



CITY OF
LONG LAKE

City Council Agenda Report

City of Long Lake

450 Virginia Avenue, PO Box 606

Long Lake, MN 55356

MEETING DATE / December 3, 2024

SUBJECT: Adoption of New City Utilities/Recycling Rates

Prepared By: Amanda Nowezki, Finance/Utilities Officer

Report Date: 11/26/2024

Recommended City Council Action

Staff recommends the following:

Motion to adopt Resolution No. 2024-53 establishing water, sewer, and storm sewer utility rates; and establishing curbside residential recycling and residential organics recycling rates.

Overview / Background

Now that all enterprise funds are cash positive, it's important to review and adjust rates to cover unforeseen expenses. In 2025, we were notified by Metropolitan Council that our treatment costs were increasing 39.34% from \$252,061 per year to \$351,225 per year. In addition to this increase, the City Council approved adding residential organics collections to our city services.

Staff recommends the following utility/recycling rate increases to cover these unforeseen expenses:

Proposed Rate Changes

Water Rates

- Pre-approved base rate increase of 1.75%.
- Adjust apartment unit base rate to 80% of residential base rate.
- Manual Meter Read/Entry Fee Change – Increase monthly fee by \$10.00.
- Rate adjustment for a commercial and Industrial users per thousand gallons of water:
 - Tier 1 commercial rate would equal the tier 2 residential rate.
 - Tier 2 commercial rate would equal the tier 3 residential rate.
 - Tier 3 commercial rate would equal the irrigation rate.
 - Large Industrial rate would equal the tier 2 commercial rate.

Sewer Rates

- Increase base rate by \$0.10 to be consistent with the water base rate.
- Adjust apartment unit base rate to 80% of residential base rate.
- Add residential Tier 1 that includes the first 2,000 gallons of sewer free.
- Adjust the MCES Treatment fee to \$31.22 to reflect the 2025 Metropolitan Council treatment charge of \$355,225.
- Add a “per unit” MCES Treatment fee of \$24.98 (80%) to help cover the Metropolitan Council treatment costs.
- Unmetered residential properties rate change from \$95.00 to \$150.00 a month.

Surface Water Management Rates

- Increase residential base rate by \$0.10 (2%).
- Increase base rate for Commercial, Industrial, and Green Space by 5%.

Recycling Service Rate

- Decrease the recycling base rate by \$0.50 to help ease the burden of the newly created organics collection cost.
- Add an organics base rate of \$4.25 to cover the cost of collection.

Supporting Information

- Resolution No. 2024-53 (includes rate schedule on Exhibit A)
- Rate Adjustment Bill Scenarios
- Enterprise Fund Cash Balance Trends