

How Rosemount water bills are calculated

January 2017

The fees charged by the Rosemount City utility for water and sewer service are reviewed and set annually by the Utility Commission and the City Council. This document describes how bills are calculated.

For residential customers

Bills for residential customers are calculated every three months in a six-part formula:

$$\begin{array}{r}
 \text{Fixed water charge} \\
 + \text{Water usage} \\
 + \text{Fixed sewer charge} \\
 + \text{Sewer usage} \\
 + \text{Capital Improvement fund fixed charge} \\
 + \text{Storm water charge} \\
 \hline
 = \text{Total water bill}
 \end{array}$$

1. Fixed water charge

A fixed charge for water service goes toward expenses the City utility incurs to keep the water system operating, including the cost of equipment, software, and salaries. The fixed charge depends on the size of the home's water meter. If a home has two meters (one for inside use, one for outside watering), only one fee is charged, based on the larger meter.

Fixed water charge for 5/8-inch or 3/4-inch meter	\$12.77
Fixed water charge for 1-inch meter	\$19.05

2. Water usage

The charge for usage covers variable expenses to operate the City utility, including the costs of pumping water. Factors include electricity to run the pumps and chemicals to treat the water. The State of Minnesota requires water utilities to encourage conservation. Rosemount utility policies achieve that by using tiered rates. Homes that use less water during a billing period will pay less per gallon than homes that use more.

Quarterly usage in gallons	Rates per 1,000 gallons
0 - 12,000	\$1.16
12,001 - 24,000	\$1.44
24,001 - 48,000	\$1.81
Above 48,000	\$2.71

For single-family homes that have two meters (one inside, one outside for irrigation), the gallons reported by both meters are added together and then applied to the tiered rates.

Example: a residential customer who uses 35,000 gallons of water in a quarter would be billed at the lowest rate for the first 12,000 gallons. The next 12,000 gallons would be billed at the second rate. The last 11,000 gallons would be billed at the third rate. In this example, the charge would be:

$$(\$1.16 \times 12) + (\$1.44 \times 12) + (\$1.81 \times 11) = \$51.11$$

3. Fixed sewer charge

The fixed sewer charge covers sewer system operating expenses similar to the ones that determine the fixed water charge as described above. The fixed sewer charge for residential customers is set at \$24.00 per quarter.

4. Sewer usage

The sewer usage charge goes to the expenses of processing sewage, including electricity and fees charged to the City by the Metropolitan Council for regional treatment facilities. The charge for sewer use is \$1.91 per 1,000 gallons of water used each quarter.

If a home has a second meter for outside use, the sewer charge is only applied to water used inside the home as measured by the inside meter. Water used outside the home is not billed for sewer service, with the exception of filling a pool.

5. Capital Improvement Fund fixed charge

A fixed charge is applied to each residential bill for Capital Improvement. It covers borrowing for new and existing water towers and wells. The amount of the charge depends on the size of the home's water meter.

Fixed Capital Improvement charge for 5/8-inch or 3/4-inch meter	\$8.84
Fixed Capital Improvement charge for 1-inch meter	\$13.57

If a home has a second meter to measure outside water use, a single fee is charged based on the larger of the two meters.

6. Storm water charge

The charge for storm water handling covers expenses to maintain wetlands and to control water erosion. Residential single-family homes that are connected to the City water and sewer systems are charged \$17.31 per lot each quarter.

Rural residential and agricultural lots pay \$18.22 per quarter.

Multi-unit residential buildings that do not have individual water meters for each unit pay \$64.27 per acre each quarter.

Examples of bill calculations

→A single-family residential home with one meter, using 12,000 gallons of water during the quarter.

If the water meter size is 5/8- or 3/4-inch

1. Fixed water charge	\$12.77
2. Water usage	13.92
3. Fixed sewer charge	24.00
4. Sewer usage	22.92
5. Capital Improvement Fund fixed charge	8.84
6. Storm water charge	17.31
TOTAL BILL	\$99.76

If the water meter size is 1-inch

1. Fixed water charge	\$19.05
2. Water usage	13.92
3. Fixed sewer charge	24.00
4. Sewer usage	22.92
5. Capital Improvement Fund fixed charge	13.57
6. Storm water charge	17.31
TOTAL BILL	\$110.77

→A single-family residential home with two meters: one inside with 18,000 gallons used, and a second meter for outside use, showing 60,000 gallons used.

If the water meter inside is 5/8-inch and outside is 5/8-inch

1. Fixed water charge	\$12.77
2. Water usage	155.94
3. Fixed sewer charge	24.00
4. Sewer usage	34.38
5. Capital Improvement Fund fixed charge	8.84
6. Storm water charge	17.31
TOTAL BILL	\$253.24

If the water meter inside is 5/8-inch and outside is 1-inch

1. Fixed water charge	\$19.05
2. Water usage	155.94
3. Fixed sewer charge	24.00
4. Sewer usage	34.38
5. Capital Improvement Fund fixed charge	13.57
6. Storm water charge	17.31
TOTAL BILL	\$264.25

If the water meter inside is 1-inch and outside is 1-inch

1. Fixed water charge	\$19.05
2. Water usage	155.94
3. Fixed sewer charge	24.00
4. Sewer usage	34.38
5. Capital Improvement Fund fixed charge	13.57
6. Storm water charge	17.31
TOTAL BILL	\$264.25

For commercial, industrial, and institutional accounts

Non-residential utility customers pay based on a similar formula as shown above, but with some differences in amounts.

1. **Fixed water charge** – amount varies by size of meter

2. **Water usage**

Quarterly usage in gallons	Rates per 1,000 gallons
0 - 100,000	\$1.34
100,001 - 200,000	\$1.68
200,001 - 300,000	\$2.10
Above 300,000	\$2.71

Non-residential customers with a second meter will be charged a flat rate of \$2.71 per 1,000 gallons used for irrigation.

3. **Fixed sewer charge** -- \$24.00

4. **Sewer usage** -- \$1.91 per 1,000 gallons of water used

5. **Capital Improvement Fund fixed charge** – amount varies by size of meter

6. **Storm water charge** – quarterly charges are based on type of land use and size of acreage

Single-family residential, multi-family with individual water meters, platted/undeveloped (minimum charge for all categories)	\$17.31 per lot
Agricultural lots	\$18.22 per lot
Parks, golf courses, cemeteries	\$3.70 per acre*
Undeveloped/unplatted land	\$0.208 per acre*
Apartments, churches, schools, manufactured home parks, government buildings	\$64.27 per acre*
Commercial, industrial, parking lots	\$80.16 per acre*

The minimum charge for items marked (*) is \$17.31 per quarter.

In addition, commercial and industrial accounts are charged state sales tax on the Fixed water charge, Water usage, and Capital Improvement Fund fixed charge.