



**CITY OF SOUTH ST. PAUL
MEETING AGENDA**

WORK SESSION

Training Room
125 3rd Avenue North
South St. Paul, MN 55075

Tuesday, November 12, 2024
7:00 PM

- 1. CALL TO ORDER**
- 2. DISCUSSION ITEMS**
 - A. Solar on Public Buildings Grant Program
 - B. 1443 Evans Avenue Sewer Charges
- 3. COUNCIL COMMENTS & QUESTIONS**



WORK SESSION AGENDA REPORT

DATE: November 12, 2024
DEPARTMENT: Planning & Zoning
PREPARED BY: Monika Miller
AGENDA ITEM NUMBER: 2.A.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

- Understand the benefits of the Solar on Public Buildings Grant Program
- Provides staff with direction on preferred sites that funding should be applied for

OVERVIEW

Background

In 2023, the Minnesota Legislature established the Solar on Public Buildings Grant Program. The program is similar to the “Solar for Schools” grant program that was established in 2021 to help schools generate all or most of their needed electricity using solar, which in turn lowers their annual energy costs. Through the program, \$4.3 million was set aside to provide grants to local governments in Xcel Energy’s service territory to generously discount the cost to install solar energy systems on publicly owned buildings. The Department of Commerce will be distributing funding over the course of two rounds. The first round of funding was awarded in September of 2024. The second round of funding will be awarded in late Spring of 2025.

Program Basics

Eligible applicants for the Solar on Public Buildings grant program are local units of government, including a county, statutory, or home rule charter city, town, or other local government jurisdictions. Funding can be used to install a rooftop solar array on a public building or a ground-mounted, freestanding solar array near the public building. Applicants can submit one application per publicly owned building, meaning that an applicant can submit multiple applications if they are interested in having solar on multiple buildings. The maximum size solar array the grant can fund is a 40 kW solar array. A 40 kW solar array is about the size of a tennis court.

Depending on the financial capacity of the public entity applying for funding, up to 70% of the installation cost can be covered by the grant. South St. Paul would be eligible to have up to 60% of the cost of a 40 kW system funded by this grant. Furthermore, the Federal Investment Tax

Credit for Clean Energy would cover an additional 30% of the installation cost. In total, the grant and the federal tax credit would cover 90% of the cost to install a 40 kW solar array. For public housing buildings, an additional credit is available that would cover another 20% of the project, meaning that the installation cost could be covered entirely. Local governments can apply for and receive grant funding and the federal tax credit for multiple sites as long as each site is applied for separately.

Potential Sites for Solar on Public Buildings

The Solar on Public Buildings grant can be used to install solar on any City-owned building. South St. Paul owns 7 main buildings: City Hall, the Doug Woog Arena, the Fleming Field Terminal Building, the John Carroll Building, the Nan McKay Building, the Municipal Service Center, and the South St. Paul Library. As part of the grant program, the Clean Energy Resource Team (CERTs) is offering technical assistance to municipalities, including assistance with site selection. In talking with the CERTS team, the general guideline is to install a roof-top solar array on a building where the roof has been replaced in the last 10 years and where the panels are able to face south. The 10-year recommendation comes from the fact that it is less economical to replace a roof where a rooftop array is already installed due to the additional labor costs to remove and reinstall the solar array. Some solar installers will offer to remove, store, and install solar arrays free of charge while a roof is being replaced but this appears to be more common for residential projects.

Based on the different roofs' ages, the rooftop equipment on the various buildings, and the sites that have previously been considered for solar, Staff feel there are two good sites for potential rooftop solar arrays: City Hall (specifically over the Fire Department) and the Nan McKay building. These two sites have been chosen due to their flat roofs and the age of the current roof or when the roof is anticipated to be replaced. The roof over the Fire Department was replaced in 2022. The roof at Nan McKay was last replaced in 2004 but is listed in the CIP to be replaced in the next year or so. Staff did consider the John Carroll building but ultimately decided against this option due to the number of PWS antennas on the building, the potential interference with a rooftop solar array, and the limit space on the roof for a solar array given the roofs unique shape.

Potential Cost Savings Through the Grant and Estimated Payback Period

When energy usage is discussed, there are two main units that are used: a kilowatt and a kilowatt hour. A kilowatt (kW) refers to how much energy something creates or uses while a kilowatt-hour (kWh) refers to how much electricity is used. If a kW is a water tap and a kWh is a bucket, a kW refers to how far open the tap is whereas a kWh refers to how much water is in the bucket. The billing rate on most electrical utility bills are based on the kWhs of energy used.

City Hall Cost Savings and Payback Period

The energy produced by a solar array on City Hall would primarily be used to reduce the amount of energy the City must purchase from the grid which will reduce City Hall's monthly and annual utility costs. Any energy that is produced by the solar array beyond what the building uses will get sold back to Xcel which will then be credited to City Hall's utility bill. A 40 kW

solar array is estimated to produce between 50,000 - 60,000 kWh per year (assuming the panels receive at least 5 hours of sunlight a day). Over the course of a year, a 40kW solar array would reduce City Hall's annual electric utility costs by \$4,000-\$6,000. Over the lifetime of the solar array, which is approximately 25 years, a 40 kW solar array could reduce City Hall's electricity costs by \$100,000 - \$150,000. The average annual electricity cost for City Hall is \$30,000. The installation of a 40kW solar array could reduce City Hall's annual electricity cost by approximately 15%.

The going rate for a 40kW solar array is approximately \$125,000 (+/- \$15,000) With the combined 90% discount between the Solar on Public Buildings grant and the Federal Tax Credit, a 40-kW solar array would cost approximately \$15,500 after the discounts. A system of this size would pay for itself in 3.5 years.

Nan McKay Building Savings

For publicly owned housing buildings, there are additional federal tax credits available which could allow for the cost of a 40 kW array to be covered completely between the Solar on Public Buildings grant and the federal tax credits.

The financial benefits of installing solar on a federally assisted, publicly owned building differ slightly from a non-housing building. The utility costs for the John Carroll and Nan McKay buildings are paid for (partially/fully) by HUD. Because the utility costs are paid by HUD, any utility savings that would result from the solar array would go directly to HUD, unless there is an Energy Performance Contract (EPC) in place. An EPC is a budget-neutral financing mechanism that is designed to encourage investment in cost effective energy conservation measures for federal buildings. With an EPC, the money that is saved from the current energy improvements is then used to pay for future improvements. With an EPC in place, any funding that would be saved by the lower utility costs would go towards other needed energy improvements at the Nan McKay Building. The City currently has a 20-year long EPC that is managed by Johnson Controls that will expire at the end of this year. The City has signed on to have Johnson Controls manage a new 20-year EPC that will start in 2025/2026.

How Is This Program is Different Than Other Solar Programs the City Has Looked Into?

This grant program is not the first time the City has considered installing solar on city buildings. In 2011, the City was approached by a contractor about a solar thermal project that would provide hot water to the Doug Woog Arena. This project ultimately did not go forward due to the project cost despite the grant funding received, a lack of confidence in the contractor, and limited examples of the successful, long term use of the technology.

In 2018, the City explored the "Solar Possible" initiative which was a collaborative solar purchasing program for State agencies, local governments, and schools. The program was intended to create a master contract for the design and installation of solar arrays on public buildings and/or school buildings. The program boasted bulk pricing, reduced administrative costs, and opportunities for peer learning. At the City Council's direction, staff was given the

'ok' to look further into the initiative. Staff worked with the experts at CERTS to determine three potential locations that could have solar installed on them and the costs of enrollment in the program. The City ultimately decided not to move forward with the program for several reasons, namely the 20-year payback timeline and the age of the roofs on the various buildings. All of the buildings that were considered had roofs that were over 10 years old.

More recently (2021), the City considered an option to "subscribe" to an off-site solar garden operated by Nokomis Energy. Through this program, Xcel Energy purchases the energy generated by Nokomis Energy's solar arrays and allows their customers to subscribe to a fixed energy cost savings. Once subscribed, customers will receive credits on their monthly bill for the energy produced by Nokomis Energy's solar array. Nokomis Energy then invoices subscribers for a portion of the credits that they receive. Nokomis Energy then uses the payments to pay the landowner where the solar array is located and their team to service the solar array. The program caters to businesses or other entities that are interested in saving money on utility costs without having to make any changes to their facility. The City decided not to opt into the program.

The Solar on Public Buildings Program is different than the other programs the City has considered for several reasons. The Solar on Public Buildings grant allows the City to independently search for and select a solar contractor instead of relying on a generalized contractor as would have been the case with the "Solar Possible" program. By getting to select a contractor, the City is able to ensure its unique needs are met. Another unique feature of the program is the substantially reduce upfront costs and the quick payback time. To staff's knowledge, this is the only time a program (in tangent with other credits) would cover 90% of the cost of a solar installation. Finally, the direct cost savings from the energy produced, instead of a program that requires additional transactions to a third party, makes this program attractive. The combination of flexibility, cost savings, and substantially reduced upfront costs makes this grant opportunity worth pursuing.

Application Process

The application process for the Solar on Public Buildings Grant program is a two-phase process: a Public Building Readiness Assessment and a Full Grant Application. The Readiness Assessment is essentially a preliminary check to make sure applicants are genuinely interested in installing a solar array if selected and have thought through where the solar array would go, how they would go about selecting a contractor, and what the potential cost savings are. Readiness Assessments are due on December 2nd for the current round of funding. The Readiness Assessments will be reviewed in December and applicants will be notified in late December/early January if they will be invited to complete the full application. Applicants that demonstrate they are ready to proceed with the procurement of a solar array will be invited to submit a Full Grant Application. The Full Grant Application will determine the final award amount. The Full Grant Application is a fairly involved process that requires proof that the City is financially capable of handling the project, has selected a contractor for the project, and has communicated with Xcel Energy about getting the system interconnected. The Full Grant Application is due in April of 2025 with awardees being notified in May of 2025. Awardees will then have 18 months from the date of grant contract execution to complete the installation of the solar array. One extension of up to 6 months may be granted if there are extenuating circumstances. Both the

Readiness Assessment and the Full Grant Application will be handled in house.

Addressing Common Questions About the Program

- Does submitting a Readiness Assessment lock the City into applying for the Full Grant Application?

No. The Readiness Assessment is the first step in the application process and does not require the City to move forward with the Full Grant Application if there are legitimate issues or concerns with the installation of a solar array. If the City completes the Readiness Assessment and is selected to move forward with the Full Application, the City still has the ability to opt out and not fill out the Full Application. The Full Application would commit the City to receiving funding.

- Is grant funding provided up front as a lump sum amount or is the funding reimbursed over time?

Similar to the other State grants, grant funding for this program will be distributed on a reimbursement basis as invoices for the project are submitted. This means that the City will need to initially fund the full cost of the project. The additional funding that is available through the Federal Investment Tax Credit for Clean Energy Generation will be disbursed all at once through Direct Pay. Cities must be enrolled by December of that year to then be reimbursed in May of the following year.

- How would installing a rooftop solar array impact insurance costs?

Staff consulted with our insurance provider who stated that a rooftop solar array would not increase insurance costs.

- How would maintenance costs associated with the panels be handled?

Most solar installers will offer a short-term operations and maintenance warranty to address any issues that arise within a certain window of time after the initial installation. Solar panels come with a manufacturer's warranty and if equipment replacement is necessary, the installer will take care of getting the equipment replaced. Maintenance that is not covered by the warranty would be addressed like any other maintenance issues.

SOURCE OF FUNDS

ATTACHMENTS

1. Solar on Public Buildings One Pager
2. PVWatts Calculator- City Hall
3. PVWatts Calculator- Nan McKay

What's Available to Local Governments

Together federal, state, and local governments are working to solve the biggest challenges facing our communities. The Solar on Public Buildings Program will equip cities, towns, counties, and other local governments and Tribal nations to lower utilities costs, increase energy independence, expand our clean energy workforce, and take essential action address climate change.

To jumpstart or advance local governments' transition to clean energy, 4.3 million dollars in state funding will be distributed to build solar arrays on public buildings (system size up to 40 kilowatts) across Xcel Energy electric service territory in Minnesota through multiple application windows.

Stack State Funding with the Federal Tax Credit 2023-2033 through Direct Pay

The federal Inflation Reduction Act made [clean energy tax credits](#)¹ available to non-taxed entities including non-profits, tribal nations, houses of worship, and local governments. Through [Direct Pay](#), local governments can access tax credits for clean energy investments like

solar arrays, geothermal heating and cooling systems, electric vehicles, and electric vehicle charging stations. The federal tax credit for solar arrays can be stacked with Minnesota's Solar on Public Buildings grant.

Base Credit (must meet labor standards)	30%
Domestic Content Bonus	10%
Energy Community Bonus (includes Brownfield Sites)	10%
Low-Income Bonus (in Lower-Middle Income communities or Indian land) ²	10%
Qualified low-income residential building project / Qualified low-income ² economic benefit project	20%

Request for Proposals coming soon! Here's what you can do to get ready

- Set up a free consultation with University of Minnesota partner Clean Energy Resource Teams (CERTs) Representative, Peter Lindstrom (612-625-9634; plindstr@umn.edu)
- Determine eligibility of building
 - Owned and operated by the local government unit
 - In Xcel Energy electric service territory
 - A building or adjacent land that is equipped to hold a solar array and receive ample sunlight (the CERTs representative can help you identify the right building)
- Gather energy usage data (3 years of electricity use)
- Determine system budget
- Begin internal conversation and processes with your respective government.
- Start conversation with electric utility about connecting a solar array to the grid

¹For eligibility details on federal tax credits, bonus credits, and direct pay, see federal guidance: <https://www.energy.gov/eere/solar/federal-solar-tax-credits-businesses>

²Low Income bonuses are one or the other, not both, and are capped at 1.8GW/year.



RESULTS

55,603 kWh/Year*

System output may range from 52,778 to 56,871 kWh per year near this location.

Caution: Photovoltaic system performance predictions calculated by PVWatts® include many inherent assumptions and uncertainties and do not reflect variations between PV technologies nor site-specific characteristics except as represented by PVWatts® inputs. For example, PV modules with better performance are not differentiated within PVWatts® from lesser performing modules. Both NREL and private companies provide more sophisticated PV modeling tools (such as the System Advisor Model at //sam.nrel.gov) that allow for more precise and complex modeling of PV systems.

The expected range is based on 30 years of actual weather data at the given location and is intended to provide an indication of the variation you might see. For more information, please refer to this NREL report: The Error Report.

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The energy output range is based on analysis of 30 years of historical weather data, and is intended to provide an indication of the possible interannual variability in generation for a Fixed (open rack) PV system at this location.

Month	Solar Radiation (kWh / m ² / day)	AC Energy (kWh)
January	2.81	3,233
February	3.90	3,965
March	5.02	5,409
April	5.62	5,623
May	5.63	5,665
June	6.20	5,884
July	6.59	6,341
August	5.96	5,843
September	5.02	4,824
October	3.50	3,684
November	2.53	2,687
December	2.15	2,445
Annual	4.58	55,603

Location and Station Identification

Requested Location	125 3rd Ave North South St Paul
Weather Data Source	Lat, Lng: 44.89, -93.02 0.8 mi
Latitude	44.89° N
Longitude	93.02° W

PV System Specifications

DC System Size	44 kW
Module Type	Standard
Array Type	Fixed (open rack)
System Losses	18.37%
Array Tilt	20°
Array Azimuth	180°
DC to AC Size Ratio	1.2
Inverter Efficiency	96%
Ground Coverage Ratio	0.4
Albedo	From weather file
Bifacial	No (0)

Monthly Irradiance Loss	Jan	Feb	Mar	Apr	May	June
	0%	0%	0%	0%	0%	0%
Monthly Irradiance Loss	July	Aug	Sept	Oct	Nov	Dec
	0%	0%	0%	0%	0%	0%

Performance Metrics

DC Capacity Factor	14.4%
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The expected range is based on 30 years of actual weather data at the given location and is intended to provide an indication of the variation you might see. For more information, please refer to this NREL report: The Error Report.

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The energy output range is based on analysis of 30 years of historical weather data, and is intended to provide an indication of the possible interannual variability in generation for a Fixed (open rack) PV system at this location.

RESULTS

55,856 kWh/Year*

System output may range from 53,018 to 57,129 kWh per year near this location.

Month	Solar Radiation (kWh / m ² / day)	AC Energy (kWh)
January	2.81	3,247
February	3.90	3,983
March	5.02	5,433
April	5.62	5,649
May	5.63	5,691
June	6.20	5,911
July	6.59	6,370
August	5.96	5,870
September	5.02	4,846
October	3.50	3,701
November	2.53	2,699
December	2.15	2,456
Annual	4.58	55,856

Location and Station Identification

Requested Location	200 Marie Avenue South St. Paul
Weather Data Source	Lat, Lng: 44.89, -93.02 0.8 mi
Latitude	44.89° N
Longitude	93.02° W

PV System Specifications

DC System Size	44.2 kW
Module Type	Standard
Array Type	Fixed (open rack)
System Losses	18.37%
Array Tilt	20°
Array Azimuth	180°
DC to AC Size Ratio	1.2
Inverter Efficiency	96%
Ground Coverage Ratio	0.4
Albedo	From weather file
Bifacial	No (0)

Monthly Irradiance Loss	Jan	Feb	Mar	Apr	May	June
	0%	0%	0%	0%	0%	0%
Monthly Irradiance Loss	July	Aug	Sept	Oct	Nov	Dec
	0%	0%	0%	0%	0%	0%

Performance Metrics

DC Capacity Factor	14.4%
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WORK SESSION AGENDA REPORT

DATE: November 12, 2024
DEPARTMENT: Finance
PREPARED BY: Clara Hilger
AGENDA ITEM NUMBER: 2.B.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Discuss request for adjustment to Sanitary Sewer Charges on utility bill for 1443 Evans Ave.

OVERVIEW

Krystle Christensen, owner of 1443 Evans Ave, has made multiple requests asking that the flat rate sewer charges be removed from the utility account for this address.

UPDATE SINCE JULY 22, 2024

In addition to removing the sewer charges in the future, Ms. Christensen is requesting a refund of all charges she has paid for this property while it has been vacant.

1. Staff reviewed all other properties in this category (private water service and City sanitary sewer). The property at 764 Concord Street in St. Paul is connected to St. Paul water; the bill code on this account has been updated. For the other properties, 319 Stanley Ave, 1047 Central Ave, 1641-1661 Edwards Ave, the police department observed that each of these properties has electric service and appears to be occupied. (Email report included as Attachment.)
2. In reviewing the rates proposed by Ehlers for the sanitary sewer charges, there is no breakdown of the usage rate between infrastructure replacement and operations. The base fee was established at \$16.40 for 2024 to cover the charges classified as fixed or unavoidable. The usage charge of \$7.77 per 1,000 gallons of water used was calculated to cover the charges from the MCEs and infrastructure replacement.

Staff continues to recommend that no change be made to the application of the sanitary sewer charges since neither the City Code nor the Fee Schedule make any allowances for properties that are vacant.

From July 22, 2024 item memo:

Background

Krystle Christensen has owned the property at 1443 Evans Ave since 2016. The property is a single-family residential home where the water is supplied by a private well and the property is connected to the City's sanitary sewer service.

Ms. Christensen has contacted the City numerous times requesting that the sanitary sewer charges be removed from this account because the property is vacant. In 2020, she filed a Consumer Assistance Request Form with the Minnesota Attorney General's office. A copy of that request and the City's response is attached. In addition, she contacted the City in April 2024; a copy of that response is also attached.

It should be noted that the City code requires a connection to the public sewer if/when one is available:

Chapter 62 – Utilities, Article III. – Sanitary Sewers and Sewage Disposal, Division 1 - Generally, Section 62-86. – Private sewage disposal, (e) *Closing of private system.*:

When a public sewer becomes available to a property served by a private sewage disposal system, a direct connection must be made to the public sewer in compliance with this section... (*emphasis added*)

There is no comparable requirement with respect to connection to the City's water distribution system. It should also be noted that according to the Engineering department, City water service is available to this property. A copy of the as-built map provided by Engineering (in 2020) is attached.

To accommodate properties that have a private well and are connected to the City's sanitary sewer system (this is one of seven accounts in the City in this category), the City's Fee Schedule includes a flat rate calculated as follows:

- Sanitary sewer base rate of \$16.40, plus
- Sanitary sewer usage of 15 units (1 unit = 1,000 gallons) multiplied by \$7.77, or \$116.55
- Total quarterly charge of \$132.95

In addition, this account is charged the residential rates for storm water utility (\$19.12) and street light utility (\$9.84). The total quarterly bill, which equals the minimum billing for this type of property, is \$161.91 for 2024.

In comparison, for a vacant residential property that is connected to both the City's water distribution and sanitary sewer collection systems, the minimum charge per quarter is \$104.57. The difference between this minimum charge and the minimum charge for a property with a private well is \$57.34 per quarter or \$19.11 per month.

The City's responses to the property owners' requests have been consistent – all properties have minimum charges for services that are provided by the City. These charges are calculated regardless of whether the property is occupied or vacant. These charges not only pay for the operations of the service, but also to repair and eventually replace the aging public infrastructure needed to provide the service.

RECOMMENDATION OF STAFF

Staff recommends no changes to the application of the sanitary sewer charges since neither our City Code nor our Fee Schedule make any allowances for properties that are vacant. Any change in the way this property is charged because it is vacant would require the City to change the way all vacant properties are charged for the services available.

Minimum charges are applied to all residential properties within the City; unfortunately, for this property the minimum charge is the current bill amount.

As an example, for the bills that were issued on July 8, there were more than 25 residential properties that had no water used for the quarter, but they were charged a minimum charge for sanitary sewer. In addition, there were more than 50 residential accounts that used between 1,000 and 3,000 gallons of water for the quarter. These accounts were also charged a minimum charge for sanitary sewer.

SOURCE OF FUNDS

Sanitary Sewer Fund

ATTACHMENTS

1. 07-22-24 Worksession 1443 Evans Ave Attachment 1
2. 07-22-24 Worksession 1443 Evans Ave Attachment 2
3. 07-22-24 Worksession 1443 Evans Ave Attachment 3
4. 11-12-24 Worksession 1443 Evans Ave Sewer Adjustment 4_1



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October 12, 2020

South St. Paul Utilities
125 3rd Avenue North
South St. Paul, MN 55075

Re: Ms. Krystle Christensen
File No: KSS/2020/5347461/C

Dear Sir/Madam:

Enclosed is a copy of a Consumer Assistance Request Form this Office received from Ms. Krystle Christensen. I ask that you review this matter as quickly as possible and address Ms. Christensen's concerns. I ask that you send a written response to this Office within ten (10) days of receiving this letter. Please provide a response to this Office by email or fax as follows:

Kyle Straiton
Minnesota Attorney General's Office
Email: AG.Replies@ag.state.mn.us
Fax: (651) 282-2155

I thank you for your attention to this matter.

Sincerely,

KYLE STRAITON
Consumer Services Division
(651) 355-0733 (Voice)
(651) 282-2155 (Fax)

Enclosure: Copy of Consumer Assistance Request Form from Ms. Krystle Christensen

cc: Ms. Krystle Christensen

|#4822023-v1

Consumer Assistance Request Form

Submission Date (CST) October 8, 2020 03:30 PM

Submission ID 4779982475123978168

Your Information

Your Name Ms. Krystle Christensen

Your Company/Organization (if applicable)

Your Street Address 1443 Evans Ave

Your Street Address Line 2

Your City South St Paul

Your State Minnesota

Your Zip Code 55075

Your Primary Phone (612) 226-7227

Your Alternate Phone

Your Email krystle@holycropcreative.com

Company Complained About

Name Company You Are Complaining About South St Paul Utilities

Contact Person

Contact Person Title

Company Street Address 125 3rd Ave N

Company Street Address Line 2

Company City south st paul

Company State Minnesota
Company Zip Code 55075
Phone Number (651) 554-3209
Company Email

Other Information

Have you contacted another agency? No

Agency You Contacted

Result of Contacting Agency

Have you filed a lawsuit? No

Court File No.

What was the result?

Product, Service, or Payment Involved

Product/Service Involved Water Bill

Date of Purchase

Amount of Purchase (\$ USD)

Customer ID or Account Number

Explanation & Resolution

Explanation of the Problem

I inherited the residency of 1443 after my father passed away in 2016. It has never had city water, only a well and septic. In 2017 the water pump stopped working. I contacted the city about stopping the water bills. Because there is no meter the bill is based on the average household usage in SSP, which is mostly families. The city said I could not stop the bill unless the water was capped. But it is because it has never been used. They then said there was no way to stop the bills. In October 2019, I went down to ask again for the bills to stop and was told there was a process to email for an exception. I did so and received an email that says "city bills minimum charges to all properties, even if vacant or the house is removed". Now with COVID and everyone being at home the bill has skyrocketed. I just want to stop being charged for something I am not using.

What do you want the company to do?

Stop the bills and reimburse me for the amount I have paid, for a service I am not using.

Attachments

- [RE_Utility bill c_o finance director .pdf](#)

By choosing Accept below, I consent to and acknowledge that the information I am providing may be used and/or disseminated by the Minnesota Attorney General's Office: (a) to resolve the issue about which I am contacting the Office, including by contacting any person or entity complained against; (b) to communicate with me; (c) to other law enforcement agencies and/or consumer-assistance agencies; and (d) to otherwise assist in enforcing the law. Except as otherwise authorized by this consent, I understand that the information I am providing will be treated as "private data on individuals" under the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, and shall not be used or disseminated except as authorized under the Act or other applicable state or federal law. I understand that I am not legally required to provide the information I have submitted in this form, but that my failure to do so may make it more difficult to resolve my concern.

Accept



October 20, 2020

Office of the Attorney General
Attn: Kyle Straiton
445 Minnesota Street, Suite 1400
St. Paul, MN 55101-2131

RE: Ms. Krystle Christensen File No: KSS/2020/5347461/C

Dear Mr. Straiton:

We received your letter dated October 12, 2020 concerning a complaint by Ms. Krystle Christensen, regarding 1443 Evans Ave, South St. Paul, MN 55075 about an escalating utility bill and services not being used.

Upon examination, our utility billing records indicate that 1443 Evans Ave has a private well that is used for water service; the property is not connected to the City's water service. However, the property is connected to the City's sanitary sewer system. Like many other cities, South St. Paul bills sanitary sewer based on the water used. Since the City has no way to determine the amount of water used at this property, the City's fee schedule has set the sanitary sewer charge at a flat rate based on 15,000 gallons of water per quarter. This is the same rate that is charged to all properties in the City that have private wells and are connected to the City's sanitary sewer system.

Upon examination of this account in our billing system, we have identified an error. For the last two billing cycles, we have overbilled this property for sanitary sewer service. This has been corrected and the property owner will see a credit of \$48.72 on their next bill and a lower quarterly bill.

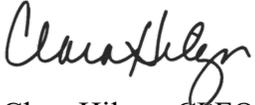
In reference to the comment that Ms. Christensen made that she was told that the billing could not stop unless the water was capped, I suspect that this statement may have been misunderstood. As stated, this property is not connected to the City water service; we do not bill this property for water service. I believe that Ms. Christensen may have been told that the sanitary sewer service charges would stop only if the sewer connection was disconnected or capped. However, I have been informed by our Engineering department that properties in South St. Paul are not allowed to disconnect from the City's sanitary sewer system and install a septic system. Therefore, this is not an option for the property owner.

While I am not able to locate the email or the response sent by the City in 2019 that Ms. Christensen references in her complaint, the statement she quoted is correct. Given that there is a sanitary sewer connection on the property, the City is required to maintain that connection. To maintain that connection, the City bills minimum charges each quarter. Every residential property connected to the City's sanitary sewer system is billed a minimum quarterly charge, regardless of whether the service is used during that quarter. The minimum charge for this property is the flat rate explained above.

It should be noted that the quarterly utility bill for 1443 Evans Ave also includes charges for storm drainage and streetlights. These are billed to every property in the City, including vacant properties, based on the fee schedule approved by the City Council each year.

Absent information pointing to an inconsistency in the billing for this property compared to similar properties in the City, we believe that the charges billed are valid, with the exception noted earlier.

Sincerely,

A handwritten signature in black ink, appearing to read 'Clara Hilger', written in a cursive style.

Clara Hilger, CPFO
Finance Director

cc: Krystle Christensen

Clara Hilger

To: Clara Hilger
Subject: RE: Sewer Concerns

From: Clara Hilger
Sent: Friday, May 10, 2024 4:32 PM
To: Krystle Christensen <krystle_christensen@yahoo.com>
Subject: RE: Sewer Concerns

Ms. Christensen,

As we have explained before, this property has a private well that is used for water service and is connected to the City sanitary sewer system.

Because we cannot measure the water used and discharged into the sanitary sewer system, our fee schedule has a flat rate for sewer service. That fee is calculated at 15,000 gallons per quarter plus the sewer base charge. The number of gallons used to calculate this fee has not changed in many years; it is not recalculated annually or with each billing period.

The only way to avoid the current sanitary sewer charge would be to connect the property to the City's water system. Since you mentioned that you are considering a demo and rebuild, I would recommend that you connect to the City's water system with the rebuild. At that time, the sanitary sewer charges for the property would be calculated based on the water used in the same manner as your single family home.

Regardless of whether the City sewer is used, we have minimum charges for all residential properties. Unfortunately, for this property, the minimum charge is the 15,000 gallons as mentioned above.

Please let me know if you have any additional questions.

Clara Hilger | Finance Director
Phone : 651-554-3207 | Fax: 651-554-3201
City of South St. Paul | 125 3rd Avenue North | South St. Paul, MN 55075



Krystle Christensen <krystle_christensen@yahoo.com> wrote:

Hello,

I spoke to Melissa Blair at ssp public works. She recommended that I send you an email.

In 2016, I inherited a property at 1443 Evans Ave, South St Paul. In 2017 the water pump stopped working and I had the electricity removed from the house; since we were planning a demo and build. The house has never had city water or sewer. Up until now I have spoke to the city several times between 2020-2024. I was told that the house was attached to city and the bill was correct, but they were never able to provide the documentation that I asked for. Today I was told that in fact the house does not have city water and there is nothing that can prove that city sewer was used.

The sewer portion of the bill, for a house that has none, is more than my single family home bill. Since the city takes the average house amount and ssp is mostly families. Is there a way to remove the sewer from the bill? If you have any questions, feel free to call me (612)226-7227.

Thank you,
Krystle

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