

Metro Cities News July 28, 2017

Metropolitan Council Approves MCES Rates and Charges

The Metropolitan Council approved the Council's Environment Services (MCES) budget and 2018 Wastewater (MWC) rates at their meeting this week.

The MCES budget will be \$280.9 million for 2018. Revenue sources for the budget come from Municipal Wastewater Charges, the Sewer Availability Charge (SAC), and Industrial Waste Charges. Overall, the MCES wastewater charge is set to increase by 3.7 percent. Individual cities' rates will vary depending on their share of the region's wastewater flow.

SAC fees will be held flat, as they have been for the last several years. The Industrial Strength Charge will be increased by 6.8 percent and the industrial permit fee will increase to 3.7 percent. Overall costs for MCES have increased 3.1 percent. MCES staff has previously stated they have a goal of keeping rate increases under 4 percent annually.

Click <u>here</u> to view the power point used in the MCES presentation to the Environment Committee. Click <u>here</u> to view the Council approved business item.

Met Council Votes to Increase Transit Fares

The Metropolitan Council on Wednesday approved an increase to transit fares. All transit fares for buses, light rail and commuter rail will increase 25 cents. Metro Mobility will see an increase of 50 cents. These increases together will generate \$7.8 million in 2018. The fare increases will begin October 1 of this year.

The Council also approved the creation of a Transit Assistance Pass (TAP), which will set fares at \$1.00 for qualifying low-income riders. This program will cost an estimated \$3.5 million in 2018. Council staff are now directed to update the Council on the new TAP program every six months.

Metro Transit has not increased fares since 2008. The current farebox recovery ratio is 24 percent. A 25-cent increase will increase that ratio to 27 percent. Metro Transit has used a 30 percent fare box recovery ratio as its goal. Included in this fare increase action is a directive to Met Council staff to develop transit fare policy recommendation by the end of this year. This policy will inform the council on when and how future fare increases should be made. The Council also directed staff to develop a report to look at how travel distances could be considered as part of fare policy and identify opportunities to implement reverse commute fares.

To view the Met Council Fare Increase business item, click here.

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