

**RESOLUTION NO. R14-27**

**A RESOLUTION OF INTENT TO INCREASE THE CITY OF LAUREL'S SOLID WASTE RATES AND SETTING A DATE AND TIME FOR A PUBLIC HEARING.**

WHEREAS, the current solid waste 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 solid waste facilities and equipment; and

WHEREAS, the provision of the solid waste system and facilities is essential to the preservation of the public's health and welfare; and, that the new rates, must before taking effect, be approved by the City Council after advertising and conducting a public hearing pursuant to the City's Charter at Article I, Section 1.03(2) and MCA Section 69-7-111; and

WHEREAS, current budgetary requirements with respect to the operation of said facilities in addition to on-going and future projects require the proposed rate increase 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 hearing must be advertised and held to gather public testimony and input regarding the proposed increases in solid waste 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 solid waste 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 hearing shall be held on June 17, 2014, 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 hearing shall be published once a week for three consecutive weeks in the *Laurel Outlook*, 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 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 utility. 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 May 20, 2014, by Council Member Nelson.

PASSED and APPROVED by the City Council of the City of Laurel this 20<sup>th</sup> day of May, 2014.

APPROVED by the Mayor this 20<sup>th</sup> day of May, 2014.

CITY OF LAUREL

Mark A. Mace  
Mark A. Mace, Mayor

ATTEST:

Shirley Ewan  
Shirley Ewan, Clerk/Treasurer

Approved as to form:

Sam S. Painter  
Sam S. Painter, Civil City Attorney

**Residential Rate Increase over 5 Years**

**Total Residential Clients = 2949**

Fiscal Year	Current Cost Increase	Increased			Revenue		
		Total	% Increase	Monthly Charge	Yearly Charge	Increase/Yr	Raised
13-14	\$ 11.80	\$ 11.80		\$ 11.80	\$ 141.60	\$ 12.00	\$ 35,388.00
14-15	\$ 12.80	\$ 12.80	7.8%	\$ 12.80	\$ 153.60	\$ 6.00	\$ 17,694.00
15-16	\$ 13.05	\$ 13.30	1.9%	\$ 13.30	\$ 159.60	\$ 3.00	\$ 8,847.00
16-17	\$ 13.30	\$ 13.55	1.9%	\$ 13.55	\$ 162.60	\$ 3.00	\$ 8,847.00
17-18	\$ 13.55	\$ 13.80	1.8%	\$ 13.80	\$ 165.60	\$ 3.00	\$ 7,077.60
18-19	\$ 13.80	\$ 14.00	1.4%	\$ 14.00	\$ 168.00	\$ 2.40	\$ 77,853.60
						\$ 26.40	
							<b>Residential Customers</b>
							<b>Total Increase over 5 Years</b>

**Commercial Rate Increase over 5 years.**

**Total Users 71, same as residential customers**

Fiscal Year	Current Cost Increase	Increased			Revenue		
		Total	% Increase	Monthly Charge	Yearly Charge	Increase/Yr	Raised
13-14	\$ 11.80	\$ 11.80		\$ 11.80	\$ 141.60		\$ 852.00
14-15	\$ 12.80	\$ 12.80	7.8%	\$ 12.80	\$ 153.60	\$ 12.00	\$ 426.00
15-16	\$ 13.05	\$ 13.30	1.9%	\$ 13.30	\$ 159.60	\$ 3.00	\$ 213.00
16-17	\$ 13.30	\$ 13.55	1.9%	\$ 13.55	\$ 162.60	\$ 3.00	\$ 213.00
17-18	\$ 13.55	\$ 13.80	1.8%	\$ 13.80	\$ 165.60	\$ 3.00	\$ 170.40
18-19	\$ 13.80	\$ 14.00	1.4%	\$ 14.00	\$ 168.00	\$ 2.40	\$ 1,874.40
							<b>Commercial 1 - 90 Gallon can picked up once per week.</b>
							<b>Total Increase over 5 Years</b>

**Commercial Rate Increase over 5 years.**

**Total Users - 66, 300 gallons picked up 6 days per week.**

Fiscal Year	Current Cost Per Gallon Increase	Increased			Revenue		
		Total	% Increase	Monthly Charge	Yearly Charge	Increase/Yr	Raised
13-14	0.0272	\$ 212.16		\$ 212.16	\$ 2,545.92	\$ 224.64	\$ 14,826.24
14-15	0.0296	\$ 230.88	7.8%	\$ 230.88	\$ 2,770.56	\$ 56.16	\$ 3,706.56
15-16	0.0302	\$ 235.56	1.9%	\$ 235.56	\$ 2,826.72	\$ 56.16	\$ 3,706.56
16-17	0.0308	\$ 240.24	1.9%	\$ 240.24	\$ 2,882.88	\$ 56.16	\$ 3,706.56
17-18	0.0314	\$ 244.92	1.8%	\$ 244.92	\$ 2,939.04	\$ 56.16	\$ 3,706.56
18-19	0.0320	\$ 249.60	1.4%	\$ 249.60	\$ 2,995.20	\$ 56.16	\$ 29,652.48
							<b>Commercial 2 - 300 Gallon Can picked up 6 times per week.</b>
							<b>Total Increase over 5 Years</b>

**Commercial Rate Increase over 5 years.**

**Total Users -19, 200 gallons picked up 6 days per week.**

Fiscal Year	Current Cost Per Gallon Increase	Increased			Revenue		
		Total	% Increase	Monthly Charge	Yearly Charge	Increase/Yr	Raised
13-14	0.0272	\$ 141.44		\$ 141.44	\$ 1,697.28	\$ 149.76	\$ 2,845.44
14-15	0.0296	\$ 153.92	7.8%	\$ 153.92	\$ 1,847.04	\$ 149.76	\$ 2,845.44

Fiscal Year	Current Cost Per Gallon	Increase	% Increase	Monthly Charge	Yearly Charge	Yearly Increase/Yr	Revenue Raised
15-16	0.0302	.0006 Cents/Gal	1.9%	\$ 157.04	\$ 1,884.48	\$ 37.44	\$ 711.36
16-17	0.0308	.0006 Cents/Gal	1.9%	\$ 160.16	\$ 1,921.92	\$ 37.44	\$ 711.36
17-18	0.0314	.0006 Cents/Gal	1.8%	\$ 163.28	\$ 1,959.36	\$ 37.44	\$ 711.36
18-19	0.0320	.0006 Cents/Gal	1.4%	\$ 166.40	\$ 1,996.80	\$ 37.44	\$ 711.36
							\$ 5,690.88

Commercial 3 - 200 Gallon Can picked up 6 times per week.  
Total increase over 5 Years

**Commercial Rate Increase over 5 years. Total Users -62, 100 gallons picked up 6 days per week.**

Fiscal Year	Current Cost Per Gallon	Increase	% Increase	Monthly Charge	Yearly Charge	Yearly Increase/Yr	Revenue Raised
13-14	0.0272			\$ 70.72	\$ 848.64		
14-15	0.0296	.0024 Cents/Gal	7.8%	\$ 76.96	\$ 923.52	\$ 74.88	\$ 4,642.56
15-16	0.0302	.0006 Cents/Gal	1.9%	\$ 78.52	\$ 942.24	\$ 18.72	\$ 1,160.64
16-17	0.0308	.0006 Cents/Gal	1.9%	\$ 80.08	\$ 960.96	\$ 18.72	\$ 1,160.64
17-18	0.0314	.0006 Cents/Gal	1.8%	\$ 81.64	\$ 979.68	\$ 18.72	\$ 1,160.64
18-19	0.0320	.0006 Cents/Gal	1.4%	\$ 83.20	\$ 998.40	\$ 18.72	\$ 1,160.64
							\$ 9,285.12

Commercial 4 - 100 Gallon Can picked up 6 times per week.  
Total increase over 5 Years

**Commercial Rate Increase over 5 years. Total Users -12, 300 gallons picked up once a week.**

Fiscal Year	Current Cost Per Gallon	Increase	% Increase	Monthly Charge	Yearly Charge	Yearly Increase/Yr	Revenue Raised
13-14	0.0272			\$ 35.41	\$ 424.97		
14-15	0.0296	.0024 Cents/Gal	7.8%	\$ 38.54	\$ 462.47	\$ 37.50	\$ 449.97
15-16	0.0302	.0006 Cents/Gal	1.9%	\$ 39.32	\$ 471.84	\$ 9.37	\$ 112.49
16-17	0.0308	.0006 Cents/Gal	1.9%	\$ 40.10	\$ 481.22	\$ 9.37	\$ 112.49
17-18	0.0314	.0006 Cents/Gal	1.8%	\$ 40.88	\$ 490.59	\$ 9.37	\$ 112.49
18-19	0.0320	.0006 Cents/Gal	1.4%	\$ 41.66	\$ 499.97	\$ 9.37	\$ 112.49
							\$ 899.94

Commercial 5 - 300 Gallon Can picked up once a week.  
Total increase over 5 Years

Year 1 Increase	\$ 59,004.21
Year 2 Increase	\$ 23,811.05
Year 3 Increase	\$ 14,751.05
Year 4 Increase	\$ 14,751.05
Year 5 Increase	\$ 12,939.05

\$ 125,256.42 Total Increase over the next 5 years.

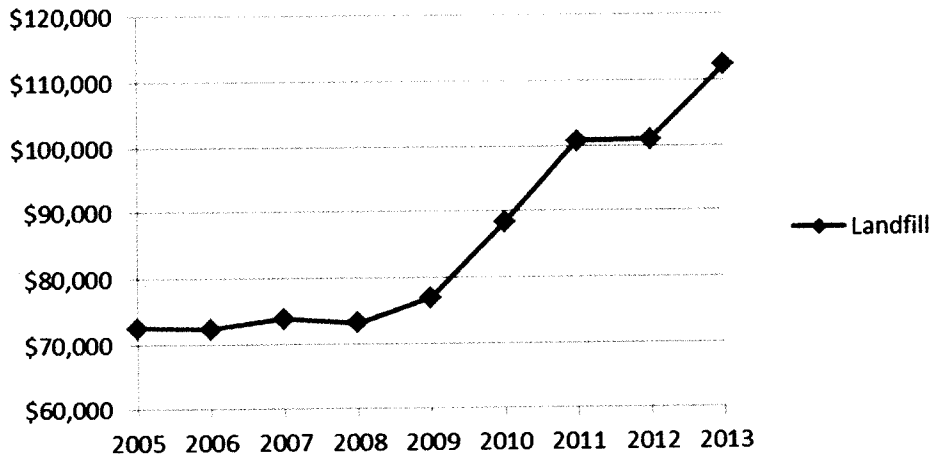
Fiscal Year	Dumping Fees	Tons Dumped	Cost per Ton	Wages per		Fuel per	
				Year	Year	Year	Year
05-06	\$ 85,525.45	7437	\$ 11.50	\$ 257,374.00	\$ 28,670.00		
06-07	\$ 72,639.05	6316	\$ 11.50	\$ 244,871.00	\$ 33,052.00		
07-08	\$ 73,837.25	6421	\$ 11.50	\$ 260,835.00	\$ 44,477.00		
08-09	\$ 71,752.40	6239	\$ 11.50	\$ 232,213.00	\$ 34,596.00		
09-10	\$ 83,204.55	6051	\$ 13.75	\$ 288,610.00	\$ 33,141.00		
10-11	\$ 93,528.40	6802	\$ 13.75	\$ 343,052.00	\$ 47,161.00		
11-12	\$ 104,212.30	5790	\$ 18.00	\$ 395,921.00	\$ 56,309.00		
12-13	\$ 99,819.20	5546	\$ 18.00	\$ 386,262.00	\$ 50,434.00		
13-14	\$ 105,413.00	6268	\$ 18.50	\$ 386,510.00	\$ 61,941.00		
	123%	84%	161%	150%	216%		
		Decrease					

Percentage Increase over the Last 9 Years

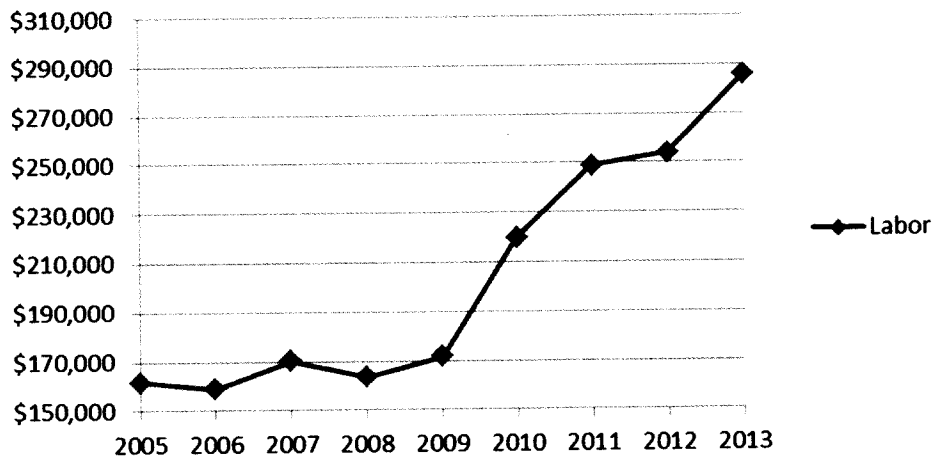
**What will the additional revenue be used for:**

- 1 Building to House Garbage Trucks
- 2 Land Purchase to build garage on.
- 3 New Garbage Trucks
- 4 Increased Wages
- 5 Scales - Hang Tags
- 6 Recycling

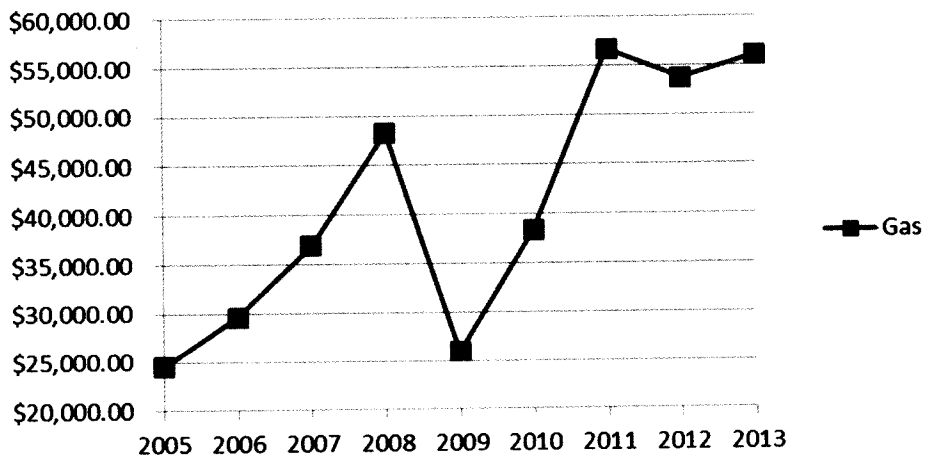
### Landfill



### Labor



### Gas



City of Laurel  
P O Box 10  
Laurel MT 59044  
Phone 628-7431  
Fax 628-2289



May 27, 2014

**RE: Proposed Solid Waste Rate Increase**

Dear Customer,

Greetings from the City of Laurel. This letter is to inform you of an intent to raise the cost of disposing garbage for all residential and commercial users in the City of Laurel.

The City Council will hold a Public Hearing on June 17<sup>th</sup>, 2014 at 6:30 p.m. in the City Council Chambers at City Hall to hear citizen comments. The Council welcomes any and all comments in regards to the future rate structure.

Following is the Current Rate and Proposed Rate Structure for Solid Waste for the next 6 years:

**Current:**

**Residential**

July 13-June 14      \$11.80/month

**Proposed:**

**Proposed Residential**

July 14-June 15      \$12.80/month  
July '15-June '16      \$13.05/month  
July '17-June '18      \$13.30/month  
July '18-June '19      \$13.55/month  
June '19-July '20      \$13.80/month  
July '20-June '21      \$14.00/month

**Commercial**

July 2013-June 2014      \$.0272/gallon

**Proposed Commercial**

July 2014-June 2015      \$.0296/gallon  
July 2015-June 2016      \$.0302/gallon  
July 2016-June 2017      \$.0308/gallon  
July 2017-June 2018      \$.0314/gallon  
July 2018-June 2019      \$.0320/gallon  
July 2019-June 2020      \$.0325/gallon

These rates quoted above are calculated on the following percentages for all users:

Year 1	July 2014-June 2015	8.47% Increase
Year 2	July 2015-June 2016	1.95% Increase
Year 3	July 2016-June 2017	1.92% Increase
Year 4	July 2017-June 2018	1.88% Increase
Year 5	July 2018-June 2019	1.85% Increase
Year 6	July 2019-June 2020	1.45% Increase

The transfer site rates will remain the same.

The rate increase is due to increases in dumping fees at the landfill (up 123% since last rate increase), fuel costs (up over 216% since last rate increase) and an increase in labor costs.

Due to the frugal control of the Solid Waste Department the City has not raised the rates for the residential customers since 2000 and commercial customers since 2009.

Thank you for your patronage over the last few years and please come voice your opinion at the Public Hearing on June 17<sup>th</sup>, 2014. If you are unable to attend the meeting and would like to comment on the subject you may forward your comments to City of Laurel, P O Box 10, Laurel, MT 59044 or e-mail your comments to [cityclerk@laurel.mt.gov](mailto:cityclerk@laurel.mt.gov).

Sincerely,



Mark A. Mace  
Mayor, City of Laurel