

Application of City of Belgrade
Water Reservation No. 70119-41H

II. FINDINGS OF FACT

A. FINDINGS ON THE QUALIFICATION OF THE CITY OF BELGRADE TO RESERVE WATER (Mont. Code Ann. § 85-2-316(1)(1991); ARM 36.16.107B(1)(a).)

1. The City of Belgrade is an incorporated municipality and a subdivision of the State of Montana. (Bd. Exh.3-A, p. 2; Mont. Code Ann. § 85-2-316(1), ARM 36.16.107B(1)(a).)

2. The City of Belgrade has applied for a water reservation of 645 acre-feet/year (af/yr) of water with a maximum diversion rate of 3.56 cubic feet/second (cfs), from groundwater wells drawing from the Gallatin Valley aquifer to be located within the City of Belgrade for year round use. (Bd. Exh. 3-A, pp. 2, 14, and 25.)

3. The City of Belgrade requested a water reservation to meet future demands by municipal users. (Bd. Exh. 3-A, p. 5.)

B. FINDINGS ON THE PURPOSE OF THE WATER RESERVATION APPLIED FOR BY THE CITY OF BELGRADE (Mont. Code Ann. § 85-2-316(4)(a)(1991); ARM 36.16.107B(1)(b).)

4. The City of Belgrade seeks to provide municipal water for future growth in a cost-effective manner. Sound planning requires providing users with an adequate water supply. The term of the water reservation is to year 2025. (Bd. Exh. 3-A, p. 2.)

5. The purpose of the reservation is to provide the water for municipal uses. (Bd. Exh. 3-A, p. 3.) Municipal uses are beneficial uses of water in Montana. (Mont. Code Ann. § 85-2-102(2)(a), ARM 36.16.102(3); ARM 36.16.107B(1)(b).)

C. FINDINGS ON THE NEED FOR THE WATER RESERVATION APPLIED FOR BY THE CITY OF BELGRADE (Mont. Code Ann. § 85-2-316(4)(a)(ii)(1991); ARM 36.16.107B(2).)

6. The City of Belgrade's three existing groundwater wells presently provide up to 7.58 cfs of water to the City of Belgrade. (Bd. Exh. 3-C, p. 2.) The reservation water requested would be delivered through the existing water supply system. (Bd. Exh. 3-A, p. 4.)

7. A reservation is the only means to obtain an early priority date for water that will be needed to meet projected municipal growth. In the future, water may be appropriated by

competing agricultural, industrial, and instream users. (Bd. Exh. 40, p. 249; Bd. Exh. 3-A, p. 6-7.)

8. It is important that the City of Belgrade have a water reservation to meet future municipal water demands in order for the community to grow and invest in its development. (Bd. Exh. 3-A, p. 21.)

9. Competing water uses may prevent the City of Belgrade from obtaining or perfecting a water use permit in the future. Without a reservation, the City of Belgrade may have to go through a costly process of buying or condemning existing water rights to meet increasing demands. (Bd. Exh. 40, p. 249, and Bd. Exh. 3-A, p. 22.)

D. FINDINGS ON THE AMOUNT OF WATER NEEDED FOR THE WATER RESERVATION APPLIED FOR BY THE CITY OF BELGRADE (Mont. Code Ann. § 85-2-316(4)(a)(iii)(1991); ARM 36.16.107B(3).)

10. The method of determining the amount of water requested for a water reservation by the City of Belgrade was based on a forecast of its future population to the year 2025 along with the estimated amount of water used per person. (Bd. Exh. 3-C, p. 2.) The methodology used by the City of Belgrade projected an average annualized (compounded population growth rate) of approximately 3.32 percent. (Bd. Exh. 40, p. 236.) The 1990 population of City of Belgrade was 3,411. (Bd. Exh. 40, p. 236.) The City of Belgrade's population forecast for the year 2025 is 10,426 people. (Bd. Exh. 40, p. 236.)

11. The populations recorded in the 1990 census indicate that Belgrade's population has increased from 2,336 to 3,411 persons between 1980 and 1990 (an annualized rate of 3.86 percent). (Bd. Exh. 3-A, p. 10, and Bd. Exh. 40, p. 236.)

12. The City of Belgrade has a noticeable rate of system leakage. (Bd. Exh. 3-C, p. 2.) However, leakage rates are expected to be reduced by a city metering program and planned water system improvements. (Bd. Exh. 3-C, p. 2.) These programs will reduce the City's high daily use rates toward the regional average of 250 gallons per capita daily. (Bd. Exh. 3-C, p. 2.)

13. Approximately 80 percent of City water services are metered at present. (Bd. Exh. 3-C, p. 3.) The City is working to achieve 100 percent metering. (Bd. Exh. 3-C, p. 3.)

14. The water use efficiencies associated with the reservation for municipal uses by the City of Belgrade are reasonable. (ARM 36.16.107B(3)(b).)

15. No other cost-effective measures in addition to those listed above, could be taken within the reservation term to

increase the use efficiency by the City of Belgrade and lessen the amount of water required for the purpose of the reservation. (ARM 36.16.107B(3)(b).)

16. The City of Belgrade's present use (3.82 cfs peak flow and 1,155 af/yr volume) is less than its projected need in the year 2025 (11.1 cfs peak flow and 3,357 af/yr volume). (Bd. Exh. 3-C, p. 2.)

E. FINDINGS THAT THE WATER RESERVATION APPLIED FOR BY THE CITY OF BELGRADE IS IN THE PUBLIC INTEREST (Mont. Code Ann. § 85-2-316(4)(a)(iv)(1991); ARM 36.16.107B(4).)

17. Benefits of the City of Belgrade's water reservation were calculated on a willingness-to-pay basis. Belgrade used a \$1.50/1,000 gallons value. (Bd. Exh. 3-A, p. 18.) Helena municipal users are currently paying \$2.47/1,000 gallons. (Bd. Exh. 40, p. 253.)

18. The additional water provided by the water reservation will cost approximately \$.18/1,000 gallons. (Bd. Exh. 3-C, p. 1.)

19. The direct benefits of the City of Belgrade's water reservation exceed the direct costs. (ARM 36.16.107B(4)(a).)

20. Indirect benefits of the City of Belgrade's reservation may include secondary economic benefits to the community and to the state, and expanding both the property and income tax base from increased population. (Bd. Exh. 3-A, p. 20.)

21. Indirect costs of the reservation may include loss of opportunity for other development and increased administrative costs. While not quantified these costs are minor. (Bd. Exh. 3-A, p. 20.)

22. Except for the addition of nutrients and possible decreases in groundwater flows to the East Gallatin river, no moderate or major adverse environmental impacts are expected with the use of the City of Belgrade's water reservation. (Bd. Exh. 3-C, pp. 5 and 6.) The effects of individual municipal water reservation depletions on water quality have not been quantified (Bd. Exh. 40, pp. 253-254), but should be very small. Any resulting health risks have not been quantified. Other non-quantified benefits or costs are limited. (Bd. Exh. 3-A, p. 20.)

23. Net benefits of granting the City of Belgrade's water reservation exceed the net benefits of not granting the water reservation and the project is economically feasible. (ARM 36.16.107B(4)(b); ARM 36.16.102(9).)

24. The City of Belgrade identified one alternative source of water for future development, an unspecified surface water

source. This alternative would not provide greater net benefits than the water reservation, (Bd. Exh. 3-C, p. 3) and is not reasonable. (ARM 36.16.107B(4)(c).)

25. Failure to reserve water for future municipal use by the City of Belgrade is likely to result in an irretrievable loss of the source of water. (Bd. Exh. 3-A, p. 22; ARM 36.16.107B(4)(d).)

26. As conditioned, the City of Belgrade's water reservation will have no significant adverse impact to public health, welfare, or safety. (ARM 36.16.107B(4)(e).)

F. OTHER FINDINGS RELATING TO BOARD DECISION (Mont. Code Ann. § 85-2-316(3)(B), (4)(a)(iv)(b), (5), (6), and (9)(e)(1991); ARM 36.16.107B(5) through (8).)

27. The water reservation by the City of Belgrade will be used wholly within the state and within the Missouri River basin. (Bd. Exh. 3-A; ARM 36.16.107B(5) and (6).)

28. The City of Belgrade has identified a management plan for the design, development, and administration of its water reservation. (Bd. Exh. 3-A, p. 23.)

29. The City of Belgrade is capable of exercising reasonable diligence towards feasibly financing the project and applying reservation water to beneficial use in accordance with the management plan. (ARM 36.16.107B(7).)

30. The priority date of the City of Belgrade's water reservation is July 1, 1985. (Mont. Code Ann. § 85-2-331(4).)

31. As conditioned, the City of Belgrade's water reservation will not adversely affect any senior water rights. (ARM 36.16.107B(8).)

32. The public interest in protecting domestic and stockwater rights with a priority date on or after July 1, 1985 and perfected prior to the final date of this order outweighs the values protected by the municipal reservations.

III. CONCLUSIONS OF LAW

1. City of Belgrade is a qualified applicant for a water reservation. (Mont. Code Ann. § 85-2-316(1)(1991).)

2. The purpose of the City of Belgrade's application is a beneficial use. (Mont. Code Ann. § 85-2-316(4)(a)(i)(1991); ARM 36.16.107B(1)(b).)

3. The need for the City of Belgrade has been established. Specifically, the City has established that there is a reasonable likelihood that future in-state competing water uses would consume the water available for the purpose of its reservation. (Mont. Code Ann. § 85-2-316(4)(a)(ii)(1991); ARM 36.16.107B(2).)

4. The methodologies and assumptions used by the City of Belgrade are suitable and accurate under present conditions. (ARM 36.16.107(3)(a).) As modified, the City of Belgrade has established the amount of water needed to fulfill its reservation. (Mont. Code Ann. § 85-2-316(4)(a)(iii)(1991); ARM 36.16.107B(3).)

5. Based on a weighing and balancing of the evidence, the reservation by the City of Belgrade as modified herein is in the public interest. (Mont. Code Ann. § 85-2-316(4)(a)(iv); ARM 36.16.107B(4).)

6. Upper Missouri River water reservations approved by the Board shall have a priority date of July 1, 1985. (Mont. Code Ann. § 85-2-331(4).) The Board may determine the relative priorities of all reservations. (Mont. Code Ann. § 85-2-316(a)(e).)

7. The Board may grant, deny, modify or condition any reservation applied for. In no case may the Board make a reservation for more than the amount applied for. (Mont. Code Ann. § 85-2-316.)

8. The Board has no authority under the reservation statutes or any other statutes to determine, or alter any water right that is not a reservation. (Mont. Code Ann. § 85-2-316(14).)

IV. ORDER

1. Subject to all applicable modifications, conditions, and limitations (including but not limited to the conditions applied to consumptive use reservations in Exhibits A and B attached to this Order) the application of the City of Belgrade is granted for the following amount and flow of water: 3.56 cfs and 645 af/year.

2. The point of diversion and places of use are as set forth in the reservation application City of Belgrade and by reference are made a part of this Order.

3. The reservation is adopted subject to being perfected by December 31, 2025.

4. Relative to other reservations the priority date of the reservation shall be ahead of any other non-municipal reservation

granted with a priority date of July 1, 1985. The reservation shall have equal priority with all other reservations granted to municipalities.

5. Any and all liability arising from the reservation or the use of the reservation is the sole responsibility of the applicant. By granting such reservations, the Board on behalf of itself and the Department of Natural Resources and Conservation assumes no liability.