



Metropolitan
St. Louis
Sewer District

MSD RATE CHANGE NOTICE

The Metropolitan St. Louis Sewer District (MSD) has referred to its Rate Commission a proposal for wastewater rates and stormwater taxes for fiscal year 2017 through fiscal year 2020 (July 1, 2016 through June 30, 2020). The proposal addresses increases in wastewater rates and a change in stormwater taxes. These proposed changes would apply to all MSD customers.

RATE COMMISSION PROCESS: In 2000, changes to MSD’s Charter were approved by area voters that required the creation of an independent Rate Commission. Composed of 15 member organizations representing a broad cross-section of MSD’s customers and the community it serves, the Rate Commission is designed to provide public input into how rates are set. The Rate Commission process includes multiple public hearings and can last up to 165 days. This process began when a rate change proposal was formally referred to the Rate Commission by MSD staff on Thursday, February 26, 2015. Over the next several months, the Rate Commission will review these rates and hold hearings to gather public input.

WASTEWATER RATES: Wastewater rates must be sufficient to continue MSD’s ongoing multi-billion dollar, multi-decade capital construction program. From fiscal year 2017 through fiscal year 2020, MSD proposes spending approximately \$1.5 billion on construction and related work. Largely driven by state and federal regulatory requirements, this work will reduce overflows into area waterways, alleviate basement backups, and help ensure water quality in the St. Louis area’s rivers and streams.

As of July 1, 2015, the average customer owning a single-family home will pay \$40.72 per month for wastewater services. MSD is proposing four rate increases between July 2016 and July 2019 to fund its operations and capital construction program. These increases will raise the average single-family wastewater rate to \$60.86 per month.

STORMWATER TAXES: MSD provided stormwater services are funded by a patchwork of various property tax levies and a flat stormwater fee. The amount of an individual tax levy ranges from \$.0197 to \$.1879 per \$100 of assessed value. The exact levy is dependent on where a property is located within MSD’s service area. In addition to the tax levies, there is a flat \$.24 or \$.18 per unit for multi-family stormwater fee charged monthly to each MSD customer. This funding structure does not provide for consistent and equal stormwater service amongst all MSD customers, and is not sustainable in the long-term.

MSD proposes a change to this funding structure that would require voter approval. The change involves continuation of an existing \$.0197 levy that covers the entire service area; a reduction to \$.0000 of all other tax levies; the elimination of the monthly \$.24/\$.18 stormwater fee; and the implementation of a \$.10 levy for all property within MSD’s service area. The \$.0197 levy would fund compliance activities called for by state and federal regulatory requirements. The \$.10 levy would provide a uniform level of stormwater service for all MSD customers, regardless of where they live in the service area.

For more information on the rate proposal or the Rate Commission Process, please visit MSD’s website at www.stlmsd.com or contact Jan Zimmerman, Director of Finance, at (314) 768-6299.

COMPARISON OF EXISTING AND PROPOSED RATES						
Comparison of Existing and Proposed Wastewater Rates						
Type of Monthly Charge (per Bill)	Proposed Wastewater Charges Effective July 1					
	Existing	FY2016 (1)	FY2017	FY2018	FY2019	FY2020
Base Charge						
Billing & Collection Charge	\$ 3.55	\$ 3.70	\$ 5.47	\$ 6.06	\$ 6.72	\$ 7.45
System Availability	12.70	14.55	14.05	15.57	17.25	19.11
Total Base Service Charge	\$ 16.25	\$ 18.25	\$ 19.52	\$ 21.63	\$ 23.97	\$ 26.56
Compliance Charge (2)						
Tier 1	\$ 9.00	\$ 2.15	\$ 2.86	\$ 2.95	\$ 3.05	\$ 3.14
Tier 2	43.55	44.50	57.20	58.94	60.89	62.61
Tier 3	92.75	94.80	125.84	129.67	133.96	137.75
Tier 4	136.00	139.00	185.90	191.56	197.90	203.49
Tier 5	179.25	183.15	243.10	250.50	258.79	266.10
Volume Charge						
Metered - \$/Ccf	\$ 2.82	\$ 3.21	\$ 3.60	\$ 3.99	\$ 4.42	\$ 4.90
Unmetered						
Each Room	\$ 1.83	\$ 2.09	\$ 2.13	\$ 2.36	\$ 2.62	\$ 2.91
Each Water Closet	6.88	7.83	7.94	8.80	9.75	10.80
Each Bath	5.73	6.53	6.62	7.34	8.13	9.01
Each Separate Shower	5.73	6.53	6.62	7.34	8.13	9.01
Extra Strength Surcharges - \$/ton (2)						
Suspended Solids > 300 mg/l	\$ 244.03	\$ 251.88	\$ 262.00	\$ 269.97	\$ 278.90	\$ 286.78
BOD > 300 mg/l	620.14	632.38	658.00	678.01	700.43	720.20
COD > 600 mg/l	310.07	316.19	329.00	339.01	350.22	360.11

Ccf - Hundred Cubic Feet
mg/l - milligram per liter

(1) Final rate increase of Rate Change Plan approved December 2011
(2) Applicable only to non-residential customers.

Type of Charge	Current Rate	Proposed Rate
Regulatory Tax (District-wide per \$100 Assessed Value)	\$0.0197	\$0.0197
Stormwater O&M Tax (City and Near County per \$100 Assessed Value)	\$0.0682	\$0
OMCI Specific Subdistrict Taxes (per \$100 Assessed Value)	\$0.05 - \$0.10	\$0
Fixed Monthly Charge – Multi-Family Residential (\$/unit)	\$0.18	\$0
Fixed Monthly Charge – Single Family & Non-Res (\$/account)	\$0.24	\$0
District-wide Stormwater Tax (proposed) (per \$100 Assessed Value)	N/A	\$1.000

Proposed Typical Monthly Bill Comparison															
Rate Type	FY2016 (1)			FY2017			FY2018			FY2019			FY2020		
	Customer Class			Customer Class			Customer Class			Customer Class			Customer Class		
	S/F	M/F	Comm.	S/F	M/F	Comm.	S/F	M/F	Comm.	S/F	M/F	Comm.	S/F	M/F	Comm.
Wastewater	\$ 40.72	\$ 146.65	\$ 341.40	\$ 44.72	\$ 163.52	\$ 382.38	\$ 49.56	\$ 181.23	\$ 423.58	\$ 54.91	\$ 200.77	\$ 469.02	\$ 60.86	\$ 222.56	\$ 519.70
Stormwater	0.24	1.08	0.24	-	-	-	-	-	-	-	-	-	-	-	-
Total Monthly Bill	\$ 40.96	\$ 147.73	\$ 341.64	\$ 44.72	\$ 163.52	\$ 382.38	\$ 49.56	\$ 181.23	\$ 423.58	\$ 54.91	\$ 200.77	\$ 469.02	\$ 60.86	\$ 222.56	\$ 519.70
Customer Assistance Program Bill	20.48	73.87	N/A	22.36	81.76	N/A	24.78	90.62	N/A	27.46	100.39	N/A	30.43	111.28	N/A

Single Family (S/F) - based on average 7 Ccf volume.
Multi Family (M/F) - based on average 40 Ccf volume/average 6 Units.
Commercial (Comm) - based on Normal strength with average 100 Ccf volume. Tier 2 Compliance Charge.