

## **RESOLUTION NO. 22-01**

### **RESOLUTION OF BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363, MONTANA ESTABLISHING CALCULATION FOR EMPLOYEE HOUSING SFEs, BOTH WATER AND SEWER**

#### **RECITALS**

WHEREAS, Big Sky County Water & Sewer District No. 363, Montana (the "District") has been duly created pursuant to Montana Code Annotated, Title 7, Chapter 13, Parts 22 and 23, and the District currently operates a water system and a sewer system ("Systems"); and

WHEREAS, the Board of Directors of the District (the "Board") calculates the volume and associated fees for Single Family Equivalents ("SFE"). A SFE means the average wastewater flow characteristics of a single-family residence within the District's sewer service area and water service area; and

WHEREAS, At least once each year the Board of the District shall determine the amount of money needed to pay the costs of the System including but not limited to: (a) the payment of the reasonable expense of operation and maintenance of the Systems; (b) administration of the Systems; (c) the payment of principal and interest on any bonded or other indebtedness of the Systems; and (d) the establishment or maintenance of any required reserves, including reserves needed for expenditures for depreciation and replacement of facilities, as may be determined necessary from time to time by the Board or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the Water and Sewer Systems. Based on the annual needs of the Systems, the Board will establish monthly charges for the use of the Systems.

WHEREAS, the rate adjustment below the threshold of 5% in any 12-month period require a notice public hearing pursuant to §7-13-2275(4), MCA but not a rate hearing as prescribed by law.

WHEREAS, after study and consultation with engineers and in light of the extreme urgency to support construction of employee housing, both in the District and in the area surrounding the District, the District finds that employee housing is occupied differently, using water and sewer services, in a manner which supports the need for a SFE category for employee housing, as well as retaining the already established application of volumes.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

The Board hereby ratifies the prior calculations of SFEs applied to the varied uses with the district for both water and sewer.

The District has developed a schedule of charges, including user fees for both the Sewer System and the Water System, inspection fees for new hookups, bulk water charges and other fees and penalties as shown on the rate schedule attached as **Exhibit A** to this resolution.

The amount of the increases in the sewer and water user rates and charges approved by the Board pursuant to this resolution are no more than 5% over existing water and sewer rates and charges. The Board by this resolution makes no changes to the user rates and charges.

Further, the Board hereby enacts an Employee Housing SFE for use and application to building projects which meet the terms of the Big Sky Resort Tax Board interlocal and terms of

agreement with Big Sky Community Housing Trust.

The Schedule of Rates and Charges, attached hereto as **Exhibit A**, is hereby adopted. This schedule shall remain in effect until amended or replaced.

The Schedule of SFEs, also attached hereto as **Exhibit B**, is hereby adopted. This schedule shall remain in effect until amended or replaced.

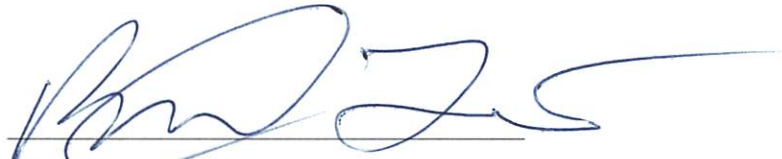
All resolutions or parts of resolutions in conflict herewith shall be and the same are hereby rescinded.

Passed and approved this 15<sup>th</sup> day of February, 20 22.



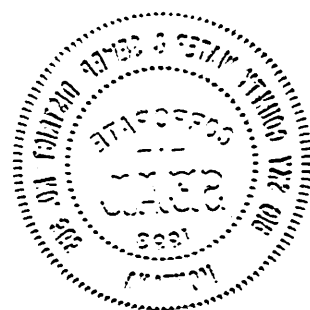
Tom Reeves  
President, Board of Directors

Attest:



Dick Fast  
Secretary





## EXHIBIT A

2/15/2022

BIG SKY COUNTY WATER & SEWER DISTRICT No. 363  
SUMMARY OF RATES, FEES & CHARGES

Effective: \_\_\_\_\_

**I. HOOKUP FEES****A. WASTEWATER CONNECTION INSPECTION CHARGES**

| Type of Improvement   | Inspection Charge <sup>[1]</sup> |
|---|----------------------------------|
| • Remodeling or change in use that changes SFEs   | \$50                             |
| • Single Family Residence   | \$200                            |
| • Two (2) through Four (4) units of improvement   | \$350                            |
| • Five (5) through ten (10) units of improvement, and each commercial building less than or equal to 10,000 square feet | \$500                            |
| • Eleven (11) or more units of improvement, and each commercial building greater than 10,000 square feet                | \$1,250                          |

<sup>[1]</sup> For wastewater permitted projects on Westland/TM land in Section 1 the inspection fee shall be 50% of the applicable inspection fee.

**B. WASTEWATER PLANT INVESTMENT CHARGE (PIC)**

|   |                                      |
|---|--------------------------------------|
| The PIC shall be five thousand four hundred ten dollars (\$5,410) per Single Family Equivalent (SFE) for new connections that have paid the sewer mill levy prior to December 31, 2020.       | \$5,410<br>Per SFE <sup>[1][2]</sup> |
| The PIC shall be six thousand one hundred seventy dollars (\$6,170) per Single Family Equivalent (SFE) new property that have <u>NOT</u> paid the sewer mill levy prior to December 31, 2020. | \$6,170<br>Per SFE <sup>[1][2]</sup> |

<sup>[1]</sup> Plant Investment Charge (PIC): For Boyne owned lots (i.e. Cascade, Mountain Village, etc.) as of July 25, 1997, are subject to an additional \$3,500 surcharge per SFE as itemized on permit.

<sup>[2]</sup> Westland /TM land in Section 1 of the Meadow Village, and Westfork Meadows are exempt from Wastewater PIC charges from prior agreements.

**C. WATER CONNECTION INSPECTION CHARGES:**

| Type of Improvement   | Inspection Charge |
|---|-------------------|
| • Remodeling or change in use that changes SFEs   | \$50              |
| • Single Family Residence   | \$200             |
| • Two (2) through Four (4) units of improvement   | \$350             |
| • Five (5) through ten (10) units of improvement, and each commercial building less than or equal to 10,000 square feet | \$500             |
| • Eleven (11) or more units of improvement, and each commercial building greater than 10,000 square feet                | \$1,250           |

**D. WATER SYSTEM INVESTMENT CHARGE (SIC)**

|   |  |              |         |    |         |        |          |    |          |    |          |    |          |
|---|--|--------------|---------|----|---------|--------|----------|----|----------|----|----------|----|----------|
| The SIC shall be one thousand eight hundred twenty eight dollars (\$1,828) per Single Family Equivalent (SFE) for new domestic use connections that have paid the water mill levy prior to December 31, 2020.   | \$1,828<br>Per SFE   |              |         |    |         |        |          |    |          |    |          |    |          |
| The SIC shall be two thousand one hundred sixty dollars (\$2,160) per Single Family Equivalent (SFE) for new domestic use connections that have <u>NOT</u> paid the water mill levy prior to December 31, 2020.                                       | \$2,160<br>Per SFE   |              |         |    |         |        |          |    |          |    |          |    |          |
| The SIC for all new irrigation use connections serving non-single family residential connections shall be based on meter size. For meter sizes above 4" the SIC shall be determined on a case by case basis. The SIC charge for meter sizes shall be: | <table> <tr> <td>3/4" or less</td><td>\$4,382</td></tr> <tr> <td>1"</td><td>\$7,429</td></tr> <tr> <td>1 1/2"</td><td>\$14,859</td></tr> <tr> <td>2"</td><td>\$23,774</td></tr> <tr> <td>3"</td><td>\$47,549</td></tr> <tr> <td>4"</td><td>\$74,295</td></tr> </table> | 3/4" or less | \$4,382 | 1" | \$7,429 | 1 1/2" | \$14,859 | 2" | \$23,774 | 3" | \$47,549 | 4" | \$74,295 |
| 3/4" or less  | \$4,382  |              |         |    |         |        |          |    |          |    |          |    |          |
| 1"  | \$7,429  |              |         |    |         |        |          |    |          |    |          |    |          |
| 1 1/2"  | \$14,859   |              |         |    |         |        |          |    |          |    |          |    |          |
| 2"  | \$23,774   |              |         |    |         |        |          |    |          |    |          |    |          |
| 3"  | \$47,549   |              |         |    |         |        |          |    |          |    |          |    |          |
| 4"  | \$74,295   |              |         |    |         |        |          |    |          |    |          |    |          |

**E. Water Meter Equipment Charge**

For new commercial, single residential, and multiple residential unit water connection permits where meters are required, the District sells meter horns, water meters, and remote read devices to the permit applicant as part of the connection permit fee. All water meters and appurtenant metering equipment shall be sold at the District's cost plus five (5%).

District  
Cost + 5%

**II. MONTHLY USER CHARGES****A. Wastewater User Charges**

| Type of Rate   | 2021-22                         |
|--|---------------------------------|
| • Base Rate Commercial   | \$29.63 per month (\$88.89/Qtr) |
| • Base Rate Residential  | \$29.63 per month (\$88.89/Qtr) |
| • Variable Rate <sup>[1]</sup> Commercial per 1,000 gallons of water use.  | \$7.57 Per 1,000 Gals.          |
| • Variable Rate <sup>[1]</sup> Residential per 1,000 gallons of water use. | \$7.22 Per 1,000 Gals.          |

<sup>[1]</sup> (For single family homes the 2nd & 3rd quarter sewer charges based on winter average use for the period Oct. 1 - March 30 from the preceding year.)

**B. Water User Charges**

| Type of Rate  | 2021-22                         |
|---|---------------------------------|
| • Base Rate Commercial  | \$18.46 per month (\$55.38/Qtr) |
| • Base Rate Residential   | \$18.46 per month (\$55.38/Qtr) |
| • Base Rate Irrigation  | \$18.46 per month (\$55.38/Qtr) |
| • Base Rate Reuse (Current Volume Charge \$0.00)                          | \$18.46 per month (\$55.38/Qtr) |
| • Variable Rate Wholesale Customers All Usage                             | \$3.61 Per 1,000 Gals.          |
| • Variable Rate <sup>[1]</sup> Commercial per 1,000 gallons of water use. |                                 |
| Tier 1: 0 to 30,000 Gallons   | \$3.13 Per 1,000 Gals.          |
| Tier 2: 30,000 to 60,000 Gallons  | \$4.69 Per 1,000 Gals.          |
| Tier 3: 60,000 to 80,000 Gallons  | \$6.57 Per 1,000 Gals.          |
| Tier 4: > than 80,000 Gallons   | \$9.20 Per 1,000 Gals.          |

|  |        |                 |
|--|--------|-----------------|
| • Variable Rate <sup>(1)</sup> Residential per 1,000 gallons of water use. |        |                 |
| Tier 1: 0 to 20,000 Gallons  | \$3.13 | Per 1,000 Gals. |
| Tier 2: 20,000 to 40,000 Gallons   | \$4.69 | Per 1,000 Gals. |
| Tier 3: 40,000 to 60,000 Gallons   | \$6.57 | Per 1,000 Gals. |
| Tier 4: > than 60,000 Gallons  | \$9.20 | Per 1,000 Gals. |
| • Variable Rate <sup>(1)</sup> Irrigation per 1,000 gallons of water use.  |        |                 |
| Tier 1: 0 Gallons  | \$0.00 | Per 1,000 Gals. |
| Tier 2: 0 to 20,000 Gallons  | \$4.69 | Per 1,000 Gals. |
| Tier 3: 20,000 to 40,000 Gallons   | \$6.57 | Per 1,000 Gals. |
| Tier 4: > than 40,000 Gallons  | \$9.20 | Per 1,000 Gals. |
| • Variable Rate <sup>(1)</sup> Reuse per 1,000 gallons of water use.       |        |                 |
| Tier 1: 0 Gallons  | \$0.00 | Per 1,000 Gals. |
| Tier 2: 0 to 90,000 Gallons  | \$0.00 | Per 1,000 Gals. |
| Tier 3: 90,000 to 120,000 Gallons  | \$0.00 | Per 1,000 Gals. |
| Tier 4: > than 120,000 Gallons   | \$0.00 | Per 1,000 Gals. |

<sup>(1)</sup> (Variable charges are calculated on actual use per quarter.)

|   |                                 |  |
|---|---------------------------------|--|
| <b>C. Flat Rate Water &amp; Sewer Rates</b> |                                 |  |
| Type of Rate                                | 2021-22                         |  |
| • Sewer SFE Rate Charge                     | \$28.12 per month (\$84.36/Qtr) |  |
| • Water SFE Rate Charge                     | \$20.55 per month (\$61.65/Qtr) |  |

|                       |                                |  |
|-----------------------|--------------------------------|--|
| <b>D. Vacant Lots</b> |                                |  |
| Type of Rate          | 2021-22                        |  |
| • Sewer Availability  | \$7.88 per month (\$23.64/Qtr) |  |
| • Water Availability  | \$7.88 per month (\$23.64/Qtr) |  |

### III. PLANT & SYSTEM INVESTMENT CHARGES<sup>(1)</sup>- SFEs PER 1,000 SQUARE FEET

|   |                        |                      |
|---|------------------------|----------------------|
| <b>A. Single Family Homes &amp; Single Condos</b> |                        |                      |
| Type of Rate                                      |                        | SFEs / 1,000 Sq. Ft. |
| • Rate 1  | < 2,000 Sq. Ft.        | 0.85                 |
| • Rate 2  | 2,001 to 3,000 Sq. Ft. | 0.65                 |
| • Rate 3  | 3,001 to 4,000 Sq. Ft. | 0.55                 |
| • Rate 4  | > 4,000 Sq. Ft.        | 0.45                 |

<sup>(1)</sup> Plant Investment Charge (PIC): For Boyne owned lots (i.e. Cascade, Mountain Village, etc) as of July 25, 1997, the PIC charge is \$8,910 per SFE (\$5,410 PIC and \$3,500 surcharge) as itemized on permit.

|                                      |                        |                      |
|--------------------------------------|------------------------|----------------------|
| <b>B. Multiple Unit Condominiums</b> |                        |                      |
| Type of Rate                         | Condo Size             | SFEs / 1,000 Sq. Ft. |
| • Rate 1                             | < 1,000 Sq. Ft.        | 0.95                 |
| • Rate 2                             | 1,001 to 2,000 Sq. Ft. | 0.85                 |
| • Rate 3                             | 2,001 to 2,300 Sq. Ft. | 0.75                 |
| • Rate 4                             | > 2,300 Sq. Ft.        | 0.65                 |

|  |             |                      |
|--|-------------|----------------------|
| <b>C. Employee Housing Projects and Accessory Dwelling Units</b> |             |                      |
| Type of Rate   | Unit Size   | SFEs / 1,000 Sq. Ft. |
| • Rate 1   | > 0 Sq. Ft. | 1.20                 |

Plant Investment Charges (PIC) calculation for all work force/employee housing projects as apartments or condominiums. All ADU's will also be calculated using this rate.

### IV. BULK WATER RATES

|  |                     |  |
|--|---------------------|--|
| <b>A. Bulk Water User Charges</b>        |                     |  |
| Type of Rate                             | Charge              |  |
| • Hydrant Use Permit Fee                 | \$50                |  |
| • Bulk Water Rate- Fills < 1,000 Gallons | \$10                |  |
| • Bulk Water Rate- Fills > 1,000 Gallons | \$10 per 1,000 gals |  |

### V. OTHER FEES

|  |        |
|--|--------|
| <b>A. Delinquent Accounts</b>  |        |
| Type of Rate   | Charge |
| Delinquent accounts that are transferred to Gallatin or Madison County for collection through the tax role | \$100  |

|  |        |
|--|--------|
| <b>B. Property Transfers</b>   |        |
| Type of Rate   | Charge |
| Title Company requests for current billing information for property transfers, change of ownership and/or change of renter | \$50   |

|  |        |
|--|--------|
| <b>C. Permit Reimbursements</b>                              |        |
| Type of Rate   | Charge |
| Retained connection permit fees for projects not constructed | \$100  |

|   |        |
|---|--------|
| <b>D. Reactivation Charge</b>   |        |
| Type of Rate  | Charge |
| Reactivate water service by turning curbstops back on after it has been shut off. | \$100  |

|  |                               |
|--|-------------------------------|
| <b>E. Fire Hydrant Flow Test</b>   |                               |
| Type of Rate   | Charge                        |
| Fire hydrant flow test cost per hydrant test   | \$150                         |
| <b>F. Penalties</b>  |                               |
| Type of Fine   | Charge                        |
| <b>A. Billing &amp; Permitting Fines</b>   |                               |
| Sewer and/or water connection inspection permit changes after issuance. The penalty for an unapproved increase that exceeds one (1) SFE shall be calculated by prorate.                              | \$500 Minimum                 |
| Late payments for sewer and water charges and accrued penalties that are not paid by February 15, May 15, August 15, and November 15 of each year.   | 1% per Month<br>12% per Annum |
| <b>B. General Fines</b>  |                               |
| Minor Fines & Penalties For Violation.   | \$500                         |
| Major Fines & Penalties For Violation. For violations relating to local or federal wastewater pretreatment standards implemented in the Federal Water Pollution Control Act, 33 USC1251 through 1387 | \$1,000                       |
| <b>C. Sewer System Fines</b>   |                               |
| Pulling a sewer plug on a main line: plus the cost of sewer jetting  | \$5,000                       |
| Exposing a sewer lateral without the District's knowledge or permission:   | \$2,000                       |
| Exposing a sewer main without the District's knowledge or permission:  | \$3,000                       |
| <b>D. Water System Fines</b>   |                               |
| Exposing a water lateral without the District's knowledge or permission  | \$3,000                       |
| Exposing a water main without the District's knowledge or permission   | \$5,000                       |
| Operating a curb stop in a non-emergency situation without the District's knowledge or permission  | \$2,000                       |
| Operating a main line valve without the District's knowledge or permission   | \$5,000                       |
| Operating a fire hydrant without the District's knowledge or permission  | \$5,000                       |

**EXHIBIT B**

 Effective Date: 

| SINGLE FAMILY EQUIVALENT UNIT CONVERSION SCHEDULE  |                                 |
|--|---------------------------------|
| SFE'S BASED ON SQUARE FOOTAGE RATES <sup>1</sup>   | SFE's PER 1,000 SF <sup>1</sup> |
| Single Family Residences, Townhouses and Condominiums: <sup>2, 5</sup>   |                                 |
| A. Single Family Homes   | SFEs /<br>1,000 Sq. Ft.         |
| • Rate 1: < 2,000 Sq. Ft.  | 0.85                            |
| • Rate 2: 2,001 to 3,000 Sq. Ft.   | 0.65                            |
| • Rate 3: 3,001 to 4,000 Sq. Ft.   | 0.55                            |
| • Rate 4: > 4,000 Sq. Ft.  | 0.45                            |
| B. Multiple Condominium & Townhouse Units  | SFEs /<br>1,000 Sq. Ft.         |
| • Rate 1: < 1,000 Sq. Ft.  | 0.95                            |
| • Rate 2: 1,001 to 2,000 Sq. Ft.   | 0.85                            |
| • Rate 3: 2,001 to 2,300 Sq. Ft.   | 0.75                            |
| • Rate 4: > 2,300 Sq. Ft.  | 0.65                            |
| C. Employee Housing Projects (Condos, Apartments and Accessory Dwelling Units)   | SFEs /<br>1,000 Sq. Ft.         |
| • Rate 1: > 1,000 Sq. Ft.  | 1.20                            |
| SFE'S BASED ON PROPERTY USE TYPES <sup>3</sup>   | SFE's PER UNIT <sup>3</sup>     |
| Hotel, Motel or Lodge, per rental room <sup>2</sup>  | 0.60                            |
| • Jacuzzi, spa or hot tub, each  | 0.75                            |
| • Swimming pool  | 2.00                            |
| • Banquet rooms, per seat  | 0.03                            |
| • Conference rooms, per seat   | 0.02                            |
| <del>Employee Housing:</del>   |                                 |
| <del>w Dormitory Type, per bed</del>   | <del>0.25</del>                 |
| Snack Bars and Delicatessens:  |                                 |
| • 500 sq. ft. or less  | 1.00                            |
| • Each sq. ft. in excess of 500 sq. ft.  | 0.00                            |
| Commercial Developments <sup>2,3</sup>   |                                 |
| Beauty Salon, Barber Shops, Hairdresser, per station   | 0.35                            |
| Cafeteria, Lounges and Bars, per seat  | 0.07                            |
| Convenience Type Food Stores and Shoppers  | 1.00                            |
| Day-care centers, per unit of child care capacity  | 0.05                            |
| Fire Stations, Maint. Bldgs, Machine Shops, Warehouses and Garages, per 1,000 sq. ft.  | 0.15                            |
| Full Service Restaurants, per seat   | 0.07                            |
| Health Spas/Fitness Centers, per 1,000 sq. ft.   | 1.50                            |
| Offices and Office Buildings, per 1,000 sq. ft.  | 0.75                            |
| Private jacuzzi or hot tub connected to sewer, each  | 0.35                            |
| Restrooms (Non-Public or Private) per toilet unit <sup>6</sup>   | 0.20                            |
| Restrooms (Public) per toilet unit <sup>6</sup>  | 0.50                            |
| Retail Stores, per 1,000 sq. ft.   | 0.50                            |
| Self-Service laundromat, per washing machine   | 1.30                            |
| <del>Ski Areas, sum of SFE Units from other applicable use categories plus 85% of total hourly lift capacity times-0.004</del> | <del>0.00</del>                 |
| Ski Rental Shops, per 1,000 sq. ft.  | 1.00                            |
| Storage Space <u>that has plumbing</u>   | 0.15                            |
| Undesignated commercial space, per 1,000 sq. ft.   | 0.60                            |
| Residential Swimming Pools w/controlled sewer connection, per 1,000 sq. ft. of pool area                                       |                                 |
| • Single Family  | 1.00                            |
| • Multi-Family   | 3.00                            |

| Other Developments  |      |
|---|------|
| Churches, conference/meeting/banquet rooms, and similar facilities <u>without</u> in-house food serving capacities per 1,00 sq. ft. | 0.40 |
| Churches, conference/meeting/banquet rooms, and similar facilities <u>with</u> in-house food serving capacities per 1,000 sq. ft.   | 0.50 |
| Travel Trailer Parks  |      |
| • Without individual water & sewer hook-ups, per space  | 0.25 |
| • With individual waster & sewer hook-ups, per space  | 0.30 |

#### FOOTNOTES

<sup>1</sup> Beginning July 15, 2008 all residential homes, condos & townhomes are calculated from the total square footage of the home, condo or townhome. The total square footage is divided by the applicable Rate category that is determined from architectural plans. Garage space is not calculated, but livable spaces such as a loft area in a garage is also included in the total square footage calculation.. All other interior spaces including unfinished basements are included in the total square footage calculation.

<sup>2</sup> If more than one use category is applicable to a particular building, the building will be divided into areas of similar use categories and the SFE Units for the building will be computed by adding the SFE units determinations for each use category area. For example, if a portion of a single family home is used as an office, the single family home will be divided into a "single family residence" area and an "office" area and the SFE units for the entire building will be the sum of the SFE units determined separately for the uses not specifically described in this table, such as condominium recreational facilities, pools, dormitory-style quarters, etc., the number of SFE units to be assigned shall be determined on a case-by-case basis by the Manager. No less than 1.0 SFE unit will be assigned any building or portion thereof that has a separate service line and/or that is to be billed individually for sewer service.

<sup>3</sup> For the purpose of the table: (a) a residential building or portion thereof shall be considered a duplex if it has more than one kitchen area, and (b) any portion of a residential building or unit that can be used independently of the remainder of the residential building or unit (e.g. lock-off unit shall be considered a separate residential building or unit).

<sup>4</sup> In computing area, the "total usable area" shall be used. "Total usable area" includes but is not limited to areas that effect sewer and water capacity: kitchen areas, serving areas, washing areas, occupant areas, waiting rooms, plumbed store rooms, restrooms, lunch rooms, halls, entryways, show rooms, and retail areas.

<sup>5</sup> ~~A bedroom means any room or living space that can be used for the purpose of sleeping.. For the purpose of SFE unit determination, an area designated as a "den", "library", "study", "sewing room", or the like, shall be equivalent to a minimum of one bedroom. Rooms that are designated on plans as a den, office, library, exercise room, or other undesignated space that could be construed as space used for sleeping quarters shall be designated as a bedroom.~~

<sup>6</sup> ~~"Portion thereof" any portion of a full bath, or roughed in plumbing for a future bathroom shall be counted as one bathroom. A bathroom that has a sink and a separate toilet that share a common tub or shower shall each be counted as a one bathroom.~~

<sup>5</sup> If a guest house that is considered to be self-contained having its own bedrooms, bathrooms & kitchen facilities; the SFEs shall be counted as a separate dwelling as if it were another house.

<sup>6</sup> Public bathrooms are un-locked and open to the public for use. Private bathrooms are restricted to a group or association either by its location or lock and key.