



**Public Hearing
Utility Rates**

November 10, 2020



City of Canton

106 N. Main St. • P.O. Box 92

Canton, MN 55922

CantonMN.com (507) 743-5000

CITY OF CANTON NOTICE OF PUBLIC HEARING 2021 UTILITY FEES

The City of Canton will conduct a public hearing to consider utility fee amounts to be charged in 2021. These fees include water, sewer and solid waste as called for by ordinance. The hearing will be held on Tuesday, November 10, 2020 from 6 p.m. to 7 p.m. at the Canton Town Hall, 107 North Ash Street. Social distancing will be practiced and face coverings are required. Contact city hall at (507) 743-5000 with questions or if you wish to submit written comments.

Brock Bergey
City Clerk

City of Canton
Enterprise Funds Preliminary Statement
January 1, 2020 – September 30, 2020

Water Fund

Income

Metered water sales	12,640.00
Monthly base fee	19,832.00
Monthly upgrade fee	7,810.00
Miscellaneous income	294.00
<u>Total water income</u>	<u>40,576.00</u>

Expense

Water operating costs	17,809.00
Water wages	16,158.62
Bond payments	15,054.00
<u>Total water expense</u>	<u>49,021.62</u>

Net Income -8,445.62

Sewer Fund

Income

Metered sewer sales	9,112.00
Monthly base fee	47,733.00
Miscellaneous income	300.00
<u>Total sewer income</u>	<u>57,145.00</u>

Expense

Sewer operating costs	18,849.00
Sewer wages	16,159.00
Bond payments	23,406.25
<u>Total sewer expense</u>	<u>58,414.25</u>

Net Income -1,269.25

Garbage Fund

Income

Refuse collection	14,207.00
Sales tax	4,963.00
<u>Total garbage income</u>	<u>19,170.00</u>

Expense

Contractual services	17,260.00
<u>Total garbage expense</u>	<u>17,260.00</u>

Net Income 1,910.00



WATER/SEWER UTILITIES: BY THE NUMBERS

➤ **ACTIVE SERVICE CONNECTIONS**

○ **WATER**

▪ RESIDENTIAL	154
▪ COMMERCIAL	16
▪ TOTAL	170

○ **SEWER**

▪ RESIDENTIAL	145
▪ COMMERCIAL	11
▪ TOTAL	156

➤ **CY2020 USAGE TO-DATE***

○ TOTAL GALLONS BILLED	4,416,893
○ AVERAGE MONTHLY GALLONS BILLED	441,689
○ AVERAGE MONTHLY GALLONS USED	2,598

➤ **CY2019 USAGE**

○ TOTAL GALLONS BILLED	4,907,663
○ AVERAGE MONTHLY GALLONS BILLED	408,972
○ AVERAGE MONTHLY GALLONS USED	2,406

*JANUARY THROUGH OCTOBER



CURRENT RATES

Water

Metered Residential Rates

Monthly Service Charge **\$12.50**

Per Thousand Gallons Used **\$3.00**

Metered Commercial Rates

Monthly Service Charge **\$14.50**

Per Thousand Gallons Used **\$3.00**

Monthly System Upgrade Fee **\$5.00**

Sewer

Metered Residential Rates

Monthly Service Charge **\$33.00**

Per Thousand Gallons Used **\$2.40**

Metered Commercial Rates

Monthly Service Charge **\$38.00**

Per Thousand Gallons Used **\$2.40**

Weekly Garbage & Recycle Collection

1. Small Tote (32 Gallons) **\$10.49/month + \$3.85 recycling fee**

2. Medium Tote (64 Gallons) **\$11.97/month + \$3.85 recycling fee**

3. Large Tote (96 Gallons) **\$13.44/month + \$3.85 recycling fee**

*Implemented October 2017

Current Residential Utility Rates

<u>City</u>	<u>Monthly Water Charge</u>	<u>Water Per Thousand Gallons</u>	<u>Monthly Sewer Charge</u>	<u>Sewer Per Thousand Gallons</u>	<u>System Upgrade Charge</u>	<u>Total Monthly Cost (3,000 Gallons Used)</u>
Canton	12.50	3.00	33.00	2.40	5.00	66.70
Fountain	19.60	1.10	50.00	4.78	NA	87.24
Harmony	12.00	5.50	19.00	8.35	NA	72.55
Lanesboro	31.85*	7.50	19.75	5.10	4.00	85.90
Mabel	12.00	7.25	28.00	8.68	NA	87.79
Peterson	33.00	NA	49.00	NA	NA	82.00
Rushford	33.04	7.24	46.95	NA	NA	101.71
Spring Valley	13.00	3.90	18.28	4.84	NA	57.50
Ostrander	30.80	4.20	50.40	NA	NA	93.80
Wykoff	18.71	7.81	35.00	10.86	NA	109.72

* 1,000 gallons included in monthly base charge

City of Canton
2021 Utility Rate Considerations
November 10, 2020

Residential Water

1. Monthly service charge of \$25.00 (increase of \$7.50 from current charge) and a usage charge of \$5.86 per thousand gallons (\$2.86 increase from current charge).
2. Monthly service charge of \$28.50 (increase of \$11.00 from current charge) and a usage charge of \$4.84 per thousand gallons (\$1.84 increase from current charge).
3. Monthly service charge of \$32.00 (increase of \$14.50 from current charge) and no increase to the usage charge.

NOTE: *Current \$5.00 monthly water upgrade fee will be eliminated as a separate line item on customer invoices.*

Residential Sewer

1. Monthly service charge of \$33.00 remains the same and a usage charge of \$2.44 per thousand gallons (increase of \$0.04 from current charge).

Garbage

1. 32 gallon collection tote: Monthly service charge of \$10.70 (increase of \$0.21 from current charge).
2. 64 gallon collection tote: Monthly service charge of \$12.22 (increase of \$0.25 from current charge).
3. 96 gallon collection tote: Monthly service charge of \$13.71 (increase of \$0.27 from current charge).

Recycling

1. Monthly service charge of \$4.00 (increase of \$0.15 from current charge).



Residential Rates

Water + Sewer Monthly Charges				
Gallons Used	Current	Proposal 1	Proposal 2	Proposal 3
500 Gallons	53.20	62.15	65.14	67.72
1,000 Gallons	55.90	66.30	68.78	70.44
1,500 Gallons	58.60	70.45	72.42	73.16
2,000 Gallons	61.30	74.60	76.06	75.88
2,500 Gallons	64.00	78.75	79.70	78.60
3,000 Gallons	66.70	82.90	83.34	81.32
3,500 Gallons	69.40	87.05	86.98	84.04
4,000 Gallons	72.10	91.20	90.62	86.76
5,000 Gallons	77.50	99.50	97.90	92.20
6,000 Gallons	82.90	107.80	105.18	97.64
7,000 Gallons	88.30	116.10	112.46	103.08
8,000 Gallons	93.70	124.40	119.74	108.52
9,000 Gallons	99.10	132.70	127.02	113.96
10,000 Gallons	104.50	141.00	134.30	119.40

Proposal 1: Water Base Rate = \$25.00
 Water Usage Rate = \$5.86 per thousand gallons
 Sewer Base Rate = \$33.00
 Sewer Usage Rate = \$2.44 per thousand gallons

Proposal 2: Water Base Rate = \$28.50
 Water Usage Rate = \$4.84 per thousand gallons
 Sewer Base Rate = \$33.00
 Sewer Usage Rate = \$2.44 per thousand gallons

Proposal 3: Water Base Rate = \$32.00
 Water Usage Rate = \$3.00 per thousand gallons
 Sewer Base Rate = \$33.00
 Sewer Usage Rate = \$2.44 per thousand gallons



NUMBER OF ACCOUNTS BY GALLONS USED

	RESIDENTIAL	COMMERCIAL
UNDER 500	12	6
500-1,000	12	1
1,000-1,500	22	2
1,500-2,000	13	0
2,000-2,500	18	0
2,500-3,000	23	3
3,000-4,000	22	0
4,000-5,000	11	1
5,000-6,000	10	1
6,000-7,000	3	1
7,000-8,000	0	0
8,000-9,000	2	0
9,000-10,000	4	0
10,000 PLUS	2	0

**BASED ON OCTOBER 2020 WATER USAGE*