

**RESOLUTION NO. 2025 - 11**

**A RESOLUTION OF THE CITY OF WHITE SULPHUR SPRINGS, MONTANA, ESTABLISHING A POLICY REGARDING THE SALE OF BULK WATER, ESTABLISHING A PRICING STRUCTURE, AND MAKING OTHER ALTERATIONS TO THE CURRENT FEE SCHEDULE RELATED TO BULK WATER.**

**WHEREAS**, the City of White Sulphur Springs has maintained a policy related to the sale of bulk water, which is related to §8.1.14 of the City Code of Ordinances; and

**WHEREAS**, the City Council has monitored the issues faced by another Montana community related to the sale of bulk water and the steps taken to address those issues; and

**WHEREAS**, the City Council has considered the impact on the City's water supply and the cost for sale of bulk water and what limitations make sense for the community; and

**WHEREAS**, the City Council has determined that a policy which addresses the issues associated with the sale of bulk water, to include pricing, is needed for White Sulphur Springs to alleviate citizen concerns and provide guidance for staff and the public while maintaining the City's legal standing as the owner of the water in the City's water system.

**NOW, THEREFORE BE IT ORDAINED AND RESOLVED BY THE CITY OF WHITE SULPHUR SPRINGS, MONTANA as follows:**

The City of White Sulphur Springs hereby establishes the following policy regarding bulk water sales and associated fees which shall, hereafter, appear on the City's adopted fee schedule:

See Attached Bulk Water Policy

This measure is effective upon passage.

**PASSED** by the City Council and the City of White Sulphur Springs, Montana, on first reading at a regular session thereof held on the 7<sup>th</sup> day of October, 2025.



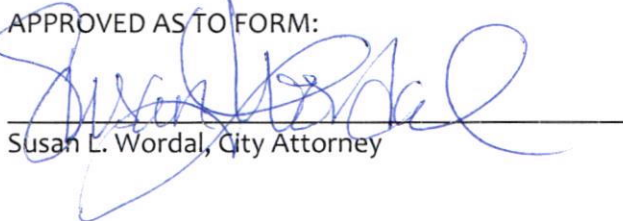
\_\_\_\_\_  
Rick Nelson, Mayor

ATTEST:



\_\_\_\_\_  
Michelle Stidham, City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
Susan L. Wordal, City Attorney

**CITY OF WHITE SULPHUR SPRINGS**  
**BULK WATER POLICY**

The City of White Sulphur Springs provides potable water to City residents through its water main system. Individual residences and businesses may connect to the City’s water system by paying a connection fee and having a curb stop and meter established. The curb stop and the meter are the City’s way of monitoring gallons passing through the system, and shutting off water when the property is vacant, when the water bill goes unpaid, or when necessary to address issues with the service.

The City also maintains a location for providing water for use by contractors and others, whether City residents, visitors, or other entities or communities, through the purchase of what is known as Bulk Water. The City requires submission of an application for such service with an associated fee, and establishes a charge, which is represented in the City’s fee schedule. The permit fee is based on the staff time and paper costs related to processing the permit and supervising the connections, etc. The City recognizes that the Volunteer Fire Department and other local emergency services should be and are exempt from payment for Bulk Water.

The City hereby establishes this formal policy for access to Bulk Water for purchase, together with the associated fees for such service and charges per 1,000 gallons of water. It is the City’s preference that bulk water sales should represent a direct benefit to the citizens of the City or to the citizens of Meagher County in some identifiable way, not just economically; that such sales not adversely affect the City’s existing water system infrastructure; and that all damages occurring are the responsibility of the purchaser. The City is within its legal rights to sell Bulk Water, and all revenues from such sales are and will be part of the Water Enterprise Fund. The costs and fees are to be added to the City’s Fee Schedule. The Mayor is authorized to reduce the rate of purchase in limited circumstances based on the reason for the water purchase (such as, but not limited to, the water connection is disabled due to a City construction project). The Mayor is further authorized to provide water on an emergency basis to other communities, or to take appropriate action in the event of a contamination issue if the City has sufficient supply to assist with the emergency need. The City reserves the right to not sell Bulk Water if, at the time a request is made, the conditions present do not warrant a sale of Bulk Water whether inside or outside the City.

Pricing:

<b>PURCHASER</b>	<b>RATE PER 1,000 GALLONS</b>	<b>PERMIT FEE</b>
City Resident/Business, Projects within the City	\$15	\$50
County Resident/Business, Projects outside the City but in Meagher County	\$20	\$50
Special Event Vendors, Events w/in the City limits	\$15	\$50
All others	\$25	\$50

1. Certain Bulk Water sales may be limited, at Mayor’s discretion, to City Council issuance of permits only. The City Clerk/Treasurer or the Assistant City Clerk may refer any Purchase Application to the Mayor, Public Works Supervisor, or the City Council when there is a question or concern involving the nature of the need for water or the history of the applicant. In particular, those applications which a) do not appear to have a direct benefit to the citizens of the City or County, or b) involve sales exceeding 20,000 gallons as a single-day purchase, or multiple sales totaling 40,000 gallons

or more over a longer period, such as 2 weeks to one month or more shall be referred to the City Council for approval. Actions taken by the Mayor under emergency situations shall be brought before the City Council as soon as may be for further consideration as to permits or future supply.

2. Transactions (connection and acquisition) for Bulk Water are under the direct supervision of the Public Works Supervisor or designee to ensure the connections are appropriate and as required for other water service connections in order to protect the integrity of the City's water supply. Arrangements should be made at the time of application for billing and for access to the City access point, and verification each time a tank or tanks are filled. This includes rental or other arrangements for a meter, hydrant connections, or other mechanisms to facilitate the sale of water as necessary (fee schedule to set rates as appropriate). The Public Works Supervisor, or designee, shall determine the appropriate location or locations for such delivery of purchased bulk water, and may determine the hours of operation for the location or locations. Certain sources, such as a fire hydrant, may be restricted to those authorized to use such locations. The Chief of the Volunteer Fire Department shall be included in any decisions relative to fire hydrants and access.
3. In the event the City experiences an issue with the water available to the City through its transmission main, storage tank, or for other reasons related to direct supply, Meagher County or the State of Montana experience drought conditions and appropriate orders are issued regarding drought standards, or Meagher County or a county contiguous to Meagher County experiences a fire which requires all available resources to be diverted for the benefit of life, safety, or property, then the Mayor or the Mayor's designee shall be entitled to temporarily halt Bulk Water sales which impact on the clean and potable water available for City residents and businesses.
4. Notice of a temporary halt will be posted at the access point, at City Hall, and on the City's website, and will specify whether the halt applies solely to entities outside the City, to entities whether inside or outside the City who routinely purchase more than 1,000 gallons at a time, to all purchasers, or to some other configuration of purchasers based on the nature of the halt to Bulk Water sales.
5. Permits for Bulk Water purchases are available by completing an application at City Hall, and paying the associated fee to cover the costs related to staff time and paper cost/filing. Application (Permit) fees are not refundable. Information required includes but is not limited to:
  - a. Address (physical and mailing)
  - b. phone number
  - c. license plate information
  - d. capacity of vessel to be filled [tank volume or capacity stated in gallons]
  - e. backflow prevention mechanism type [this is a required item]
  - f. Nature of the need for water
  - g. A properly issued state permit for the work to be done, if applicable
  - h. A copy of any contract demonstrating pre-arrangements regarding water use for the project, if applicable
6. Permits vary and may be valid for one visit [typically residential use or small project] up to one year [typically construction/contractor use]. Some permits may be limited to the particular project or event. All permits may be subject to a halt in the event the Mayor determines there is a basis for the temporary halt of Bulk Water sales. A delay between application and issuance of a permit, and receipt of water may occur depending on the need to refer the sale to the Mayor or Public Works

Supervisor, or to the City Council for authorization, or the availability of the Public Works Supervisor, or designee to supervise any connections or acquisition.

7. All permits are subject to the following:
  - a. **Indemnity Agreement:** The Applicant, by signing the Application and receiving water hereby agrees to defend, indemnify, and hold harmless the City of White Sulphur Springs, its officers, agents, employees, and assigns, from and against all claims, demands, actions, suits, damages, liabilities, losses, settlements, judgments, costs, and expenses (including those involving a third party), including but not limited to reasonable attorney's fees and costs, actually or allegedly, directly or indirectly, arising out of or related to any claim or injury to any person or property associated with or arising out of or related to the purchase of water from the City of White Sulphur Springs or the result of any act or omission of White Sulphur Springs, including but not limited to during the filling or transport of any vessel or container with water, whether or not caused in whole or in part by the negligence of Applicant, Applicant's employer or company, or any other indemnified party, and whether or not the relevant Claim has merit. The Applicant also agrees, in the same manner as the foregoing, that any and all claims, demands, or like actions for damages occurring to City infrastructure, including but not limited to hydrants, meters, and transmission lines, whether actually or allegedly, directly or indirectly, arising out of, related to any act or omission by Applicant's, or Applicant's employer, or company's purchase of bulk water, including but not limited to before, during, and after the connection or filling of any vessel or container with water, whether or not caused in whole or in part by the negligence or willful conduct of Applicant and which includes but is not limited to all costs for repair as well as reasonable attorney's fees and costs, are and shall be the sole responsibility of the Applicant.
  - b. **Liability:** The City of White Sulphur Springs assumes no responsibility for the transportation, unloading, quality or condition of the water subsequent to its delivery to the customer.
  - c. **Restrictions:** Customers are prohibited from utilizing the water for resale purposes or acquiring it at a rate lower than that afforded to the end user.
  - d. **Non-compliance:** Failure to adhere to the stated policy or its stipulations will result in the immediate cessation of any permits or services provided under this policy.
8. A copy of the policy shall be provided to each Applicant/Customer at the time the Permit is issued. The Applicant shall acknowledge the receipt of the policy and the conditions as stated under #7 above.

The Mayor and the Public Works Supervisor shall review the public sale location and determine short-term and long-term needs relative to metering based on whether the sale of Bulk Water changes from historic patterns. A meter shall be installed which is capable of measuring the amount of water actually obtained, and may have other point-of-sale measures appropriate to the location, and/or an automatic shut off feature. A security camera may also be installed to record those accessing the water source, and to record information for use by law enforcement in the event of a questionable sale. This camera may be for security use generally for the Volunteer Fire Department, Ambulance Barn, or other City Hall and City parks issues.

This policy will be evaluated by the Mayor in conjunction with preparation for the City budget and shall propose any alterations to fees established under this policy during the budget process in order to address costs and impacts as to inflation. This policy may be amended as necessary by resolution of the City Council.