

**..Title**

Setting the 2015 Sanitary Sewer and Storm Sewer rates.

**..Body**

WHEREAS, the mission of the Public Works Sewer Utility is to provide a basic service of transporting sanitary wastewater to the regional treatment system and to provide this service at a reasonable cost; and

WHEREAS, Sanitary Sewer Service charges pay for the cost of operating and maintaining the sewage disposal system including the principal and interest on bonds sold for system construction and rehabilitation, and for paying Saint Paul's share of the Metropolitan Council Environmental Services' annual budget as provided in Chapter 473, Minnesota Statutes, and in accordance with the provisions of the Clean Water Act; and

WHEREAS, additional missions of the Public Works Sewer Utility are to collect and transport storm water to the Mississippi River through a separate system of pipes, to improve the quality of our storm water discharges and to provide this service at a reasonable cost; and

WHEREAS, the City of Saint Paul pursuant to Chapter 14, Article 19, First Special Session, Laws of Minnesota, 1985, and all other laws particularly Minnesota Statutes, Section 444.075 and applicable charter provisions, enacted Ordinance #17359 (6/3/86) establishing a Storm Sewer System Charge for the purpose of paying the cost of construction, reconstruction, repair, enlargement and improvements necessitated by the separation of the combined sewer system and for the maintenance, operation and use of the separated storm sewer system; and

WHEREAS, the Storm Sewer System Charge is based on a property's anticipated contribution of storm water runoff to the storm sewer system, and is a function of its size and land use; and

WHEREAS, the Storm Sewer System Charge ordinance provides that the City Council may, from time to time by resolution, establish Storm Sewer System Charge rates for various land use classifications excluding legally exempt properties; and

WHEREAS, revenue collected from the Storm Sewer System Charge is used to pay back Sewer Revenue Bonds sold for constructing the storm sewer system and for paying for its operation and maintenance; and

WHEREAS, state, federal and watershed district mandated environmental programs have been imposed upon Saint Paul without accompanying funds; and

WHEREAS, the proposed 2015 Budget will result in anticipated expenditures, credits and financing for the sanitary and storm sewer systems as follows:

Expenses:

Sanitary Sewage Treatment Charges (MCES)	\$20,750,000
Debt Service	\$12,158,747
Sewer Maintenance	\$7,096,505
Utility Infrastructure Charge	\$3,125,000
Sewer Tunnel Rehabilitation	\$3,400,000
Sewer System Rehabilitation Construction	\$2,800,000
Major Sewer Repair	\$2,500,000
Sewer System Management	\$1,737,715
Transfer to ROW Fund for Street Sweeping	\$1,247,177
Sewer Inspection	\$1,169,596
Storm Water Discharge Management	\$1,060,844
Billing Cost Paid to St. Paul Regional Water Services	\$900,004
Allocation to PW Administrative Fund	\$829,330
Private Sewer Connection Repair Program	\$800,000
Regional Issues / Mandates Management	\$398,080

Inflow and Infiltration	\$380,092
Infrastructure Management	\$286,478
Storm Water Quality Improvements	\$183,925
Storm Sewer System Charge Management	\$177,302
Gopher State One Call	\$41,325
Other Required Expenses	<u>\$402,927</u>
Total Expenses	\$61,445,047

Financing:

Sanitary Sewer Service Charge	\$35,819,882
Storm Sewer System Charge	\$14,267,536
Proceeds from Bond Issuance	\$10,000,000
Sewer Connection Repair Assessment	\$800,000
Intergovernmental Revenue	\$72,711
Miscellaneous Financing	<u>\$484,918</u>
Total Financing	\$61,445,047

Now, therefore, be it RESOLVED, that pursuant to Section 77.02 of the Saint Paul Legislative Code pertaining to Sanitary Sewer Service Charges and upon the recommendation of City Administration, the Council of the City of Saint Paul does hereby establish the amount and basis for Sanitary Sewer Service Charges to be levied and collected effective January 1, 2015 through December 31, 2015 as follows:

\$3.77 per 100 cubic feet for the first 100,000 cubic feet; and  
 \$3.69 per 100 cubic feet for the next 400,000 cubic feet; and  
 \$3.62 per 100 cubic feet after 500,000 cubic feet.

Be it FURTHER RESOLVED, that these rates reflect a 3.5% increase over the 2014 Sanitary Sewer Service Charge rates; and

Be it FURTHER RESOLVED, that a minimum Sanitary Sewer Service Charge shall be levied and assessed to every property based upon water meter size. The minimum charge below shall reflect part of the fixed cost for basic sewer service:

<u>Water Meter Size</u>	<u>Minimum Charge</u>
3/4" and smaller	\$7.20 per Quarter
1"	\$12.60 per Quarter
1-1/4"	\$5.60 per Month
1-1/2"	\$8.80 per Month
2"	\$20.00 per Month
3"	\$42.00 per Month
4"	\$104.00 per Month
5"	\$150.00 per Month
6"	\$200.00 per Month
8"	\$344.00 per Month
10"	\$492.00 per Month
12"	\$680.00 per Month
Larger than 12"	\$1,000.00 per Month

Be it FURTHER RESOLVED, that properties served by meters one inch and smaller shall be billed quarterly. Properties served by meters larger than one inch shall be billed monthly, with the exception of one and two family homes which shall be charged quarterly for Sanitary Sewer Service Charges; and

Be it FURTHER RESOLVED, that Sanitary Sewer Service Charges for one and two family dwellings for the billing year shall be determined by the amount of water consumed, regardless of the size of the water meter, and the amount billed shall never be greater than the amount of water consumed during the quarter consisting

of the first three months prior to the first billing of the year, except for those dwellings assessed minimum charges; and

Be it FURTHER RESOLVED, that the Sanitary Sewer Service Charges for all other properties, regardless of the size of the meter, shall be based on actual water consumption for each billing period; and

Be it FURTHER RESOLVED, that pursuant to Section 81.05 of the Saint Paul Legislative Code pertaining to Storm Sewer System Charges and upon recommendation of City Administration, the Council of the City of Saint Paul does hereby establish the amount and basis for Storm Sewer System Charges to be levied and collected effective January 1, 2015 through December 31, 2015 as follows:

<u>Class</u>	<u>Land Use Classification</u>	<u>2015 Rate</u>	<u>Unit</u>
A	Cemeteries, golf courses, parks, unimproved vacant land and one and two family residential land in excess of 1/3rd acre	\$142.78	Acre
B	Railroad right of way	\$541.57	Acre
C	One and two family residential properties less than 1/3rd acre	\$85.36	Parcel
D	Condominiums and town houses	\$57.42	Unit
E	Public and private schools and community centers	\$783.69	Acre
F	Multiple dwellings, churches, synagogues and governmental buildings	\$1,045.95	Acre
G	Commercial and industrial properties	\$1,409.08	Acre

Be it FINALLY RESOLVED, that these rates reflect a 3.5% increase over the 2014 Storm Sewer System Charge rates.