



Sanitary Sewer Rate Changes for 2022

MENDOTA HEIGHTS *Minnesota*

OUR SANITARY SEWER SYSTEM by the NUMBERS

74 miles of sanitary sewer mains

6 lift stations

5,100+ homes, apartments and businesses served

1.4M gallons of wastewater collected daily & sent to regional treatment plant

\$1.47M paid by City to Metropolitan Council for sewer treatment this year

The City of Mendota Heights uses the funds collected from your quarterly sanitary sewer bill to operate, maintain, and upgrade the infrastructure that removes wastewater from your property. This money is also used to pay the Metropolitan Council to safely treat the wastewater at its regional treatment plant. This year, the City plans to adjust the method it uses to change sanitary sewer fees and has proposed the new rate structure be implemented for third quarter billing.

City staff will present this initiative to the City Council for approval at the following meeting:



Tuesday, July 19, 2022



**City Hall Council Chambers
1101 Victoria Curve
Mendota Heights, MN 55118**

Why are Rates Changing?

Adjusting the rate structure will allow the City to:

Charge more equitably for usage. Every user will pay the same base rate to help cover the City's fixed costs to sustainably operate the system. The new usage rates will ensure everyone pays their fair share for system usage.

Simplify the billing system. The City currently maintains multiple billing rates for different property classes. The new rate structure will treat everyone equally.

Promote water conservation. The new rate structure means that you will only pay for what you discharge. The less you discharge, the less you pay.

Keep pace with expenses. The new rates will ensure the City has adequate funding to pay for the system's current and future capital and operational needs.

What's Changing?

The quarterly base fee for metered residential and commercial service will **decrease** and no longer include discharge, while the usage rate will **increase from \$3.50 to \$4.67 per 100 cubic feet**.

Sewer Rates for Residential Customers

	2021	2022
Base Fee	\$ 83.75*	\$ 25.64
Usage Rate per 100 cu. ft.	\$ 3.50	\$ 4.67

*Includes 20 units of sewer discharge (2,000 cu. ft.)

For multi-family properties, each unit will pay a separate base fee just like a single-family home does. Unmetered accounts will pay a flat rate based on meter size.

The late fee will change from a **flat fee of \$4.00 to 5%** of your total bill and the **grace period for late payments will increase from 21 to 30 days**.

What's NOT changing?

Quarterly Billing. Residential properties will still receive quarterly bills based on first quarter (January, February, March) water consumption. Commercial properties will continue to be billed quarterly based on actual metered water usage.

Out-of-City Properties. Properties served by Mendota Heights but located outside City limits will continue to pay a 20% surcharge.

How will this affect my sanitary sewer bill?

Over 40% of residential customers should see a **decrease** in their sanitary sewer bill, while the average consumer will see an **increase of less than \$10 per quarter**.

Bill Impact for a Residential Customer

	Low Volume Customer (700 cu ft/quarter)	Medium Volume Customer (1,400 cu ft/quarter)	High Volume Customer (2,500 cu ft/quarter)
2021 Sewer Bill	\$ 83.75	\$ 83.75	\$ 101.25
2022 Sewer Bill	\$ 58.33	\$ 91.02	\$ 142.39
Increase/(Decrease)	(\$ 25.42)	\$ 7.27	\$ 41.14

(The average residential customer uses approx. 1,400 cubic feet of water per quarter)