their area that fit into our CEDS categories:

**Be thinking about strengths and weaknesses of your community or our region. Thank you!**

- Infrastructure
  - Housing
  - Transportation
  - Broadband
- Economy
  - Upturns or downturns in industry sectors
  - New business openings (or closures)
- Communication
  - Marketing and outreach
- Services
  - Health care
- Natural Resources
  - Agriculture
  - Energy
- Human Capital
  - Workforce
  - Education

### **NOTES:**

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1:00 pm	<b><u>Meeting Called to Order</u></b> <b>Pledge of Allegiance, Introduction of Members and Guests</b>	Chair, All	Information
	<b>Review Board Minutes</b>  <b><u>Congressional Updates</u></b> Tory Kolkhorst (Sen. Daines) Zoey Stroop (Congressman Downing) Wesley DeGiulio (Sen. Sheehy)	Chair, All	Action
	<b><u>Treasurer/Financial Reports</u></b> 4. Treasurer Update 5. RC&D Financials 6. RLF Financials	Hauge/Knight	Information
	<b>Personnel Handbook Review</b>	Bertolino	Action
	<b><u>Staff Reports – Program/Project updates</u></b>  5. Food/Ag Program – Joel Bertolino 6. Revolving Loan Fund – Nan Knight 7. Economic Development/ CRDC – Gaurav Thakur 8. Operations Support- Myrna Lastusky	Bertolino Knight Thakur Lastusky	Information Information Information Information
	<b><u>Regional Roundup</u></b> – <i>News and updates from regional members on projects and activities in key CEDS categories.... (see topics on next page)</i>	Roe et al	Information
2:30 PM	<b><u>Next Beartooth RC&amp;D Area, Inc. Board of Directors Meeting</u></b>  <b>May 15, 2025- Sweet Grass County Big Timber, MT</b>		Information
	<b>Adjourn</b>		

**Beartooth RC&D Board of Directors Meeting  
March 20, 2025  
Big Horn County Courthouse**

**Present:**

Joel Bertolino, Executive / Food & Ag Director  
Nan Knight, Finance Director/Brownfields Coordinator  
Gaurav Thakur, Economic Development Director  
Ryan Van Ballegooyen, Dept. of Labor & Industry/Job Service  
Commissioner Melanie Roe, Sweet Grass County  
Lawrence Killsback, Big Horn County Economic & Housing Director  
Commissioner John Ostlund, Yellowstone County  
Mike Boyett, Billings City Council Member  
Tina Toyne, City of Hardin Economic Development Director  
Holly Higgins, First Interstate Bank of Hardin  
Kevin Mitchem, Sibanye-Stillwater Mine  
Martin DeWitt, Small Business Administration  
Lorene Hintz, Big Sky EDA/SBDC  
Kayla Vokral, Small Business Development Center

**Via Zoom:**

Commissioner Scott Miller, Carbon County  
Danny Choriki, Billings Area Family Violence Task Force/Ubet Post

**Guest:** Steve Simonson, former Beartooth RC&D EDD

**Meeting Called to Order:** Ryan Van Ballegooyen called the meeting to order.

**Pledge of Allegiance, Introduction of Members and Guests**

- Lawrence Killsback welcomed everyone to Big Horn County and introduced himself.

**Review January Board Minutes (Action):** Holly motioned to approve. Kayla seconded. Motion carried.

**Congressional Updates:** No representatives present.

**Treasurer/Financial Reports:**

- P. 13 – RLF as of Feb. 28<sup>th</sup>, we have 20 loans, \$1.7 million loaned out.
  - New loan closed in March to assist a business that resides in Stillwater but has a location in downtown Billings.
  - Lot of activity. We have \$1.8 million to be loaned out.
- P. 14 – Beartooth Books & where our funds sit so far this year
  - The only thing affected so far by federal funding pauses is our DEQ Environmental Justice grant, which is paused.
- Holly asked about the MOUs, and Nan said most have paid for the year; BSED is an anomaly because their MOU with Beartooth renews in July.
- **Holly Higgins motioned to approve the Beartooth Books & RLF as presented. Kayla Vokral seconded. Motion carried.**

**Personnel Handbook Review – Joel Bertolino**

- Joel explained that we have done some changes in the last couple years but wants to make sure there

isn't some old language that needs cleaning up or outdated policies. Ryan & Joel are working on it together.

- Joel sent it to everyone for board members to review and provide feedback/revisions.
- Ryan: checking to ensure that one statement doesn't contradict another; reviewing remote work policies; developing an AI policy/guidelines (ensuring what we use is safe and secure, etc);
  - Kayla: we remind clients not to put sensitive information into Open AI/ChatGPT.

## **Staff Reports – Program/Project Updates**

### **Food/Ag Program – Joel Bertolino**

- Joel went to Helena for Ag Rotunda Day at Capitol. Able to visit with many folks, including the new Director of Ag.
- Finishing up GTA – final review of apps took place and 1 of the 5 he assisted was funded (\$18,000+): Samurai Sue's out of Red Lodge can get new equipment for food processing.
- Cut Craft: Derek Eaton – not funded for GTA/Biz Builder but continue to work with him.
  - Danny asked if he would be able to distribute other products. Joel said this is still the initial steps, but they discussed that it would be useful to use for commodities other than beef.
    - Danny said Yellowstone Pasta would likely be interested.
- Rodi Farm: working with on VAPG; she will send Joel her draft for review.
- Greycliff Mill: Hoped they would get funding out of GTA, but they are still working with MT State Food Lab with Business Enhancement Program (BEP) we helped them with.
- Farm Box: Also weren't funded through GTA, but it was recommended they utilize BEP for some training needs.
- Yellowstone Valley Farms: His video that was filmed as a success story for Specialty Crop Block Grant is set to release on Facebook soon (put out by Dept. of Ag).
- Becky's Berries: Visited with MMEC today and will work with them on some design work for their Absarokee plant.
- S-Ranch Meats: Ongoing. Received VAPG last year and check in with them occasionally.
- Rebel Head Kombucha: Meeting with them next week to visit her manufacturing facility in Billings; Gaurav will come, also, to discuss how Beartooth can assist her.
- Mountain View Hutterite Colony: we did some work when there was an automation loan, but they weren't ready. They may be looking at a new facility, so staying engaged with them. May also need financing. They sell their eggs through Walmart & other local outlets.
- Turk Stovall: Assisted him with some solar/renewable energy on feedlot plans.
- Speedy & Flo's: Stay connected via Tina; will visit this spring when greenhouse opens.
- Montana Outlaw BBQ: owner Ty Hamilton has met with Joel & Nan for assistance including some financing for equipment and kitchen. Joel will keep working with them and help them apply for GTA's next round in the fall.
- Metra Park: working with Tim Goodrich & put him in touch with folks at MT Dept of Ag. He wants to host the next Food & Beverage Show, and Joel is 100% in favor of that. Joel was in touch with Marti who oversees it and thinks they will be coming to Metra Park in 2026. We will also work with them on a plot of land where they'd like to feature some MT commodities/crops to showcase at the Fair. Joel is putting them in touch with some good contacts, retired farmers, etc.
- Top Notch Meats in Billings: Met once and will stay in touch. They are looking at a new location and want to expand what they are doing.
- Yellowstone Food Hub: Received some funding from Dept of Ag, and MMEC is doing some work with them.
- Caramel Cookie Waffles Corp: We wrote a BEP grant for training, and they were able to hire MMEC to do 2 days of training with them.
- Grindy's Cheeseballs: Wrote a BEP grant to work with MMEC on some design work.

- Mike Boyett commented that there aren't dollar amounts on these grants, and some of the people he deals with want to know that.
  - Joel said we can try to include that in the future, but a lot of the assistance we provide is connecting them to contacts at Dept. of Ag or finding an accountant, etc. It's hard to put a number on much of the TA. BEPs are all \$2,000.

### **Revolving Loan Fund / Brownfields – Nan Knight**

- Nan gave kudos to Lorene and Kayla for all their help. She has sent several clients their way for assistance with business planning, projections, etc.
- Nan had a meeting with Wes Stops, the Crow Environmental Director, to discuss priorities for his Brownfields projects. Both Wes and Crow Legislature want Garryowen and the Carpet Mill to be priorities for Beartooth's Brownfields funding.
- We just did sampling on Pryor High School and have sent it to the lab.

### **Economic Development / CRDC – Gaurav Thakur**

#### **Big Horn County – Housing Needs Assessment Study**

- Final Report presented to the County Commissioners on March 6<sup>th</sup>
- Commissioners are very happy with final report from Ayres. Anyone interested in the report can request that from Lawrence.

#### **City of Hardin – Economic Development Strategy**

- Partnered with Tina Toyne and Consultant (Ayres Associates) on the In-Depth Interviews with Community Members and Business owners for stakeholder meeting sessions. This helped them better understand some of the challenges they are facing.

#### **City of Big Timber - MAP EJ Grants**

- Thriving Communities Grantmaking – Big Timber Civic Centre Upgrades - Declined for the first cycle & received recommendation. But it is mostly due to Big Timber not fitting the “distressed community” criteria.
- Gaurav sent a request for assistance to better explain the reasons they should be considered distressed.

#### **City of Laurel**

- Gaurav was officially appointed to Laurel Urban Renewal Agency (LURA) Board in Advisory capacity
- Also attending their Small Business Alliance group – business owners who come together to discuss challenges and opportunities

#### **Reporting (State and Federal)**

- EDA - Partnership Planning Program FY2025 Funding Application - \$70,000/year for the next 3 years. Only gave us 10 days to submit that application, and it was very involved.
- CRDC - 2025 Annual Work Plan was submitted at end of February

#### **Coal Board Application**

- Lodge Grass – Backhoe and Excavator
  - Application returned due to missing signature (needed from elected member)
  - Staff Comments - According to State Accounting, funding the City of Hardin to then give funds to Lodge Grass would be a violation of the no-pay order.
  - The application will be presented to the Coal Board for the upcoming draw but will use the County as the sponsoring applicant

#### **Montana – ORE – Opportunities in Rural Economies Loan Program**

- One Health - New Office Space. Beartooth will be assisting in applying for this when the application is available. Waiting for more information as the State releases it.

#### **Proposal for Creating a Regional Online Business Directory and Resource Library**

- Application to USDA's RBDG Program to be submitted in the next round
- Goals: Increase Business Visibility, Continuous Engagement and Communication and Resource

## **Operations Support – Myrna Lastusky**

USDA Rural Community Development Initiative (RCDI) with Red Lodge Area Community Foundation (RLACF/Angela Getchell, Workforce Housing Manager)

- Coordinating a Visioning Activity with the Red Lodge Urban Renewal Agency and Kansas State University-Technical Assistance Brownfields team.
- Beartooth, Angela, & developer Tom Fischer met with community leaders to discuss possibilities for the old hospital. The visioning activity will also move this forward.
- Continue to work with several Carbon schools on a “First Right of Refusal” teacher housing model. Units will remain affordable through a partnership with Trust Montana.
  - Bridger School District is interested in putting a couple homes on a school lot.
  - Roberts School Board approved moving forward on a contract; Roberts Community Foundation has pledged their support to pay the monthly fee.
  - Plan to speak with Fromberg next – thanks to Commissioner Miller for his support and connecting us to Fromberg leadership!

USDA RCDI (Rural Community Development Initiative) with City of Hardin (Tina Toyne, EDD)

- Tina has taken advantage of several training opportunities this quarter, including a few courses with IEDC (International Economic Development Council).
- Tina & the City are working on multiple grant projects (housing study, infill & redevelopment, Hotel Becker, EcDev Strategy, etc). Tina can give you the latest news.
- This grant will wrap up on March 31st, but work will continue with the great partnerships we have formed in Hardin and Big Horn County. This has been a positive 3-year effort for Hardin and Big Horn County (resulting in not one but TWO excellent EcDev Directors in Tina Toyne and Lawrence Killback), but it has also been a blessing for Beartooth in our work in Big Horn. Additionally, all the other State and Federal agencies are more tuned in to the needs and possibilities throughout the County.

RCAC (Rural Community Assistance Corporation) Grant in Columbus

- Monthly small group meetings will continue as we work to make goals a reality for 2+ years. A few projects in the early planning stages include a couple of murals, an interactive map for County tourism, possible rec center, housing efforts, and forming a Downtown Business Association. We are also providing support and TA to the Stillwater County Chamber as they are navigating recent budget cuts.
- Attending Governor’s Conference on Tourism April 27-29 as part of this grant.

Miscellaneous

- Beartooth is also assisting Carbon County & Belfry Senior Center to find/build/renovate/fund a new Center.
- Appreciation to our awesome staff for their extra efforts while I have been in AZ. Returning to the beautiful Big Sky on April 4th!

## **Regional Roundup – led by Commissioner Roe**

**Holly Higgins, First Interstate Bank of Hardin**

- Electrical: 2 people are starting up electrical businesses and contracting, which is a huge need in the County.
- Education: FIB does a Teach to Save course every year. FIB-Hardin branch (Violet Hinkel) did 15 classes covering grades 3-5<sup>th</sup> and 290 kids. Cover how to “grow” money, basic money sense, etc.
- Still have our Dollar Stores!



**Mike Boyett, Billings City Councilmember**

- Mike volunteered to be on our board because of the 11 members, no one else wanted to and none of them knows anything about Beartooth.
- He recommended that Beartooth show up to Council meetings occasionally so they at least see us and know what we do. Politics 101.
- They also wonder why they pay for both BSED *and* BRCD – so we need to educate them.
- Everything is numbers for most of them, so show how much money comes into Billings due to Beartooth's efforts.
- Mike will report back to the Council on Monday and say Beartooth is doing good work, but he wants someone from Beartooth to come to the meeting.
  - Joel said that sounds great. We will provide some numbers and figure out what works best for the Council – work session, regular meetings?
- Mike also talked about the new City Hall they are in. They bought it for 50 years down the line, 100 years . . . they had people in closets, a basement boiler room, etc. Now they have space – and windows!
  - If anyone wants to open a coffee shop, they have a ground floor space that would be perfect.
  - Also, if anyone knows kids who want to be police officers, let them know. They want to get more kids interested.

**Commissioner John Ostlund, Yellowstone County**

- Lot of projects going. Construction of 72-hour hold detention facility, a great addition. Criminals will get locked up for 48-72 hours, have arraignment hearing, go before a judge before you get out, and either have a bond, ankle bracelet, or be remanded to the jail.
- New County Administrative building is being built (Miller Building). It should be complete by November.
  - Moving Elections to the Fairgrounds where they will have a stand-alone office and a drive-through drop off for ballots.
- With different departments moving out of the courthouse, the courthouse will eventually be remodeled. District Court judges will be there.
- Building a new rodeo grounds and outdoor arena, construction in progress.
  - August Fair will include an upscale rodeo there. Nile gave up October rodeo and will participate in August. Big deal for the Ag community.

**Ryan Van Ballegooyen, Dept. of Labor & Industry/Job Service**

- Yesterday had Montana's biggest Job Fair. Had about 1500 attendees, 110+ employers.
  - Sibanye-Stillwater miners were invited to come early, and 40 did so. 70 veterans also came in early.
- 2.8% unemployment in Feb. – unexpectedly low.
- Forest Service workers are anxiously waiting for Apr. 18<sup>th</sup> to hear if they will have jobs.
  - DLI does Rapid Response to help them get training, find jobs, etc. whenever large-scale layoffs happen.
- Efforts to put former inmates back to work. Legislature is passing bills to establish Montana Office of Re-entry.

**Kayla Vokral, SBDC**

- SBDC Day was yesterday – to celebrate SBDC and our businesses. Had QuickBooks Training and showed *Edge of the Plains* documentary.
- Had a few business closures in Billings – Favorite Finds, Wild Ginger, and Bin 119. All had their reasons & not necessarily that people aren't spending money.
- Had some business openings, too! Frey is expanding her west end location to a downtown one, also. Prairie Animal Hospital built an emergency vet clinic on the west end of town (\$3.2 million impact for that). Children's Art Classes (west end business) offers many classes and will also include summer art

camp. Field House on Minnesota has been vacant for some time, but the new owner is opening a pirate-themed bar called Captain Scurvy's. There will also be a medieval-themed restaurant in the same location.

- Partnering with Joel on a Homegrown to Market Workshop.
- Partnering with MSU-B on some workshop series with in-depth knowledge of business ownership. If participants take all 3 series, they will receive some college credit. Par
- Partnering with Dept. of Labor on mine layoffs. Doing Start Smart workshops and workforce development.
- April 2<sup>nd</sup> is the Hive Competition at MSU-B. High school students pitch their business ideas to a large crowd & compete for cash prizes from Valley Federal Credit Union.
- Partnering with Beartooth on many projects – lots of loans and grants. Thank you to Beartooth team for all their help!

#### **Kevin Mitchem, Sibanye-Stillwater Mine**

- Hoping to see platinum/palladium prices go up soon; it's not dropping anymore.
- Some legislation with Russian imports may provide relief, but it's tied to the Russian-Ukraine war.
- The layoffs have been tough – watching good friends lose jobs and the uncertainty of everyone's jobs, but everyone has been very helpful.
  - Commissioner Ostlund said Yellowstone County picked up several employees, and they've been great employees. Mike Boyett said the City picked up a couple engineers who have also been excellent.
  - Ryan said Dept of Labor has worked with 380; about 160 filed for unemployment. Anxious to see what happens when their unemployment ends.
  - Kevin said some have been called back already.
- Steve Simonson asked if Sibanye products can be differentiated from the Russian products? Kevin wasn't sure, but he thinks the answer is no. He explained an issue of separating out recycled materials from the other ones.

#### **Tina Toyne, City of Hardin Economic Development**

- Hardin was awarded the Pilot Tourism Grant – “Big Horn Breakthrough Project” – to encourage tourism in Hardin and the County.
- County Housing Needs Assessment is complete; will receive final copy from Ayres soon.
- Cushing Terrell is working on the Infill & Redevelopment study, and they also look forward to seeing the final Housing Needs Study.
- Selected IMEG for a Master Services Agreement. They are currently working on branding.
- High Plains Architects began Monday on their PAR for the Hotel Becker.

#### **Lorene Hintz, Big Sky Economic Development**

- Community Development is working on Space2Place Grants. Received 26 applications and can only fund 6-7.
- Workforce Development: County Summer Jobs Program. Businesses can apply to have interns, and high school students can apply & interview for paid internships.
  - Also have a Campus Billings program for HS into college – if you have an internship, you can network and learn different skills.
- Steve Arveschoug is retiring. April 11<sup>th</sup> is a party at the Northern to say goodbye. Paul Green, former MT Dept of Commerce Director, will be the new BSED Executive Director. Paul starts April 1<sup>st</sup> and Steve's last day is April 16<sup>th</sup>, so they will have a 2-week transition.

#### **Lawrence Killsback, Big Horn County Economic Development**

- Big Horn County would like the women's prison & has the infrastructure for it.
- Decline of coal & challenging tax base became more apparent while applying for a Coal Board grant for the library's boiler system & fire alarm system, which they were awarded.
- BHC is currently updating Growth Policy. Will be updating Capital Improvement Plan.
- New Planning Board has been appointed & Lawrence is coordinating different groups.
- Housing Needs Assessment: Recommendation is to look at a County-City Housing Authority. Possible opportunities to partner with tribal development and trying not to duplicate efforts.
- Workforce: Plenty Doors CDC has a great program & County is working with them. Biggest need will be housing; working with stakeholders including school districts. Working on recruitment and retention of teachers; send programs/info to Lawrence.
- Some nonprofits are shutting doors due to funding pauses. Tribes have made a strong stance: they do not fall under DEI; they have a sovereign government-to-government relationship, and many congressmen are in support of that.

#### **Martin DeWitt, SBA**

- National Small Business Week is May 4-10. Announcements coming soon.
- Superior Meats (Superior, MT) is being considered on a national level for the National Small Business Award.
- America First Manufacturing in America Tour: Montana selected as a stop, and that will be next Wednesday. SBA HQ is putting this together and will have roundtables in Bozeman. SBA will be coordinating this Manufacturing in America program.
- Submitted SBA Reorganization Plan on March 13<sup>th</sup>. Unsure about job security due to duplication in responsibilities & possible cuts.
- Tom White (lender specialist) moved to a position at a bank and Rena Carlson (lead lender specialist for MT) retired, so no lender relationship specialists in MT. Kelly Dixon is also retiring. Martin, Deputy District Director, & a District Director are the only managers left.
- Outreach: Martin has worked from home since COVID. To go to onsite visits, he must put in travel requests to be approved, so that is currently a hassle. Travel allocations are cut. So federal employees are having trouble with outreach now – just a heads up.
  - Use phone and email to communicate.

#### **Danny Choriki, BAFVTF, Ubet Post**

- Great to see a Billings City Councilmember at the table again. Thank you, Mike!
- The former mayor of Billings, Willard Fraser, used to call himself the Mayor of Billings and a 300-mile Radius. He understood this is a metropolitan market area and we need to think about the regional economy, not just Billings.
- Northern Lights Family Justice Center opened in January. Family Violence Task Force Conference topic is "Should I Stay or Should I Go?" Focuses on moments when families are caught, what are their needs, and how can we help? This includes needs for people who are being stalked, which is a huge issue right now.
- National League of Cities: people have told Danny that big corporations have been buying up houses over the past 15-20 years and are starting to sell off the housing. Is anyone seeing that start to happen in our region?
  - Ryan said to pay attention to Bozeman, who has had a high amount of corporate housing transactions.
  - Steve said Warren Buffet is looking at selling Berkshire Hathaway out of his portfolio, which may be a warning that the housing market will soon take a downturn. We haven't had as many corporate buyers in MT as other states, but there is some of that happening.
  - Danny said the National League of Cities folks also said the rental market they were expecting to make money off of didn't really happen.

## Commissioner Melanie Roe, Sweet Grass County

- We are busy, lots going on. Possible west end development.
- 2-3 drafts through the process of Pilot Tourism Grant paperwork.
- Commissioners testified on a couple bills in state legislature – they were looking at pulling the bed tax and rental money out and using it for property tax relief, which we were against. The bill is still in play, but it has been pared down (SB 90).
  - Commissioner Ostlund said he thinks it will merge with SB 117. Yellowstone County commissioners also testified against SB 90, but with the amendments, it is better. They called it property tax relief, but it's really property tax shift.
  - HB 308 is before Senate tomorrow morning – sunset of metal mines percentage, and the bill will extend it another 8 years. They will testify on that, too.
- Looking for a new road supervisor – send people their way!

## May 15, 2025 – Next Beartooth RC&D Board of Directors Meeting in Sweet Grass County

Meeting was adjourned at 2:33 pm.

## Revolving Loan Fund Books- March 2025

INCOME	2022		2023 Income		2023		2024 Income		2024		2025 Income		2025	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
AG-FOOD AND AG CENTER	45,000	70,057	AG-FOOD AND AG CE	45,000	48,706	AG-FOOD AND AG CENTER	60,000	61,636	AG-FOOD AND AG CENTER	60,000	60,000			
AG-MCDC	500	0	Specialty Crop Block	35,000	31,286	Specialty Crop Block	58,166	56,006	Specialty Crop Block	58,166				
BOARD - EDA SPONSOR DUES	56,979	56,844	BOARD - EDA SPONS	56,979	55,711	FARM TO SCHOOL	1,200	3,750	FARM TO SCHOOL	1,200				
BOARD-INTEREST INCOME	400	845	BOARD-INTEREST INC	400	736	REAP	5,000	25,180	REAP	5,000				
BOARD-FOUNDATION MONEY	3,300	3,830	BOARD-FOUNDATION	3,300	3,641	BOARD - EDA SPONSOR DUE	56,979	56,023	BOARD - EDA SPONSOR DUES	56,979				
RLF-STAFF REIMBURSE	18,000	0	RLF-STAFF REIMBURS	15,000	5,066	BOARD-INTEREST INCOME	750	450	BOARD-INTEREST INCOME	450				
RLF-ORIG FEES	7,500	6,152	RLF-ORIG FEES	5,000	2,764	BOARD-FOUNDATION MONEY	3,300	3,676	BOARD-FOUNDATION MONEY	3,300				
CRDC	71,000	71,844	CRDC	71,000	71,844	RLF-STAFF REIMBURSE	15,000		DEQ-EJ	36,500				
CGWG/ fuels			EDA - GRANT	70,000	70,000	RLF-ORIG FEES	5,000	5,787	RLF-ORIG FEES	5,000				
MISC GRANT ADMIN \$	12,750		BSTF ADMIN \$	4,000		RLF- RMAP	12,500	15,572	RLF- RMAP	12,500				
EDA - GRANT	70,000	70,000	RCDI ( Big Horn)	2,500	2,444	BROWNFIELD	19,250	11,932	BROWNFIELD	19,250				
SW-GRANT			RCDI (Red Lodge)	4,000	1,592	CRDC	50,000	79,663	CRDC	82,269				
BSTF			Pass- Through		115,634	EDA - GRANT	70,000	70,000	EDA - GRANT	70,000				
EDA-CARES ACT		100,000	other Admin		2,500	BSTF ADMIN \$	1,950	1,950	RCAC	25,000				
Pass- Through		73,102				RCAC	25,000	7,465	RCDI( Big Horn)	2,800				
Total Income	285,429	452,674			312,179	411,921	RCDI ( Big Horn)	2,800	2,483	RCDI ( Red Lodge)	2,800			
							RCDI (Red Lodge)	2,800	1,749					
							Pass- Through		86,881	Pass- Through				
							Restricted SSBCI & Loan Interest		60,420	Restricted SSBCI & Loan Interest				
								389,695	550,623		441,214	0		
EXPENSES			Expenses for 2023				Expenses for 2024			Expenses for 2025				
TOTAL STAFF EXPENSE	231,429	233,496	TOTAL STAFF EXPEN	244,441	241,301	TOTAL STAFF EXPENSE	245,441	263,548	TOTAL STAFF EXPENSE	275,000				
COMMUNICATIONS	4,500	7,167	COMMUNICATIONS	7,000	7,300	COMMUNICATIONS	9,000	12,228	COMMUNICATIONS	12,000				
EQUIPMENT & VEHICLE	4,500	9,581	EQUIPMENT & VEHICL	6,000	5,370	EQUIPMENT & VEHICLE	7,000	7,403	EQUIPMENT & VEHICLE	9,000				
CONTRACTUAL	21,100	195,509	CONTRACTUAL	25,000	126,784	CONTRACTUAL	30,000	118,057	CONTRACTUAL	15,000				
SUPPLIES	5,000	10,559	SUPPLIES	7,000	14,853	SUPPLIES	8,000	19,484	SUPPLIES	10,000				
TRAVEL	7,800	3,756	TRAVEL	5,500	9,838	TRAVEL	15,500	7,512	TRAVEL	20,000				
OTHER	10,000	12,515	OTHER	11,500	9,265	OTHER	13,500	12,207	INSURANCES	8,000				
									RENT/UTILITIES	12,500				
							Restricted SSBCI & Loan Interest		60,420	FY 24 Audit	28,000			
Total Expense for the year										Restricted SSBCI & Loan Interest				
	284,329	472,583	EXPENSE TOTAL	306,441	414,711	EXPENSE TOTAL	328,441	500,859	EXPENSE TOTAL	389,500	0			
Net Income	1,100	-19,910		5,738	-2,789		61,254	49,764		51,714	0			

## Revolving Loan Fund Books ending - February 28, 2025

### Loan Client Review

<u>County</u>	<u># of loans</u>	<u>\$ Loan Balances</u>	
Big Horn	2	\$ 189,199.70	
Stillwater	1	\$ 287,000.00	
Yellowstone	13	\$ 905,503.13	
Carbon	3	\$ 332,090.10	
<u>Sweet Grass</u>	<u>1</u>	<u>\$ 60,046.19</u>	Total:
20		\$ 1,773,839.12	

- Closed one new loan in March.
- Interest in RLF has been strong, with noticeable activity among Small Business and startups.

### Bank Balances as of February 28,2025 Total available for lending

Bank of Joliet- RMAP waiting to be drawn down)	\$ 158,598.87	\$ 158,598.87	\$250,000 (still
Bank of Joliet – RMAP LOAN LOSS	\$ 8,015.08	\$ 0.00	
Bank of Joliet EDA	\$ 21,343.64	\$ 21,343.64	
Bank of Joliet-CDBG	\$ 186,924.59	\$ 186,924.59	
Bank of Joliet- IRP	\$ 730,976.78	\$ 324,976.78	
Bank of Joliet-Fromberg	\$ 52,639.45	\$ 52,639.45	

	Available:	<u>\$ 744,483.33</u>
(RMAP waiting to be drawn down)	\$	250,000.00
(IRP and BSED waiting to be drawn down)	\$	873,500.00
	\$	<u>1,867,983.33</u>

Restricted Accounts		Principal amounts paid back	
FIB – SSBCI 2.0	\$ 148,621.00	\$ 13,686.97	BOJ- SSBCI 2.0
\$ 79,651.50	\$ 11,981.21		

#### Drawn down New funded:

Loans amount: \$750,000	Grant amount: \$500,000
New IRP- \$215,000.00	BSED- \$ 71,500.00
New IRP- \$ 67,500.00	BSED- \$ 22,500.00

March 2025 Beartooth Books		
2025 Income	2025	
	Budget	Actual
AG-FOOD AND AG CENTER	60,000	
Specialty Crop Block	58,166	
FARM TO SCHOOL	1,200	
REAP	5,000	
BOARD - EDA SPONSOR DUES	56,979	43,136
BOARD-INTEREST INCOME	450	
BOARD-FOUNDATION MONEY	3,300	
DEQ-EJ	36,500	
RLF-ORIG FEES	5,000	
RLF- RMAP	12,500	
BROWNFIELD	19,250	5,258
CRDC	82,269	20,567
EDA - GRANT	70,000	17,500
RCAC	25,000	5,115
RCDI( Big Horn)	2,800	3,002
RCDI ( Red Lodge)	2,800	1,475
Pass - Through		41,577
Restricted SSBCI & Loan Interest		22,443
	441,214	160,073
Expenses for 2025		
TOTAL STAFF EXPENSE	275,000	48,243
COMMUNICATIONS	12,000	849
EQUIPMENT & VEHICLE	9,000	1,540
CONTRACTUAL	15,000	15,061
SUPPLIES	10,000	3,058
TRAVEL	20,000	862
INSURANCES	8,000	649
RENT/UTILITIES	12,500	500
FY 24 Audit	28,000	
Restricted SSBCI & Loan Interest		
EXPENSE TOTAL	389,500	70,761
	51,714	89,312
Statement Ending: 02/28/2025		
Checking Account:	\$164,176.89	unrestricted cash
Restricted cash in checking for CGWG & JOJ	\$12,065.65	\$152,111.24
Savings Account:	\$65,812.19	
Building Account:	\$4,488.53	

May 2025 Beartooth Books			
2025 Income	2025		% of budgeted
	Budget	Actual	
AG-FOOD AND AG CENTER	60,000	15,000	25.00%
Specialty Crop Block	58,166	4,146	7.13%
FARM TO SCHOOL	1,200		0.00%
REAP	5,000		0.00%
BOARD - EDA SPONSOR DUES	56,979	43,136	75.71%
BOARD-INTEREST INCOME	450	239	53.04%
BOARD-FOUNDATION MONEY	3,300	3,610	109.40%
DEQ-EJ	36,500	4,280	11.73%
RLF-ORIG FEES	5,000	3,260	65.20%
RLF- RMAP	12,500	11,526	92.21%
BROWNFIELD	19,250	7,917	41.13%
CRDC	82,269	20,567	25.00%
EDA - GRANT	70,000	17,500	25.00%
RCAC	25,000	5,115	20.46%
RCDI( Hardin)	4,800	3,002	62.54%
RCDI ( Red Lodge)	4,800	1,475	30.74%
Pass- Through		96,945	
Restricted SSBCI & Loan Interest		40,511	
	445,214	278,228	
Expenses for 2025			
TOTAL STAFF EXPENSE	275,000	96,255	35.00%
COMMUNICATIONS	12,000	3,842	32.01%
EQUIPMENT & VEHICLE	9,000	1,545	0.56%
CONTRACTUAL	15,000	96,210	641.40%
SUPPLIES	10,000	5,286	52.86%
TRAVEL	20,000	3,302	16.51%
INSURANCES	8,000	7,356	91.95%
RENT/UTILITIES	12,500	1,000	8.00%
FY 24 Audit	28,000		0.00%
Restricted SSBCI & Loan Interest			
EXPENSE TOTAL	389,500	214,796	
	55,714	63,433	
Statement Ending: 04/30/2025			
Checking Account:	\$169,431.46	unrestricted cash	
Restricted cash in checking for CGWG & JOJ	\$10,777.73	\$158,653.73	
Savings Account:	\$71,979.52		
Building Account:	\$4,488.53		
*Defunded or funding exhausted			

**Revolving Loan Fund Books ending - April 30, 2025**

**Loan Client Review**

<u>County</u>	<u># of loans</u>	<u>\$ Loan Balances</u>
Big Horn	2	\$ 187,668.35
Carbon	3	\$ 481,728.61
Stillwater	2	\$ 375,401.10
Sweet Grass	1	\$ 59,223.50
Yellowstone	14	\$ 949,613.53
Total:	22	\$ 2,053,635.09

\* Closed one new loan in Yellowstone County and one in Carbon County

\* Interest in the RLF program remains strong, with noticeable activity in real estate acquisitions and debt consolidation.

\* The 2024 audit has officially begun.

**Bank Balances as of April 30,2025 Total available for lending**

Bank of Joliet- RMAP	\$ 166,306.21	\$ 166,306.21
\$250,000 (still waiting to be drawn down)		
Bank of Joliet – RMAP LOAN LO	\$ 8,020.02	\$ -
Bank of Joliet EDA	\$ 22,087.48	\$ 22,087.48
Bank of Joliet-CDBG	\$ 145,792.65	\$ 145,792.65
Bank of Joliet- IRP	\$ 679,686.61	\$ 679,686.61
Bank of Joliet-Fromberg	\$ 52,696.04	\$ 52,696.04

Available: \$ 1,066,568.99

(RMAP waiting to be drawn down) \$ 250,000.00

(IRP and BSED waiting to be drawn down) \$ 721,250.00

\$ 2,037,818.99

**Restricted Accounts**

FIB – SSBCI 2.0	\$148,621.00	Principal amounts paid back
		\$ 7,935.87
BOJ- SSBCI 2.0	\$79,651.50	\$ 13,466.95

**Drawn down New funded:**

Loans amount:	\$750,000	
New IRP-	\$ 215,000.00	\$ 71,500.00
New IRP-	\$ 67,500.00	\$ 22,500.00
New IRP-	\$ 112,500.00	\$ 39,250.00



**Beartooth Brownfield-** activity continues to progress, with ongoing site assessments and increased interest in redevelopment opportunities across the region.

Grant Award	\$	460,000.00	
Completed work/assessments:			
QAPP	\$	6,577.00	Quality Assurance Project Plan
Rocky Fork	\$	4,552.04	Phase I
Roberts Property	\$	3,885.41	Phase I
Old Memorial Hospital	\$	38,177.55	Phase II with ABCA
Outreach Flyers	\$	852.50	
Total Amount Expended	\$	54,044.50	
Outstanding Invoices			
Plenty Coup high	\$	39,340.00	Phase II with ABCA
Helping Hands Food Bank	\$	75,000.00	Remedial Investigation work plan (Phase II ESA SAP)
(Petro Reimbursement)			
Total Outstanding	\$	114,340.00	
Approved waiting on SAP			
Garryowen	\$	75,000.00	UST Closure Assessment
Old Carpet Mill	\$	40,000.00	Phase II with ABCA and clean up planning
Total Approved Expenses	\$	115,000.00	
Expended with proposed	\$	283,384.50	
Admin Expended	\$	16,995.50	
Total Cumulative Expenditures	\$	300,380.00	

#### Fun Community Brownfield Activity Update:

Brownfield redevelopment efforts are gaining momentum, including a coordinated site visit to Red Lodge scheduled for May 28–29 in partnership with the KSU TAB team. Activities include a walking tour of the North Community Entrance URD, meetings with city departments, community visioning sessions, stakeholder engagement, and development of a Brownfields inventory through BIT.

## Beartooth RC&D Staff Project Update

*May 2025*

### **FOOD AND AG DEVELOPMENT CENTER PROJECTS**

### **FOOD AND AG DEVELOPMENT CENTER PROJECTS**

#### **Beartooth FADC**

Beartooth FADC assisted clients with RFSI BEP grants. Beartooth FADC has continued to work with partners to do outreach to businesses in our region. Beartooth FADC has worked with Montana Department of AG on a funding renewal for the FADC network. Attended the Montana Economic Developers Association Conference in Livingston in April. We are also currently re-applying for FADC funding, including a small increase in funding for the upcoming two year contract of \$6,000.00 per year.

#### **Growth Through Ag Projects and USDA Projects**

##### **Derek Eaton**

Location- Billings, MT

Contact- Derek Eaton

Derek was raised on a family cattle ranch and has been working on utilizing AI technology to allow those interested in purchasing livestock from producers to be processed an app for smart phones that would allow producers to list livestock for sale live and allow the customer to choose a transportation option to a local processor and have the finished product shipped to them. Beartooth FADC assisted Derek in developing a GTA application for the development of this opportunity. Beartooth FADC also assisted Cut Craft with developing a Biz Builder application for training and funds through a new grant opportunity from the Department of

##### **Rodi Farms**

Location- Laurel, MT

Contact-Carah Ronan

Beartooth FADC assisted Rodi Farms in re applying for the USDA Value Added Producer Grant for approximately \$135,000.00 in operating funds to expand their cut flower and local food aggregation business.

**Smurai Sue's**

Location- Red Lodge, MT

Contact-Asano Otsu

Asano started her small bakery and ready-to-eat meals in 2018 initially selling them in the Moon Lake Market attached to her processing location. The business now markets her bread and pizza crusts as well as ready to eat pizzas at the local grocery store and online orders. She and her husband are now building a larger new location to expand her business and Beartooth FADC has worked with her to develop a GTA Business and Marketing Grant and an RFSI grant for expanding her online presence and sales and purchasing equipment. She received \$8,000 in Business and Marketing Grant funds from the Department of Agriculture; she also received \$18,000.00 for the full GTA grant for equipment to finish her new processing location. Beartooth FADC and MMEC conducted a site visit with the owners at their new location to talk about where they could locate some pieces of equipment for efficient access while processing.

**Greycliff Mill**

Location- Big Timber, MT

Contact- Micah Bowden

The Greycliff Mill near Greycliff, MT is developing their own meat processing location for their Cattle and Buffalo on their small ag operation. Beartooth FADC assisted Micah Bowden in developing a GTA application for a smoker to be used in their small processing operation, Beartooth is working with the business to complete their Business Enhancement Program grant for training with the MSU food lab on recipe development.

**Farm Box**

Location- Joliet, MT

Contact- Justin Dye

Farm Box markets local foods with a list of locations they set up and sell directly to consumers and they market local foods through their active Facebook Page. Beartooth FADC has assisted them in developing a GTA application for funding to expand their business by promoting local foods, we may also be assisting the business in developing a BEP grant for food based training.

**Yellowstone Valley Farm**

Contact-Reuben Stahl

Location-Laurel

Reuben Stahl has a family greenhouse business growing basil and selling to FSA and Sysco, he would like to add another greenhouse to keep up with increased demand this last year. Beartooth RC&D assisted Reuben with developing a video of his business for marketing and researching potential funding

opportunities for his greenhouse expansion. Beartooth FADC and MMEC visited with Reuben in March to discuss his interest in starting to market pesto using his fresh grown herbs and options for processing.

### **Becky's Berries**

Location- Absarokee, MT

Contact- Becky Stahl

Beartooth FADC has been assisting Becky Stahl with her new line of mustards, she has developed a new label and is now marketing them. Working with MMEC we have helped Becky take a tour of Kings Cupboard in Red Lodge to see his equipment, some of which she may be investing in at some point in the future. She and her son-in-law Shane worked with Beartooth FADC on developing a GTA grant. They are still deciding on whether they will be looking at building a new location.

### **S Ranch Meats**

Location- Custer, MT

Contact- Hannah Knutson

S ranch meats is a family owned and operated beef business. The ranch operates a 6000 head ranch and developed a USDA meat processing plant in Hardin, MT. They have developed their own line of packaged meats sold at local restaurants and through Facebook and word of mouth marketing. Beartooth FADC has been working with USDA VAPG specialists to assist the business in applying for \$250,000.00 in operating funds to expand their direct-to-consumer branded beef business. They have received the VAPG funding for the 2024 year. Beartooth FADC staff continues to maintain communication with the business and send them potential training opportunities and funding opportunities.

### **Rebel Head Kombucha**

Location-Billings, MT

Contact- Cassandra Harr

Cassandra has been making small batches of Kombucha in her location in Billings, MT but has needed certified alcohol testing from a qualified lab, she now has that to complete the necessary state licensing then she will begin growing her business, Beartooth FADC visited with Rebelhead Kombucha in February to discuss her interest in HACCP training and MMEC Lean manufacturing training and both opportunities were sent to her in follow up communications.

## **On Going Projects**

### **Black Beard Broncos**

Location- Worden

Contact- Mike Queyrel

Mike owns Black Beard Broncos fabrication shop in Worden and Beartooth FADC assisted him in applying for REAP funds for his existing shop to add solar panels to reduce his energy bills. USDA approved the project minus the battery storage.

### **Mountain View Hutterite Colony**

Location- Acton, MT

Contact- Ike Kleinsasser

The mountain view colony has one of the largest egg production operations in the state they supply eggs to the Billings area Walmart's, Albertsons and other retail stores. Beartooth FADC assisted them ten years ago with a Growth Through Ag Grant for a delivery truck and now they are needing a new egg processing and packaging equipment that would allow them to expand their output by more than double. They are working with MMEC on designing a new facility in the coming years.

### **Stovall Ranch and Yellowstone Feeders**

Location- Yellowstone County

Contact- Turk Stovall

The Stovall family are generational beef producers in Yellowstone County they have grown their operation to include two sizeable Feedlots and sell Certified Angus Beef as well as having their own branded beef products sold direct to consumer. Beartooth FADC talked with the business about the potential use of the REAP program for their expansion plans as well as USDA VAPG for their direct beef sales business. They are also looking at the USDA Supply Chain Guaranteed Loans. Beartooth visited with stakeholders on this project and discussed changes to the REAP program, and other potential funding sources including the 5625Beartooth RLF.

### **Speedy and Flo's Sweet Corn**

Location- Hardin, MT

Contact-Flo Ramirez

Beartooth FADC worked with Flo Ramirez and his wife; they started growing fresh produce and sweet corn for local sales over ten years ago on a one-and-a-half-acre garden plot. Their business has grown, and they now raise 25 acres of sweet corn and have a 4-acre garden, they sell all their fresh produce at locations in Hardin, several in Billings, Joliet, Miles City and Absarokee, Miles City as well as in northern Wyoming. Beartooth FADC assisted Flo in developing his application for the Business and Marketing Grant for new bags for the corn that have their logo and Facebook information on them. After purchasing the new bags Beartooth FADC assisted Flo in applying for a GTA program for the development of their greenhouse and retail location, they were successful and will receive \$50,000.00 for this project. The new greenhouse is completed and will be utilized next year to grow more produce and increase the profitability of their family business. Beartooth has continued to assist the business with GTA reporting and research on new funding opportunities.

### **Beartooth Initial Contact/ Outreach**

**Vantage Point Farm- Laurel**

**Yellowstone Farms- Laurel**

**Samarai Sues Everyday Foods- Red Lodge**

**Aaron Toews VAPG application – Hardin**

**Brandon Lang- Billings**

**Grindys Cheeseballs- Billings**

## **Beartooth Economic Development Director Report**

### Big Horn County – Housing Needs Assessment Study

- Final Report presented to the County Commissioners on March 6<sup>th</sup>

### City of Hardin – Economic Development Strategy

- Partnered with Tina Toyne and Consultant (Ayres Associates) on the In-Depth Interviews with Community Members and Business owners for stakeholder meeting sessions.

### City of Big Timber - MAP EJ Grants

- Thriving Communities Grantmaking – Big Timber Civic Centre Upgrades - Declined

### City of Laurel

- Officially appointed to Laurel Urban Renewal Agency (LURA) Board in Advisory capacity

### Reporting (State and Federal)

- EDA - Partnership Planning Program FY2025 Funding Application
- CRDC - 2025 Annual Work Plan

### Coal Board Application

- Lodge Grass – Backhoe and Excavator
  - Application returned due to missing signature
  - Staff Comments - According to State Accounting, funding the City of Hardin to then give funds to Lodge Grass would be a violation of the no-pay order.
  - The application will be presented to the Coal Board for the upcoming draw

### Montana – ORE – Opportunities in Rural Economies Loan Program

- One Health - New Office Space

### Proposal for Creating a Regional Online Business Directory and Resource Library

- Application to USDA's RBDG Program to be submitted in the next draw
- Goals: Increase Business Visibility, Continuous Engagement and Communication and Resource Accessibility

## **Project Manager/Executive Assistant Report – May 15, 2025**

### **USDA Rural Community Development Initiative (RCDI) with Red Lodge Area Community Foundation (RLACF/Angela Getchell, Workforce Housing Manager)**

- Visioning Activity with the Red Lodge Urban Renewal Agency and Kansas State University-Technical Assistance Brownfields team is scheduled for May 28 & 29.
  - Community survey is live
  - Community Meeting on May 28<sup>th</sup> from 6-8 pm
- Signed MOU with Trust Montana, Roberts School District, and RLACF for First Right of Refusal (FROR) housing model.
  - \$300/month maintains FROR. Fair Market Rent is \$923/month.
  - Working with Architect, Construction Supervisor, Roberts Water & Sewer Board, etc. and going before County Planning Board soon to begin construction on first triplex.
- \$131,000 Grant ends on Sept. 30<sup>th</sup>, but we plan to request an extension from USDA

### **USDA RCDI (Rural Community Development Initiative) with City of Hardin (Tina Toyne, EDD)**

- Grant ended on March 31st. Final Qtr Report & Summary Reports submitted in April.
- 3 ½ years working with Big Horn County & City of Hardin
- \$120,000 grant provided training, support, and 50% reimbursement for EDD position
- End result = 2 Economic Development Directors are now doing great work in Hardin and BHC!

### **RCAC (Rural Community Assistance Corporation) Grant in Columbus**

- Monthly small group meetings continue as we work to make goals a reality for 2+ years.
- Stillwater County Chamber of Commerce support
  - RCAC/Beartooth conducted a 3-hour Chamber board training on May 12<sup>th</sup>.
- Governor's Conference on Tourism April 27-29
  - MT Heritage Center – opening in November
  - New Montana branding coming
  - Need a grant writer? Try [www.dottedifundraising.com](http://www.dottedifundraising.com)
  - Help setting up a nonprofit? [www.mtnonprofit.org](http://www.mtnonprofit.org)



## **Frequently Used Acronyms**

BIA – Bureau of Indian Affairs  
BLM – Bureau of Land Management  
BRCD – Beartooth RC&D  
BSEDA – Big Sky Economic Development Association  
BSTF – Big Sky Trust Fund  
CDBG – Community Development Block Grant  
CRDC – Certified Regional Development Corporation  
CEDS – Comprehensive Economic Development Strategy  
CTEP – Community Transportation Endowment Program  
EDA – Economic Development Administration  
EDD – Economic Development District  
FADC- Food and Ag Development Center  
GIS – Geographic Information Systems  
GPS – Global Positioning System  
GTA- Growth Through Ag Grant and Loan  
HOME – Montana Home Investment Partnerships Program  
HUD – US Department of Housing and Urban Development  
IRP – Intermediary Relending Program  
LESA – Land Evaluation Site Assessment  
MBOI – Montana Board of Investments  
MDOA- Montana Department of Agriculture  
MDOC – Montana Department of Commerce  
MDOL – Montana Dept. of Labor  
MDOT – Montana Dept. of Transportation  
MDFWP – Montana Dept. of Fish, Wildlife and Parks  
MEDA – Montana Economic Developers Association  
MMEC- Montana Manufacturing Extension Center  
NADO – National Association of Development Organizations  
NHS – Neighborhood Housing Services  
NRCS – Natural Resource Conservation Service  
RBDG – Rural Business Development Grant  
RC&D – Resource Conservation & Development  
RCDI – Rural Community Development Initiative  
RD – Rural Development (a division of USDA)  
RCPP- Regional Conservation Partnership Program  
REAP- Rural Energy for America Program  
RLF – Revolving Loan Fund  
RMAP- Rural Micro entrepreneur Assistance Program  
SBA – Small Business Administration  
SBDC – Small business Development Center  
SSBCI- State Small Business Credit Initiative  
TIFD – Tax Increment Finance District  
TSEP - Treasure State Endowment Program  
USDA – United States Department of Agriculture  
USFS – United States Forest Service  
LSL- Lead Service Lines

**File Attachments for Item:**

9. Poppy Day Proclamation

## Poppy Proclamation

WHEREAS, America is the land of freedom, preserved and protected willingly and freely by citizen soldiers;

WHEREAS, Millions who have answered the call to arms have died on the field of battle;

WHEREAS, A nation at peace must be reminded of the price of war and the debt owed to those who have died in war;

WHEREAS, The red poppy has been designated as a symbol of sacrifice of lives in all wars; and

WHEREAS, The American Legion Auxiliary has pledged to remind America annually of this debt through the distribution of the memorial flower;

THEREFORE, I, Dave Waggoner of the City of Laurel, County of Yellowstone, Montana, do hereby proclaim this 23<sup>rd</sup> day of May 2025, as POPPY DAY and ask that all citizens pay tribute to those who have made the ultimate sacrifice in the name of freedom by wearing the Memorial Poppy on this day.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of City of Laurel, Montana this 13<sup>th</sup> day of May 2025.

CITY OF LAUREL

---

Dave Waggoner, Mayor

Attest:

---

Kelly Strecker, Clerk/Treasurer

**File Attachments for Item:**

10. Budget/Finance Committee Minutes of April 22, 2025.

**Minutes of City of Laurel  
Budget/Finance Committee  
Tuesday, April 22, 2025**

**Members' Present:** Heidi Sparks, Michelle Mize, Casey Wheeler

**Others Present:** Mayor Dave Waggoner, Kelly Strecker, Kelly Gauslow

The meeting was called to order by the Committee Chair at 5:30 pm.

**Public Input:** There was no public comment.

**General Items –**

1. Review and approve April 8, 2025, Budget and Finance Committee meeting minutes. Heidi Sparks moved to approve the minutes of April 8, 2025. Casey seconded the motion. With no objection, the minutes of April 8, 2025, were approved. There was no public comment or committee discussion.
2. Review and approve purchase requisitions. Matt Wheeler submitted a purchase requisition as he could not be present at the meeting. Heidi Sparks spoke, in Matt's absence, regarding the 2 pumps needed for the Murray Park Booster Station. The motor in one of the pumps has completely failed and the other is broken. These pumps are outdated, and we can no longer get parts. The pumps will be purchased from Granite Peak Pump Service. The total for the two pumps is \$17,847.64. Heidi Sparks moved to approve the purchase requisition. Casey Wheeler seconded the motion. With no objection, the purchase requisition was approved. There was no public comment. Kelly also presented a purchase requisition for new computers. She stated that two of the computers in the finance office were 8 years old. The two computers that will be replaced in the finance office are the accounts payable and utility billing computers. The police department also has two computers and need to be replaced, and one in the building department. Kelly stated that the CAO laptop computer is on the verge on completely quitting. All these computers are over five years old. Our IT department suggests replacement every five years so these are all needed. The cost to replace all 5 computers with Dell Technologies is \$8401.85. Heidi Sparks moved to approve the purchase requisition. Casey Wheeler seconded the motion. With no objection, the purchase requisition was approved. There was no public comment.
3. Review and recommend approval to Council; claims entered through April 18, 2025. Michelle Mize moved to approve the claims and check register for claims entered through April 18, 2025. Heidi Sparks seconded the motion. With no objection, the claims and check register of April 18, 2025, were approved. There was no public comment.
4. Review and approve Payroll Register for the pay period ending April 13, 2025, totaling \$260,637.31. Heidi Sparks motioned to approve the payroll register for the pay period ending April 13, 2025, totaling \$260,637.31. Michelle Mize seconded the motion. With no objection, the payroll register for April 13, 2025, was approved. There was no public comment.
5. Review and approve March 2025 monthly financial statement. Heidi Sparks moved to approve the March 2025 monthly financial statement. Michelle Mize seconded the motion. With no objection, the March 2025 monthly financial statement was approved. There was no public comment.

**New Business** –There was a brief discussion regarding funding the new firetruck. Kelly stated that she and Kurt have been spending a lot of time on this issue. Kelly stated that there are some CIP funds that will help with the down payment along with using general fund cash reserves. Kelly said that they believe the best interest rate would come from the Montana Board of Investments. Kelly said that she and Kurt will present their idea at the next Council workshop.

**Old Business** – None

**Other Items –**

1. Review Comp/OT reports for the pay period ending April 13, 2025.
2. Mayor Update – The mayor stated that Loves truck stop is anxious to get started. He told the committee that city Council will start seeing a lot coming their way, as the project progresses.
3. Clerk/Treasurer Financial Update-Kelly stated that budget documents and the memo from the mayor will go out this week to all department heads. Kelly explained that the final rate study documents will be coming to city Council soon, as the proposed rate study that was done in December was only for one year. The upcoming documents will be the proposed rates for the next 4 years.

**Announcements –**

1. The next Budget and Finance Committee meeting will be held on May 13, 2025, at 5:30 pm.
2. Richard Klose is scheduled to review the claims for the next meeting.

Meeting Adjourned at 6:28 p.m.

Respectfully submitted,



Kelly Strecker

**NOTE: This meeting is open to the public. This meeting is for information and discussion of the Council for the listed workshop agenda items.**

**File Attachments for Item:**

11. Public Works Committee Minutes of April 21, 2025.





**MINUTES  
CITY OF LAUREL  
PUBLIC WORKS COMMITTEE  
MONDAY, APRIL 21, 2025**

The Public Works Committee meeting was called to order at 6:00pm on Monday, April 21, 2025, by Chair Heidi Sparks.

**Members Present:** Heidi Sparks- Chair, Jodi Mackay - Vice Chair, Irv Wilke, Shawn Mullaney, Richard Herr

**Others Present:** Matt Wheeler- Public Works Director

**Public Input:** None

**General Items:**

1. Approval of Minutes from March 17, 2025. Richard made a motion to approve the minutes of March 17, 2025, 2025. Motion was seconded by Shawn. Motion carried 5-0 to approve the minutes.
2. Emergency Call Out Report- Report attached
  - i. Quite month- Elm Lift Station is only item of note. This was a piece of clothing that was caught in the system.
3. KLJ Report- Report attached
  - i. Love's new station and the School construction have been the main items KLJ has been assisting with.
  - ii. Cherry Hills 4<sup>th</sup> filing is starting. This will connect Maryland all the way through as well. City will need to partner as well
  - iii. Still working on grant submissions for the water tank funding project
  - iv. Murry booster station needs 2 new pumps which will be around \$18,000. New pumps are needed since the existing pumps are so old it is difficult to get parts. This will be presented at Budget Finance committee meeting tomorrow night, April 22.
  - v. West Railroad is still being worked on with the State. Right now, working on the storm water.

**New Business:**

**Old Business:**

4. Fire Hydrant- This is the one near the school in the street, not the one at the middle school. City is waiting until school is out to finish repairing this, since it will be longer than a 1-day project.

**Other Items:**

5. With delays in West Railroad, Jodi asked about other street projects that could be done in the interim. Matt stated that the 100 block of W 7<sup>th</sup> by the new Town Pump by the high school needs to be rebuilt from 1<sup>st</sup> to 2<sup>nd</sup>. This could be a project for this summer.



Jodi made a motion to take this project to the full council, Irv seconded. The motion passed 5-0.

**Announcements**

Next Meeting will be Monday, May 19, 2025 at 6:00 pm in Council Chambers.

Meeting adjourned at 6:36 pm

# Emergency Overtime Callout List

1-1-25

TO

7-1-25

Maintenance Shop 406-628-4773

City Dispatch 406-628-8737

Response Code	X In Column Not accepting Overtime /NA = Not Available /Y = Responding /B=Phone Busy														
Employee Name	Telephone														
Shop Callout		1-18	2-2	2-15	2-16	2-17	3-2	3-31							
Kevin Budge	406-850-5224	NA1	Y7	Y10	9	Y10	9	8							
Jay Hatton	406 860 7525	NA2	NA1	NA1	NA1	NA1	NA1	NA1							
Keith Guy	406-850-5464	NA3	NA2	NA2	Y10	6	5	4							
Wade Spalinger	406-530-4084	NA4	NA3	NA3	2	Y7	6	5							
Brandon Gonzales	406-679-0334	NA5	Y8	7	6	NA4	Y10	9							
Aaron Fox	406-694-7456	NA6	NA4	NA4	3	Y8	7	6							
Troy Clifton	406-794-7689	NA7	NA5	NA5	4	NA2	NA2	NA2							
Joel Barnhardt	406-861-6408	Y10	Y9	8	7	Y9	8	7							
KENT KUNTZ	406-672-7570	8	Y10	9	8	NA5	4	3							
Water and Sewer Callout		1-7	1-12	1-20	1-20	1-22	1-23	2-1	2-3	2-6	2-20	3-9	3-20	4-6	
Justin Baker	406-321-0208	y1	Y4	3	2	1	Y4	3	1	NA1	NA1	NA1	y4	3	
Kevin Hoffman	406-861-7460	y2	1	Y4	3	2	1	Y4	2	NA2	Y4	3	na2	1	
Daniel Nauman	406-530-4643	y3	2	1	NA1	y4	3	2	Y3	Y4	3	2	na1	Y4	
Tom Burwell	406-850-5294	y4	3	2	Y4	3	2	1	Y4	3	2	Y4	na3	2	

Elm Lift Station 628-7773 Village Lift Station 628-5918 Dial 9 after tone to acknowledge alarm

## Wastewater Treatment Plant-628-6474

Autodailer- 628-4866

Response Code	NO= In 1st Column Not accepting Overtime / NA = Not Available / Y = Responding														
Employee	Telephone														
Thomas Henry	406-855-0831														
Cindy Caswell	406-591-9013														
Corey Nicholson	406-351-1876														
Norman Stamper	406-633-3291														

## Water Treatment Plant 628-4410

Response Code	NO= In 1st Column Not accepting Overtime / NA = Not Available / Y = Responding														
Employee	Telephone														
HP Nuernberger	406-696-1008														
Dylan Ceaser	406-861-6620														
Josh Sawyer	406-591-3959														
Sam Waggoner	406-696-0249														
Joe Waggoner	406-633-1879														
TJ Worbel	406-861-7948														
Daniel Waggoner	406-697-7526														

CABLE TV down Tim Johnson 698-6254

Matt Wheeler Cell# 208-1885 8 One Call Locate - 1-800-424-5555 (City Job # 25663)

Kurt Markegard Cell# 860-5785 Hm 208-2356 SCHESSLER 628-4221 HESTON 281-0811

NW ENERGY 1-800-896-7862 LUMPY 406-860-7890

Advanced Pump 406-586-1700

Century Link 1-800-573-1311 Shop 628-7707 Jeff 694-9097

GORDAN ACE ELECTRIC 406-860-5464

NorthwestPipe 252-0142 - Larry E. 656-2856

MDU 1-800-638-3278 / MDT 252-4138

Pace Construction 252-5559 (sewer backups)

MDT Supervisor Tom 655-7903/Kyle 446-2622

SanitarySystemOverflows call DEQ withing 24 hours at406-444-3080

## Call Out - Date and Incident Location

1-7-25 h20 leak Washington ave	2-3 PLOWING SANDING	3-20 h20 break
1-12-25 H2O LEAK Topeka under trailer	2-6 EMERGENCY LOCATE	4-6 ELM LIFT FAIL
1-18 Sanding streets	2-15 SANDING	
1-20 Sewer Call out	2-16 SANDING	
1-20 Frozen Service Line	2-17 PLOWING	
1-22 Leak Atchison under trailer	2-20 H2O SHUTOFF EMERGENCY	
2-1-25 H2O SHUTOFF	3-2 RUN CONTAINER SITE SICK	
2-2 SANDING	3-9 H2O TURN ON	



### ***Laurel Water Tank Funding Project***

***(KLJ # 2304-01608)***

Reason for Project: Existing City water Tank needs to be recoated on the inside and can't happen until City has a backup storage supply. They also have needs for upgrades to their upper pressure zones. See previously approved Water System PER and City of Laurel CIP. This project looks at funding opportunities and provides grant writing services from multiple sources

Project Scope: To research funding alternatives, create packages for submittal, and assist City in finding monies for completing the future water tank and upper pressure zone improvements for the City of Laurel

***Current Status:***

- Task Order Signed by City on 12/13/23
- Met with EDA to discuss Funding on 1/9/24
- Letter of Support from CHS Received
- Letter of Support from Wood's Powergrip
- Submittal uploaded to EDA on 7.11.24.
- Multiple calls back/forth with EDA to clarify information including need for the project, priority for the city, provision of procurement documents, and verification of budget.
- EDA reviewed mid October and are waiting for notice of award - All grants must be awarded (or declined) and contracted/obligated by 12/31/2024.
- As of 12/13/24, EDA is still telling us they don't have an update.
- Notified of EDA denial of funding on 1/7/2025
- KLJ reviewing other opportunities for funding
- Meeting between City and KLJ reviewing denial and other funding sources on 1/16/2025
- As of January 2025 City has spent \$16,917.76 of the \$56,000 budget for funding applications.
- WWC has submitted this project for a BRIC grant
- KLJ has submitted an Application for consideration of Congressionally Directed Spending on behalf of the City on 3/26/25

### ***5<sup>th</sup> to 7<sup>th</sup> Sewer Line Replacement***

***(KLJ # 2304-01231)***

Reason for Project: Refurbishment of an 8" sewer line between 7<sup>th</sup> Avenue and 6<sup>th</sup> Avenue and a 10" sewer line between 6<sup>th</sup> Avenue and 5<sup>th</sup> Avenue in the alley way between 1<sup>st</sup> Street and Main Street in Laurel, Montana. The existing sewer line experienced several collapses last year.

Project Scope: To replace approximately 363 lineal feet of 8" and 383 lineal feet of 10" and



## City of Laurel Project Status Update April 14<sup>th</sup>, 2025



will include the update of 3 manholes and associated surface replacement.

### *Current Status:*

- Work Order Signed by City in September 2023
- Survey scheduled for week of October 16<sup>th</sup>, 2023
- Base Drawing created and Working on preliminary design
- Preliminary Plans and EEOC sent to City on 12.14.23
- DEQ Approval received on 2.20.24
- Project began advertising on 3/14/24 and bid open will be 3.28.24
- Project awarded to Western Municipal Construction
- Construction started on June 10<sup>th</sup> 2024
- Sewer Line fully installed and accepted on 7/10/24
- Change Order Requested by City personal put together with cost estimate and submitted to City on 7/10/24
- City reviewed CO#1 cost and elected not to pursue
- Contractor achieved Substantial Completion on 8/1/24
- Contractor achieved Final Completion on 8/20/24
- Release of Retainage request submitted along with reconciliation Change Order
- Warranty walkthrough to occur in August of 2025

### ***Laurel Planning Services (KLJ #1804-00554)***

Reason for Project: KLJ has been retained to provide City of Laurel planning services as needed.

Project Scope: Planning services may include; subdivision, zoning, development, floodplain hazard management, miscellaneous reviews and other related work. KLJ will prepare staff reports, recommendations, and attend meetings upon request.

### *Current Status:*

- Zoning Regulations Update.
  - Draft regulations sent to City April 11<sup>th</sup>, 2023
  - Zoning Map approved by Commission on August 16<sup>th</sup>, 2023
  - Staff Recommendation to Zoning Commission to occur on December 20<sup>th</sup>, 2023
  - Back to Planning Board Meeting on 1/17/23
  - City to publish advertisement for Public Hearing
  - To be presented at Workshop on 5/7/24
  - Adoption occurred at Council on 5/14/24
  - 2<sup>nd</sup> Reading and Public Hearing on 5/28/24.
  - Regulations adopted by Council. Minor wording and numbering corrections needed.
  - Wording and numbering corrections made and submitted to Kurt 7/3/24
  - Waiting on final comments from Kurt
- Love's Annexation
  - Annexation Application received 3/25/24



## City of Laurel Project Status Update April 14<sup>th</sup>, 2025



- Revised Package received by City on 5/2/24
  - City requested KLJ to review on 7/12/24
  - KLJ's review sent back to City on 7/18/24
  - Love's submitted design for review on 12.10.2024
  - Engineering review and comments sent back on 1.10.25
  - Love's addressing comments
  - Love's 2<sup>nd</sup> package received 2.10.25 (still awaiting updated reports)
  - Love's 2<sup>nd</sup> package reviewed and sent back on 2/21/25
  - Love's has been approved by the City on 3/20/25
  - Love's Water & Sewer Extensions were approved by DEQ on 4/10/25
- Cherry Hills 4<sup>th</sup> Filing
    - City has received notice that Cherry Hills 4<sup>th</sup> Filing is requesting a Pre-Application Meeting

### ***Other Notes and Information***

Other potential projects have been identified during recent conversations between City staff and KLJ. City Public Works staff and KLJ task leaders meet monthly to discuss current and future projects. As these are tentative, the timing and extent of KLJ's services are TBD, unless noted otherwise.

#### Anticipated FY24 Projects

- Bulk Water Sales Station
  - Project task order to be started in early 2025
- West 7<sup>th</sup> Street Water and Valve Replacement
  - Pushed back until Town Pump renovations are completed.

**File Attachments for Item:**

12. Laurel Airport Authority Minutes of December 3, 2024.

MEETING MINUTES  
December 3, 2024

Meeting called to order @ 19:00 hours by Chairman Shane Linse. Other board members present were Randy Hand, Jim Wise and nominated member Doug Meyers.

Approved minutes of last board meeting of 10/22/24

Claims approved. Normal and recurring for power and utilities, approved without exception. Financial Update provided showing current balances.

Public Comments: Non-agenda items, none

Agenda items, discussed as per agenda.

Guests present: Ben Schaak, Ron Weber, Frank Felke, Murl Williams, Will Metz, John Roberts, Jim Roberts, Brian Star

Reports: Justin Lindell w/KLJ Engineering.

1. Master plan update and Grant Application Updates, currently under review at Helena ADO. Amended grant request as labor had not been extended. Access road proposal awaiting geotechnical report. Dry vault for fire suppression awaiting electrical design and costs if needed.
2. Chairmans Report: Ceilometer complete with exception of one electronic bridge. FAA part 13 report discussed with Mandy at FAA. Line bored for camera on Beacon Tower, provided at no cost by Big Sky Communication.

Old Business:

- a. Courtesy car grant , vehicle offered but decision tabled at this time.
- b. Ceilometer installation completed by Big Sky Communication.
- c. Camera installation complete with exception of wire for Beacon camera.
- d. Heath Olson contacted for past due lease
- e. Heath Olson needs completion of construction. Stated will comply ASAP.
- f. Prairie Dogs:, Ben Schaak proposed alternative chemical to use, and it was noted Randy Reiter should be contacted. Motion passed to further investigate.
- g. Google forms, phone tree, website. In progress for correction.
- h. Accountant search, motion passed too continue with current firm.
- i. Motion made to approve Banner towing by Leatherneck Aviation on temporary basis pending final operations approval.
- j. Jim Schaak hangar/spray operation tabled to look at design and location requirements.
- k. Reviewed commercial operations option for Murl Williams. No conforming options found. Commercial activity to be discontinued at Greening location.

- l. 2020 Fox Road sub lease to be sent to Attorney for approval of any changes.
- m. 5 G (2020 Fox Road) signage approved, pending lease approval.

New Business:

- a. Approved new 50 year leases for 2410 Rathbun, 2239 and 2235 Stormont, 2240-2256 Stormont, and 2243-2259 Greening.
- b. Proposal to develop hangar space on East side of Cory made. Preliminary layout given to KLJ for feasibility and options.
- c. Discussed options for Brian Starr to build new hangar, Greening or new area east of Cory discussed.

Meeting Adjourned @ 22:05 hours all motions at meeting were approved unanimously

Randy Hand

Substitute Secretary



**File Attachments for Item:**

13. Emergency Services Committee Minutes of March 24, 2025.



**MINUTES  
CITY OF LAUREL  
EMERGENCY SERVICES COMMITTEE  
MONDAY, MARCH 24, 2025**

The Emergency Services Committee meeting was called to order at 6:00pm on Monday, March 24, 2025 by Chair- Heidi Sparks

**Members Present:** Heidi Sparks- Chair, Jodi Mackay- Vice Chair, Richard Klose, Irv Wilke, Bruce McGee, Jim Irwin

**Others Present:** Ambulance Chief Lyndy Gurchiek, Fire Chief JW Hopper

**Public Input:**

**General Items:**

1. Approval of Emergency Services Committee minutes of February 24, 2025. Jodi moved to approve the minutes; Irv seconded- Motion carried 5-0.
2. Update from Emergency Departments
  - a. Ambulance Chief Gurchiek- Report attached
    - i. Busy month- 7 missed calls, all were due to being on a previous call, 6 additional times a second crew was able to respond
    - ii. 1 volunteer has resigned due to scheduling issues. Will re-evaluate staffing once 2 full time individuals have completed training.
    - iii. Stop the Bleed interdepartmental training on March 26
    - iv. Irv asked about responding to calls for mutual aid and how our calls get handled. Chief Gurchiek stated that if we are out on a mutual aid call and get another call that we can't cover, we will call for mutual aid. Has not had a problem with mutual aid coverage. Has been able to build good relationships with mutual aid partners.
  - b. Fire Chief JW Hopper- Report attached
    - i. Beginning Wildland training for the season
    - ii. Bridger Fournier has been hired by Billings Fire Department and will be in Rookie School for 15 weeks
      1. He will continue on the volunteer fire department on weekends during rookie school and is planning to stay as a volunteer
    - iii. Working on filling the boards for the fire districts
    - iv. Travis Nagel is headed to Indianapolis for FDIC, a Fire Department Convention
    - v. Reno Olvera is headed to Texas to help with fires for 14 days
      1. Chief Hopper will be going down the following 14 days with the Columbus crew to assist with fires
      2. This is part of DNRC



**New Business:**

**Old Business:**

**Other Items:**

**Announcements:**

3. Next Meeting will be Monday, April 28, 2025, at 6:00pm in Council Chambers

Meeting adjourned at 6:17pm





# LAUREL FIRE DEPARTMENT

215 West 1st Street • Laurel, Mt • 59044 • Office 406.628.4911 • Fax 406.628.2185

## *Emergency Services Meeting 2/24/2025– 3/24/2025*

### Calls-

- Responded to 32 **Total** Calls for 2/24/2025 – 3/24/2025.
- Total Hours on Calls-
  - Firefighters – **309**
  - Officers – **216**
  - Combined Hours – **525**
  - Training Hours - **1223 HRS YTD**

### Training-

- Joint Training with PD/EMS/Fire
  - Stop the bleed.
- Structure Fires
- Car Fires
- Wildland Training
- DNRC Training will continue over the next three months.
  - Chiefs Certification is complete.

### Rookie School Training-

- Vehicle Extrication
- Car Fires
- Structure Fires

### Department News-

- Current Numbers
  - 31 Members
    - One member resigned for personal and work reasons.
    - 7 firefighters currently in various stages of rookie school.
- Appointments
  - Assistant Chief – Travis Nagel
  - Battalion Chief – Corey McIlvain and Shane Willis
  - Fire Marshal – Ryan Robertus
    - In March we will appoint the following.
      - Captains
        - KC Bieber and Henry Fox
      - Lieutenants
        - Evan Bartram and Jonathan Gotschall
      - Assistant Fire Marshal
        - Sara Naylor
      - Deputy Fire Marshals
        - Jonathan Gotschall
        - Abby Nagel
      - Training Officer
        - Reno Olvera
      - Maintenance Officer
        - Jake Vannoy

- Misc.-
  - Congratulations to Bridger Fournier hired by Billings Fire Department
  - Montana State Fire Fighter Memorial
  - Working to fill fire districts.

## Laurel Emergency Services Report created 1/17/25:

2021	2022	2023	2024
1228 requests for service	1238 requests for service	1300 requests for service	1363 requests for service
135 times LEMS was unavailable	177 times LEMS was unavailable	171 times LEMS was unavailable	73 times LEMS was unavailable
34 times AMR was unavailable	48 times AMR was unavailable	23 times AMR was unavailable	14 times AMR was unavailable
318 responses in Ward 5=26% of calls outside of the city of Laurel	351 responses in Ward 5=29% of calls outside of the city of Laurel	351 responses in Ward 5=27% of calls outside of the city of Laurel	373 responses in Ward 5=27% of calls outside of the city of Laurel

Recent Month Summary:

### February 2025:

Requests	123
Missed Calls	7 = 6%
Shortest Delay	12 minutes
Longest Delay	40 minutes
Average Delay	29 minutes
Fire Driver Available	6 times
City Driver Available	0 times
QRU Response With 1 Provider	0 times **
On A Previous Call	7 times
2 Units On A Call	6 times
No Crew / Provider Available	0 time
AMR Transported or Responded	2 times*
Red Lodge Transported	0 times
HELP Flight Transported	0 times
HELP Amb Transported or Responded	1 time
Columbus Transported or Responded	1 times
Joliet Transported	1 time
Park City Transported	0 times
PD Assisted Pt or Transported	1 time
FD Assisted Pt no transport	0 times
POV Transport	0 times
Refusal or no transport	1 time
YCSO Transported	0 times
MHP Transported	0 times

\*\*0 times the QRU responded and the patient refused / no transport to hospital or no patient found.

\*1 times AMR responded and there was no patient– they were cancelled enroute

36 responses in Ward 5 = 29% of calls outside of the city of Laurel

3 LEMS response for mutual aid. During 3 of these responses resulted in another call that required mutual aid.





# 2025 Running Totals

	January	February	March	April	May	June	July	August	September	October	November	December	Total 2024
Requests	124	123											247
Missed Calls	1	7											8
Shortest Delay (minutes)	38	12											12
Longest Delay (minutes)	38	40											40
Average Delay (minutes)	38	29											34
Fire Driver Available	2	6											8
City Driver Available	1	0											1
QRU Response w 1 Provider	2	0											2
On A Previous Call	1	7											8
2 Units On A Call	8	6											14
No Crew / Provider Available	0	0											0
AMR Transported or Responded	0	2											2
Columbus Transported or Responded	0	1											1
Joliet Transported	1	1											2
Park City Transported	0	0											0
Red Lodge Transported	0	0											0
HELP Flight Transported	0	0											0
HELP Amb Transported or Responded	0	1											1
POV Transport	0	0											0
PD Assisted Pt or transported	0	1											1
FD Assisted Pt no transport	0	0											0
YCSO Transported	0	0											0
MHP Transported	0	0											0
QRU/AMR, Refusal or No Patient	0	1											1
Responses in Ward 5	28	36											64
LEMS response for mutual aid	1	3											4

**Other Reporting Information** \*correction made after report given

- staffing – 1 Volunteer resigned do to scheduling reasons. 2 full time staff in training are nearly done with their training, they are doing well. Once they are all done we will re evaluate where we are sitting for volunteer numbers.
- Recertification for licensure for the March 31<sup>st</sup> deadline has been completed by everyone that needed it.
- Interdepartmental training schedule for March 26<sup>th</sup>.
- Mandi participated in 1 car seat check event in February.
- Been busy with several projects - a couple legislative bill involvement – one, HB 56, is looking promising for some additional Medicaid funding for EMS providers in Montana. The other is to switch our licensure oversite from the Board of Medical Examiners to the Department of Labor and Industry. The State EMS Advisory Committee has been working on updating the state scope of practice and patient care guidelines. The local Yellowstone County EMS services and Medical Directors have been working on updating our local EMS care protocols. These projects have been fairly labor/time intensive but are really needed and its been great that we have had an integral part in the changes.

**File Attachments for Item:**

14. Resolution No. R25-29: A Resolution Of The City Council To Accept Studies Of The City's Existing Water And Wastewater Rate Structures And Recommendations For Any Necessary Modifications To The Existing Rate Structures Prepared By Raftelis Financial Consultants, Inc., And Amending Previous Resolution No. R25-25.

## **RESOLUTION NO. R25-29**

### **A RESOLUTION OF THE CITY COUNCIL TO ACCEPT STUDIES OF THE CITY'S EXISTING WATER AND WASTEWATER RATE STRUCTURES AND RECOMMENDATIONS FOR ANY NECESSARY MODIFICATIONS TO THE EXISTING RATE STRUCTURES PREPARED BY RAFTELIS FINANCIAL CONSULTANTS, INC. AND AMENDING PREVIOUS RESOLUTION NO. R25-25.**

WHEREAS, on March 26, 2024, the City of Laurel executed a Professional Services Agreement between the City of Laurel and Raftelis Financial Consultants, Inc. (hereinafter "Raftelis") for a Water Study and a Wastewater Study, via Resolutions No. R24-16 and R24-17;

WHEREAS, Raftelis conducted the Water Study and the Wastewater Study and submitted them to the City of Laurel with recommended rate structure changes;

WHEREAS, pursuant to R25-25, on April 8, 2025, the City Council of the City of Laurel accepted the recommended rate structure changes submitted by Raftelis;

WHEREAS, City Staff thereafter discovered an error in the tables utilized in the Water and Wastewater Rate Studies prepared by Raftelis and approved by City Council on April 8, 2025;

WHEREAS, the Water and Wastewater Rate Studies and tables originally approved have now been corrected; and

WHEREAS, City Staff has reviewed the corrected Water and Wastewater Rate Studies and tables and recommends City Council acceptance of the same.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Laurel, Montana, that the corrected Water and Wastewater Rate Studies prepared by Raftelis, copies of which are attached, are hereby accepted.

Introduced at a regular meeting of the City Council on the 13<sup>th</sup> day of May, 2025, by Council Member Mackay.

PASSED and APPROVED by the City Council of the City of Laurel on the 13<sup>th</sup> day of May, 2025.

APPROVED by the Mayor on the 13<sup>th</sup> day of May, 2025.

CITY OF LAUREL

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Dave Waggoner, Mayor

ATTEST:

---

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

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Michele L. Braukmann, Civil City Attorney

# City of **Laurel**

## **Water Rate Study Report**

Final Report - Revised / May 8, 2025

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May 8, 2025

Ms. Kelly Strecker  
City Clerk/Treasurer  
City of Laurel  
115 West 1<sup>st</sup> Street  
Laurel, MT 59044

**Subject: Water Rate Study Report**

Dear Kelly:

Raftelis is pleased to provide this water rate study report prepared for the City of Laurel (City). The primary purpose of this study was to ensure the financial sustainability of the water utility and ensure that rates and fees recovered costs proportionately across all customer classes. This study includes the following:

- 10-year financial plan cash analysis to determine the level of rate revenues to meet annual expenditures, target reserves and debt service coverage.
- Cost-of-service analysis to allocate costs proportionately to customer classes for the water utility.
- Design rates based on the preferred alternative for water.

It has been a pleasure working with you, and we thank you and the City staff for the support provided during this study.

Sincerely,



**Todd Cristiano**  
*Vice President*

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Appendix A: Water Utility Financial Plan, Cost of Service, and Rate Design Analysis



# 1. Executive Summary

## Introduction

The City of Laurel (City) provides water service to approximately 2,900 customers. The City is financially self-sufficient with funding from capital and operating requirements derived primarily from rate revenues and other operating income. The City authorized this study to ensure that an adequate level of income from rates is maintained to finance daily operations, fund capital projects, maintain reserves and meet debt service coverage requirements along with rates that are fair and aligned with the City's goals and community values.

Raftelis worked closely with the engineering firm, Morrison-Maierle in reviewing capital projects, timing, and costs. Raftelis met weekly over this period to discuss project status and present interim results. These meetings included staff as well as the City's executive management team. The results presented in this report are a culmination of these efforts between the City and Raftelis. The primary objectives of this study included:

- A 5-year financial plan identifying the annual revenue adjustments needed to fund operation and maintenance expenses, debt service, and capital projects while satisfying reserve requirements and debt service coverage;
- A detailed water cost-of-service analysis to determine the cost to provide service to customer classes. The principal concept of this analysis is to assign costs in a proportionate manner to each customer class based on their demand and customer characteristics;
- A rate structure that meets the pricing objectives of the City and equitably recovers the cost to provide service to the City's customer classes; residential, commercial, irrigation, and industrial customers.

This report includes water and wastewater financial plan results for the 5-year study period 2025 through 2029, water cost-of-service analysis, and rate design. Raftelis used industry standard methodologies supported by the American Water Works Association (AWWA) *Principles of Water Rates, Fees, and Charges* M1 manual.

Appendix A contains the tables that detail the financial plan, cost of service, and rate design analysis for the water utility.

## Assumptions

This study is based on numerous assumptions. Changes in these assumptions could materially affect the study findings. Raftelis incorporated the following key assumptions into the study:

- The test year, or the year new rates will be in effect, is the second half of FY25 (January through June).
- The study period is for FY25 – FY29.<sup>1</sup>
- Growth in the number of accounts is projected at 0.1% per year.
- Usage per account is based on historical data. Residential water usage per account is approximately 5,200 gallons per month
- Costs will change as follows:
  - Capital costs are projected to experience an annual increase of 4.5% due to inflation.
  - The expected inflation rates for operation and maintenance (O&M) expenses are:

---

<sup>1</sup> The cash flow tables include FY24 as the base year, or the year in which the model was developed, and is based on a combination of budgetary information and estimated values. The study forecast is for FY25 through FY29.

- Personnel services (FY25 – FY26; FY27 – FY29): 4.5%; 4.0%
- Professional and Contractual Services, Repairs and Maintenance, Operating Supplies and Equipment, Professional Development (FY25 – FY26; FY27 – FY29): 4.0%, 3.5%
- Water supply (FY25 – FY29): 5.0%
- General (FY24 – DY29): 3.0%
- Coverage requirement is 1.20 x debt service based on the revenue bond issuance requirements
- Proposed state loan terms: 2.5% interest rate, 20-year term

**Table 1: Additional Assumptions**

Description	Units
<b>FY25 Beginning Balance</b>	\$4,566,901
<b>Proposed Grants</b>	
FY26	\$207,500
FY27	1,867,5000
<b>Water SRF Loans</b>	
FY27	\$18,556,701
FY28	3,608,247
<b>Target Operating Reserves (FY25 values shown)</b>	
90 Days of O&M (FY25 values shown)	\$739,110
Meter Deposits	<u>250,709</u>
Total	\$989,819
<b>Target Capital Reserves (FY25 values shown)</b>	
Capital Replacement Reserve (~1-Year Depreciation @ Replacement Cost New)	\$1,500,000
Cash - Meter replacement	137
Cash - Restricted - Water Line	276,439
Cash - Refinanced Bonds	736,505
Cash - Bond Reserve SFR SED	169,546
Cash - Bond Reserve DNRC IV	95,903
Cash - Bond Reserve DNRC IV	<u>133,828</u>
<b>Total</b>	<b>\$2,912,357</b>

## Findings and Conclusions

### CASH FLOW ANALYSIS

Revenue from rates should be sufficient to cover operating expenses, the capital improvement program, payments on existing and proposed debt service, and as well as meeting debt service coverage requirements and reserve targets. Raftelis proposes equal annual revenue adjustments of 16% in FY25 through FY27, followed by a 4% adjustment in FY28 and FY29. These increases represent the increase in total rate revenue that is required to meet annual expenditures.

### COST OF SERVICE

The cost-of-service analysis determines the cost of providing water service to each customer class and provides guidance for design of the proposed rates. Cost of service is based on the principles of proportionality. Annual costs are assigned to each customer class considering the amount of water used, the rate of water use, and the number of customers and number of meters. Raftelis completed a comprehensive cost-of-service analysis for FY25 using standard methods supported by the American Water Works Association (AWWA) in its M1 manual, *Principles of Water Rates, Fees, and Charges*. Appendix A includes tables showing the development of water cost of service for 2024. Cost-of-service rates were developed for the residential, commercial, and industrial classes. The irrigation class is included with the commercial class.

## RATE DESIGN

In the development of water rate schedules, a basic consideration is to establish equitable charges to customers commensurate with the cost of providing service. Raftelis developed rates for each customer class based on the cost of service analysis. Table 2 compares the existing and proposed rates for the 5-year study period FY25 – FY29.

### Existing structure

- Monthly minimum charge that varies by meter size
  - 1,000 gallons volume allowance
  - Capital charge that varies by meter size (per EDU)
- Uniform volume rate same for all customer classes
- *The City may elect not to adopted the proposed cost-of-service rates. In that circumstance, the annual rate increase would apply uniformly to the base charge, volume allowance charge, the capital surcharge, and volume rate.*

### Proposed Cost of Service Rates

- Monthly base charge that varies by meter size
  - No volume allowance
  - Capital charge that varies by meter size
- Residential volume rate: 4-tiered rate structure
- Commercial and industrial volume rate: uniform rate
- *Future year rate increases identified in the financial plan will apply uniformly to the base charge, capital surcharge, and volume rates.*

Table 2: Comparison of Existing and Proposed FY25 – FY29 Cost of Service Rates

Base Charge, \$ per bill

Meter Size	Existing [1,3]	FY25 (Jan-June) [2,3]	FY26 [2,3]	FY27 [2,3]	FY28 [2,3]	FY29 [2,3]
3/4"	\$32.61	\$32.61	\$37.83	\$43.88	\$45.64	\$47.46
1"	56.11	56.11	65.09	75.50	78.52	81.66
1.25"	85.57	85.57	99.26	115.14	119.75	124.54
1.5"	121.86	121.86	141.36	163.97	170.53	177.36
2"	215.28	215.28	249.72	289.68	301.27	313.32
3"	478.86	478.86	555.48	644.35	670.13	696.93
4"	852.82	852.82	989.27	1,147.55	1,193.46	1,241.20
6"	1,915.49	1,915.49	2,221.97	2,577.48	2,680.58	2,787.81
10"	5,291.82	5,291.82	6,138.51	7,120.67	7,405.50	7,701.72

Volume Charge, \$ per 1,000 gallons

Threshold	Existing	FY25 (Jan-June)	FY26	FY27	FY28	FY29
<u>Residential</u>						
First 1,000	\$0.00	\$2.17	\$2.52	\$2.92	\$3.04	\$3.16
Next 4,000	2.86	2.17	2.52	2.92	3.04	3.16
Next 5,000	2.86	2.71	3.14	3.65	3.79	3.94
Next 10,000	2.86	3.26	3.78	4.39	4.56	4.74
Over 20,000	2.86	4.34	5.03	5.84	6.07	6.32
<u>Commercial</u>						
First 1,000	\$0.00	\$3.27	\$3.79	\$4.40	\$4.58	\$4.76
Over 1,000	2.86	3.27	3.79	4.40	4.58	4.76
<u>Industrial</u>						
First 1,000	\$0.00	\$4.02	\$4.66	\$5.41	\$5.63	\$5.85
Over 1,000	2.86	4.02	4.66	5.41	5.63	5.85

[1] Includes 1,000 gallons volume allowance

[2] No volume allowance in proposed base charges

[3] Includes capital surcharge which varies by meter size

## RELIANCE ON CITY-PROVIDED DATA

During this project, the City (and/or its representatives) provided Raftelis with a variety of technical information, including cost and revenue data. Raftelis did not independently assess or test the accuracy of such data – historic or projected. Raftelis has relied on this data in the formulation of our findings and subsequent recommendations, as well as in the preparation of this report. Raftelis also relied on cost allocation data provided by the City needed to complete the cost-of-service analysis.

There are often differences between actual and projected data. Some of the assumptions used for projections in this report will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the data or results projected in this report and actual results achieved, and those differences may be material. As a result, Raftelis takes no responsibility for the accuracy of data or projections provided by or prepared on behalf of the City, nor do we have any responsibility for updating this report for events occurring after the date of this report.

The results presented herein are drafted and under consideration by the City. Drawing conclusions from information in this report is premature and may lead to erroneous assessments as the document may be subject to revisions and refinement.

## 2. Financial Plan

### Cash Flow Analysis

The water utility financial plan is separated into two subfunds- the operating subfund and the capital subfund. The capital subfund tracks activities associated with capital projects and funding sources for the capital projects. The operating subfund tracks activities associated with the daily operations of the utility. The combined FY25 beginning fund balance is \$4.6 million. Water revenues consist primarily of rate revenues and nominal miscellaneous revenues. Rate revenues at current rates average \$3.3 million annually. Other rate revenue sources include water sales to CHS refinery. This includes potable water, raw water, and settled water. Rates for CHS are contractual. CHS rate revenue averages approximately \$199,000 annually.

Other non-rate revenue includes water line insurance, which averages \$33,000 annually, and the 5/8" bypass revenue, which averages \$28,600 annually. Other non-rate revenue includes sales of water supplies, fire line revenue, and other miscellaneous sources averaging in total approximately \$10,000 annually. The City anticipates receiving a grant of \$2,075,000 and a loan of \$18.6 million to fund the new water tank and booster station in FY26 and FY27. A proposed loan of \$3.6 million is also projected in FY28 to fund water treatment filter replacement.

O&M expenses include costs to treat and deliver water to customers. O&M is projected to increase from \$3.0 million to \$3.5 million by FY29. Other expenditures include payments on existing and proposed debt service. Existing debt service averages \$429,000 annually. Proposed debt service is projected at \$1.2 million beginning in FY27. Transfers to the capital fund are \$1.2 million to assist in funding the annual capital program. Capital projects total \$31.2 million for the study period. Highlights of the capital program include:

- A state revolving fund (SRF) loan of \$18.6 million is anticipated in FY27 to fund the majority of the new water tank and booster station project. This is in conjunction with anticipated grants totaling \$2.075 million. The total cost of the new water tank and booster station is \$20.6 million, including an inflation allowance.
- Another SRF loan of \$3,608,247 is planned for FY28 to significantly fund the new filters project with an estimated cost of \$5.7 million, which includes an inflation allowance.

The City has a total reserve target of \$3.9 million for FY25 and a debt service coverage requirement<sup>2</sup> of 1.20x as part of the loan covenants.

### Reserves

The City currently has a number of reserve requirements as identified in Table 1. Raftelis recommends the City include an annual operating reserve of 90 days of O&M and a capital reserve equal to 1-years depreciation expense. The O&M reserve acts as a buffer for unbudgeted emergency expenses, fluctuations in customer payments or reductions in water sales due to drought or wet weather. In addition, lenders and bond agencies view operating reserves as a sign of financial health, which can lead to more favorable credit ratings.

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<sup>2</sup> Debt service coverage = [Revenues less expenses (excluding depreciation)] / annual debt service

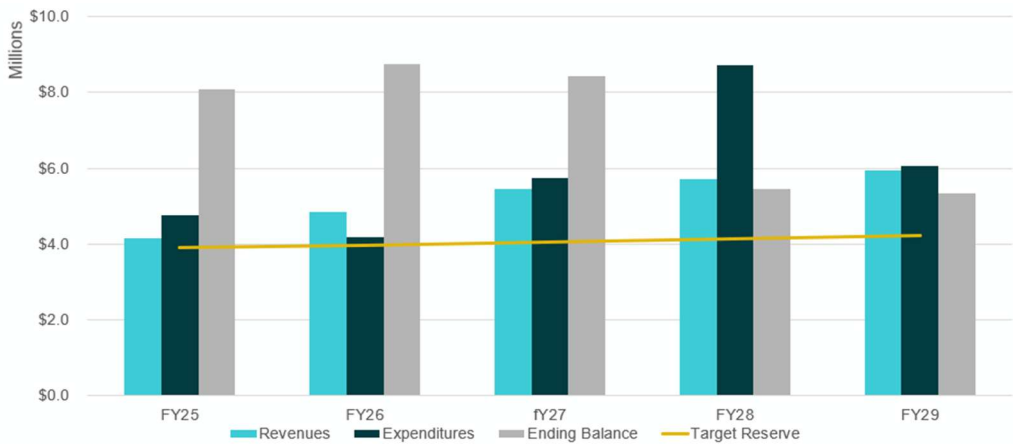
A capital reserve equal to 1-year depreciation expense recognizes the loss in asset value due to wear and tear and obsolescence. A capital reserve can help smooth out the unevenness of annual capital expenditures. As a result, customers can benefit from more steady and predictable rate increases.

**Indicated Financial Plan Increases**

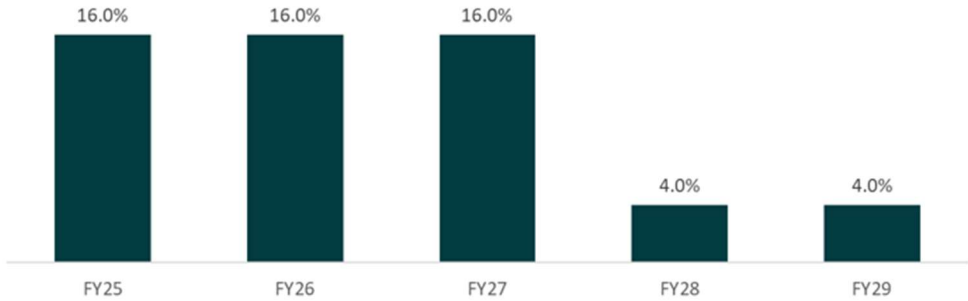
Rate revenues should be sufficient to meet annual requirements, which includes O&M, debt, transfers to the capital fund, target reserves and debt service coverage. Revenues at current rates are insufficient to meet these requirements. The City needs annual adjustments of 16% in FY25 (January through June), FY26, and FY27 followed by 4% in FY28 and FY29. The initial 16% rate increase is required to meet the target debt service coverage. Future increases are required to the debt service coverage and the reserve targets. *It is recommended the financial plan be reviewed annually to ensure that rate revenue is sufficient to meet projected revenue requirements.*

Figure 1 illustrates revenue and expenditures for the operating fund, as well as ending fund balances and target reserves. Figure 2 shows the projected FY25 increase of 16% effective from January of FY25 through FY27, followed by a 4% increase in FY28 and FY29. The FY25 increase is assumed to effective for January water use. Rate increases for future years are assumed to be effective July 1 of each year. Figure 3 illustrates the target and calculated debt service coverage between FY25-FY29.

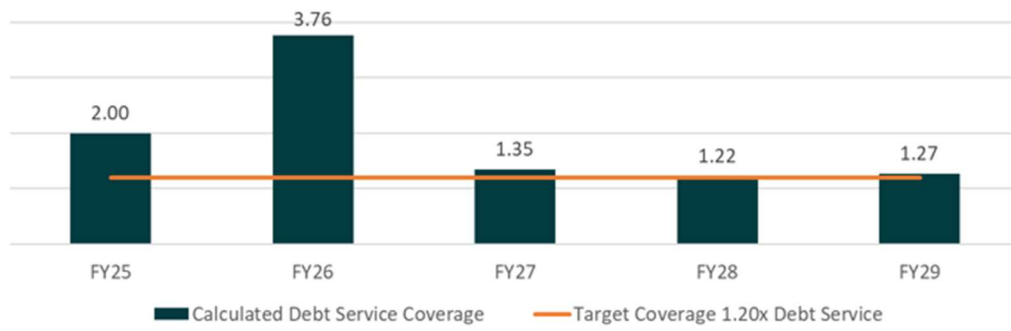
**Figure 1: Water Revenue and Expenditures**



**Figure 2: Proposed Annual Water Rate Increases**



**Figure 3: Debt Service Coverage**





# 3. Cost of Service and Rate Design

## Cost-of-Service Analysis

Raftelis completed this comprehensive cost-of-service analysis by standard methods supported by the American Water Works Association (AWWA) in its M1 manual, *Principles of Water Rates, Fees, and Charges*. This analysis determines the cost of providing water service to each customer class and guides the design of the proposed rates. The general steps of the cost-of-service analysis are:

1. **Revenue requirement.** Determine the level of revenue required from rates. The revenue requirement includes expenditures in the operating fund: O&M, debt service, capital projects, reserves, and changes in fund balance. The proposed 16% revenue adjustment in FY25 is in effect for 6 months and generates \$265,033 of additional revenue for a total of \$3,577,948. This equates to an annualized increase of 8.0%. However, to ensure that rates recover the 6 months of revenue at a 16% revenue adjustment, the revenue requirement must be stated in annualized terms<sup>3</sup>.
2. **Cost functionalization.** Assigns the costs detailed in the revenue requirements (i.e., O&M, capital, revenue offsets) to functional areas in the system. Functional areas include water treatment, transmission and distribution, storage, source of supply, meters, and services, and billing and administrative costs. Costs are functionalized based on the facility that has the most influence on that expense. For example, chemical costs are most influenced by treatment processes so those costs would be allocated to the water treatment category.
3. **Allocation of Functionalized Costs to System Demand Parameters.** Functional costs can be allocated to demand parameters and customer characteristics. Demand parameters include average day demands and peak demands. Customer characteristics include the number of accounts by meter size and bills. Each facility is designed to meet specific design requirements in the system. For example, water treatment facilities are designed and operated to meet maximum day demands. As a result, a portion of water treatment costs would be allocated to the average day demand category and a portion to the peak demand category. These assignments are completed for all the revenue requirement line items.
4. **Units of service.** The units of service capture the demand and customer characteristics for each customer class. These characteristics include average day demand, peak demand, number of accounts by meter size, and the number of bills.
5. **Distribution of costs to customer classes.** Because customer classes are defined by their demand parameters (average day and peak demands) and the account makeup (meters by meter sizes), the allocated costs can be proportionately distributed to each class based on their specific demand and customer characteristics.

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<sup>3</sup> The annualized revenue requirement is \$3,842,982. This value is used to calculate rates. Six months of rate revenue calculated on the annualized amount plus six months of revenue under existing rates will generate \$3,577,948.

For example, if the residential customer class represents 50% of total peak day demands, they would be allocated 50% of the allocated peak day demand costs.

Figure 4 illustrates the cost allocation process for a typical water utility. Figure 5 shows the change in the distribution of costs between the customer classes under existing rates and the cost-of-service analysis.

Figure 4: The Standard Cost Allocation Process

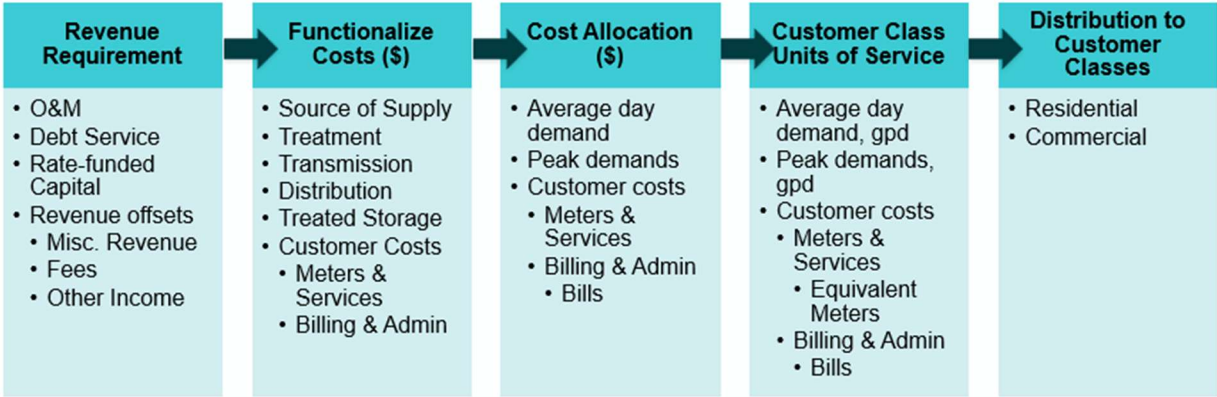


Figure 5: Allocation of Water Utility Costs Under Current Rates Compared to the Allocated Cost of Service



# Rate Design

## Rate Design

In the development of water rate schedules, a basic consideration is to establish equitable charges to customers commensurate with the cost of providing service. Raftelis developed rates for each customer class based on the cost of service analysis. Table 2 compares the existing and proposed rates for the 5-year study period FY25 – FY29.

### Existing structure

- Monthly minimum charge that varies by meter size
  - 1,000 gallons volume allowance

- Capital charge that varies by meter size (per EDU)
- Uniform volume rate same for all customer classes
- *The City may elect not to adopt the proposed cost-of-service rates. In that circumstance, the annual rate increase would apply uniformly to the base charge, volume allowance charge, the capital surcharge, and volume rate.*

#### **Proposed Cost of Service Rates**

- Monthly base charge that varies by meter size
  - No volume allowance
  - Capital charge that varies by meter size
- Residential volume rate: 4-tiered rate structure
- Commercial and industrial volume rate: uniform rate
- *Future year rate increases identified in the financial plan will apply uniformly to the base charge, capital surcharge, and volume rates.*

**Table 3: Comparison of Existing and Proposed FY25- FY29 Cost of Service Rates**

**Base Charge, \$ per bill**

<b>Meter Size</b>	<b>Existing [1,3]</b>	<b>FY25 (Jan-June) [2,3]</b>	<b>FY26 [2,3]</b>	<b>FY27 [2,3]</b>	<b>FY28 [2,3]</b>	<b>FY29 [2,3]</b>
3/4"	\$32.61	\$32.61	\$37.83	\$43.88	\$45.64	\$47.46
1"	56.11	56.11	65.09	75.50	78.52	81.66
1.25"	85.57	85.57	99.26	115.14	119.75	124.54
1.5"	121.86	121.86	141.36	163.97	170.53	177.36
2"	215.28	215.28	249.72	289.68	301.27	313.32
3"	478.86	478.86	555.48	644.35	670.13	696.93
4"	852.82	852.82	989.27	1,147.55	1,193.46	1,241.20
6"	1,915.49	1,915.49	2,221.97	2,577.48	2,680.58	2,787.81
10"	5,291.82	5,291.82	6,138.51	7,120.67	7,405.50	7,701.72

**Volume Charge, \$ per 1,000 gallons**

<b>Threshold</b>	<b>Existing</b>	<b>FY25 (Jan-June)</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>
<i><u>Residential</u></i>						
First 1,000	\$0.00	\$2.17	\$2.52	\$2.92	\$3.04	\$3.16
Next 4,000	2.86	2.17	2.52	2.92	3.04	3.16
Next 5,000	2.86	2.71	3.14	3.65	3.79	3.94
Next 10,000	2.86	3.26	3.78	4.39	4.56	4.74
Over 20,000	2.86	4.34	5.03	5.84	6.07	6.32
<i><u>Commercial</u></i>						
First 1,000	\$0.00	\$3.27	\$3.79	\$4.40	\$4.58	\$4.76
Over 1,000	2.86	3.27	3.79	4.40	4.58	4.76
<i><u>Industrial</u></i>						
First 1,000	\$0.00	\$4.02	\$4.66	\$5.41	\$5.63	\$5.85
Over 1,000	2.86	4.02	4.66	5.41	5.63	5.85

[1] Includes 1,000 gallons volume allowance

[2] No volume allowance in proposed base charges

[3] Includes capital surcharge which varies by meter size

## APPENDIX A

# **Water Utility Financial Plan, Cost of Service, and Rate Design Analysis**



City of Laurel  
Water Utility  
Operating Subfund Cash Flow Analysis

Table A-1

Line No.	Description	For the Fiscal Year Ending June 30				
		Budget	Projected			
		2025	2026	2027	2028	2029
		\$	\$	\$	\$	\$
<b>Sources of Funds</b>						
	Water Sales Revenue					
1	Total Revenue from Existing Water Rates RateRev_Projected	3,312,915	3,313,322	3,313,322	3,313,322	3,313,322
2	Additional Water Sales Revenue from Rate Increases	265,033	1,145,084	1,858,429	2,065,299	2,280,444
3	Total Water Rate Revenue	3,577,948	4,458,406	5,171,751	5,378,621	5,593,765
Other Operating Revenue						
4	Water Line Insurance (\$1/month)	33,000	33,000	33,000	33,000	33,000
5	Sales of Water Supplies	2,000	2,000	2,000	2,000	2,000
6	Fire Line	6,300	6,300	6,300	6,300	6,300
7	5/8" Bypass	28,600	28,600	28,600	28,600	28,600
8	System Development Fees	0	0	0	0	0
9	Miscellaneous Water	2,000	2,000	2,000	2,000	2,000
CHS Revenue						
10	Raw Water-CHS	172,400	172,400	172,400	172,400	172,400
11	Settled Water-CHS	26,300	26,300	26,300	26,300	26,300
12	Rate Increase (2027 and 2032 per Contract)	0	0	0	0	0
13	Total CHS Non-Potable Revenues	198,700	198,700	198,700	198,700	198,700
14	<b>Total Sources</b>	<b>3,848,548</b>	<b>4,729,006</b>	<b>5,442,351</b>	<b>5,649,221</b>	<b>5,864,365</b>
<b>Uses of Funds</b>						
15	Operation and Maintenance Expense	2,997,500	3,127,420	3,262,541	3,387,503	3,517,285
Debt Service						
	Existing Debt Service					
16	WRF-19431	305,285	305,290	306,171	306,918	307,529
17	WRF-17371	121,125	121,021	120,973	121,668	121,406
18	Proposed State Loans	0	0	1,190,359	1,421,818	1,421,818
19	Proposed Revenue Bonds	0	0	0	0	0
20	Total Debt Service	426,410	426,311	1,617,503	1,850,403	1,850,753
21	Transfer to Capital Fund	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
22	<b>Total Uses</b>	<b>4,623,910</b>	<b>4,753,731</b>	<b>6,080,043</b>	<b>6,437,906</b>	<b>6,568,038</b>
23	Annual Surplus (Deficiency)	(775,362)	(24,725)	(637,693)	(788,686)	(703,673)
24	<b>Beginning Balance</b>	<b>4,566,901</b>	<b>3,791,539</b>	<b>3,766,814</b>	<b>3,129,121</b>	<b>2,340,436</b>
25	<b>Ending Balance</b>	<b>3,791,539</b>	<b>3,766,814</b>	<b>3,129,121</b>	<b>2,340,436</b>	<b>1,636,763</b>
<b>Target Reserves</b>						
26	90 Days O&M	739,110	771,145	804,462	835,275	867,276
27	Meter Deposits	250,709	250,709	250,709	250,709	250,709
28	<b>Total Target Reserves</b>	<b>989,819</b>	<b>1,021,854</b>	<b>1,055,171</b>	<b>1,085,984</b>	<b>1,117,985</b>
29	<i>Unrestricted Funds</i>	2,801,721	2,744,961	2,073,950	1,254,452	518,778
30	<b>Debt Service Coverage</b>	2.00	3.76	1.35	1.22	1.27
31	<b>Target</b>	1.20	1.20	1.20	1.20	1.20
30	Annual Water Service Revenue Increase	16.0%	16.0%	16.0%	4.0%	4.0%
32	Cumulative Revenue Increase	16.0%	34.6%	56.1%	62.3%	68.8%
33	CHS Settled Water/Non-Potable Revenue Increase	0	0	56.1%		

City of Laurel  
Water Utility  
Capital Subfund Cash Flow Analysis

Table A-2

Line No	Description	For the Fiscal Year Ending June 30				
		Budget	Projected			
		2025	2026	2027	2028	2029
1	Transfer from OP	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
2	Proposed Revenue Bonds	0	0	0	0	0
3	Proposed State Loans (30-Year, 2.5% Int)	0	0	18,556,701	3,608,247	0
4	Grants	0	207,500	1,867,500	0	0
5	Connection Fees	0	0	0	0	0
6	Interest Income	316,040	117,887	0	54,012	83,875
7	<b>Total Sources</b>	<b>1,516,040</b>	<b>1,525,387</b>	<b>21,624,201</b>	<b>4,862,260</b>	<b>1,283,875</b>
<b>Uses of Funds</b>						
8	PAYGO Capital Projects	1,341,000	831,820	21,295,580	7,070,665	692,853
9	<b>Total Uses</b>	<b>1,341,000</b>	<b>831,820</b>	<b>21,295,580</b>	<b>7,070,665</b>	<b>692,853</b>
10	Annual Surplus/(Deficiency)	175,040	693,567	328,622	(2,208,406)	591,022
11	Beg Balance (Restricted)	4,111,503	4,286,543	4,980,111	5,308,732	3,100,326
12	<b>Ending Balance</b>	<b>4,286,543</b>	<b>4,980,111</b>	<b>5,308,732</b>	<b>3,100,326</b>	<b>3,691,348</b>
<b>Target Reserves</b>						
13	Target Reserve (1-Year RC Depreciation Expense)	1,500,000	1,545,000	1,591,350	1,639,091	1,688,263
14	Cash - Meter replacement	137	137	137	137	137
15	Cash - Restricted - Water Line	276,439	276,439	276,439	276,439	276,439
16	Cash - Refinanced Bonds	736,505	736,505	736,505	736,505	736,505
17	Cash - Bond Reserve SFR SED	169,546	169,546	169,546	169,546	169,546
18	Cash - Bond Reserve DNRC IV	95,903	95,903	95,903	95,903	95,903
19	Cash - Bond Reserve DNRC IV	133,828	133,828	133,828	133,828	133,828
20	<b>Total Target Reserves</b>	<b>2,912,357</b>	<b>2,957,357</b>	<b>3,003,707</b>	<b>3,051,448</b>	<b>3,100,621</b>
21	<i>Unrestricted Cash</i>	<i>1,374,186</i>	<i>2,022,753</i>	<i>2,305,025</i>	<i>48,879</i>	<i>590,728</i>



City of Laurel  
Water Utility  
Annual Operation and Maintenance Expense

Table A-3

Line No.	Fund	Fund Description	Account Description	For the Fiscal Year Ending June 30				
				Budget	Projected			
				2025	2026	2027	2028	2029
				\$	\$	\$	\$	\$
5210-430500 WATER - PURIFICATION AND TREATMENT								
1		392	ADMINISTRATIVE SERVICES	121,000	126,445	132,135	137,420	142,917
5210-430540 WATER - PURIFICATION AND TREATMENT								
2	500	Water Plant	110 SALARIES AND WAGES	570,000	595,650	622,454	647,352	673,247
3	500	Water Plant	111 OVERTIME	15,800	16,511	17,254	17,944	18,662
4	500	Water Plant	138 VISION INSURANCE	600	627	655	681	709
5	500	Water Plant	139 DENTAL INSURANCE	4,500	4,703	4,914	5,111	5,315
6	500	Water Plant	141 UNEMPLOYMENT INSURANCE	1,800	1,881	1,966	2,044	2,126
7	500	Water Plant	142 WORKERS' COMPENSATION	18,000	18,810	19,656	20,443	21,260
8	500	Water Plant	143 HEALTH INSURANCE	97,000	101,365	105,926	110,163	114,570
9	500	Water Plant	144 LIFE INSURANCE	1,200	1,254	1,310	1,363	1,417
10	500	Water Plant	145 FICA	42,000	43,890	45,865	47,700	49,608
11	500	Water Plant	146 PERS	47,000	49,115	51,325	53,378	55,513
12	500	Water Plant	149 ST/LT DISABILITY	4,500	4,703	4,914	5,111	5,315
13	500	Water Plant	194 FLEX MEDICAL	6,500	6,793	7,098	7,382	7,677
14	500	Water Plant	220 OPERATING SUPPLIES	25,000	26,000	27,040	27,986	28,966
15	500	Water Plant	221 CHEMICALS	165,000	171,600	178,464	184,710	191,175
16	500	Water Plant	222 LABORATORY & MEDICAL SUPP	8,000	8,320	8,653	8,956	9,269
17	500	Water Plant	226 CLOTHING AND UNIFORMS	1,200	1,254	1,310	1,363	1,417
18	500	Water Plant	231 GAS, OIL, DIESEL FUEL, GR	7,000	7,315	7,644	7,950	8,268
19	500	Water Plant	232 MOTOR VEHICLE PARTS	2,000	2,080	2,163	2,239	2,317
20	500	Water Plant	233 MACHINERY & EQUIPMENT PAR	16,000	16,640	17,306	17,911	18,538
21	500	Water Plant	241 CONSUMABLE TOOLS	1,000	1,040	1,082	1,119	1,159
22	500	Water Plant	263 SAFETY SUPPLIES	2,000	2,080	2,163	2,239	2,317
23	500	Water Plant	312 NETWORKING FEES	5,000	5,200	5,408	5,597	5,793
24	500	Water Plant	335 MEMBERSHIPS & DUES	1,500	1,560	1,622	1,679	1,738
25	500	Water Plant	337 ADVERTISING	2,500	2,600	2,704	2,799	2,897
26	500	Water Plant	339 CERTIFICATION RENEWAL	2,000	2,080	2,163	2,239	2,317
27	500	Water Plant	341 ELECTRIC UTILITY SERVICES	200,000	208,000	216,320	223,891	231,727
28	500	Water Plant	343 CELLULAR TELEPHONE	1,200	1,254	1,310	1,363	1,417
29	500	Water Plant	344 GAS UTILITY SERVICE	35,000	36,400	37,856	39,181	40,552
30	500	Water Plant	345 TELEPHONE	1,100	1,150	1,201	1,249	1,299
31	500	Water Plant	349 QUALITY TESTING	10,000	10,400	10,816	11,195	11,586
32	500	Water Plant	350 PROFESSIONAL SERVICES	15,000	15,600	16,224	16,792	17,380
33	500	Water Plant	351 MEDICAL, DENTAL, VETERINARY	1,000	1,045	1,092	1,136	1,181
34	500	Water Plant	355 DATA PROCESSING SERVICES	-	-	-	-	-
35	500	Water Plant	360 REPAIR & MAINTENANCE SERVICES	3,000	3,120	3,245	3,358	3,476
36	500	Water Plant	364 WATER / SEWER STRUCTURE & EQUIP	250,000	260,000	270,400	279,864	289,659
37	500	Water Plant	366 BUILDING MAINTENANCE	50,000	52,000	54,080	55,973	57,932
38	500	Water Plant	370 TRAVEL	4,000	4,160	4,326	4,478	4,635
39	500	Water Plant	380 TRAINING SERVICES	3,000	3,120	3,245	3,358	3,476
40	500	Water Plant	397 CONTRACTED SERVICES	16,000	16,640	17,306	17,911	18,538
41	500	Water Plant	511 INSURANCE ON BLDGS/IMPRVM	9,500	9,880	10,275	10,635	11,007
42	500	Water Plant	513 LIABILITY	22,155	23,041	23,963	24,802	25,670
43	500	Water Plant	514 VEHICLE / EQUIPMENT INSURANCE	-	-	-	-	-
44	500	Water Plant	519 POLLUTION INSURANCE	-	-	-	-	-
45	500	Water Plant	533 MACHINERY & EQUIPMENT RENTAL	20,000	20,800	21,632	22,389	23,173
46	500	Water Plant	544 DISCHARGE PERMIT FEE	3,000	3,120	3,245	3,358	3,476
47	900	Water Plant	900 CAPITAL OUTLAY	-	-	-	-	-
48	900	Water Plant	920 BUILDINGS	-	-	-	-	-
49	900	Water Plant	930 IMPROVEMENTS OTHER THAN B	-	-	-	-	-
50	900	Water Plant	940 MACHINERY & EQUIPMENT	-	-	-	-	-
51		Water Plant	943 NEW VEHICLE	-	-	-	-	-
52	900	Water Plant	946 COMPUTER EQ/SOFTWARE	-	-	-	-	-
5210-430550 WATER - TRANSMISSION AND DISTRIBUTION								
53	540	Water System	110.00 SALARIES AND WAGES	335,000	350,075	365,828	380,462	395,680
54	540	Water System	111.00 OVERTIME	3,500	3,658	3,822	3,975	4,134
55	540	Water System	138.00 VISION INSURANCE	325	340	355	369	384
56	540	Water System	139.00 DENTAL INSURANCE	2,100	2,195	2,293	2,385	2,480
57	540	Water System	141.00 UNEMPLOYMENT INSURANCE	1,000	1,045	1,092	1,136	1,181
58	540	Water System	142.00 WORKERS' COMPENSATION	9,200	9,614	10,047	10,448	10,866
59	540	Water System	143.00 HEALTH INSURANCE	42,500	44,413	46,411	48,268	50,198
60	540	Water System	144.00 LIFE INSURANCE	500	523	546	568	591
61	540	Water System	145.00 FICA	18,000	18,810	19,656	20,443	21,260
62	540	Water System	146.00 PERS	21,000	21,945	22,933	23,850	24,804

City of Laurel  
Water Utility  
Annual Operation and Maintenance Expense

Table A-3

Line No.	Fund	Fund Description	Account Description	For the Fiscal Year Ending June 30				
				Budget	Projected			
				2025	2026	2027	2028	2029
				\$	\$	\$	\$	\$
63	540	Water System	149.00 ST/LT DISABILITY	2,500	2,613	2,730	2,839	2,953
64	540	Water System	194.00 FLEX MEDICAL	2,800	2,926	3,058	3,180	3,307
65	540	Water System	220.00 OPERATING SUPPLIES	26,000	27,170	28,393	29,528	30,709
66	540	Water System	221.00 CLOTHING AND UNIFORMS	1,800	1,881	1,966	2,044	2,126
67	540	Water System	226.00 REPAIR & MAINTENANCE SUPP	15,000	15,600	16,224	16,792	17,380
68	540	Water System	231.00 GAS, OIL, DIESEL FUEL, GR	16,000	16,640	17,306	17,911	18,538
69	540	Water System	232.00 MOTOR VEHICLE PARTS	5,000	5,200	5,408	5,597	5,793
70	540	Water System	233.00 MACHINERY & EQUIPMENT PAR	30,000	31,200	32,448	33,584	34,759
71	540	Water System	239.00 TIRES/TUBES/CHAINS	3,000	3,120	3,245	3,358	3,476
72	540	Water System	241.00 CONSUMABLE TOOLS	-	-	-	-	-
73	540	Water System	263.00 SAFETY SUPPLIES	1,500	1,560	1,622	1,679	1,738
74	540	Water System	311.00 POSTAGE	6,400	6,656	6,922	7,165	7,415
75	540	Water System	312.00 NETWORKING FEES	1,000	1,040	1,082	1,119	1,159
76	540	Water System	337.00 ADVERTISING	1,000	1,045	1,092	1,136	1,181
77	540	Water System	339.00 CERTIFICATION RENEWAL	1,200	1,254	1,310	1,363	1,417
78	540	Water System	341.00 ELECTRIC UTILITY SERVICES	15,600	16,302	17,036	17,717	18,426
79	540	Water System	343.00 CELLULAR TELEPHONE	3,000	3,135	3,276	3,407	3,543
80	540	Water System	350.00 PROFESSIONAL SERVICES	50,000	52,250	54,601	56,785	59,057
81	540	Water System	351.00 MEDICAL, DENTAL, VETERINARY	1,000	1,045	1,092	1,136	1,181
82	540	Water System	355.00 DATA PROCESSING SERVICES	2,500	2,613	2,730	2,839	2,953
83	540	Water System	360.00 REPAIR & MAINTENANCE SERV	20,000	20,900	21,841	22,714	23,623
84	540	Water System	362.00 OFFICE MACHINERY & EQUIP	25,000	26,125	27,301	28,393	29,528
85	540	Water System	367.00 WATER/SEWER LINES REPAIR	200,000	209,000	218,405	227,141	236,227
86	540	Water System	368.00 CURB BOX REPAIR/REPLACE	25,000	26,125	27,301	28,393	29,528
87	540	Water System	370.00 TRAVEL	3,000	3,135	3,276	3,407	3,543
88	540	Water System	380.00 TRAINING SERVICES	5,000	5,225	5,460	5,679	5,906
89	540	Water System	397.00 CONTRACTED SERVICES	16,000	16,720	17,472	18,171	18,898
90	540	Water System	452.00 GRAVEL AND SAND	-	-	-	-	-
91	540	Water System	511.00 INSURANCE ON BLDGS/IMPRVM	8,365	8,741	9,135	9,500	9,880
92	540	Water System	513.00 LIABILITY	8,989	9,394	9,816	10,209	10,617
93	540	Water System	514.00 VEHICLE/EQUIPMENT INSURAN	3,566	3,726	3,894	4,050	4,212
94	540	Water System	530.00 RENT	182,000	190,190	198,749	206,698	214,966
95	540	Water System	532.00 LAND RANTAL/EASEMENTS	11,800	12,331	12,886	13,401	13,937
96	540	Water System	533.00 MACHINERY & EQUIPMENT RENT	-	-	-	-	-
97	540	Water System	540.00 SPECIAL ASSESSMENTS	-	-	-	-	-
98	540	Water System	543.00 SERVICE CONNECTION FEE	6,100	6,375	6,661	6,928	7,205
99	540	Water System	811.00 LIABILITY DEDUCTIBLES	-	-	-	-	-
100	900	Water System	901 MISC CAPITAL PROJECTS	-	-	-	-	-
101	900	Water System	938 REPLACE WATER/SEWER LINE	-	-	-	-	-
102	900	Water System	949 VEHICLE(S)	-	-	-	-	-
103	901	Water System	950 MINI EXCAVATOR	-	-	-	-	-
5210-430551 MURRAY HEIGHTS SUBDIVISION - BOOSTER STATION								
104	540.00	Water System	220.00 Operating Supplies	500	523	543	565	588
105	540.00	Water System	231.00 Gas, Oil, Diesel Fuel, Gr	-	-	-	-	-
106	540.00	Water System	241.00 Consumable Tools	-	-	-	-	-
107	540.00	Water System	341.00 Electric Utility Services	15,000	15,675	16,302	16,954	17,632
108	540.00	Water System	344.00 Gas Utility Services	800	836	869	904	940
109	540.00	Water System	360.00 Repair & Maintenance Serv	5,000	5,225	5,434	5,651	5,877
110	540.00	Water System	366.00 Building Maintenance	5,000	5,225	5,225	5,225	5,225
5210-430552 WATER RESERVOIR								
111	540	Water System	220.00 Operating Supplies	300	314	326	339	353
112	540	Water System	341.00 Electric Utility Services	1,500	1,568	1,630	1,695	1,763
113	540	Water System	350.00 Professional Services	7,500	7,838	8,151	8,477	8,816
114	540	Water System	364.00 Water/Sewer Struct. & Equ	-	-	-	-	-
115	540	Water System	452.00 Gravel and Sand	-	-	-	-	-
116	900	Water System	920.00 Buildings	-	-	-	-	-
5210-430553 ELENA BOOSTER STATION								
117	540	Water System	220 Operating Supplies	100	105	109	113	118
118	540	Water System	231 Gas, Oil, Diesel Fuel, Gr	500	523	543	565	588
119	540	Water System	233 Machinery & Equipment Par	1,500	1,568	1,630	1,695	1,763
120	540	Water System	341 Electric Utility Services	7,500	7,838	8,151	8,477	8,816
121	540	Water System	350 Professional Services	500	523	543	565	588
122	540	Water System	360 Repair & Maintenance Serv	1,000	1,045	1,087	1,130	1,175
123	540	Water System	366 Building Maintenance	500	523	543	565	588

City of Laurel  
Water Utility  
Annual Operation and Maintenance Expense

Table A-3

				For the Fiscal Year Ending June 30				
Line				Budget	Projected			
No.	Fund	Fund Description	Account Description	2025	2026	2027	2028	2029
				\$	\$	\$	\$	\$
			5210-521000 INTERFUND OPERATING TRANSFERS OUT					
124	540	Water	820 Transfers to Other Funds	5,000	5,000	5,000	5,000	5,000
125	Total Operating Budget		Total Operation and Maintenance Expense	2,997,500	3,127,420	3,262,541	3,387,503	3,517,285
Total Operation and Maintenance Expenses				2,997,500	3,127,420	3,262,541	3,387,503	3,517,285
900.00	Capital Expenditures			0	0	0	0	0
	Total Operating Budget			2,997,500	3,127,420	3,262,541	3,387,503	3,517,285

City of Laurel  
Water Utility  
Water Capital Improvement Plan Excluding Inflation

Table A-4

Line No.		For the Fiscal Year Ending June 30					2025-2034
		Budget	Projected				
Title		2025	2026	2027	2028	2029	Total
		\$	\$	\$	\$	\$	\$
1	Bulk Water Sales Station - On Hold			400,000			400,000
2	West 7th St Wtr Replacement - Combined w/1st Ave	650,000					650,000
3	Riverside Park Water + Irrigation System	0	360,000				360,000
4	Water Treatment Plant Stormwater Improvements	125,000					125,000
5	New Wtr Tank, Booster Station & Piping Redun		210,000	18,675,000			18,885,000
6	1st Ave. Water Valve Installation w/ W 7th	170,000			170,000		340,000
7	City Wide Valve & Hydrant Replacement Project	145,000	145,000	145,000	145,000		580,000
8	Replacement of Water Lines (\$900 ft @ 450 lf)	81,000	81,000	81,000	81,000	81,000	405,000
9	Water Tank Painting			200,000	800,000		1,000,000
10	Filters				5,000,000		5,000,000
11	949-Mini Excavator	150,000					150,000
12	920-Buildings-Reserve	20,000					20,000
13	Miscellaneous Undesignated Projects					500,000	500,000
14	Total Capital Improvement Ex. Inflation	4,601,000	796,000	19,501,000	6,196,000	581,000	31,675,000

City of Laurel  
Water Utility  
Water Capital Improvement Plan (Inflated)

Table A-5

<i>Annual Inflation</i>	0.0%	4.5%	4.5%	4.5%	4.5%
<i>Cumulative Inflation</i>	0.0%	4.5%	9.2%	14.1%	19.3%

Line No.	Title	For the Fiscal Year Ending June 30					2025-2034 Total
		Budget 2025	2026	2027	2028	2029	
		\$	\$	\$	\$	\$	
1	Bulk Water Sales Station - On Hold	-	-	436,810	-	-	436,810
2	West 7th St Wtr Replacement - Combined w/1st Ave	650,000	-	-	-	-	650,000
3	Riverside Park Water + Irrigation System	-	376,200	-	-	-	376,200
4	Water Treatment Plant Stormwater Improvements	125,000	-	-	-	-	125,000
5	New Wtr Tank, Booster Station & Piping Redun	-	219,450	20,393,567	-	-	20,613,017
6	1st Ave. Water Valve Installation w/ W 7th	170,000	-	-	193,998	-	363,998
7	City Wide Valve & Hydrant Replacement Project	145,000	151,525	158,344	165,469	-	620,338
8	Replacement of Water Lines (\$900 ft @ 450 lf)	81,000	84,645	88,454	92,434	96,594	443,127
9	Water Tank Painting	-	-	218,405	912,933	-	1,131,338
10	Filters	-	-	-	5,705,831	-	5,705,831
11	Settling Pond (2011 Great Westen MP)	-	-	-	-	-	-
12	920-Buildings-Reserve	20,000	-	-	-	-	20,000
13	Miscellaneous Undesignated Projects	-	-	-	-	596,259	596,259
14	<b>Total Capital Improvement Program Including Inflation</b>	<b>1,341,000</b>	<b>831,820</b>	<b>21,295,580</b>	<b>7,070,665</b>	<b>692,853</b>	<b>31,231,918</b>

City of Laurel  
Water Utility  
Test Year 2025 Revenue Requirement

Table A-6

Line No.	Description	Operating Expense	Capital Expense	Total
<b>Revenue Requirement</b>				
1	Operation and Maintenance Expense	2,997,500		2,997,500
2	Repair and Replacement Capital		1,200,000	1,200,000
3	Debt Service		426,410	426,410
4	<b>Total Revenue Requirements</b>	<b>2,997,500</b>	<b>1,626,410</b>	<b>4,623,910</b>
<b>Less Revenue Offsets</b>				
5	Water Line Insurance (\$1/month)	(33,000)		(33,000)
6	Sales of Water Supplies	(2,000)		(2,000)
7	Fire Line	(6,300)		(6,300)
8	5/8" Bypass	(28,600)		(28,600)
9	System Development Fees	0		0
10	Miscellaneous Water	(2,000)		(2,000)
				0
	<b>CHS Revenue</b>			0
11	Raw Water-CHS	(172,400)		(172,400)
12	Settled Water-CHS	(26,300)		(26,300)
13	Rate Increase (2027 and 2032 per Contract)	0		0
14	Change in Fund Balance	(330,826)	(179,502)	(510,328)
15	<b>Subtotal Revenue Offsets</b>	<b>(601,426)</b>	<b>(179,502)</b>	<b>(780,928)</b>
16	<b>Net Revenue Requirement</b>	<b>2,396,074</b>	<b>1,446,908</b>	<b>3,842,982</b>

Line			Volume			Customer Related				
No.	Description	O&M Costs	Base	Maximum Day Demand	Maximum Hour Demand	Meters & Services	Billing	Indirect	General & Admin	Total
Water System Assets										
1	Source of Supply		100.0%							100.0%
2	Treatment		55.6%	44.4%						100.0%
3	Transmission & Distribution		16.7%	13.3%	20.0%	50.0%				100.0%
4	Customer/Billing						100.0%			100.0%
5	Meters & Services					100.0%				100.0%
6	Public Fire					100.0%				100.0%
7	Not Used							100.0%		100.0%
8	Not Used							100.0%		100.0%
9	General & Admin								100.0%	100.0%
10	Pump Station		55.6%	44.4%						100.0%
11	Treated Storage		33.3%	26.7%	40.0%					100.0%
12	Land		100.0%							100.0%
									100.0%	100.0%
13	Total									

City of Laurel  
Water Utility  
Allocation of Water System Assets and Annual Capital Costs

Table A-8

Line No.	Description	Replacement Cost	Volume		Customer Related		Indirect	General & Admin	Total
			Base	Maximum Day Demand	Maximum Hour Demand	Meters & Services			
		\$	\$	\$	\$	\$	\$	\$	\$
<b>Water System Assets</b>									
1	Source of Supply	2,841,754	2,841,754	0	0	0	0	0	2,841,754
2	Treatment	39,991,420	22,217,456	17,773,965	0	0	0	0	39,991,420
3	Transmission & Distribution	33,042,881	5,507,147	4,405,717	6,608,576	16,521,440	0	0	33,042,881
4	Customer/Billing	0	0	0	0	0	0	0	0
5	Meters & Services	2,544,987	0	0	0	2,544,987	0	0	2,544,987
6	Public Fire	184,685	0	0	0	184,685	0	0	184,685
7	Not Used	0	0	0	0	0	0	0	0
8	Not Used	0	0	0	0	0	0	0	0
9	General & Admin	18,474	0	0	0	0	0	18,474	18,474
10	Pump Station	53,810	29,895	23,916	0	0	0	0	53,810
11	Treated Storage	969,401	323,134	258,507	387,761	0	0	0	969,401
12	Land	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0
14	<b>Total Water System Assets</b>	<b>79,647,413</b>	<b>30,919,385</b>	<b>22,462,105</b>	<b>6,996,337</b>	<b>19,251,113</b>	<b>0</b>	<b>18,474</b>	<b>79,647,413</b>
	TRUE								
15	General & Admin, %		38.8%	28.2%	8.8%	24.2%			
16	General & Admin Allocation, \$	18,474	7,173	5,211	1,623	4,466			
17	<b>Total Reallocated Assets</b>		30,926,558	22,467,316	6,997,960	19,255,579			
18	Percent of Total		38.8%	28.2%	8.8%	24.2%			
19	<b>Annual Capital Costs (with Rev Req Adjustments)</b>	<b>1,446,908</b>	<b>561,825</b>	<b>408,150</b>	<b>127,128</b>	<b>349,805</b>			



City of Laurel  
Water Utility  
Operation and Maintenance Expense Functional Category Allocations

Table A-9

Line No.		Description	Test Year 2025 \$	1 Source of Supply	2 Treatment	3 Trans / Dist	4 Customer / Billing	5 Meters & Services	Total
1	500	5210-430500 WATER - PURIFICATION AND TREATMENT 392 ADMINISTRATIVE SERVICES	121,000				50%	50%	100%
2	500	5210-430540 WATER - PURIFICATION AND TREATMENT 110 SALARIES AND WAGES	570,000		100%				100%
3	500	111 OVERTIME	15,800		100%				100%
4	500	138 VISION INSURANCE	600		100%				100%
5	500	139 DENTAL INSURANCE	4,500		100%				100%
6	500	141 UNEMPLOYMENT INSURANCE	1,800		100%				100%
7	500	142 WORKERS' COMPENSATION	18,000		100%				100%
8	500	143 HEALTH INSURANCE	97,000		100%				100%
9	500	144 LIFE INSURANCE	1,200		100%				100%
10	500	145 FICA	42,000		100%				100%
11	500	146 PERS	47,000		100%				100%
12	500	149 ST/LT DISABILITY	4,500		100%				100%
13	500	194 FLEX MEDICAL	6,500		100%				100%
14	500	220 OPERATING SUPPLIES	25,000		100%				100%
15	500	221 CHEMICALS	165,000		100%				100%
16	500	222 LABORATORY & MEDICAL SUPP	8,000		100%				100%
17	500	226 CLOTHING AND UNIFORMS	1,200		100%				100%
18	500	231 GAS, OIL, DIESEL FUEL, GR	7,000		100%				100%
19	500	232 MOTOR VEHICLE PARTS	2,000		100%				100%
20	500	233 MACHINERY & EQUIPMENT PAR	16,000		100%				100%
21	500	241 CONSUMABLE TOOLS	1,000		100%				100%
22	500	263 SAFETY SUPPLIES	2,000		100%				100%
23	500	312 NETWORKING FEES	5,000		100%				100%
24	500	335 MEMBERSHIPS & DUES	1,500		100%				100%
25	500	337 ADVERTISING	2,500		100%				100%
26	500	339 CERTIFICATION RENEWAL	2,000		100%				100%
27	500	341 ELECTRIC UTILITY SERVICES	200,000		100%				100%
28	500	343 CELLULAR TELEPHONE	1,200		100%				100%
29	500	344 GAS UTILITY SERVICE	35,000		100%				100%
30	500	345 TELEPHONE	1,100		100%				100%
31	500	349 QUALITY TESTING	10,000		100%				100%
32	500	350 PROFESSIONAL SERVICES	15,000		100%				100%
33	500	351 MEDICAL, DENTAL, VETERINARY	1,000		100%				100%
34	500	355 DATA PROCESSING SERVICES	-		100%				100%
35	500	360 REPAIR & MAINTENANCE SERVICES	3,000		100%				100%
36	500	364 WATER / SEWER STRUCTURE & EQUIP	250,000		100%				100%
37	500	366 BUILDING MAINTENANCE	50,000		100%				100%
38	500	370 TRAVEL	4,000		100%				100%
39	500	380 TRAINING SERVICES	3,000		100%				100%
40	500	397 CONTRACTED SERVICES	16,000		100%				100%
41	500	511 INSURANCE ON BLDGS/IMPRVM	9,500		100%				100%
42	500	513 LIABILITY	22,155		100%				100%
43	500	514 VEHICLE / EQUIPMENT INSURANCE	-		100%				100%
44	500	519 POLLUTION INSURANCE	-		100%				100%
45	500	533 MACHINERY & EQUIPMENT RENTAL	20,000		100%				100%
46	500	544 DISCHARGE PERMIT FEE	3,000		100%				100%
47	500	900 CAPITAL OUTLAY	-						0%
48	500	920 BUILDINGS	-						0%
49	500	930 IMPROVEMENTS OTHER THAN B	-						0%
50	500	940 MACHINERY & EQUIPMENT	-						0%
51	501	943 NEW VEHICLE	-						0%
52	500	946 COMPUTER EQ/SOFTWARE	-						0%
53	540	5210-430550 WATER - TRANSMISSION AND DISTRIBUTION 110 SALARIES AND WAGES	335,000			100%			100%
54	540	111 OVERTIME	3,500			100%			100%
55	540	138 VISION INSURANCE	325			100%			100%
56	540	139 DENTAL INSURANCE	2,100			100%			100%
57	540	141 UNEMPLOYMENT INSURANCE	1,000			100%			100%
58	540	142 WORKERS' COMPENSATION	9,200			100%			100%
59	540	143 HEALTH INSURANCE	42,500			100%			100%
60	540	144 LIFE INSURANCE	500			100%			100%
61	540	145 FICA	18,000			100%			100%
62	540	146 PERS	21,000			100%			100%
63	540	149 ST/LT DISABILITY	2,500			100%			100%
64	540	194 FLEX MEDICAL	2,800			100%			100%
65	540	220 OPERATING SUPPLIES	26,000			100%			100%
66	540	221 CLOTHING AND UNIFORMS	1,800			100%			100%
67	540	226 REPAIR & MAINTENANCE SUPP	15,000			100%			100%
68	540	231 GAS, OIL, DIESEL FUEL, GR	16,000			100%			100%
69	540	232 MOTOR VEHICLE PARTS	5,000			100%			100%
70	540	233 MACHINERY & EQUIPMENT PAR	30,000			100%			100%
71	540	239 TIRES/TUBES/CHAINS	3,000			100%			100%
72	540	241 CONSUMABLE TOOLS	-			100%			100%
73	540	263 SAFETY SUPPLIES	1,500			100%			100%
74	540	311 POSTAGE	6,400			100%			100%
75	540	312 NETWORKING FEES	1,000			100%			100%
76	540	337 ADVERTISING	1,000			100%			100%
77	540	339 CERTIFICATION RENEWAL	1,200			100%			100%
78	540	341 ELECTRIC UTILITY SERVICES	15,600			100%			100%

City of Laurel  
Water Utility  
Operation and Maintenance Expense Functional Category Allocations

Table A-9

Line No.	Description	Test Year 2025	1	2	3	4	5	Total
			Source of Supply	Treatment	Trans / Dist	Customer / Billing	Meters & Services	
79	540 343	CELLULAR TELEPHONE	3,000		100%			100%
80	540 350	PROFESSIONAL SERVICES	50,000		100%			100%
81	540 351	MEDICAL, DENTAL, VETERINARY	1,000		100%			100%
82	540 355	DATA PROCESSING SERVICES	2,500			100%		100%
83	540 360	REPAIR & MAINTENANCE SERV	20,000		100%			100%
84	540 362	OFFICE MACHINERY & EQUIP	25,000		100%			100%
85	540 367	WATER/SEWER LINES REPAIR	200,000		100%			100%
86	540 368	CURB BOX REPAIR/REPLACE	25,000		100%			100%
87	540 370	TRAVEL	3,000		100%			100%
88	540 380	TRAINING SERVICES	5,000		100%			100%
89	540 397	CONTRACTED SERVICES	16,000		100%			100%
90	540 452	GRAVEL AND SAND	-		100%			100%
91	540 511	INSURANCE ON BLDGS/IMPRVM	8,365		100%			100%
92	540 513	LIABILITY	8,989		100%			100%
93	540 514	VEHICLE/EQUIPMENT INSURAN	3,566		100%			100%
94	540 530	RENT	182,000		100%			100%
95	540 532	LAND RANTAL/EASEMENTS	11,800		100%			100%
96	540 533	MACHINERY & EQUIPMENT RENT	-		100%			100%
97	540 540	SPECIAL ASSESSMENTS	-		100%			100%
98	540 543	SERVICE CONNECTION FEE	6,100		100%			100%
99	540 811	LIABILITY DEDUCTIBLES	-		100%			100%
100	540 901	MISC CAPITAL PROJECTS			100%			100%
101	540 938	REPLACE WATER/SEWER LINE			100%			100%
102	540 943	VEHICLE(S)			100%			100%
103	540 949	MINI EXCAVATOR			100%			100%
104	540 5210-430551	MURRAY HEIGHTS SUBDIVISION - BOOSTER STATION	500		100%			100%
105	540 220	Operating Supplies	-		100%			100%
106	540 231	Gas, Oil, Diesel Fuel, Gr	-		100%			100%
107	540 241	Consumable Tools	15,000		100%			100%
108	540 341	Electric Utility Services	800		100%			100%
109	540 344	Gas Utility Services	5,000		100%			100%
110	540 360	Repair & Maintenance Serv	5,000		100%			100%
111	540 5210-430552	WATER RESERVOIR	300	100%				100%
112	540 220	Operating Supplies	1,500	100%				100%
113	540 231	Electric Utility Services	7,500	100%				100%
114	540 241	Professional Services	-	100%				100%
115	540 341	Water/Sewer Struct. & Equ	-	100%				100%
116	540 344	Gravel and Sand	-	100%				100%
117	540 360	Buildings	-	100%				100%
117	540 5210-430553	ELENA BOOSTER STATION	100		100%			100%
118	540 220	Operating Supplies	500		100%			100%
119	540 231	Gas, Oil, Diesel Fuel, Gr	1,500		100%			100%
120	540 233	Machinery & Equipment Par	7,500		100%			100%
121	540 341	Electric Utility Services	500		100%			100%
122	540 350	Professional Services	1,000		100%			100%
123	540 360	Repair & Maintenance Serv	500		100%			100%
124	540 5210-521000	INTERFUND OPERATING TRANSFERS OUT	5,000			100%		100%
125	Total	2,997,500	9,300	1,691,055	1,168,645	68,000	60,500	2,997,500

Source: City of Laurel - Expenditure Budget by Org Report - MultiYear Actuals

Town of Laurel  
Water Utility  
Summary Operation and Maintenance Expense Functional Category Allocations  
Test Year 2025

Line No	Description	Lookup Column->	1	2	3	4	5	Total
			Source of Supply	Treatment	Trans / Dist	Customer / Billing	Meters & Services	
1	Total Allocation		9,300	1,691,055	1,168,645	68,000	60,500	2,997,500
126	All Other Infrastructure Reallocation		0.3%	56.4%	39.0%	2.3%	2.0%	
127	Total All Other Infrastructure		-	-	-	-	-	0
128	All Other General Reallocation		0.3%	56.4%	39.0%	2.3%	2.0%	
129	Total Reallocated All Other General		-	-	-	-	-	0
130	Total After Reallocation		9,300	1,691,055	1,168,645	68,000	60,500	2,997,500
131	%		0.3%	56.4%	39.0%	2.3%	2.0%	100.0%

Location of Functionalized Chain

Line No.	Description	Total	Volume		Customer Related		General & Admin	Total
			Base	Maximum Day Demand	Maximum Hour Demand	Meters & Services		
Functions								
1	Source of Supply	9,300	100.0%					100.0%
2	Treatment	1,691,055	55.6%	44.4%				100.0%
3	Transmission & Distribution	1,168,645	16.7%	13.3%	20.0%	50.0%		100.0%
4	Customer/Billing	68,000					100.0%	100.0%
5	Meters & Services	60,500				100.0%		100.0%
6	Public Fire	0				100.0%		100.0%
7	Common to Irrigation	0					100.0%	100.0%
8	All Other Infrastructure	0					100.0%	100.0%
9	General & Admin	0					50.0%	100.0%
10	Pump Station	0		40.0%	60.0%			100.0%
11	Treated Storage	0		40.0%	60.0%			100.0%
12							100.0%	100.0%
13							100.0%	100.0%
14	Total	2,997,500						

City of Laurel  
Water Utility  
Allocation of Functionalized O&M Expenses to Cost Components

Table A-11

Line No.	Description	Volume				Customer Related		General & Admin	Total
		Total	Base	Maximum Day Demand	Maximum Hour Demand	Meters & Services	Billing		
		\$	\$	\$	\$	\$	\$	\$	\$
<b>Functions</b>									
1	Source of Supply	9,300	9,300	0	0	0	0	0	9,300
2	Treatment	1,691,055	939,475	751,580	0	0	0	0	1,691,055
3	Transmission & Distribution	1,168,645	194,774	155,819	233,729	584,323	0	0	1,168,645
4	Customer Billing	68,000	0	0	0	0	68,000	0	68,000
5	Meters & Services	60,500	0	0	0	60,500	0	0	60,500
6	Public Fire	0	0	0	0	0	0	0	0
7	Common to Irrigation	0	0	0	0	0	0	0	0
8	All Other Infrastructure	0	0	0	0	0	0	0	0
9	Indirect	0	0	0	0	0	0	0	0
10	Pump Station	0	0	0	0	0	0	0	0
11	Treated Storage	0	0	0	0	0	0	0	0
12	<b>Total Allocated O&amp;M</b>	<b>2,997,500</b>	<b>1,143,549</b>	<b>907,399</b>	<b>233,729</b>	<b>644,823</b>	<b>68,000</b>	<b>0</b>	<b>2,997,500</b>
13	<i>Percent of Total</i>		38.2%	30.3%	7.8%	21.5%	2.3%	0.0%	0.0%
14	<i>Indirect &amp; G&amp;A Allocation, %</i>		38.2%	30.3%	7.8%	21.5%	2.3%		
	<i>Settling Water and Raw Water Allocation</i>		55.6%	44.4%					
15	Indirect Allocation, \$	0	0	0	0	0	0		
16	General & Admin Allocation, \$	0	0	0	0	0	0		
17	<b>Subtotal Reallocated O&amp;M - %</b>	<b>2,997,500</b>	<b>1,143,549</b>	<b>907,399</b>	<b>233,729</b>	<b>644,823</b>	<b>68,000</b>		
18	<i>Subtotal Reallocated O&amp;M - %</i>		38.2%	30.3%	7.8%	21.5%	2.3%		
19	Miscellaneous Revenue Offsets	(71,900)	(27,430)	(21,765)	(5,606)	(15,467)	(1,631)		
20	Allocation of Change in Fund Balance	(330,826)	(126,210)	(100,147)	(25,796)	(71,167)	(7,505)		
21	Settling and Raw Water Revenue	(198,700)	(110,389)	(88,311)	0	0	0		
22	<b>Total Revenue Offsets</b>	<b>(601,426)</b>	<b>(264,029)</b>	<b>(210,224)</b>	<b>(31,402)</b>	<b>(86,634)</b>	<b>(9,136)</b>		
19	<b>Annual O&amp;M Expenses with Reallocations (with Rev Req Adjustme</b>	<b>2,396,074</b>	<b>879,520</b>	<b>697,176</b>	<b>202,327</b>	<b>558,188</b>	<b>58,864</b>		

No.	Customer Class	Water Use		Maximum Day Demand			Maximum Hour Demand			Bills	3/4" Equivalent Meter Capacity Ratio
		Annual	Average Day	Demand Factor	Total Demand	Extra Capacity	Demand Factor	Total Demand	Extra Capacity		
		1,000 gal	1,000 gal								
1	Residential	162,482	445	3.81	1,694	1,249	6.34	2,823	1,129	31,114	31,234
2	Commercial	88,935	244	2.35	573	330	3.92	955	382	2,802	9,115
3	Irrigation	10,391	28	7.65	218	189	12.75	363	145	185	438
4	Industrial	434,162	1,189	2.51	2,984	1,795	4.18	4,974	1,990	72	3,326
5	Total	695,969	1,907		5,470	3,563		9,116	3,646	34,173	44,112

City of Laurel  
Water Utility  
Unit Costs of Service

Table A-13

Line No.	Description	Volume			Customer Related		
		Total	Annual	Maximum Day Demand	Maximum Hour Demand	Meters & Services	Billing
<b>Cost of Service</b>							
1	Operation and Maintenance Expense	\$2,997,500	\$1,143,549	\$907,399	\$233,729	\$644,823	\$68,000
2	Capital Cost	1,446,908	561,825	408,150	127,128	349,805	0
3	<b>Total Cost of Service</b>	<b>\$4,444,408</b>	<b>\$1,705,374</b>	<b>\$1,315,550</b>	<b>\$360,857</b>	<b>\$994,627</b>	<b>\$68,000</b>
4	Miscellaneous Revenue Offsets	(\$71,900)	(\$27,430)	(\$21,765)	(\$5,606)	(\$15,467)	(\$1,631)
5	Allocation of Change in Fund Balance	(330,826)	(126,210)	(100,147)	(25,796)	(71,167)	(7,505)
6	Settling and Raw Water Revenue	(198,700)	(110,389)	(88,311)	0	0	0
7	<b>Net Allocated Revenue Requirement</b>	<b>\$3,842,982</b>	<b>\$1,441,344</b>	<b>\$1,105,326</b>	<b>\$329,454</b>	<b>\$907,993</b>	<b>\$58,864</b>
8	<i>Percent of Total</i>	100%	38%	30%	8%	22%	2%
<b>Units of Service</b>							
	<u>Units of Service</u>		<u>1,000 gal</u>	<u>gpd</u>	<u>gpd</u>	Equivalent Meter <u>Capacity</u>	<u># Bills</u>
9	Common to All Customers (Table A-14, Line 5)		695,969	3,563	3,646	44,112	34,173
10	Common to Retail Customers (Table A-14, Lines 1-4)		261,808	1,768	1,657	40,786	34,101
	<u>Units of Service</u>						
11	Common to All Customers (Lines 3 + 4 + 5 / Line 9)		\$2.23	\$335.03	\$90.35	\$20.58	\$1.72
12	Common to Retail Customers (Line 6 / Line 10)		(\$0.42)	(\$49.96)	\$0.00	\$0.00	\$0.00

City of Laurel  
Water Utility  
Distribution of Costs to Customer Classes

Table A-14

Line No.	Description	Total	Volume		Customer Related	
			Average Day	Maximum Day Demand	Maximum Hour Demand	Meters & Services Billing
<b>1</b>	<b>Unit Costs of Service - \$/unit</b>					
	Common to All Customers (Lines 3 - 6 / Line 9)		\$2.23	\$335.03	\$90.35	\$20.58
	Common to Retail Customers (Line 6 / Line 10)		\$1.81	\$285.07	\$90.35	\$20.58
	<b>Customer Class</b>					
	Residential					
<b>2</b>	Units		162,482	1,249	1,129	31,234
<b>3</b>	Cost of Service - \$	\$1,448,292	\$293,761	\$355,995	\$102,033	\$642,907
	Commercial					
<b>4</b>	Units		88,935	330	382	9,115
<b>5</b>	Cost of Service - \$	\$481,741	\$160,790	\$93,971	\$34,532	\$187,622
	Irrigation					
<b>6</b>	Units		10,391	189	145	438
<b>7</b>	Cost of Service - \$	\$95,209	\$18,786	\$53,975	\$13,119	\$9,010
	Industrial					
<b>8</b>	Units		434,162	1,795	1,990	3,326
<b>9</b>	Cost of Service - \$	\$1,817,739	\$968,007	\$601,385	\$179,770	\$68,454
<b>10</b>	<b>Total Cost of Service</b>	<b>3,842,982</b>	<b>1,441,344</b>	<b>1,105,326</b>	<b>329,454</b>	<b>907,993</b>

City of Laurel  
Water Utility  
Comparison of Cost of Service With Revenues Under Existing Rates

Table A-15

Line No	Customer Class	2025 Cost of Service	Revenue at Existing Rates	Change - \$	Change - %
		COS	Rev		
1	Residential	\$1,448,292	\$1,405,545	\$42,747	3.0%
2	Commercial	481,741	523,700	(41,959)	-8.0%
3	Irrigation	95,209	42,824	52,385	122.3%
4	Industrial	\$1,817,739	1,340,846	476,893	35.6%
5	Total System	\$3,842,982	3,312,915	530,066	16.0%



City of Laurel  
Water Utility  
Adjusted Cost of Service

Table A-16

Line No	Customer Class	2025 Cost of Service	Revenue at Existing Rates	Change - \$	Adjustment	Adjusted COS	Change - %
1	Residential	\$1,448,292	\$1,405,545	\$0	\$0	\$1,448,292	3.0%
2	Commercial	481,741	523,700	41,959	\$0	523,700	0.0%
3	Irrigation	95,209	42,824	-	(2,088)	93,121	117.5%
4	Industrial	1,817,739	1,340,846	-	(39,871)	1,777,869	32.6%
5	Total	<b>\$3,842,982</b>	<b>\$3,312,915</b>	<b>\$41,959</b>	<b>(\$41,959)</b>	<b>\$3,842,982</b>	<b>16.0%</b>

Residential Cost of Service				\$1,448,292	Combined Commercial and Irrigation COS				\$616,821	Industrial				\$1,777,869			
Meter Size	Bills	S.C.	Revenue		Meter Size	Bills	S.C.	Revenue		Meter Size	Bills	S.C.	Revenue				
Inches					Inches					Inches							
3/4"	31,030	\$32.61	\$1,011,886		3/4"	1,324	\$32.61	\$43,186		3/4"	12	\$32.61	\$392				
1"	60	\$56.11	\$3,372		1"	931	\$56.11	\$52,234		1"	12	\$56.11	\$674				
1.25"	0	\$85.57	\$0		1.25"	12	\$85.57	\$1,028		1.25"	0	\$85.57	\$0				
1.5"	24	\$121.86	\$2,929		1.5"	322	\$121.86	\$39,278		1.5"	0	\$121.86	\$0				
2"	0	\$215.28	\$0		2"	274	\$215.28	\$59,046		2"	0	\$215.28	\$0				
3"	0	\$478.86	\$0		3"	87	\$478.86	\$41,702		3"	24	\$478.86	\$11,504				
4"	0	\$852.82	\$0		4"	12	\$852.82	\$10,244		4"	0	\$852.82	\$0				
6"	0	\$1,915.49	\$0		6"	24	\$1,915.49	\$46,018		6"	12	\$1,915.49	\$23,009				
10"	0	\$5,291.82	\$0		10"	0	\$5,291.82	\$0		10"	12	\$5,291.82	\$63,565				
Total Service Charge Revenue				\$1,018,187	Total Service Charge Revenue				\$292,737	Total Service Charge Revenue				\$35,579			
Volume Rate Revenue Required				\$430,104	Volume Rate Revenue Required				\$324,085	Volume Rate Revenue Required				\$1,742,290			
Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue
5000	57.3%	1.00	93,125	2.17	202,133	All Usage	100.0%	1.00	99,325	\$3.26	324,085	All Usage	100.0%	1.00	434,162	4.01	1,742,290
10000	17.6%	1.25	28,667	2.71	77,780		0.0%	1.00	0	3.26	-		0.0%	1.00	0	4.01	-
20000	15.0%	1.50	24,371	3.26	79,350		0.0%	1.00	0	3.26	-		0.0%	1.00	0	4.01	-
99999	10.0%	2.00	16,319	4.34	70,841		0.0%	1.00	0	3.26	-		0.0%	1.00	0	4.01	-
Total			162,482	2.65	430,104	Total	100.0%	1.00	99,325	3.26	324,085	Total	100.0%	1.00	434,162	4.01	1,742,290
				Rounded						Rounded						Rounded	
			93,125	2.17	202,081				99,325	3.27	324,794				434,162	4.02	1,745,329
			28,667	2.71	77,689				0	3.27	-				0	4.02	-
			24,371	3.26	79,451				0	3.27	-				0	4.02	-
			16,319	4.34	70,823				0	3.27	-				0	4.02	-
			162,482	2.65	430,043				99,325	3.27	324,794				434,162	4.02	1,745,329
Over/Under Recovery				(61)	Over/Under Recovery				710	Over/Under Recovery				3,039			

Service Charge, \$ per bill

Existing					FY25 (January-June)					FY26				
Meter Size	Base Charge	Volume Allowance	Capital Surcharge	Monthly Base Rate	Meter Size	Base Charge	Volume Allowance	Capital Surcharge	Monthly Base Rate	Meter Size	Base Charge	Volume Allowance	Capital Surcharge	Monthly Base Rate
<i>Inches</i>					<i>Inches</i>					<i>Inches</i>				
3/4"	\$21.75	\$2.86	\$8.00	\$32.61	3/4"	\$24.61	\$0.00	\$8.00	\$32.61	3/4"	\$28.55	\$0.00	\$9.28	\$37.83
1"	38.93	2.86	14.32	56.11	1"	41.79	0.00	14.32	56.11	1"	48.48	0.00	16.61	65.09
1.25"	60.47	2.86	22.24	85.57	1.25"	63.33	0.00	22.24	85.57	1.25"	73.46	0.00	25.80	99.26
1.5"	87.00	2.86	32.00	121.86	1.5"	89.86	0.00	32.00	121.86	1.5"	104.24	0.00	37.12	141.36
2"	155.30	2.86	57.12	215.28	2"	158.16	0.00	57.12	215.28	2"	183.47	0.00	66.26	249.72
3"	348.00	2.86	128.00	478.86	3"	350.86	0.00	128.00	478.86	3"	407.00	0.00	148.48	555.48
4"	621.40	2.86	228.56	852.82	4"	624.26	0.00	228.56	852.82	4"	724.14	0.00	265.13	989.27
6"	1,398.31	2.86	514.32	1,915.49	6"	1,401.17	0.00	514.32	1,915.49	6"	1,625.36	0.00	596.61	2,221.97
10"	3,866.72	2.86	1,422.24	5,291.82	10"	3,869.58	0.00	1,422.24	5,291.82	10"	4,488.71	0.00	1,649.80	6,138.52

FY27					FY28					FY29				
Meter Size	Base Charge	Volume Allowance	Capital Surcharge	Monthly Base Rate	Meter Size	Base Charge	Volume Allowance	Capital Surcharge	Monthly Base Rate	Meter Size	Base Charge	Volume Allowance	Capital Surcharge	Monthly Base Rate
<i>Inches</i>					<i>Inches</i>					<i>Inches</i>				
3/4"	\$33.12	\$0.00	\$10.76	\$43.88	3/4"	\$34.44	\$0.00	\$11.20	\$45.64	3/4"	\$35.82	\$0.00	\$11.64	\$47.46
1"	56.23	0.00	19.27	75.50	1"	58.48	0.00	20.04	78.52	1"	60.82	0.00	20.84	81.66
1.25"	85.22	0.00	29.93	115.14	1.25"	88.63	0.00	31.12	119.75	1.25"	92.17	0.00	32.37	124.54
1.5"	120.92	0.00	43.06	163.97	1.5"	125.75	0.00	44.78	170.53	1.5"	130.78	0.00	46.57	177.36
2"	212.82	0.00	76.86	289.68	2"	221.33	0.00	79.94	301.27	2"	230.19	0.00	83.13	313.32
3"	472.12	0.00	172.24	644.35	3"	491.00	0.00	179.13	670.13	3"	510.64	0.00	186.29	696.93
4"	840.00	0.00	307.55	1,147.55	4"	873.60	0.00	319.85	1,193.46	4"	908.55	0.00	332.65	1,241.20
6"	1,885.41	0.00	692.07	2,577.48	6"	1,960.83	0.00	719.75	2,680.58	6"	2,039.26	0.00	748.54	2,787.81
10"	5,206.91	0.00	1,913.77	7,120.68	10"	5,415.18	0.00	1,990.32	7,405.51	10"	5,631.79	0.00	2,069.94	7,701.73

Volume Charge, \$ per 1,000 gallons

Threshold	Existing	FY25 (Jan-Jun)	FY26	FY27	FY28	FY29
<u>Residential</u>						
First 1,000	\$0.00	\$2.17	\$2.52	\$2.92	\$3.04	\$3.16
Next 4,000	2.86	2.17	2.52	2.92	3.04	3.16
Next 5,000	2.86	2.71	3.14	3.65	3.79	3.94
Next 10,000	2.86	3.26	3.78	4.39	4.56	4.74
Over 20,000	2.86	4.34	5.03	5.84	6.07	6.32
<u>Commercial</u>						
First 1,000	\$0.00	\$3.27	\$3.79	\$4.40	\$4.58	\$4.76
Over 1,000	2.86	3.27	3.79	4.40	4.58	4.76
<u>Industrial</u>						
First 1,000	\$0.00	\$4.02	\$4.66	\$5.41	\$5.63	\$5.85
Over 1,000	2.86	4.02	4.66	5.41	5.63	5.85

[1] Includes 1,000 gallons volume allowance

[2] No volume allowance in proposed base charges

[3] Includes capital surcharge which varies by meter size

**File Attachments for Item:**

15. Resolution R25-30: A Resolution Of Intent To Increase The City Of Laurel's Water And Wastewater Rates And Charges To Become Effective On July 10, 2025, And Setting A Date And Time For A Public Rate Hearing.

## **RESOLUTION NO. R25-30**

### **A RESOLUTION OF INTENT TO INCREASE THE CITY OF LAUREL'S WATER AND WASTEWATER RATES AND CHARGES TO BECOME EFFECTIVE ON JULY 10, 2025 AND SETTING A DATE AND TIME FOR A PUBLIC RATE HEARING.**

WHEREAS, the current water and wastewater rates and charges in effect at the present time are not adequate to provide revenues with which to defray the increased costs of operation, maintenance, and capital of the City's water and wastewater distribution facilities and systems;

WHEREAS, the provision of the water and wastewater systems and facilities is essential to the preservation of the public's health and welfare;

WHEREAS, the new rates, must before taking effect, be approved by the City Council after advertising and conducting a public rate hearing pursuant to the City's Charter at Article I, Section 1.03(2) and MCA Section 69-7-111;

WHEREAS, current budgetary requirements with respect to the operation of said facilities in addition to on-going and future projects require the proposed rates to become effective on or about July 10, 2025, to enable the City to proceed as expeditiously as possible to accomplish the objectives herein above recited; and

WHEREAS, pursuant to its Charter and Montana law, the City Council has determined that a public rate hearing must be advertised and held to gather documents, testimony, and other evidence regarding the proposed increases in water and wastewater rates and charges.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAUREL, MONTANA:

1. That the City Council considers it both advisable and necessary to increase the municipal water and wastewater rates and charges for all users and proposes to increase the rates and charges as specifically contained on the rate and charge schedule marked "Exhibit A" that is attached hereto and hereby incorporated into this Resolution by reference.
2. That a public rate hearing shall be held on June 24, 2025, at 6:30 p.m. in the City Council Chambers, at City Hall, Laurel, Montana, for the purpose of gathering and receiving testimony, input, and comments from all interested or affected users, citizens, persons, associations, corporations and/or companies.
3. Notice of the public rate hearing shall be published once a week for three consecutive weeks in the *Yellowstone County News*, a newspaper that conforms to the requirements of MCA § 7-1-4127, and the first such publication shall not

be more than twenty-eight (28) days prior to the hearing and the last publication shall be not less than three (3) days prior to the hearing, in a form substantially similar to the Notice of Public Hearing marked and attached hereto as “Exhibit A”.

4. Additionally, the notice of the public rate hearing shall be mailed at least seven (7) days and not more than thirty (30) days prior to the hearing to all persons who are served by the City’s utilities. The notice shall contain an estimate of the amount the customer’s average monthly bill will increase.

Introduced at a regular meeting of the City Council on the 13<sup>th</sup> day of May 2025 by Council Member \_\_\_\_\_.

PASSED and APPROVED by the City Council of the City of Laurel on the 13<sup>th</sup> day of May 2025.

APPROVED by the Mayor on the 13<sup>th</sup> day of May 2025.

CITY OF LAUREL

\_\_\_\_\_  
Dave Waggoner, Mayor

ATTEST:

\_\_\_\_\_  
Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

\_\_\_\_\_  
Michele L. Braukmann, Civil City Attorney

City of Laurel’s Proposed Water and Wastewater Utility Service  
Rates and Charges and  
Notice of Public Rate Hearing

OFFICIAL NOTICE IS HEREBY GIVEN that the Laurel City Council will hold a public hearing on June 24, 2025, at 6:30 p.m. in the Council Chambers at City Hall regarding proposed municipal water and wastewater rate increases. The Clerk/Treasurer will receive protests or objections, if any, in writing before the Council meeting up to and including the City Council meeting of June 24, 2025.

The City of Laurel is proposing an increase in water and wastewater rates to ensure the long-term reliability, safety, and sustainability of its utility services. Prior to last year’s increase in the consumption of water and sewer volumetric usage rates, the City had not had rate increases since 2015. The cost of maintaining and operating the City’s water and wastewater systems has significantly increased. Rising energy prices, labor costs, and the need for upgraded equipment have strained the current revenue levels.

Additionally, much of Laurel’s water and wastewater infrastructure is aging and in need of critical repairs and replacements. This includes water lines, sewer mains, and the City’s only water reservoir which was installed in 1968. To continue delivering potable water to our citizens, a new water reservoir is urgently needed. It is essential for the City of Laurel to deliver clean water and manage wastewater effectively. Without increased funding, the City is restricted to taking care of infrastructure needs or plan for future growth.

The City is proposing to modify the existing **water rates** as follows:

Based upon the average monthly usage by user from 2022 to 2024, the rate structure is estimated to increase the monthly water charge by the following amounts, based upon water meter size.

Water Rate Structure

Water Meter Size	Existing Rate	Existing Capital Surcharge	FY 26-27 Proposed Base Rate	FY 26-27 Proposed Capital Surcharge	FY 27-28 Proposed Base Rate	FY 27-28 Proposed Capital Surcharge	FY 28-29 Proposed Base Rate	FY 28-29 Proposed Capital Surcharge	FY 29-30 Proposed Base Rate	FY 29-30 Proposed Capital Surcharge
			16%	16%	16%	16%	4%	4%	4%	4%
3/4"	\$24.61	\$8.00	\$28.55	\$9.28	\$33.12	\$10.76	\$34.44	\$11.19	\$35.82	\$11.64
1"	\$41.79	\$14.32	\$48.48	\$16.61	\$56.24	\$19.27	\$58.49	\$20.04	\$60.83	\$20.84
1.25"	\$63.33	\$22.24	\$73.46	\$25.80	\$85.21	\$29.93	\$88.62	\$31.13	\$92.16	\$32.38
1.5"	\$89.86	\$32.00	\$104.24	\$37.12	\$120.92	\$43.06	\$125.76	\$44.78	\$130.79	\$46.57
2"	\$158.16	\$57.12	\$183.47	\$66.26	\$212.83	\$76.86	\$221.34	\$79.93	\$230.19	\$83.13
3"	\$350.86	\$128.00	\$407.00	\$148.48	\$472.12	\$172.24	\$491.00	\$179.13	\$510.64	\$186.30
4"	\$624.26	\$228.56	\$724.14	\$265.13	\$840.00	\$307.55	\$873.60	\$319.85	\$908.54	\$332.64
6"	\$1,401.17	\$514.32	\$1,625.36	\$596.61	\$1,885.42	\$692.07	\$1,960.84	\$719.75	\$2,039.27	\$748.54
10"	\$3,869.58	\$1,422.24	\$4,488.71	\$1,649.80	\$5,206.90	\$1,913.77	\$5,415.18	\$1,190.32	\$5,631.79	\$2,069.93

Volume Rate, \$ per 1,000 gallons

Threshold	Existing Rate	FY 26-27	FY 27-28	FY 28-29	FY 29-30
<b><u>Residential</u></b>		16%	16%	4%	4%
0-1,000 gal	\$2.17	\$2.52	\$2.92	\$3.04	\$3.16
1.001-5,000 gal	\$2.17	\$2.52	\$2.92	\$3.04	\$3.16
5,001-10,000 gal	\$2.71	\$3.14	\$3.64	\$3.79	\$3.94
10,001-20,000 gal	\$3.26	\$3.78	\$4.38	\$4.56	\$4.74
Over 20,000 gal	\$4.34	\$5.03	\$5.83	\$6.06	\$6.30
<b><u>Commercial</u></b>					
First 1,000 gal	\$3.27	\$3.79	\$4.40	\$4.58	\$4.76
Over 1,000 gal	\$3.27	\$3.79	\$4.40	\$4.58	\$4.76
<b><u>Industrial</u></b>					
First 1,000 gal	\$4.02	\$4.66	\$5.41	\$5.63	\$5.86
Over 1,000 gal	\$4.02	\$4.66	\$5.41	\$5.63	\$5.86

The City is proposing to modify the existing **wastewater rates** as follows:

Based upon the average monthly usage by user from 2022 to 2024, the rate structure is estimated to increase the monthly water charge by the following amounts, based upon water meter size.

Wastewater Rate Structure

Water Meter Size	Existing Rate	Existing Capital Surcharge	FY 26-27 Proposed Base Rate	FY 26-27 Proposed Capital Surcharge	FY 27-28 Proposed Base Rate	FY 27-28 Proposed Capital Surcharge	FY 28-29 Proposed Base Rate	FY 28-29 Proposed Capital Surcharge	FY 29-30 Proposed Base Rate	FY 29-30 Proposed Capital Surcharge
			9%	9%	9%	9%	9%	9%	5%	5%
3/4"	\$19.24	\$10.00	\$20.97	\$10.90	\$22.86	\$11.88	\$24.92	\$12.95	\$26.17	\$13.60
1"	\$34.44	\$17.90	\$37.54	\$19.51	\$40.92	\$21.27	\$44.60	\$23.18	\$46.83	\$24.34
1.25"	\$53.49	\$27.80	\$58.30	\$30.30	\$63.55	\$33.03	\$69.27	\$36.00	\$72.73	\$37.80
1.5"	\$76.96	\$40.00	\$83.89	\$43.60	\$91.44	\$47.52	\$99.67	\$51.80	\$104.65	\$54.39
2"	\$137.37	\$71.40	\$149.79	\$77.83	\$163.21	\$84.83	\$177.90	\$92.46	\$186.80	\$97.08
3"	\$307.84	\$160.00	\$335.55	\$174.40	\$365.75	\$190.10	\$398.67	\$207.21	\$418.60	\$217.57
4"	\$549.69	\$285.70	\$599.16	\$311.41	\$653.08	\$339.44	\$711.86	\$369.99	\$747.45	\$388.49
6"	\$1236.94	\$642.90	\$1348.26	\$700.76	\$1469.60	\$763.83	\$1601.86	\$832.57	\$1681.95	\$874.20

Volume Rate, \$ per 1,000 gallons

Billable Water Volume	Existing Rate	FY 26-27	FY 27-28	FY 28-29	FY 29-30
		9%	9%	9%	5%
(1)	\$8.45	\$9.21	\$10.04	\$10.94	\$11.49

(1) Based on water use average from October through April.

The increase for the water and wastewater base rates, volume rates, and the capital improvement surcharge will be raised annually on July 10<sup>th</sup> of each year through FY 2029-2030.