

Environment Committee

Meeting date: March 12, 2013

Subject: 2014 Budget and Rate Concepts

District(s), Member(s): All

Policy/Legal Reference: MS 473.517; Water Resources Policy Plan (pages 43-44); and Council Administrative policies 3-2-3 (re. municipal wastewater charges), 3-2-4 (re. industrial charges), and 3-2-5 (re. SAC)

Staff Prepared/Presented: Jason Willett, 651-602-1196; John Atkins, 651-602-1020; Dan Schueller, 651-602-1624

Division/Department: MCES

Staff will discuss the following topics (all key issues related to forming a 2014 budget for MCES):

1. SAC Revenue and Shift
 - a. 2012 SAC unit and reserve balance update
 - b. Financial analysis of future SAC scenarios
 - c. Staff's SAC shift recommendation
 - d. SAC (reserve capacity) strategic study status
2. Municipal Wastewater Charges
 - a. Rate comparison to peers
 - b. Change to using average flow instead of prior year flow?
3. Pay-as-you-go
 - a. History and pros & cons
 - b. Proposed plan
4. Industrial Pre-treatment incentive Program
 - a. Review preferred Public-Private Partnership concept
 - b. Key issues
5. Strength Charge Formula
6. 2014 Budget Stakeholder Process & Schedule