

(SENATE AUTHORS: JUNGBAUER)

DATE	D-PG	OFFICIAL STATUS
02/21/2011	272	Introduction and first reading Referred to Local Government and Elections
05/02/2011	1600a	Comm report: To pass as amended and re-refer to Environment and Natural Resources

1.1A bill for an act

1.2relating to the environment; modifying powers of the Metropolitan Council

1.3in providing sewage treatment services; amending Minnesota Statutes 2010,

1.4sections 473.515, subdivision 3; 473.517, subdivision 3.

1.5BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6Section 1. Minnesota Statutes 2010, section 473.515, subdivision 3, is amended to read:

1.7Subd. 3. **Connections with metropolitan system.** (a) Except as provided in

1.8paragraph (b), the council may require any person or local government unit in the

1.9metropolitan area to provide for the discharge of its sewage, directly or indirectly, into the

1.10metropolitan disposal system, or to connect any disposal system or part thereof with the

1.11metropolitan disposal system wherever reasonable opportunity therefor is provided; may

1.12regulate the manner in which such connections are made; may require any person or local

1.13government unit discharging sewage into the metropolitan disposal system to provide

1.14preliminary treatment therefor; may prohibit the discharge into the metropolitan disposal

1.15system of any substance which it determines will or may be harmful to the system or

1.16any persons operating it; and may require any local government unit to discontinue the

1.17acquisition, betterment, or operation of any facility for its disposal system wherever and

1.18so far as adequate service is or will be provided by the metropolitan disposal system.

1.19(b) A local government unit may decline sewage discharge services from the council

1.20and provide its own sewage disposal system if:

1.21(1) the local unit of government determines that council charges for sewage

1.22treatment services are having an adverse affect on the business climate within the

1.23jurisdiction of the local government unit; or

(2) the local government unit is experiencing problems with groundwater and surface water interactions and has determined that providing sewage discharge services within the jurisdiction of the local government unit will assist in correcting the problems.

Sec. 2. Minnesota Statutes 2010, section 473.517, subdivision 3, is amended to read:

Subd. 3. **Allocation of treatment, interceptor costs; reserved capacity.** (a) In preparing each budget the council shall estimate the current costs of acquisition, betterment, and debt service, only, of the treatment works in the metropolitan disposal system which will not be used to total capacity during the budget year, and the percentage of such capacity which will not be used, and shall deduct the same percentage of such treatment works costs from the current costs allocated under subdivision 1. The council shall also estimate the current costs of acquisition, betterment, and debt service, only, of the interceptors in the metropolitan disposal system that will not be used to total capacity during the budget year, shall estimate the percentage of the total capacity that will not be used, and shall deduct the same percentage of interceptor costs from the current costs allocated under subdivision 1. The total amount so deducted with respect to all treatment works and interceptors in the system shall be allocated among and paid by the respective local government units in the metropolitan area through a metropolitan sewer availability charge for each new connection or increase in capacity demand to the metropolitan disposal system within each local government unit. The council shall not assess a sewer availability charge for a change in property use or addition to a property that does not result in a significant increase in sewer discharge from the property. Amounts collected through the metropolitan sewer availability charge (SAC) must be deposited in the council's wastewater reserve capacity fund. Each fiscal year an amount from the wastewater reserve capacity fund shall be transferred to the wastewater operating fund for the reserved capacity costs described in this paragraph. For the purposes of this subdivision, the amount transferred from the wastewater reserve capacity fund to the wastewater operating fund shall be referred to as the "SAC transfer amount."

(b) If, after appropriate study and a public hearing, the council determines for the next fiscal year that a reduction of the SAC transfer amount is necessary or desirable to ensure adequate funds remain in the wastewater reserve capacity fund, based on a goal of maintaining at least the next year's estimated SAC transfer amount in the wastewater reserve capacity fund, the council may reduce the SAC transfer amount for that fiscal year. If the council reduces the SAC transfer amount for the next fiscal year, the council must then increase the metropolitan sewer availability charge not less than the greater of six percent or the annual percentage change in the Consumer Price Index for the metropolitan

region for the previous year plus three percentage points. For the purposes of this subdivision, any reduction in the SAC transfer amount shall be referred to as the "SAC transfer deficit." The provisions of this paragraph expire at the end of calendar year 2015.

(c) The council will record on a cumulative basis the total SAC transfer deficit. In any year that the wastewater reserve capacity fund has a year-end balance of at least two years' estimated SAC transfer amount, the council shall increase the subsequent annual SAC transfer amount in excess of the amount required by paragraph (a) with the goal of eliminating the cumulative total SAC transfer deficit. The annual amount by which the council increases the SAC transfer amount shall be determined by the council after appropriate study and a public hearing.

Sec. 3. **APPLICATION.**

Sections 1 and 2 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.