

MCES 2020 Customer Budget Webinar Questions and Answers

May 21, 2020 and June 11, 2020

Question 1: As the Metropolitan Council's area expands and systems are added, like Rogers, does the Metropolitan Council ever anticipate changing the way they determine flow and go to a treatment plant area for total flow determination instead of just lumping everything into one large regional flow amount?

Answer 1: Historically, there was a system that differentiated rates based on the service districts which was a result of the previous sanitary sewer districts that existed prior to the creation of the Metropolitan Sewer Board in 1967. The Council has taken a regional approach to providing service and now uses uniform rates across the service area. This approach optimizes equity of cost across the region and supports economic development. The approach also maximizes use of the regional infrastructure thereby resulting in cost effective services. It is very unlikely the Metropolitan Council would return to a differential rate structure.

Question 2: With the Debt Service Bubble going down in 2022, does the Metropolitan Council anticipate rates going down considering Debt Service is 48% of the budget? We plan out budgets for 5 years and having some early ideas around this would be helpful to our planning processes.

Answer 2: No, because we will stop planning deficits. For the last couple of years, we have been planning our revenues less than our expenses; as our debt service bubble levels off and even goes negative, we should be able to continue with 2 to 4% rate increases and balance our budget. We're still above our target for our operating reserve, so we have enough in the reserve to cover that when needed but it is not sustainable over the long-term. When debt service fees start to come down, we will begin planning for a balanced budget where our revenues equal our expenses.

Question 3: Does the Customer Portal have the capability to pull flow data over a 10-year period? The dashboard currently shows a 3-year window.

Answer 3: The [MCES Customer Portal](#) dashboard shows 3 years' worth of data, but you can pull historic data by using the download feature or requesting the data through the MCES Customer Portal.

Question 4: I am new to my position and the Customer Portal. If I am not seeing something from years past on the work plan credit should I be adding that information in, or is the portal only going to show moving forward?

Answer 4: The portal team at MCES will investigate the potential for loading historical documents for a community to make them available on the portal at any time.

Question 5: How has/will COVID-19 affected flows, and how might that affect future rates?

Answer 5: Regional flows since the onset of the stay-at-home order haven't changed much. We're still treating about the same level of daily flow systemwide. However, we have seen a change in the daily flow patterns. Typically, we see a diurnal pattern where flow starts to increase in the early morning hours as people wake up and get ready for their day, drop throughout the midday, and increase

again around 4-6PM as people would typically be returning home from work, school, or other daytime activities. What we are seeing now, particularly in metersheds that are primarily residential in nature, is a flattening out of the flow without the twice daily peak. It increases in the mornings, though maybe not quite as high, and stays about level throughout the day, until it decreases again late in the evening.

Shortly after stay-at-home orders, we did see some problems with an increased presence of flushable wipes in the system at some of our lift station facilities that required us to clean out the pump intakes. This was particularly the case in our smaller lift stations. That has since dropped off and hasn't been a problem in the last few weeks.

Question 6: More information on the MCES Customer Portal and what information municipalities can obtain by using the Portal—Flow data? Flow reports?

Answer 6: Right now, the information that is available is primarily meter flow data that is retrievable on a metershed basis; there is the ability to stack time periods to compare one time period to another and compare different metersheds within your community. The Customer Portal will also be a communication tool to submit I/I workplans for approval, and notifications letters for exceedances and work completion statuses will go out via the Customer Portal.

The Customer Portal also includes public education and outreach material that is free for use. Materials include facts, illustrations, graphics, and narratives that can be used to address wastewater service in the community. The content is currently focused on metershed data and I/I programs. The next phase of the Customer Portal will incorporate elements of the following: the I/I grant application process, the MCES Sewer Use Survey, additional communications and outreach materials, construction updates by community, permitted industry information by community, listing of liquid waste receiving facilities, the ability to submit MWC unmetered flow data, MCES connection and encroachment agreement information, MPCA sewer extension permit application information by community, SAC information, water quality data, and local water supply data.

Please let us know by contacting kyle.colvin@metc.state.mn.us if you have other ideas for consideration.

Question 7: There seemed to be a substantial increase in regional allocated flow between 2020 (2018 flow) and 2021 (2019 flow). Why was this? And will this be consistent, or will we see a large drop in flow in upcoming years?

Answer 7: 2019 was the wettest year on record and subsequently we experienced the highest regional flow since 2004. While large storm events continue, we are seeing a reduced impact from peak flow to our treatment plants, part of which can be attributable to the inflow and infiltration mitigation work happening across the region. Continuing and expanding our inflow and infiltration efforts will be critical to keeping flows manageable in the face of increasing wet weather events.

Question 8: When is the Hastings Wastewater Treatment Plant going to be replaced?

Answer 8: We are currently in the planning phase for the Hastings Wastewater Treatment Plant. We anticipate construction will start in late 2024 or 2025.

Obviously, we are all hopeful for a fast economic recovery, but even a medium recovery puts us in a very good place. If we experience a slow recovery, it may result in an increase as soon as 2022 and could be in the \$400 to \$500 range.

Question 9: Due to recent events, have there been any interruptions or delays to capital improvement projects?

Answer 9: Partnerships with our communities are critical, and we were grateful for quick communication from the City of Minneapolis which allowed us to demobilize a project in downtown Minneapolis and pause it for a few days. That project has since restarted. The large Minnehaha Park Area Regional Sewer Improvement project currently has a temporary conveyance system that is monitored 24 hours a day; we had a small amount of graffiti at that site but otherwise not project disruption.