

E Environment Committee
Meeting date: December 11, 2012

For the Council Meeting of December 19, 2012

ADVISORY INFORMATION

Date:	December 3, 2012
Subject:	Authorization to Negotiate and Execute Amendment to Wastewater Service Agreement with the City of East Bethel
District(s), Member(s):	District 9, Ed Reynoso
Policy/Legal Reference:	MN Statutes 473.504; Policy 3-3, Expenditures
Staff Prepared/Presented:	Bryce Pickart 651-602-1091
Division/Department:	MCES c/o Leisa Thompson 651-602-1131

Proposed Action

That the Metropolitan Council authorizes its Regional Administrator to negotiate and execute an amendment to the wastewater services agreement with the City of East Bethel.

Background

Wastewater service to the City of East Bethel is being provided under the Metropolitan Council's Rural Growth Center policy. The sewer availability charge (SAC) for a Rural Growth Center is based on the debt service for wastewater facilities constructed specifically to serve the center.

In 2010, the City and the Council entered into a wastewater service agreement, which defines the basis for determining the SAC rate for East Bethel, as well as providing for reserve capacity loans, in the event that growth is lower than the comprehensive plan forecast.

The region is beginning to recover from a serious recession, but the likelihood is that growth in East Bethel for the next several years will be significantly lower than forecast when the comprehensive plan was approved in 2006. MCES staff is discussing modifications to the wastewater service agreement which provide some financial relief to the City of East Bethel for the initial years of wastewater service, while maintaining the financial integrity of the agreement.

Rationale

The City has asked the Council for assistance in addressing the City's financial challenges.

Funding

None required.

Known Support / Opposition

The City of East Bethel supports this action.