

## **Staff Report**

Ordinance amending Chapter 87 of the Legislative Code of the City of Saint Paul regarding schedule charges for installation of one-inch street service connections, taps and cut offs.

*October 17, 2013*

Revisions to Chapter 87, as recommended by Board of Water Commissioners Resolution No. 7237:

1. Section 13(a), to allow for the circumstances in Section 87.03(b)(3)

Section 87.03(b)(3) allows for contractors to install services in conjunction with contractor-installed mains. This revision resolves that contradiction.

2. Section 13(c), to correct the statement that meter setting costs are included in the schedule charge.

These costs are currently recovered through plumbing permit, therefore making the statement incorrect.

3. Section 14, to provide that schedule charges for 1-inch street service connections will be applied only where excavation is provided by others and that the utility will determine who provides excavation.

Analysis of past 1-inch street service connections has found that the variables inherent to excavation and restoration do not allow for schedule charges to be accurately set and have been historically unreliable in protecting the utility from incurring unrecoverable losses. This revision would eliminate any installations where excavation and restoration is provided by the utility from qualifying for a schedule charge.

4. Section 16(c), to allow for the setting of cut off charges to occur at appropriate times.

Currently, cut off charges must be established at the same time as water charges. This inflexibility may cause unrecoverable losses if material or other costs significantly rise during the course of the year.