

The Harlowton City Council opened a public hearing at 6:00 pm at the Harlowton City Hall. The Council held the hearing to inform the public on water rate increase associated with the City's Phase 5 Water Project which will replace 8800 lineal feet of failing cast iron water main.

The water rate increase is also associated with connection to the Central Montana Regional Water Authority water system which will deliver high quality drinking water to Harlowton, replacing our existing poor quality water supply wells.

Mayor Paul Otten opened the meeting and asked if there were any questions from the public.

Otten stated that phase 5 of the water line replacement was approximately 8800 feet. The total cost of phase 5 of the project was \$2,774,000. To cover the costs of the phase 5 water project as stated in the mailer would be \$1 per month increase on the water bill starting April 2023. The cost of the new Central Montana Regional Water Authority water source would be in addition to this rate increase. Paul stated that the current base rate for water of \$36.41 would increase \$76.42 when the new water arrived in June of 2023. Paul stated that with the current sewer base rate factored in as well as solid waste, the new base rate would be \$115.06 when the new water arrived in June.

Paul asked if the public had any questions. Community member Les Christensen asked how much water the base rate included. Public Works Director Bob Schuchard stated that zero gallons were included in the base rate. Council member Frank Brouillette stated that it was \$1.75 per every 1000 gallons used after the base rate was factored in. Community member TJ Tupker asked if the price would go down when the other Cities were connected to the new water line. Paul stated that each town would pay as they hooked up but it would not decrease the rates for everyone. Frank stated that possibly there would be a decrease overtime. Paul stated that that would be up to the Central Montana Water Authority to adjust rates later. Paul stated that the contract with the Central Montana Water Authority was for 25 years. TJ asked if there would be more rate increases in the future. Paul stated there would not be any increased rates from Central Montana Water Authority. Great West Engineering project engineer Joel Pilcher stated that the goal was for the base rate to be the same as all other cities and towns. Joel stated that it could possibly change over time with operation and maintenance charges going down. TJ asked if there were grants that needed to be paid back. Paul stated that only the SRF loan was being paid back. TJ asked if the rates would go down when the loan was paid off. Joel stated that the loan would not be paid off for 20 years. TJ asked how many houses were paying towards this. Bob stated that there were 540 hookups in the City. Community member Bob Willems asked if the charges for rural property hookup would cost the same. Paul stated that yes, rural customers would have the same hookup and maintenance lines and same charges. Paul stated that the Central Montana Rural Water Authority board was not looking any further than 5 years into the future regarding any projected changes. TJ asked what the water pressure would be. Paul said it was still unknown but he assumed it would be the same as now. TJ asked how long the new water source would be available. Paul stated that it was at least 100 years. Paul stated that the water quality would be so much better. TJ stated that most people who buy bottled water would not have to any longer. Frank stated that also pipes and fixtures would not need to be replaced as often. TJ asked where any savings would go back into. Paul said it would go back to the City for maintenance as well as man hours. Don DeShaw asked if there would be any standby wells. Paul stated that the water at the tanks were enough for two days. Don said that this would not be enough if there were to be a water break. TJ asked if the wells could still be used. Bob stated that as part of the agreement with Central Montana Water Authority that the wells would need to be capped. Paul stated that possibly one could be kept for water suppression and fires. Amy Tupker asked what the average bill would be. TJ stated that his average bill was about \$13 over the base rate currently. Community member Rob Elwood asked if there were any ordinances against collecting rainwater. There are not. Community member Kristi Lode expressed her concern regarding watering her lawn with the expensive water. She also asked why her sewer rates went up even though her water was not going down the sewer when water in her yard. Discussion took place regarding how her sewer was averaged.

TJ asked if in the future a budget average rate could be created like the electricity, where people paid the same amount every month. Frank stated that the City has to support itself and there could not be discounts made to the people because the water and sewer systems must bring in enough revenue to pay the costs of maintenance, wages and loans. Amy stated that the court has information available to share for financial assistance. Discussion took place regarding the HRDC program through the health

department. TJ asked if savings could be given to people doing autopay. Paul stated that auto pay with the City would not be able to include reduced rates. TJ stated that there needed to be some sort of incentive. TJ also suggested a roundup program like the grocery store currently offers. Discussion took place regarding the utility share program being similar to this. Discussion took place regarding certain residents not having access to the information due to not using social media or having a newspaper. Amy stated that notes on the bill were not as effective and asked if something else could be used to spread information. Discussion took place regarding the best way to get the message out. Amy stated that a lot of people did not understand the mailer.

Council member Ron Teig asked Public Works Director Bob if water breaks have been decreasing since the replacement of the water lines. Bob stated that in the first year that he was employed with the City there had been 12 in one year. Bob stated that in 2011 there had been 92 in one year. Bob stated that so far in 2023 there had been zero water breaks because of the replacing of the water lines. Rob asked how old the pipes were that were being replaced. Bob estimated around 80 years. Rob stated that it was 75 to 100 years. Discussion took place regarding the fact that by the end of phase 6, 36,900 lineal feet of water line will be replaced with over \$12 million put towards the project. \$2.1 million had been borrowed by the City to help with the costs.

Paul stated that the Central Montana Water Authority had discussed possibly allowing 2 weeks to a month of free water to be offered at the beginning of hookup to allow for flushing.

Discussion took place regarding the option of replacing water lines from the main line to residential homes. Bob stated it was about \$2500 to replace from the water line to each individual house and was the owner's responsibility. Bob stated that this was an option as the water project passed through town and that houses where water line had already been replaced were no longer eligible. Discussion took place regarding construction this summer and the replacement of lead line program. Bob stated that he would be learning more about this program at the Great Falls water school next month.

There being no further questions or comments, the meeting adjourned at 6:50pm.

City Present: Mayor Paul Otten, City Clerk-Treasurer Lara Brisco, incoming Clerk-Treasurer Debbie Johnson, Deputy Clerk Deshawnda Carver, Public Works Director Bob Schuchard
Joel Pilcher, Great West Engineering Engineer (via teams)

Council Present: Charley Bennett (via teams), Frank Brouillette, Kathleen Schreiber, Allison Jones, Ron Teig, Jack Runner

Public Present: Rob Elwood, TJ and Amy Tupker, Dwayne Mullens, Don DeShaw, Bob Willems, Les and Lorna Christensen,
Don and Kristi Lode

See sign-in sheet for attendance (attached)

Paul Otten, Mayor

Clerk-Treasurer Lara
Brisco

DRAFT