



# Brainerd City Council Agenda Request

**Requested Meeting Date:**

**Title of Item:**

<input type="checkbox"/> INFORMATION ONLY <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> P&F COMMITTEE <input type="checkbox"/> SPW COMMITTEE <input type="checkbox"/> MAIN AGENDA	<b>Action Requested:</b> <input type="checkbox"/> Approve/Deny Motion <input type="checkbox"/> Adopt Resolution (attach draft) <i>*provide copy of published hearing notice</i> <input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing* <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading
<b>Submitted by:</b>	<b>Department:</b>
<b>Presenter (Name &amp; Title):</b>	<b>Estimated Time Needed:</b>
<b>Summary of Issue:</b>	
<b>Alternatives, Options, Effects on Others/Comments:</b>	
<b>Recommended Action/Motion:</b>	
<b>Financial Impact:</b> Is there a cost associated with this request: <input type="checkbox"/> Yes <input type="checkbox"/> No What is the total cost, with tax and shipping    \$ _____ Is this budgeted? <input type="checkbox"/> Yes <input type="checkbox"/> No <u>Please Explain:</u>	



# BRAINERD PUBLIC UTILITIES

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[www.bpu.org](http://www.bpu.org)

To: Brainerd City Council

From: Brainerd Public Utilities Commission

Date: March 30, 2021

Re: Transfer of WAC Funds

The Commission is requesting that WAC funds currently being held by the City be transferred to the Commission by June 1, 2021, in order that these funds can be used to offset costs associated with the construction of the larger groundwater storage water tanks and related backwash tank. Phase 1 of the project will consist of the construction of two one-million gallon ground storage tanks and demolition of the existing ground storage tanks for an estimated cost of \$5.6 million. Phase 2 will consist of the construction of a new 500,000 gallon backwash/reclamation tank and the demolition of the existing backwash tank for an estimated cost of \$4.4 million.

The projects are anticipated to be funded by a mixture of user charges, debt issuance, state bonding proceeds, and available WAC. The Phase 1 portion of the project is anticipated to be let out for bid in April with actual work starting on Phase 1 in July or August of 2021.

Thank you for considering this request.

Sincerely,



Tad Johnson  
BPU Commission President

The mission of Brainerd Public Utilities is to provide safe, reliable, environmentally friendly electric, water and sewer services to our customers at the lowest reasonable cost.



Section 706 – Water Availability Charge (WAC)

706.01 Charge Established. For the purpose of providing funds for the City's wells, water treatment, water storage, and water distribution systems, and the plant and facilities connected therewith, and the payment of capital charges represented by bonds, certificates of indebtedness or otherwise, which may be used to finance the costs of additions or expansions to the facilities, and the payment of reasonable requirements or reserves for replacement in obsolescence thereof, there is hereby imposed upon each lot, parcel of land, building, or premises having any connection with the City's public water system a water availability charge (WAC) as hereinafter provided. Said charge shall be in addition to any other previous or future charge or assessment levied against the property.

706.02 Determination and Administration of Charge. The availability charge as hereinabove authorized shall be imposed in addition to the user charges for water service and shall be determined and administered as follows:

Subd. 1. Payment Required:

- a) Payment Required Prior to Connection: Prior to the issuance of the applicable permit and before connecting to the City's water system, a City water availability charge as hereinafter provided for shall be paid.
- b) Additional Building Permit: If, after the initial availability charge is paid, an additional building permit is issued, the use of the property changes, or new water connection is made, the availability charge shall be recalculated and any additional charges shall be paid.
- c) Change by Resolution: Any change in the City water availability charge as hereinafter set forth shall be by Council Resolution.

Subd. 2. Determination of Charge. The amount of the availability charge shall be determined by the City by first determining the number of Equivalent Residential Connections (ERC's) applicable to the particular property. This charge shall be calculated in accordance with the most current ERC Table on file in the office of the City Engineer. Once the appropriate number of ERC's are determined in this manner, the availability charge shall be calculated using the charge in the most recent resolution setting the availability charge.

Subd. 3. Determination of ERC's. The City shall determine the number of ERC's.

Subd. 4. Transfer of ERC's. Once established, the number of ERC's shall remain the same on the property. An ERC can be transferred on the property from a structure being removed to a structure being constructed.

Subd. 5. Uses Not on Table. Any use not represented in the ERC tables shall be subject to determination of the appropriate number of ERC's by the City based on estimated flows. The most recent edition of the Service Availability Charge Procedures Manual prepared by the Metropolitan Council Environmental Services division may also be utilized as a tool for calculating ERC's.

(Added Ord. 1147 – 2002)