

**2014 Ordinance No. Ord. #002
ORDINANCE TO AMEND THE CITY OF POLSON'S
ASSESSMENT OF WATER CHARGES**

WHEREAS, the City of Polson (City) has the power and authority, to regulate, establish, and change as it considers proper the rates, charges, and classifications imposed on utility services to its inhabitants and other persons served by the its water and sewer systems (Section 69-7-101, et seq, MCA). Rates, charges and classifications must be reasonable and just;

WHEREAS, the current water rate structure is complex with separate rate classes for commercial and residential users and is further differentiated by meter size;

WHEREAS, the Commission has hired a consultant for the purpose of equitably and reasonably spreading the service charges over the users and consumers of the water and sewer systems and has received a report upon which this Ordinance is based;

WHEREAS, the consultant has recommended that the distinction between rates and charges for residential and commercial uses be eliminated;

WHEREAS, the Commission, by separate Resolution is proposing to amend the Polson City Code to reflect the restructuring of the rates and charges; and

WHEREAS, it appears in the best public interest for the ratepayers and citizens of the City of Polson that a fair and reasonable structure for imposing fees and charges for service to the water system be enacted.

NOW, THEREFORE, BE IT ORDAINED that the City Commission of Polson restructure and change the method of assessment for the water system of the City of Polson, as follows:

Amending:

Section 4.02.320 Water rates. The city ~~council~~ commission shall establish such rates for water usage and as may be required for the proper operation and maintenance of the water system and may amend such rates from time to time as the ~~council~~ commission deems necessary, under such notification and adoption procedures as required by state law. There shall be no distinction between residential and commercial uses of water service. Base fees and water use fees shall be charged on the basis of meter size, demand for service, and graduated water use.

Section 4.02.330 Application for private connection. ~~(A) . . . (B) There shall be two classes of building water permits: (a) for residential service; and (b) for commercial, industrial and all other services. In connection with the residential service, the applicant shall be required to pay a minimum fee of \$200 which shall apply to the water tap fee plus one residential unit. An additional fee of \$100 shall be required for each additional residential unit serviced by the water tap. In connection with commercial, industrial and all other water services, the applicant shall be required to pay a minimum \$375 application fee and an additional sum of \$50 for each business entity utilizing the same water connection line. In the case of hotel/motel entities, the additional \$50 charge shall be applied to each individual hotel/motel unit.~~

The city ~~council~~ commission shall have the power and authority to periodically review and adjust water connection fees and monthly operation and maintenance fees by resolution for purposes of providing adequate revenue for the operation and use of the city water system and for purposes of generating reserve funds for capital improvement and replacement.

PAST ORDINANCES REPEALED: All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

BE IT FURTHER ORDAINED the City Clerk is hereby instructed to codify this Ordinance in the Book of Ordinances and to index the same as suggested.

First Reading: June 16, 2014 7 ayes _____nays _____abstentions

Second Reading: September 3, 2014 6 ayes _____nays 1 absent

Effective Date: October 3, 2014

Heather Knutson, Mayor

Attest:

Cora E. Pritt, Clerk

Approved as to form and content:

M. Richard Gebhardt, City Attorney