The Trustees of the District met at the Bissell Point Wastewater Treatment Plant at 10 E. Grand Avenue on the above date. Present at meeting:

<table>
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<tr>
<th>Board of Trustees</th>
<th>Staff Members</th>
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<tr>
<td>H. A. Friedman, Chairman</td>
<td>R. J. Hagel, Executive Director</td>
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<tr>
<td>R. E. Jones, Vice Chairman</td>
<td>C. B. Kaiser, Jr., General Counsel and</td>
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<tr>
<td>F. C. Borghi</td>
<td>Asst. Executive Director</td>
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<td>J. A. Rivers</td>
<td>C. M. Etwert, Managing Director</td>
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<tr>
<td>F. R. Slay</td>
<td>W. R. Stamm, Secretary-Treasurer</td>
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<tr>
<td>T. A. Matheny, absent</td>
<td>N. F. Stevens, Director of Finance</td>
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Also present were Nordeka English, St. Louis Post-Dispatch reporter; Matt Mattingly, Suburban News Bureau reporter; Mike Zimmer, 437 Conway Meadows Drive, St. Louis, Missouri; W. D. Roberts, Milton F. Hehner, Vera Falk, and B. Reinhard, Task Force for Audit of MSD; R. W. Affholder, 4450 Holt Road, St. Louis, Missouri; J. Kalishman, 5 Harcourt, St. Louis, Missouri; H. G. Schwartz, Jr. Svendrup & Parcel and Associates, Inc.; Carolyn Strautmann, 4747 Fiji Drive, St. Louis, Missouri; George Sabre, 40 Forestvale Drive, St. Louis, Missouri; Tom Sullivan, Citizens Committee on MSD; Oscar C. Hartman, 125 E. Holden, St. Louis, Missouri; Dorothy Hill, Court Reporter; Diane Balogh, Public Information Coordinator; P. L. Brady, Subdistrict Development Engineer; Terry Briggs, Public Relations Manager; R. G. Butchko, Director of Engineering; LaVerne Cannon, Secretary; J. F. Koepfer, Director of Operations; Ellen Lane, Secretary to the Executive Director; R. T. Martin, Manager of Financial Planning; T. B. Martin, Asst. General Counsel; J. F. McCarthy, Technical Coordinator; D. P. Moschenross, Director of Administration; Robert Orlander, Budget & Rate Analyst; C. H. Orr, Director of Human Resources; J. W. Schmid, Director of Major Projects; Roger Wieting, Director of Wastewater Treatment; and Jo Ann Keating, Secretary.

Chairman Friedman presided.

Journal of the meeting of April 15, 1987 (1113th) was presented and read.

Motion made by Mr. Borghi, seconded by Mr. Rivers, that same be approved as read.

No discussion. Motion passed - 5 ayes, no nays.
Mr. Friedman recognized Mr. Zimmer, who had requested to address the Board.

Mr. Zimmer identified himself as a resident of west St. Louis County and thanked the members of the Board for this opportunity to express his opinion and ask a couple of questions. Mr. Zimmer stated his understanding of the current litigation regarding the $60 Million bond issue, stated that he thought his sewer bill of $48.96 per year was a bargain, and that he was concerned that his sewer bill would increase greatly if the current litigation would go against MSD. He then asked what the consequences would be if the Federal government would step in and take over the District to ensure compliance with the Federal Clean Water Act and what fines, if any, will be levied against the District. He further asked what the absolute compliance deadlines are in order to meet the Federal Clean Water Act and what, if any, Federal supporting aid would be lost. He also made the observation that he wondered how really practical it would be for citizens in a small limited geographic area to pay for a particular MSD project as the current court ruling would indicate. Mr. Zimmer summarized by stating that in 1984, 65 percent of the voters said yes to the bond issue proposed by MSD and that he truly questioned whether a small group of active opponents of the bond issue truly represents the view of the 65 percent of the citizens who voted in favor of the bond issue. He added that a small group of people is hellbent to protect the majority of us from ourselves.

Mr. Friedman recognized Ms. Roberts, who had requested to address the Board.

Ms. Roberts stated that she was concerned about the uniformity of rates for sewer service and stormwater charges in all the subdistricts, and particularly the Fee Fee Subdistrict. She pointed out that in one of the presentations made showing the rate structures back to 1980 there were some errors in the amounts shown and she then distributed to the Board members an analysis that she had prepared on this matter (copy attached). Ms. Roberts summarized by stating that it was her opinion that there were inequities in the service charges for some services areas and since the ordinance for the sewer service charges was not on the agenda for today, she requested that the Board examine this matter to minimize the inequities in the proposed sewer service charges.

Mr. Friedman recognized Ms. Falk who had asked to address the Board.

Ms. Falk stated she and members of the Task Force appreciated the opportunity to express their thoughts at the recent public hearing held in the evening, which was more convenient for participation by a greater number of citizens. She also stated that she had attended recent County Council meetings and that speakers were limited to 30 minutes and not the 5 minutes as they are at MSD meetings. She requested that the Board re-examine its position on the time allowed for people addressing the Board so that greater time would be available for addressing the Board. She also recalled that relative to the lawsuits that it was MSD that had filed the first lawsuit.
Mr. Friedman asked if Mr. Hagel had any comment, and Mr. Hagel responded that the suit she was probably referring to was the District vs. Ruckelshaus and requested that Mr. Kaiser state the questions raised in that suit. Mr. Kaiser commented that the purpose of the suit against the Environmental Protection Agency was to have EPA release grant funds even though the District was not charging rates sufficient for the operation and maintenance of new facilities constructed by the use of grant funds.

Mr. Friedman called upon Mr. Hagel for comments. Mr. Hagel stated at the public hearing held on April 15, 1987, several questions were asked relative to the proposed budget, user charges, tax rates, and capital improvement program, that the Staff had developed answers for and had prepared a written response. Mr. Hagel stated that he would like to read that response and include the response in the official record of this meeting (copy attached).

Mr. Friedman asked if there were any further questions or comments and none were received.

Mr. Friedman stated that since a quorum was not as yet present, the Board would proceed with new business at this time. Mr. Friedman invited Mr. Hagel to comment on proposed Ordinance No. 356-87 relative to unfinished business at the last meeting.

Mr. Hagel stated that at the meeting of March 25, 1987, questions were raised by the Board relative to the design and construction of the Bissell Point Secondary Treatment project and that the Joint Venture responsible for this work had prepared a letter responding to those questions. Mr. Hagel read the letter and asked that it be submitted in the formal record of this meeting (copy attached).

Mr. Friedman stated that a quorum was now present and the Board could proceed with the agenda, but also stated that Mr. Matheny, who had voted against proposed Ordinance No. 356-87 at the last meeting, was not present and he inquired if the feeling was that this ordinance should be tabled pending Mr. Matheny's return. He asked Mr. Hagel if Mr. Matheny had received a copy of the letter from the joint venture, and Mr. Hagel responded that Mr. Matheny was out of town and he was not sure that Mr. Matheny had seen the Joint Venture letter. Mr. Hagel also responded that the ordinance could be tabled at the Board's pleasure.

Mr. Jones commented that Mr. Matheny was the only dissenting vote on the ordinance and felt that it would be advisable to proceed with the adoption of the ordinance, as a majority of the Board was in favor of its adoption.
ADOPTION OF PROPOSED ORDINANCE NO. 356-87 APPROPRIATING $1,000,000.00 FROM THE MISSISSIPPI RIVER CONSTRUCTION FUND FOR PROFESSIONAL SERVICES WITH SVERDRUP CORPORATION AND HAVENS AND EMERSON, INC., A JOINT VENTURE, FOR THE BISSELL POINT SECONDARY TREATMENT PROJECT (PART OF FEDERAL PROJECT NO. C-290641), M.S.D. CONTRACT E-442, AMENDMENT #2.

Proposed Ordinance No. 356-87, introduced March 25, 1987 by Messrs. Borghi, Slay, Jones and Friedman, was again presented and read, appropriating $1,000,000.00 from the Mississippi River Construction Fund for professional services with Sverdrup Corporation and Havens and Emerson, Inc., a joint venture, for the Bissell Point Secondary Treatment Project (Part of Federal Project No. C-290641), M.S.D. Contract E-442, Amendment #2.

Motion made by Mr. Borghi, seconded by Mr. Slay, that proposed Ordinance No. 356-87 be adopted.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken:  
F. C. Borghi - aye  
R. E. Jones - aye  
J. A. River - aye  
H. A. Friedman - aye  
F. R. Slay - aye

The Chairman declared proposed Ordinance No. 356-87 adopted, and it was assigned Ordinance No. 7123.

Mr. Friedman requested that Mr. Rivers give the results of their Findings of Fact relative to the taxes for the next fiscal year. Mr. Rivers requested that Mr. Kaiser, the General Counsel of the District, clarify for the record how District taxes are levied.

Mr. Kaiser read Section 7.180 of the District's Plan (copy attached) emphasizing that the tax revenue would not be increased in the coming fiscal year, as tax rates would be adjusted depending on the assessed valuation so that the same tax revenue would be received. He further stated that he did not believe the rollback in tax rates would be as great as the preceding year, as the change in assessed valuations would not be as significant as the previous year.

Mr. Rivers presented the Findings of Fact as prepared by the Committee and requested that the Board approve the Findings of Fact.

Motion made by Mr. Borghi, seconded by Mr. Rivers, to approve the Findings of Fact.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken:  
F. C. Borghi - aye  
R. E. Jones - aye  
J. A. Rivers - aye  
H. A. Friedman - aye  
F. R. Slay - aye

Mr. Kaiser submitted the Findings of Fact signed by members of the Committee to Mr. Friedman (copy on file in the General Counsel's office).
INTRODUCTION OF PROPOSED ORDINANCE NO. 486-87 VACATING SEWER EASEMENTS IN LOT 26 AND PART OF LOT 27 OF ADELE PLACE, IN THE CITY OF KIRKWOOD, ST. LOUIS COUNTY, MISSOURI.

Proposed Ordinance No. 486-87 was presented and read, vacating sewer easements in Lot 26 and part of Lot 27 of Adele Place, in the City of Kirkwood, St. Louis County, Missouri.

With the use of a wall map, Mr. Butchko stated that the original easement signed by the property owner was incorrect and that the property owner was granting an easement for the new corrected easement, but desired to have the first incorrect easement vacated.

Motion made by Mr. Jones, seconded by Mr. Slay, that proposed Ordinance No. 486-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

INTRODUCTION OF PROPOSED ORDINANCE NO. 487-87 VACATING PORTIONS OF A SEWER EASEMENT AND STORMWATER CONTROL EASEMENTS IN SPIRIT WEST INDUSTRIAL AIR PARK IN U. S. SURVEY 102 AND 122 IN TOWNSHIP 45 NORTH, RANGE 3 EAST, IN ST. LOUIS COUNTY, MISSOURI.

Proposed Ordinance No. 487-87 was presented and read, vacating portions of a sewer easement and stormwater control easements in Spirit West Industrial Air Park in U. S. Survey 102 and 122 in Township 45 North, Range 3 East, in St. Louis County, Missouri.

Mr. Butchko stated that a property owner was proposing to construct a building over a 15 foot wide stormwater control easement, that a new stormwater control easement along the property owner's property line had been granted, and that the Staff was recommending vacation of the old stormwater control easement.

Mr. Jones inquired if other agencies were involved in the easements, and Mr. Butchko stated that the County Highway agency was also involved and had no objections to the new easement.

Motion made by Mr. Jones, seconded by Mr. Slay, that proposed Ordinance No. 487-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

INTRODUCTION OF PROPOSED ORDINANCE NO. 488-87 VACATING A SEWER EASEMENT IN TRACT "B" OF BENTLEY MANOR PLAT 2, IN ST. LOUIS COUNTY, MISSOURI.

Proposed Ordinance No. 488-87 was presented and read, vacating a sewer easement in Tract "B" of Bentley Manor Plat 2, in St. Louis County, Missouri.
Mr. Butchko stated that a building had been constructed over an existing easement and that the property owner had requested vacation of the old easement. Mr. Butchko explained that there were no sewers in the easement to be vacated and that adequate alternate easements are already established.

In response to questions raised by Messrs. Friedman, Rivers and Jones, Mr. Butchko stated that errors are sometimes made in the construction of new buildings and that encroachments are sometimes granted to correct a situation if alternate easements are unavailable.

Mr. Kaiser commented that if encroachments were granted it would be the responsibility of the property owners to bear the expense of accessing the sewer for maintenance or repair.

Motion made by Mr. Jones, seconded by Mr. Borghi, that proposed Ordinance No. 488-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

INTRODUCTION OF PROPOSED ORDINANCE NO. 489-87 VACATING PORTIONS OF SEWER EASEMENTS IN LOT 1 AND LOT 2 OF COREY HEIGHTS, CITY OF SUNSET HILLS, IN ST. LOUIS COUNTY, MISSOURI.

Proposed Ordinance No. 489-87 was presented and read, vacating portions of sewer easements in Lot 1 and Lot 2 of Corey Heights, City of Sunset Hills, in St. Louis County, Missouri.

Mr. Butchko stated that this easement vacation had been requested as a result of this subdivision being re-subdivided and the developer would not want the existing easement to be in the middle of proposed lots in the subdivision. Mr. Butchko further stated that the Staff was requesting the easement vacation, as adequate easements are already present in the subdivision.

Motion made by Mr. Jones, seconded by Mr. Slay, that proposed Ordinance No. 489-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

INTRODUCTION OF PROPOSED ORDINANCE NO. 490-87 VACATING A PORTION OF A SEWER EASEMENT IN LOT 1 OF JOHNATHAN BENJAMIN SUBDIVISION IN ST. LOUIS COUNTY, MISSOURI.

Proposed Ordinance No. 490-87 was presented and read, vacating a portion of a sewer easement in Lot 1 of Johnathan Benjamin Subdivision in St. Louis County, Missouri.
Mr. Butchko stated that a building had been built over an existing MSD easement and that the sewer at this location had been re-routed around the building. He further stated that the Staff was recommending vacation of the old easement as MSD had been provided with a new easement for the new sewer line.

Motion made by Mr. Borghi, seconded by Mr. Rivers, that proposed Ordinance No. 490-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

INTRODUCTION OF PROPOSED ORDINANCE NO. 491-87 AUTHORIZING AND DIRECTING THE EXECUTIVE DIRECTOR AND SECRETARY-TREASURER ON BEHALF OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO LEASE CERTAIN REAL PROPERTY OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT, LYING IN THE CITY OF ST. LOUIS, MISSOURI, TO RED BIRD LANES, LTD. FOR USE AS A PARKING LOT AND TO EXECUTE AND DELIVER A LEASE AGREEMENT UPON THE CONDITIONS HEREINAFTER SET OUT.

Proposed Ordinance No. 491-87 was presented and read, authorizing and directing the Executive Director and Secretary-Treasurer on behalf of The Metropolitan St. Louis Sewer District to lease certain real property of The Metropolitan St. Louis Sewer District, lying in the City of St. Louis, Missouri, to Red Bird Lanes, Ltd. for use as a parking lot and to execute and deliver a Lease Agreement upon the conditions hereinafter set out.

Mr. Martin stated that this lease was a five year extension with a rental increase of $50.00 per month for five years, with a five year option at an additional increase of $50.00 per month. Mr. Martin also stated that under the lease the District has the right to terminate on 90 days notice if it is necessary to do work along the River des Peres where this lease is located.

Mr. Friedman asked Mr. Kaiser if the lease was written in a satisfactory manner, and Mr. Kaiser responded that it was since the District had the right of egress and ingress in the area should it be necessary. Mr. Kaiser also commented that as this area is used as a parking facility by the owners of the property and that as it has been paved, erosion and eyesore problems had been eliminated.

Motion made by Mr. Slay, seconded by Mr. Borghi, that proposed Ordinance No. 491-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken:  F. C. Borghi - aye  R. E. Jones - aye
          J. A. Rivers - aye  H. A. Friedman - aye
          F. R. Slay - aye
INTRODUCTION OF PROPOSED ORDINANCE NO. 492-87 APPROPRIATING $46,468.77 FROM THE GENERAL FUND OF THE DISTRICT TO REIMBURSE THE CITY OF BALDWIN, MISSOURI FOR FUNDS EXPENDED BY SAID CITY FOR THE SMITH DRIVE-FISHPOUT CREEK STORMWATER PROJECT.

Proposed Ordinance No. 492-87 was presented and read, appropriating $46,468.77 from the General Fund of the District to reimburse the City of Baldwin, Missouri for funds expended by said City for the Smith Drive-Fishpot Creek stormwater project.

Mr. Ewert stated that this was a State Stormwater project to be funded 1/3 by the State of Missouri and 2/3 by the City of Baldwin. He stated that it was a 600 foot gabion wall project located north of Manchester and west of Birchwood Drive. He further stated that since this project was in the annexed area, the District would not participate in the funding of the project.

Motion made by Mr. Slay, seconded by Mr. Rivers, that proposed Ordinance No. 492-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken: F. C. Borghi - aye R. E. Jones - aye
J. A. Rivers - aye H. A. Friedman - aye
F. R. Slay - aye

INTRODUCTION OF PROPOSED ORDINANCE NO. 493-87 APPROPRIATING $108,200.00 FROM THE OPERATION, MAINTENANCE AND CONSTRUCTION IMPROVEMENT FUND OF COLDWATER CREEK TO BE USED FOR PROJECT COSTS FOR THE CONSTRUCTION OF STORM SEWERS IN FLOWER CREEK (PHASE II) SECTION II (87061), IN ST. LOUIS COUNTY, MISSOURI.

Proposed Ordinance No. 493-87 was presented and read, appropriating $108,200.00 from the Operation, Maintenance and Construction Improvement Fund of Coldwater Creek to be used for project costs for the construction of storm sewers in Flower Creek (Phase II) Section II (87061), in St. Louis County, Missouri.

Mr. Butchko stated that this was a stormwater project involving 424 lineal feet of storm sewer ranging from 12 inches to 84 inches in diameter located in an area north of Lindbergh and west of New Florissant Road. He stated that the project would be funded on a 50/50 basis with St. Louis County and MSD.

Mr. Rivers inquired if there would be any reason for the County to fund the entire project, and Mr. Butchko responded that since this project lies in the original MSD area, the 50/50 funding was appropriate.

Mr. Jones inquired if there was sufficient funds in the Coldwater Creek OMCI Fund and if the project was on the priority list, and Mr. Butchko responded that there were sufficient funds for the MSD share and that the project was on the priority list.
Motion made by Mr. Jones, seconded by Mr. Rivers, that proposed
Ordinance No. 493-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken: F. C. Borghi - aye                              R. E. Jones - aye
            J. A. Rivers - aye                                  H. A. Friedman - aye
            F. R. Slay - aye

INTRODUCTION OF PROPOSED ORDINANCE NO. 494-87 CONFIRMING A CONTRACT WITH J. H.
BERRA CONSTRUCTION COMPANY, INC. FOR THE CONSTRUCTION OF STORM SEWERS IN
FLOWER CREEK (PHASE II) SECTION II (87061), IN ST. LOUIS COUNTY, MISSOURI.

Proposed Ordinance No. 494-87 was presented and read, confirming a
contract with J. H. Berra Construction Company, Inc. for the construction of
storm sewers in Flower Creek (Phase II) Section II (87061), in St. Louis
County, Missouri.

Mr. Butchko stated that J. H. Berra Construction Company, Inc. was
the lowest of 6 bidders at $93,704.00. The high bid was $152,825.00 and the
District's estimate was $168,500.00.

Motion made by Mr. Jones, seconded by Mr. Rivers, that proposed
Ordinance No. 494-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken: F. C. Borghi - aye                              R. E. Jones - aye
            J. A. Rivers - aye                                  H. A. Friedman - aye
            F. R. Slay - aye

INTRODUCTION OF PROPOSED ORDINANCE NO. 495-87 VACATING A PORTION OF A SEWER
EASEMENT IN LOT 145 OF PARC ARGONNE FOREST THIRD ADDITION IN ST. LOUIS COUNTY,
MISSOURI.

Proposed Ordinance No. 495-87 was presented and read, vacating a
portion of a sewer easement in Lot 145 of Parc Argonne Forest Third Addition
in St. Louis County, Missouri.

Mr. Butchko stated that a home was built 2 feet into a 14 foot wide
easement for a storm and sanitary sewer. He stated that the developer is
requesting that the eastern 2 feet of the easement be vacated, and that the
Staff is recommending approval as the remaining 12 foot easement was
sufficient.

Motion made by Mr. Jones, seconded by Mr. Rivers, that proposed
Ordinance No. 495-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.
Proposed Ordinance No. 496-87 was presented and read, vacating portions of a sewer easement in Lots 24, 25 and 26 of Essex Point in St. Louis County, Missouri.

Mr. Butchko stated that the Staff is recommending vacation of this easement to accommodate a larger building site, as a new sanitary sewer line is in place with an adequate new easement.

Motion made by Mr. Jones, seconded by Mr. Rivers, that proposed Ordinance No. 496-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Proposed Ordinance No. 497-87 was presented and read, vacating a sewer easement in Lot 13 of Brown Campus Plat No. 7, in St. Louis County, Missouri.

Mr. Butchko stated that the property owner had constructed a building over an 8 inch sanitary sewer easement and had re-routed the 8 inch sanitary sewer and had given MSD an alternate easement. The Staff was, therefore, recommending vacation of the easement covering the abandoned sewer.

Motion made by Mr. Jones, seconded by Mr. Rivers, that proposed Ordinance No. 497-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Proposed Ordinance No. 498-87 was presented and read, appropriating $7,700.00 from the General Fund of the District to be used for the construction of sanitary sewers, together with repayment of expenses incurred by the District in connection with such construction project known as Subdistrict No. 87063 (Antonia Drive No. 9744-9756), in St. Louis County, Missouri.

Mr. Brady stated that this was an appropriation for the construction of a new sanitary sewer involving two homes in the City of Lakeshore. He pointed out that the funds for the cost of the construction had been escrowed.
with the District and that the District would be acting as a disbursing agent for those funds. He stated that the District's Engineering Department had designed the project and that after construction MSD would maintain the new sewer line.

Motion made by Mr. Borghi, seconded by Mr. Rivers, that proposed Ordinance No. 498-87 be introduced.

No discussion. Motion passed - 4 ayes, no nays.

Poll taken: F. C. Borghi - aye  
J. A. Rivers - aye  
F. R. Slay - aye  
H. A. Friedman - aye

Mr. Jones had left the meeting temporarily.

INTRODUCTION OF PROPOSED ORDINANCE NO. 499-87 APPROPRIATING $165,000.00 FROM THE GENERAL FUND OF THE DISTRICT TO REIMBURSE THE VILLAGE OF TWIN OAKS, MISSOURI FOR THE STATE OF MISSOURI'S SHARE OF THE PROJECT COST FOR THE CONSTRUCTION OF THE ANN AVENUE/AUTUMN LEAF DRIVE STORMWATER PROJECT IN THE VILLAGE OF TWIN OAKS, MISSOURI.

Proposed Ordinance No. 499-87 was presented and read, appropriating $165,000.00 from the General Fund of the District to reimburse the Village of Twin Oaks, Missouri for the State of Missouri's share of the project cost for the construction of the Ann Avenue/Autumn Leaf Drive stormwater project in the Village of Twin Oaks, Missouri.

Mr. Etwert stated that this appropriation would enable the District to reimburse the Village of Twin Oaks for the State's 1/3 share of constructing a stormwater project, with the Village of Twin Oaks paying 2/3 of the cost of construction. He pointed out that this project is on the State's 4th Issue Stormwater list and that as the project lies in the annexed area, the District would not participate in the funding of the project.

Motion made by Mr. Borghi, seconded by Mr. Rivers, that proposed Ordinance No. 499-87 be introduced.

No discussion. Motion passed - 4 ayes, no nays.

Poll taken: F. C. Borghi - aye  
J. A. Rivers - aye  
F. R. Slay - aye  
H. A. Friedman - aye

INTRODUCTION OF PROPOSED ORDINANCE NO. 501-87 AUTHORIZING AND DIRECTING THE METROPOLITAN ST. LOUIS SEWER DISTRICT ("DISTRICT") TO SELL AND CONVEY CERTAIN REAL PROPERTY OF THE DISTRICT IN THE COUNTY OF ST. LOUIS, MISSOURI, LOCATED ON VERMILION DRIVE, AND PRESCRIBING THE TERMS FOR SAID TRANSACTION.

Proposed Ordinance No. 501-87 was presented and read, authorizing and directing the Metropolitan St. Louis Sewer District ("District") to sell and
convey certain real property of the District in the County of St. Louis, Missouri, located on Vermilion Drive, and prescribing the terms for said transaction.

Mr. Martin stated that this piece of property, which has been designated as surplus and having no use by the District, would be sold to the highest bidder at a price of $46,100.00. He pointed out that the property had been appraised at a value of $45,000.00. He said that the District would retain necessary easements to access the sewers at this location.

Motion made by Mr. Slay, seconded by Mr. Rivers, that proposed Ordinance No. 501-87 be introduced.

No discussion. Motion passed - 4 ayes, no nays.

Poll taken: F. C. Borghi - aye F. R. Slay - aye
J. A. Rivers - aye H. A. Friedman - aye

INTRODUCTION OF PROPOSED ORDINANCE NO. 502-87 AUTHORIZING AND DIRECTING THE METROPOLITAN ST. LOUIS SEWER DISTRICT ("DISTRICT") TO SELL AND CONVEY CERTAIN REAL PROPERTY OF THE DISTRICT IN THE CITY OF ST. LOUIS, MISSOURI, KNOWN AND NUMBERED AS 8509 VIRGINIA AVENUE, AND PRESCRIBING THE TERMS FOR SAID TRANSACTION.

Proposed Ordinance No. 502-87 was presented and read, authorizing and directing The Metropolitan St. Louis Sewer District ("District") to sell and convey certain real property of the District in the City of St. Louis, Missouri, known and numbered as 8509 Virginia Avenue, and prescribing the terms for said transaction.

Mr. Martin stated that the high bid received for the sale of this surplus property was $25,250.00 and that the property had been appraised at a value of $23,500.00. He pointed out that the District would retain necessary easements to access the sewers at this location.

Motion made by Mr. Rivers, seconded by Mr. Slay, that proposed Ordinance No. 502-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken: F. C. Borghi - aye R. E. Jones - aye
J. A. Rivers - aye H. A. Friedman - aye
F. R. Slay - aye

Mr. Jones had returned to the meeting.
INTRODUCTION AND ADOPTION OF PROPOSED ORDINANCE NO. 503-87 AWARDING A CONTRACT TO GENERAL REINSURANCE CORPORATION (ALEXANDER AND ALEXANDER, AGENT) FOR THE DISTRICT'S EXCESS WORKERS' COMPENSATION INSURANCE COVERAGE FROM MAY 1, 1987 TO JUNE 30, 1988.

Proposed Ordinance No. 503-87 was presented and read, awarding a contract to General Reinsurance Corporation (Alexander and Alexander, agent) for the District's Excess Workers' Compensation Insurance coverage from May 1, 1987 to June 30, 1988.

Mr. Stamm stated that it was necessary to enact this ordinance today so that this insurance coverage would be maintained from May 1, 1987 to June 30, 1988. He stated that a firm price could not be obtained at this time and that the ordinance had been worded that the cost would not exceed $27,000.00.

In response to questions by Mr. Friedman and Mr. Hagel, Mr. Stamm stated that the estimated cost would probably be in the neighborhood of $25,000.00 which represented an increase in cost due to an extension of the policy period from 12 to 14 months and an increase in the allowable rates established by the State and the anticipated increase in wages as indicated in the District's proposed budget.

Motion made by Mr. Rivers, seconded by Mr. Slay, for unanimous consent of all members present for introduction and final voting on proposed Ordinance No. 503-87 at this meeting.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken: F. C. Borghi - aye  R. E. Jones - aye
            J. A. Rivers - aye  H. A. Friedman - aye
            F. R. Slay - aye

Motion made by Mr. Rivers, seconded by Mr. Slay, that proposed Ordinance No. 503-87 be adopted.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken: F. C. Borghi - aye  R. E. Jones - aye
            J. A. Rivers - aye  H. A. Friedman - aye
            F. R. Slay - aye

The Chairman declared proposed Ordinance No. 503-87 adopted, and it was assigned Ordinance No. 7124.

INTRODUCTION OF PROPOSED ORDINANCE NO. 504-87 DETERMINING THE AMOUNT OF TAXES WHICH SHALL BE LEVIED, ASSESSED AND COLLECTED IN THE YEAR 1987 IN THE DISTRICT AND ITS SUBDISTRICTS.

Proposed Ordinance No. 504-87 was presented and read, determining the amount of taxes which shall be levied, assessed, and collected in the year 1987 on all taxable tangible property in the District and the Mississippi
River Subdistrict within the corporate limits of the City of St. Louis and St. Louis County, respectively, and in Subdistricts within the corporate limits of St. Louis County as follows: Coldwater Creek Trunk Subdistrict, Gravois Creek Trunk Subdistrict, Malone Creek Trunk Subdistrict, Watkins Creek Trunk Subdistrict, Subdistrict No. 88 (Fountain Creek), Subdistrict No. 89 (Loretta-Joplin), Benefit Subdistrict No. 111 (Marlborough), Subdistrict No. 221 (North Kinloch), Subdistrict No. 247 (DeSmet-Florland), Subdistrict No. 257 (Rayburn Avenue), Subdistrict No. 325 (Paddock Creek), Subdistrict No. 342 (Clayton-Central), Subdistrict No. 366 (University City Branch of River des Peres Stormwater Subdistrict), Subdistrict No. 367 (Deer Creek Stormwater Subdistrict), Subdistrict No. 369 (Sugar Creek), Subdistrict No. 374 (Wedgewood Creek), Subdistrict No. 376 (BlackJack-Dellwood Creek), Subdistrict No. 377 (Highway 67 Cambria Creek), Subdistrict No. 380 (Upper Paddock Creek), Subdistrict No. 383 (LaVента-LaSierra), Subdistrict No. 408 (Lynn Haven), Subdistrict No. 448 (Missouri River - Bonfils), Subdistrict No. 449 (Meramec River Basin - M.S.D. Southwest), Subdistrict No. 453 (Shrewsbury Branch of River des Peres), Subdistrict No. 454 (Seminary Branch of River des Peres), Subdistrict No. 455 (Black Creek), Subdistrict No. 628 (University City Sewer Improvements), Subdistrict No. One of the River des Peres Watershed (Creve Coeur-Frontenac Area), Subdistrict No. Four of the River des Peres Watershed (North Affton Area), and Subdistrict No. Seven of the River des Peres Watershed (Wellston Area).

Mr. Stevens stated that a public hearing had been held on the proposed tax rates and that the Findings of Fact had been approved by the Board. He stated the ordinance specifies the amount of District and Subdistrict taxes to be levied for the fiscal year 1987-1988, as well as the tax rate per $100.00 of assessed valuation. He further stated that somewhere between July 1 and September 1, 1987 the Board would be asked to approve revised tax rates due to the reassessed valuations, as Mr. Kaiser pointed out in the Findings of Fact presentation.

Motion made by Mr. Borgho, seconded by Mr. Rivers, that proposed Ordinance No. 504-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.


Proposed Ordinance No. 505-87 was presented and read, making appropriations for current expenses of the District, the Mississippi River Subdistrict, the Coldwater Creek Trunk Subdistrict, Fee Fee Trunk Subdistrict, the Watkins Creek Trunk Subdistrict, Subdistrict No. 257 (Rayburn Avenue Subtrunk), and the Fenton Operating Account, for fiscal year beginning July 1, 1987 and ending June 30, 1988, not including sums hereby set apart for and
transferred to special funds, amounting in the aggregate to $58,857,934.00, which sum is hereby appropriated from the general and special funds named to pay interest falling due on bonds issued and the principal of bonds maturing in such year, the costs of support, operation, and maintenance of the District and its various Subdistricts and emergencies.

Mr. Hagel stated that this appropriation was for the budget for the fiscal year 1987-1988. He pointed out that $118,000.00 to cover the cost of an internal auditor, as well as to cover some additional expenses in the Data Processing Department, had been added to the preliminary budget that had been submitted.

Motion made by Mr. Borghi, seconded by Mr. Rivers, that proposed Ordinance No. 505-87 be introduced.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken:  
F. C. Borghi - aye  
J. A. Rivers - aye  
F. R. Slay - aye  
R. E. Jones - aye  
H. A. Friedman - aye

ADOPTION OF RESOLUTION NO. 1798 EXPRESSING THE BOARD OF TRUSTEES' APPRECIATION TO CLARENCE VAUGHN FOR HIS 18 YEARS OF EXEMPLARY SERVICE TO THE DISTRICT FROM JUNE 20, 1968 TO HIS RETIREMENT EFFECTIVE MAY 1, 1987.

Resolution No. 1798 was presented and read, expressing the Board of Trustees' appreciation to Clarence Vaughn for his 18 years of exemplary service to the District from June 20, 1968 to his retirement effective May 1, 1987.

Mr. Friedman requested that Mr. Clarence Vaughn step forward, and Mr. Friedman presented a framed copy of the Resolution to Mr. Vaughn and expressed his appreciation on behalf of the Board for his service to the District.

Motion made by Mr. Jones, seconded by Mr. Rivers, that Resolution No. 1798 be adopted.

No discussion. Motion passed - 5 ayes, no nays.


Resolution No. 1799 was presented and read, expressing the Board of Trustees' appreciation to Earl Estes for his 9 years of exemplary service to the District from January 3, 1978 to his retirement effective May 1, 1987.

Mr. Friedman requested that Mr. Earl Estes step forward, and Mr. Friedman presented a framed copy of the Resolution to Mr. Estes and expressed his appreciation on behalf of the Board for his service to the District.
Motion made by Mr. Slay, seconded by Mr. Rivers, that Resolution No. 1799 be adopted.

No discussion. Motion passed - 5 ayes, no nays.

ADOPTION OF RESOLUTION NO. 1800 PREPARING A LIST OF PROPOSED EXPENDITURES FOR THE DISTRICT IN THE FORM OF A CAPITAL IMPROVEMENT PROGRAM FOR THE NEXT FOUR FISCAL YEARS ENDING IN 1991 IN COMPLIANCE WITH SECTION 7.090 OF THE DISTRICT'S PLAN.

Resolution No. 1800 was presented and read, preparing a list of proposed expenditures for the District in the form of a Capital Improvement Program for the next four fiscal years ending in 1991 in compliance with Section 7.090 of the District's Plan.

Mr. Etwert stated that this Resolution would adopt the District's four fiscal year Capital Improvement Program as required by Section 7.090 of the District's Plan.

Motion made by Mr. Jones, seconded by Mr. Rivers, that Resolution No. 1800 be adopted.

No discussion. Motion passed - 5 ayes, no nays.

PLAN APPROVAL

Mr. Etwert stated that the Staff has reviewed these plans and recommends their approval and requested that the Board allow the Staff to proceed with the bidding of these projects.

BATAAN 9238 (86000)

This project, designed by the District's Engineering Staff, is to reduce erosion and eliminate ponding. It consists of 200 lineal feet of 12 inch diameter pipe.

Motion made by Mr. Jones, seconded by Mr. Slay, that the plans for Bataan 9238 be approved.

No discussion. Motion passed - 5 ayes, no nays.

LINDEN AVE.-MAINTENANCE REPAIR #56 (85158)

This project, designed by K.B.R. Engineering, Inc., is to repair an inadequate sanitary sewer line. It consists of 553 feet of 8 inch pipe.

Motion made by Mr. Jones, seconded by Mr. Slay, that the plans for Linden Ave.-Maintenance Repair #56 be approved.

No discussion. Motion passed - 5 ayes, no nays.
Mr. Friedman asked if Mr. Hagel had any report, and Mr. Hagel responded that he had no report for this meeting.

Mr. Jones stated that he would like to make a comment, and Mr. Friedman asked that Mr. Jones proceed. Mr. Jones thanked Mr. Zimmer for his comments at the start of the meeting and stated that he thought it was like a breath of fresh air to hear such positive comments with such logic and reason. The cost of the litigation and differences of opinion is costing the District and citizens of this community millions of dollars and I am sorry I cannot tell you how many millions. He further stated that it would be very nice if similar thoughts could be presented at meetings of the groups in opposition to MSD so that perhaps some of the differences of opinion could be resolved in a reasonable and logical manner.

Motion made by Mr. Rivers, seconded by Mr. Borghi, that the Board go into closed session to discuss acquisition of property, pursuant to Section 610.025 of the Revised Statutes of the State of Missouri.

No discussion. Motion passed - 5 ayes, no nays.

Poll taken: F. C. Borghi - aye  
J. A. Rivers - aye  
F. R. Slay - aye  
R. E. Jones - aye  
H. A. Friedman - aye

Motion made by Mr. Rivers, seconded by Mr. Borghi, that the meeting be adjourned.

Meeting adjourned at 3:40 P. M.
MEMORANDUM TO: Chairman and Members, 
MSD Board of Trustees
FROM: Robert J. Hagel
SUBJECT: Staff Report to Questions Raised at 
Public Hearing on April 15, 1987

April 28, 1987

The staff has prepared the following responses to the questions posed at the 
April 15, 1987, public hearing on the proposed budget, user charges, tax rate 
and capital improvement program.

The majority of the questions dealt with the financing of the capital 
improvement program. In order to fully understand and answer these questions, 
we must look back a number of years when the District's course to finance 
capital improvements through revenue bonds was established. Late in 1982, the 
Missouri Department of Natural Resources (MDNR) withheld grant funding for the 
Lemay Secondary construction project at the 80 percent level because MSD did 
not have a sufficient user rate to maintain and operate our system. MDNR also 
threatened to do the same on grants for facilities under construction in our 
Meramec and Missouri River watersheds (attachment A).

In 1983, the Missouri Clean Water Commission, which disburses grant funds 
throughout the state, established a policy entitled "Minimizing Potential 
Grant Difficulties Under the Hancock Amendment". The policy states if a 
grantee proposes local revenue sources other than revenue bonds, MDNR must 
receive an opinion from the grantee's legal counsel that a public vote on the 
user charge system is not required to enact the rates (Attachment B).

Early in 1984, then EPA Director William Ruckelshaus established the National 
Municipal Policy which required all public owned treatment works to meet the 
requirements of the Clean Water Act by 1988, with or without federal funding, 
unless judicial relief was obtained (Attachment C).

On April 17, 1984, EPA issued an Administrative Order to the District which 
mandated us to prepare and send to them by October 1, 1984, our feasibility 
plan for constructing Bissell secondary, the construction schedule, the 
financial analyses to fund the work and the treatment alternatives 
(Attachment D).

With this mandate, the District in 1984, submitted to the voters a $60 million 
revenue bond issue. District officials, in analyzing the financing options
available to them, chose the revenue bond method, to adhere to the Missouri
Clean Water Commission Policy for continued eligibility for grant funding. At
the time the bond issue was presented to voters, it was explained that the $60
million in revenue bonds would generate $222 million worth of construction due
to the availability of federal and state grants.

The bond issue was approved by 65.3 percent vote. At that time, we felt that
if the federal grant program would continue for another ten years, we could
build all the capital improvements that had been dictated by EPA and MDNR at
that time.

In September, 1984, Mr. Beatty filed his suit against the District's $60
million revenue bond issue. Because of this suit, the total implementation of
our plan to build the needed improvements has been delayed.

In January, 1985, we signed the Municipal Compliance Agreement with MDNR in
which we agreed that by specific dates, we would meet all the State and
Federal standards for those treatment facilities operated by the District in
the area annexed in 1977. Furthermore, we agreed to spend $20 million per
year on the construction of secondary treatment facilities at the Bissell
Point plant. The signing of this agreement continued our eligibility for
future federal and state grants.

In the summer of 1986, the firm of Peat Marwick was commissioned to prepare an
independent financial and operational planning study of the District. One of
the objectives of the planning study was to determine the most advantageous
method of financing the District's Capital Improvement Program. The study
recommended the use of revenue bonds issued over a six to eight year period
(Attachment E, pages 26 through 30 of the study).

It was requested, at the April 15 public hearing, that the District consider
alternatives to financing the capital improvement program. With the Board's
approval, staff will contact the Peat Marwick firm requesting it to analyze in
greater detail, various financial alternatives for funding the capital
improvement program. This further study is to allow those citizens who do not
agree with the original report to express their opinions and hopefully their
solutions to finding the most equitable method of financing the projects which
must be built to comply with the Clean Water Act.

A question was raised regarding the payment of legal fees in the proposed
budget. This is an item contained within the proposed budget that I would be
more than happy to delete. Unfortunately, we do not control litigation
brought against the District and therefore must prepare ourselves to respond
to such suits. We must also pursue the litigation involved with the issuance
of revenue bonds to qualify for future grants as explained previously in the
MDNR policy. At the present time, the major legal actions which must be
defended are:
A question was raised regarding the budgeting of money for depreciation when we do not spend what we have appropriated in previous years.

Each year in our budget, we plan to spend money replacing portions of our aging system. Unfortunately, these plans cannot be implemented because of the unresolved litigation. As explained in the budget presentation, the Board has been forced to freeze this fund to replenish our emergency fund and provide us with minimal operating balance for the coming fiscal year.

Mrs. Roberts asked a very technical question relative to our rate ordinance and the enterprise method of financing. Chuck Kaiser was to have met with Mrs. Roberts on this matter.

A question was raised about enforcing, in our user charge ordinance, that portion concerning stormwater charges based on size and imperviousness of each parcel. Unfortunately, we don’t have the data base from which to assess this portion of our user rate. You will note in the proposed budget, money has been allocated to begin collecting this information. Once the data has been collected, this portion of the user charge ordinance will be used.

A further question regarding the user rates was asked about the monitoring costs incurred by our Environmental Compliance Department. Those expenses are currently included in the basic user charge ordinance. We are currently beginning modifications to our billing system to bill directly those industrial and commercial customers for the expenses incurred for monitoring and testing their wastes.

This answers the majority of questions that weren't already discussed with members of the public after the April 15th public hearing.
October 21, 1982

Mr. Charles B. Kaiser, Jr.
Acting Executive Director
Metropolitan St. Louis Sewer District
2000 Hampton Avenue
St. Louis, Missouri 63139

Re: C290640-0/ Metropolitan St. Louis Sewer District

Dear Mr. Kaiser:

The User Charge Ordinance for the Metropolitan St. Louis Sewer District (MSD) has been received by the Division of Environmental Quality. The ordinance complies with federal requirements and is hereby conditionally approved. Final approval is conditioned upon submittal of evidence of adequate public participation in accordance with your letter dated October 11, 1982 and submittal of the enacted user charge ordinances for each subdistrict within MSD. The user charge ordinances must be enacted prior to placing the Lemay Wastewater Treatment Plant in operation. Furthermore, grant payments will be withheld at 30% of the grant amount for each Step 3 segment that has been or will be awarded to MSD until this ordinance is enacted. If there are any revisions to the proposed ordinance it must be resubmitted and given final approval before the facilities are placed in operation.

Should you have any questions, please contact Mr. Clinton Bishop or Mr. Doug Garrett at (314) 751-3241.

Sincerely,

Charles A. Stieffmann, P.E.
Director of Staff
Missouri Clean Water Commission

CAS/DAG/mck

cc: U.S. Army Corps of Engineers
Black and Veatch
Environmental Protection Agency
Steven Townley

Janson
Adio
Jenks
MINIMIZING POTENTIAL GRANT DIFFICULTIES UNDER THE HANCOCK AMENDMENT*

Missouri Clean Water Commission Policy No. 83-1

Policy

Whenever potential grantees propose local revenue sources other than revenue bonds as a match to Environmental Protection Agency and state monies, said grantees shall conduct such meetings, issue resolutions or conduct elections as described below:

A. For those grantees who are scheduled for funding from FY 83 or prior fiscal year funds:
   1. department staff shall discuss with the municipal officials potential problems surrounding their grant application and implications of the Hancock Amendment; and
   2. staff shall require a resolution from the grantee acknowledging that they understand the program, that they understand that payment withholding and/or payback of the grant funds will be sought, and their desire to proceed with the grant program.

B. For those grantees scheduled for funding in future fiscal years:
   1. staff shall, prior to grant award, receive an opinion from the grantee's legal representative that public vote on the user charge system is not required to enact the rates and a resolution as identified in A.2 above; or
   2. staff shall require a vote to implement the user charge ordinance prior to grant award if such a vote is deemed necessary to enact the system. Said ordinance shall be developed so as to allow unforeseen rate increases (decreases) due to construction bids.

Discussion

Several Environmental Protection Agency grantees that are construction wastewater treatment facilities with local funds generated from revenue sources other than revenue bonds have experienced problems implementing their approved user charge systems. Since a bond election was not held authorizing the debt and resulting fees, the Hancock Amendment requires a vote to enact the user charge ordinance. Elections to enact these ordinances have, in several instances, failed causing the grantee to violate a condition of the grant agreement and leaving the grantee with inadequate resources to properly operate and maintain their new facility. Given these problems and the Commission's desire to provide funding for only those facilities that demonstrate their ability provide adequate operation and maintenance, and satisfy the condition of their grant, this policy was developed and adopted.

Effective Date

May 11, 1983

*Article X, Section 22, Constitution of Missouri
NATIONAL MUNICIPAL POLICY

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

STATEMENT OF POLICY

When the Clean Water Act (CWA) was passed in 1972, Congress gave municipalities until 1977 to comply with its requirements. Congress authorized Environmental Protection Agency (EPA) to extend the deadline to 1983 and then again to July 1, 1988, for some municipalities. In addition, Congress amended the Act in 1981 to modify the basic treatment requirements. Therefore, Congress has authorized EPA to give some municipalities several additional years to achieve compliance and has also provided more reasonable treatment requirements for certain types of facilities.

The CWA requires all publicly owned treatment works (POTWs) to meet the statutory compliance deadlines and to achieve the water quality objectives of the Act, whether or not they receive Federal funds. The EPA will focus on POTWs that previously received Federal funding assistance and are not currently in compliance with their applicable effluent limits, on all other major POTWs, and on minor POTWs that are contributing significantly to an impairment of water quality. EPA's goal will be to obtain compliance by POTWs as soon as possible, and no later than July 1, 1988. Where there are extraordinary circumstances that preclude compliance of such facilities by July 1, 1988, EPA will work with States and the affected municipal authorities to ensure that these POTWs are on enforceable schedules for achieving compliance as soon as possible thereafter, and are doing all they can in the meantime to abate pollution to the Nation's waters.

IMPLEMENTATION STRATEGY

The Agency is committed to pursuing a clear course of action that fulfills the intent of Congress and results in the maximum improvement in water quality. The Agency is also committed to protecting the public's financial investment in wastewater treatment facilities. To meet these objectives, the Agency expects EPA Regions and States to adhere to the National policy stated above and to use the following mechanisms to carry out the intent of this policy.

EPA Regions will cooperate with their respective States to develop strategies that describe how they plan to bring noncomplying facilities into compliance. These strategies should include a complete inventory of all noncomplying facilities, should identify the affected municipalities consistent with the National policy, and should describe a plan to bring these POTWs into compliance as soon as possible. Regions and States will then use the annual State program grant negotiation process to reach agreement on the specific activities they will undertake to carry out the plan.
Based on the information in the final strategies, the permitting authority (Region or approved NPDES State) will require affected municipal authorities to develop one of the following as necessary:

**Composite Correction Plan:** An affected municipality that has a constructed POTW that is not in compliance with its NPDES permit effluent limits will be required to develop a Composite Correction Plan (CCP). The CCP should describe the cause(s) of noncompliance, should outline the corrective actions necessary to achieve compliance, and should provide a schedule for completing the required work and for achieving compliance.

**Municipal Compliance Plan:** An affected municipality that needs to construct a wastewater treatment facility in order to achieve compliance will be required to develop a Municipal Compliance Plan (MCP). The MCP should describe the necessary treatment technology and estimated cost, should outline the proposed sources and methods of financing the proposed facility (both construction and O&M), and should provide a schedule for achieving compliance as soon as possible.

The permitting authority will use the information in these plans and will work with the affected municipality to develop a reasonable schedule for achieving compliance. In any case where the affected municipal authority is unable to achieve compliance promptly, the permitting authority will, in addition to setting a schedule for achieving full compliance, ensure that the POTW undertakes appropriate interim steps that lead to full compliance as soon as possible. Where there are extraordinary circumstances that make it impossible for an affected municipal authority to meet a July 1, 1988 compliance date, the permitting authority will work with the affected municipality to establish a fixed-date schedule to achieve compliance in the shortest, reasonable period of time thereafter, including interim abatement measures as appropriate. The general goal is to establish enforceable compliance schedules for all affected municipalities by the end of FY 1985. Once schedules for affected municipalities are in place, the permitting authority will monitor progress towards compliance and will take follow-up action as appropriate. Nothing in this policy is intended to impede or delay any ongoing or future enforcement actions.

**OVERVIEW**

EPA Headquarters will overview the implementation of this policy to ensure that actions taken by Regions and States are consistent with National policy and that the Agency as a whole is making progress towards meeting the statutory deadlines and achieving the water quality objectives of the Act.

\[\text{Signature} \quad \text{JAN} \quad 1984\]

William D. Ruckelshaus
IN THE MATTER OF
METROPOLITAN ST. LOUIS SEWER DISTRICT
Proceedings under Section 309(a)(3)
of the Clean Water Act, as amended,
33 U.S.C. 1319(a)(3), in re: NPDES
Permit No. MO-0025178, Bissell Point
Plant

Docket No. 84-W-011
ADMINISTRATIVE ORDER

STATUTORY AUTHORITY

This Order is issued pursuant to Section 309(d)(3) of the Clean Water Act
(the Act), 33 U.S.C. 1319(a)(3), which grants to the Administrator of the
United States Environmental Protection Agency (EPA) the authority to issue
orders requiring persons to comply with Sections 301, 302, 306, 307, 308, and
405 of the Act and to comply with any conditions or limitations implementing
any of such sections, in a National Pollutant Discharge Elimination System
(NPDES) permit issued under Section 402 of the Act. This authority has been
delegated to the Regional Administrator.

The Order is based on findings of violations of effluent limitations contained
in an NPDES permit and of violations of Section 301(b) of the Act.

FINDINGS

1. The Metropolitan St. Louis Sewer District, (Permittee), is a municipal
corporation and a political subdivision of the State of Missouri which
owns and operates publicly owned treatment works including the Bissell Point
Plant, a wastewater treatment facility which discharges to the Mississippi
River, a water of the United States.

2. Section 301(b) of the Act set a deadline of July 1, 1977, for completion
of all construction necessary to meet secondary treatment requirements and to
discharge effluent meeting those limits. Certain publicly owned treatment
works may, pursuant to Section 301(i) of the Act, be issued NPDES permits
which allow attainment at a later date, but not later than July 1, 1988.

3. On November 21, 1975, the Metropolitan St. Louis Sewer District was
issued National Pollutant Discharge Elimination System (NPDES) Permit Number
MO-0025178 for its Bissell Point facility, by the Director, Missouri Department
of Natural Resources (MDNR) pursuant to Public Law 92-500, as amended and the
4. The permit became effective on November 21, 1975, and expired on June 30, 1977. Under Missouri regulations in effect at the time this permit expired, MSD's Bissell Point Plant was discharging pollutants without an NPDES permit.

5. Part A, EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS, specified effluent limitations and monitoring requirements for discharges from all the Permittee's Outfalls at its Bissell Point Plant. These limitations and requirements became effective on November 21, 1975, and expired on June 30, 1977. The chart below sets forth the Part A requirements.

<table>
<thead>
<tr>
<th>EFFLUENT LIMITATIONS</th>
<th>MONITORING REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effective Date</strong></td>
<td><strong>Interim Limitations</strong></td>
</tr>
<tr>
<td>Outfall Number and Effluent Parameter(s)</td>
<td>Flow-m$^3$/Day (MGD)</td>
</tr>
<tr>
<td></td>
<td>Biochemical Oxygen (BOD$_5$) Demand</td>
</tr>
<tr>
<td></td>
<td>Suspended Solids</td>
</tr>
<tr>
<td></td>
<td>Fecal Coliform organisms/100 ml</td>
</tr>
<tr>
<td></td>
<td>Temperature</td>
</tr>
<tr>
<td></td>
<td>Chemical Oxygen Demand (COD)</td>
</tr>
<tr>
<td></td>
<td>Total Phosphorus (as PO$_4$-P)</td>
</tr>
<tr>
<td></td>
<td>Total Nitrogen (as N)</td>
</tr>
<tr>
<td></td>
<td>Ammonia Nitrogen (as N)</td>
</tr>
<tr>
<td></td>
<td>Arsenic (As)</td>
</tr>
<tr>
<td></td>
<td>Cadmium (Cd)</td>
</tr>
<tr>
<td></td>
<td>Chromium (Cr$^{+6}$)</td>
</tr>
<tr>
<td></td>
<td>Cyanide (CN)</td>
</tr>
<tr>
<td></td>
<td>Copper (Cu)</td>
</tr>
<tr>
<td></td>
<td>Lead (Pb)</td>
</tr>
<tr>
<td></td>
<td>Mercury (Hg)</td>
</tr>
<tr>
<td></td>
<td>Nickel (Ni)</td>
</tr>
<tr>
<td></td>
<td>Silver (Ag)</td>
</tr>
<tr>
<td></td>
<td>Zinc (Zn)</td>
</tr>
<tr>
<td></td>
<td>Phenol Type Compounds</td>
</tr>
<tr>
<td></td>
<td>Surfactants (as ABS)</td>
</tr>
<tr>
<td></td>
<td>Oil and Grease</td>
</tr>
<tr>
<td></td>
<td>Chlorinated Hydrocarbons</td>
</tr>
</tbody>
</table>

Monitoring reports shall be submitted monthly.
6. Discharge Monitoring Reports (DMRs) submitted to MDNR by MSD show that its Bissell Point facility has consistently discharged pollutants in violation of 33 U.S.C. § 1311. In many instances since 1975, the discharge of pollutants exceeded the interim effluent limitations described in paragraph 5 above.

7. EPA records relating to construction grants under Title II of the Act show that Permittee has failed to construct treatment facilities necessary to achieve compliance with the requirements of Section 301(b)(1) of the Act, 33 U.S.C. § 1311(b)(1).

8. The Metropolitan St. Louis Sewer District is found to be in violation of Section 301(d) of the Act.

9. Section 309(a)(5) of the Act requires that Administrative Orders to correct failures to meet final deadlines established under the Act specify a time for compliance that does not exceed the time determined to be reasonable, taking into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

10. In order to determine a reasonable time to finally attain compliance with statutory requirements of Section 301(b)(1), Permittee must submit information concerning the type of construction necessary to meet statutory requirements, the method or methods of financing the needed construction, and a schedule for completing construction necessary to meet statutory requirements.

ORDER

11. Based on the foregoing FINDINGS, it is hereby ORDERED:

12. That Permittee submit to EPA and MDNR an approvable Municipal Compliance Plan (MCP) as outlined in the following schedule:

<table>
<thead>
<tr>
<th>REQUIREMENT</th>
<th>DUE DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Permittee complete a study of feasible treatment alternatives (technology and costs) necessary to achieve compliance with secondary treatment limitations promulgated pursuant to Section 301(b)(1) of the Act.</td>
<td>8/1/84</td>
</tr>
</tbody>
</table>

Permittee notify EPA and MDNR of the treatment alternative selected to achieve compliance with secondary treatment limitations by submitting an engineering summary which includes the:

(1) Design criteria
(2) Design capacity
(3) Listing of all units (operating and back-up) and specifications therefore. Operating characteristics and rated pollutant removal capability should be provided for each treatment unit
(4) Detailed estimate of capital investment requirements for construction
B. Complete and submit to EPA and MDNR the attached Financial Analysis worksheet, marked Attachment A. Since Congressional authorization for Federal construction grant funding expires at the end of FY 1985, the financial plan should not assume Federal funding beyond September 30, 1985.

C. Complete and submit to EPA and MDNR a detailed schedule of compliance for completion of construction necessary to meet secondary treatment. There are no statutory provisions for extensions of compliance deadlines past July 1, 1988, so compliance must be achieved prior to that date.

13. Beginning with the month in which the ORDER becomes effective, Permittee shall submit monthly progress reports covering activities underway to comply with this ORDER. Said progress reports should be submitted to EPA and MDNR concurrently with submission of DMRs required in paragraph 14 below.

14. Until completion of construction necessary to achieve compliance with secondary treatment requirements, Permittee shall efficiently operate and maintain the existing treatment works at its Bissell Point Plant and discharge effluent which does not exceed the following interim effluent limitations and monitoring requirements:

<table>
<thead>
<tr>
<th>Outfall Number and Effluent Parameter(s)</th>
<th>Interim Effluent Limitations</th>
<th>Monitoring Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Weekly Average</td>
<td>Monthly Average</td>
</tr>
<tr>
<td>All Outfalls</td>
<td>no limit</td>
<td>no limit</td>
</tr>
<tr>
<td>Flow - m³/Day (MGD)</td>
<td>750 mg/l</td>
<td>500 mg/l</td>
</tr>
<tr>
<td>Biochemical Oxygen (BOD₅) Demand</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suspended Solids</td>
<td>300 mg/l</td>
<td>200 mg/l</td>
</tr>
<tr>
<td>Fecal Coliform</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Organisms/100 ml</td>
<td>6.0-9.0</td>
<td>6.0-9.0</td>
</tr>
<tr>
<td>pH - Units (Not to be averaged)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Temperature</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Chemical Oxygen Demand (COD)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Phosphorus (as PO₄-P)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Nitrogen (as N)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Ammonia Nitrogen (as N)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Arsenic (As)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Cadmium (Cd)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Chromium (Cr⁶⁺)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Copper (Cu)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Lead (Pb)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Measurement Frequency</td>
<td>once/day</td>
<td>24 hour total</td>
</tr>
<tr>
<td>Sample Type</td>
<td>24 hour comp.</td>
<td></td>
</tr>
</tbody>
</table>

- 28 -
I.cury (Hg)  | N/A | N/A | once/monthly | 24 hr. comp.
Nickel (Ni) | N/A | N/A | once/monthly | 24 hr. comp.
Silver (Ag) | N/A | N/A | once/monthly | 24 hr. comp.
Zinc (Zn) | N/A | N/A | once/monthly | 24 hr. comp.
Phenol Type Compounds | N/A | N/A | once/monthly | 24 hr. comp.
Surfactants (as ABS) | N/A | N/A | once/monthly | 24 hr. comp.
Oil and Grease | N/A | N/A | once/monthly | 24 hr. comp.
Chlorinated Hydrocarbons | N/A | N/A | once/monthly | 24 hr. comp.

Monitoring reports shall be submitted monthly.

15. Failure to comply with all terms of this ORDER may result in referral to the United States Attorney's office for possible criminal or civil action pursuant to Section 309 of the Act.

16. The interim limits set out in paragraph 14 above shall be of no force and effect if other terms and provisions of this ORDER are not complied with.

17. This ORDER does not effect or supersede any requirements of Missouri law.

18. All reports required by this ORDER should be directed to the EPA's technical representative listed below.

19. All legal questions should be directed to the EPA's legal representative listed below.

**EFFECTIVE DATE OF ORDER**

This ORDER shall become effective upon its receipt by Charles B. Kaiser, General Counsel, Metropolitan St. Louis Sewer District.

DATE 4-11-84

MORRIS KAY, Regional Administrator
Environmental Protection Agency
Region VII

DATE 4-11-84

Office of Regional Counsel
Environmental Protection Agency
Region VII
CERTIFICATE OF SERVICE

I hereby certify that the original Findings of Violation and Order for Compliance was sent by certified mail, return receipt requested, to Charles B. Kaiser, General Counsel, Metropolitan St. Louis Sewer District, 2000 Hampton Avenue, St. Louis, Missouri 63139, and a copy sent by certified mail, return receipt requested, to Missouri Department of Natural Resources, Division of Environmental Quality, P.O. Box 1368, Jefferson City, Missouri 65102, on this the 12 day of April 1984.

Earlyne Lofton
These sheets can be used as an aid in conventional financial analysis. Information to answer these questions should be contained in the Facility Plan or the Municipal Compliance Plan. Additional assistance can be found in the Financial Capability Guidebook, which is available from the U.S. Department of Commerce, National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161

What is the nature of the proposed facilities? (Check more than one, if applicable.

- The proposed facilities include: [ ] Collection System [ ] Treatment Plant [ ] Outfalls [ ] Other
- The proposed facilities will be: [ ] New [ ] An expansion [ ] An upgrade
- Entities to be served include: [ ] County [ ] Municipality [ ] Industry [ ] Sewer District

What roles and responsibilities will local governments have?

Cooperative arrangements between various entities may be required to meet the management needs of wastewater treatment facilities. What agency will:

- Own the facilities?
- Operate the facilities?
- Finance the facilities?
- Will there be financial contributions by: [ ] Other agencies [ ] Industries
  Other agencies:
  Industries:
- Have participating agencies been asked to review:
  [ ] A Facility Plan [ ] A population projection [ ] Service area boundaries
Have agreements been sought between the operating agency and:
[ ] Participating agencies [ ] Other agencies [ ] Industry

How much will the proposed facilities cost at today's prices?

The following figures should be the estimated costs for construction, and operation, maintenance, and replacement (OM&R) of the proposed wastewater system. Dollar amounts should be uninflated and reflect today's prices.

- Estimated planning, design, and capital costs: $______________
- Estimated annual (OM&R) costs: $______________

How will the facilities be financed?

- Amount received as grants or cash on hand? $______________
- What amount will have to be borrowed? $______________
- How will you finance this amount? What financing method will you use?

<table>
<thead>
<tr>
<th>Method(s)</th>
<th>Amount Financed</th>
<th>Interest Rate</th>
<th>Term of Maturity</th>
<th>Annual Debt Service Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obligation Bond</td>
<td>$______________</td>
<td>___%</td>
<td></td>
<td>$______________</td>
</tr>
<tr>
<td>Revenue Bond</td>
<td>$______________</td>
<td>___%</td>
<td></td>
<td>$______________</td>
</tr>
<tr>
<td>Loan</td>
<td>$______________</td>
<td>___%</td>
<td></td>
<td>$______________</td>
</tr>
<tr>
<td>Other</td>
<td>$______________</td>
<td>___%</td>
<td></td>
<td>$______________</td>
</tr>
<tr>
<td>Total: $______________</td>
<td>Total: $________</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Estimated, total, annual costs:

Net existing OM&R: $______________
Existing annual debt service: $______________
OM&R for proposed facilities: $______________
Debt service for proposed facilities: $______________

Total: $______________

- Sources and amounts of funding for estimated, total, annual costs:

Sewer charges: $______________
Surcharge: $______________
Connection fees: $______________
Betterment assessments: $______________
Other assessments: $______________
Transfers from other funds: $______________
Other sources: $______________

Total: $______________
What are the annual costs per household?

- Total estimated annual wastewater facilities costs: $__________
- Nonresidential share of the total annual costs: $__________
- Residential share of the total annual costs: $__________
- Number of existing households: No.__________
- Annual costs per household for:
  - Wastewater collection and treatment: $__________
  - Other: $__________
- Total annual costs per household: $__________

What is the community's debt history?

- Community's most recent general obligation bond rating:
  - Previous rating: ____________ ____________
- Community's most recent revenue bond rating:
  - Previous rating: ____________ ____________
- Outstanding debt:
  - General obligation bonds $__________ $__________
  - Revenue bonds $__________ $__________
  - Gross direct debt $__________ $__________
  - Direct net debt $__________ $__________
  - Overlapping net debt $__________ $__________
  - Overall net debt $__________ $__________
  - Other debt $__________ $__________
  - Total overall net debt due within next 5 years: $__________ $__________

- Briefly describe any limits on debt that apply to your community.

- What % of your debt limit is currently used? ____________
What is the community's financial condition?

<table>
<thead>
<tr>
<th>Indicator</th>
<th>With Project</th>
<th>W/O Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Annual median household income:</td>
<td>$ ___ %</td>
<td>$ ___ %</td>
</tr>
<tr>
<td>- Annual rate of change in population:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Current operating surplus/deficit as a % of current expenses:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Real property tax collection rate:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Property tax revenues as % of full market value of real property:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Overall net debt as a % of full market value of real property:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Overall net debt outstanding as a % of personal income:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Direct net debt per capita:</td>
<td>$ ___</td>
<td>$ ___</td>
</tr>
<tr>
<td>- Overall net debt per capita:</td>
<td>$ ___</td>
<td>$ ___</td>
</tr>
<tr>
<td>- % direct net debt outstanding due within next five years:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Operating ratio:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
<tr>
<td>- Coverage ratio:</td>
<td>___ %</td>
<td>___ %</td>
</tr>
</tbody>
</table>

What is the overall financial impact of the proposed wastewater treatment system?

This is a series of questions that will help provide information about your community's current financial condition. The answers to these questions will help demonstrate the cumulative financial impacts of constructing the proposed facilities on top of previous financial commitments.

- Does your community plan to rely on new population growth to help finance the proposed treatment facilities? If so, are the population projections realistic? Do historic population trends (eg., previous five years) support population projections?

- Over the past five years, what has happened to your community's taxable assessed property valuation relative to its population?

- Does your community rely on sources of revenue other than real property taxes? If so, are there discernible trends for these revenues?

- What is the total current outstanding indebtedness of your community?
However, the size of the current CIP (about $670 million), changes in Federal tax laws, the reduction in Federal and State funds, and revenue constraints of the Missouri Constitution will require that the District carefully plan its future financing.

FINANCING ALTERNATIVES

A number of financing options available to the District were investigated. These options included:

- revenue bonds;
- general obligation bonds;
- capital improvement surcharge;
- Federal/State grants;
- replacement funds generated through user charges;
- ad valorem tax funds;
- connection fees; and
- privatization.

The advantages and disadvantages of each of these options are discussed below.

Revenue Bonds

Revenue bonds are the most frequently used source of debt financing for water and sewer capital projects. The bonds are secured and repaid by user charge revenues and may be issued at fixed interest rates over long periods (20-40 years). The advantages of revenue bonds include:

- Revenue bond debt is secured by revenues from customers who use the system.
- Revenue bonds follow standard practices of municipal finance.
- They provide the capacity to raise large sums of money.
- Debt repayment amounts are spread over long periods which allocates the costs to both current and future customers.

A number of disadvantages also exist including:

- The current lawsuit reduces the marketability of the latest revenue bonds as well as future issues.
- Revenue bonds have slightly higher interest rates than general obligation bonds and generally require the funding of reserves. A large part of these additional expenses are offset by interest earnings on the bond proceeds during construction and the reserve fund balances.

General Obligation Bonds

General obligation bonds are frequently used by state and local governments to finance assets used in providing general government services. The debt is
secured and repaid through assessment of ad valorem taxes. The advantages of using general obligation bonds include the following:

- They traditionally have lower interest rates and issuance costs than revenue bonds.
- They generally do not require the funding of reserves.

Disadvantages include the following:

- There are constitutional limits on the amounts that may be issued.
- Recovery of annual bond payments through property taxes does not reflect the costs or level of service provided to customers.
- Limitations on the term of general obligation bonds and uncertainties regarding voter approval to raise sewer fees to cover operations and maintenance expenses makes financial planning more difficult.

Capital Improvement Surcharge

An alternative to long-term financing is to establish a surcharge on current sewer rates to provide for additional financing needs over a five-year period. The advantages of the surcharge are:

- The significant level of external financing needs could be generated by the surcharge if long-term debt and other options are not available.
- Charges could drop significantly after the surcharge period for capital costs although that decrease may be offset by higher operating costs as the facilities are put in operation.

Disadvantages to the surcharge include:

- Current customers would pay all the capital costs for the new facilities over a five-year period whereas future customers would use but not provide capital for the facilities.
- The District could have a cash flow problem during construction (and have to borrow short-term) because of the timing of surcharge revenues and construction expenditures.
- The District would have to appropriate funds for construction projects with the expectation of future surcharge revenues and would have to structure construction contract commitments accordingly.

Federal/State Grants

The prospect for future EPA and State grants remains uncertain because of the recent Presidential veto of additional funding for the Construction Grants Program. A reduced level of Federal funding is supported by the Administration. Because of the strong support of the program in the U.S. Senate and House, it is possible that Federal grants will continue beyond 1989.
The District receives about 25% of the State's allotment of construction grants which amounts to about $17 million annually. The State Department of Natural Resources (DNR) provides grants amounting to 25% of project costs to supplement the Federal grants. To continue to receive Federal and State grants, the District must show progress in meeting its construction schedule for the wastewater compliance requirements. The District must also comply with other requirements under the Construction Grants Program, one of which is to have an equitable user charge system for recovering costs of operations, maintenance and replacement.

Other Financing Alternatives

The District could pursue several other options for raising capital financing including user charges, ad valorem taxes and fees for new connections to the system. A balance should be established between the amounts of internal and external funding used to finance capital improvements so that both existing and future customer interests are considered. The use of internal funds to a certain extent is often looked upon favorably by outside investors since it demonstrates a commitment to share in the financing of needed facilities and not to rely solely on outside financing. State laws must also be carefully considered in analyzing these options.

Internally generated capital from user charges is usually available after the District pays all cash expenditures for operations and debt retirement. These remaining funds are typically invested in normal extensions, improvements and replacements of the system. The District has significant financing needs relative to replacing existing sewers, many of which are over 100 years old.

Internal funds generated from ad valorem tax revenues are mostly committed for use in the subdistricts of the District. These funds have typically been used for construction of relief and replacement sewers and stormwater projects in the respective subdistricts.

Connection fees are another potential source of capital financing. The District currently charges a range of fees for new connections (typically $250 to $450 per residential connection). Connection fees often run from $1,000 to $1,500 in many large metropolitan areas. Because the current growth anticipated in the St. Louis area is not significant, increased connection fees would not generate the large sums of money needed for the CIP. Connection fees do, however, represent an equitable method of allocating costs between existing and future system users.

In more recent years, communities have begun to transfer public services to private companies through long-term service contracts. Full privatization (ownership) of selected new facilities which operate separately from other system facilities is possible but detailed analyses will be required to make specific privatization decisions. However, recently enacted tax laws decrease the attractiveness of private investment in capital facilities. Smaller private lease arrangements may have merit if the net costs to the District are comparable or if alternative financing is not available. A determination would have to be made as to whether State law would require voter approval or allow increased revenues to pay for privatization costs.
Approach

Based on the advantages and disadvantages of the range of options discussed above, four financing scenarios were selected for detailed analysis:

- **Case 1**: revenue bonds primarily for compliance and replacement projects with a debt service coverage ratio of 150% to generate internal funds for remaining replacement projects.
- **Case 2**: revenue bonds primarily for compliance projects with internal funds for replacement based on the planned level of replacement construction.
- **Case 3**: a capital surcharge over a five-year period (1988 to 1992) and revenue bonds for the $60 million authorized in the 1984 election.
- **Case 4**: a capital surcharge over the five-year period, no new revenue bond financing, and no new Federal or State matching grants.

Cases 1 through 3 assume Federal and State grants continue at their current levels through fiscal year 1988 and District-wide tax revenues and interest earnings are utilized as sources of capital financing. A summary of these results is shown on Schedule V-3.

Findings and Analysis

Schedule V-3 summarizes the funding sources for financing the CIP under the four different scenarios defined.

The amounts shown as "debt service reserves" under "Uses of Funds" will eventually be applied to bond repayment. The reserves are, however, a front-end funding requirement if revenue bonds are used to finance the CIP. Details of the calculations for each scenario are provided in the Appendix. The following schedules are also presented in the Appendix for each case:

- construction revenues and fund balances.
- debt service calculations.
- revenue requirements and debt service coverage.
- replacement fund balances, sources and uses of funds.

Each of these cases is examined further relative to revenue and customer cost impacts in the next section.
Recommendations

The District should plan to finance most of its CIP through the issuance of revenue bonds over a six to eight year period.

The District was established to solve critical health and sewer problems in a "sound and equitable manner" and should use its bonding authority to spread the costs of improvements to all ratepayers who will benefit from these facilities. This includes future ratepayers as well as current ratepayers. In addition, since sewer facilities are constructed primarily to collect and treat wastewater, revenue bonds payable from user charges present the most equitable method of recovering the costs from the users of the facilities. Property tax revenues are generally not considered to be an equitable method of paying the costs of sanitary sewer service and should eventually be replaced with revenues from user charges.

The use of revenue bond financing on a District-wide basis is recommended as presented in Case 1 or Case 2.

The voters should be asked to authorize the revenue bonds needed and should be informed of the associated rate increases for debt service, O & M, and replacement costs. The primary advantages of revenue bonds are acceptance within the industry and by EPA and DNR and the fairness and equity in recovering capital costs over a long-term. Rate increases are also more gradual compared to the surcharge method.

Cases 1 and 2 are based on revenue bonds with a term of twenty years. Cases 1 and 2 include approximately $100 million of Federal and State grants and local contributions. To the extent that these Federal and State grants are reduced, the District should plan to issue additional revenue bonds to replace these funding sources.

Replacement costs should be funded partially through user charges that reflect a District debt service coverage objective.

Revenue bond financing will probably require a 125% minimum coverage in accordance with current bond covenants. Establishment of user charges based on a coverage objective, such as the 150% ratio used in Case 1, provides bondholders additional assurance that revenues will be adequate to allow for potential variations in revenues and costs. This can improve the bond ratings and reduce interest costs.

A coverage ratio objective provides a standard financial measure that can be used in establishing revenue requirements and provides some internal funds for investment in plant. Investment in system replacement helps assure bondholders that the system is being maintained. Under this scenario, the revenue bond program should be presented to the voters as a means of paying for compliance projects and some infrastructure replacements and improvements.

Case 1 includes some long-term bond financing for capital replacement expenditures while Case 2 includes only compliance projects financed with bonds. If some capital replacement expenditures are not financed with bonds, higher user charges, as shown in Case 2, will be required to fund these replacement projects currently.
## Schedule V-3

Metropolitan St. Louis Sewer District


($ million)

<table>
<thead>
<tr>
<th>Case</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>150% Coverage</td>
<td>Actual Replacements</td>
<td>Some Bonds and Grants</td>
<td>No Bonds or New Grants</td>
</tr>
<tr>
<td></td>
<td>$37</td>
<td>$37</td>
<td>$37</td>
<td>$37</td>
</tr>
</tbody>
</table>

### Beginning Fund Balance

<table>
<thead>
<tr>
<th>Fund Sources:</th>
<th>Case</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue bond proceeds and interest earnings</td>
<td>429</td>
<td>391</td>
<td>79</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>User charges, taxes and other income</td>
<td>93</td>
<td>126</td>
<td>119</td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>Capital surcharge</td>
<td>--</td>
<td>--</td>
<td>272</td>
<td>419</td>
<td></td>
</tr>
<tr>
<td>Total Sources</td>
<td>623</td>
<td>618</td>
<td>571</td>
<td>567</td>
<td></td>
</tr>
</tbody>
</table>

### Uses of Funds:

<table>
<thead>
<tr>
<th>Uses of Funds:</th>
<th>Case</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>602</td>
<td>602</td>
<td>602</td>
<td>602</td>
<td></td>
</tr>
<tr>
<td>Debt service reserves</td>
<td>42</td>
<td>38</td>
<td>4</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Bond issuance costs</td>
<td>16</td>
<td>14</td>
<td>2</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Total Uses</td>
<td>660</td>
<td>654</td>
<td>608</td>
<td>602</td>
<td></td>
</tr>
</tbody>
</table>

### Ending Fund Balance

<table>
<thead>
<tr>
<th>Ending Fund Balance</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>$1</td>
<td>$0</td>
<td>$2</td>
<td></td>
</tr>
</tbody>
</table>
Mr. Robert J. Hagel  
Executive Director  
Metropolitan St. Louis Sewer District  
2000 Hampton Avenue  
St. Louis, Missouri  63139

Dear Mr. Hagel:

In response to your request, we have analyzed the status of design and construction for the Bissell Point Wastewater Treatment Facility. The design has been essentially completed on the following eight of the total 16 construction packages.

BP-1 Site Preparation  
BP-1A Resident Engineers Office  
BP-2 East Prairie Avenue Extension  
BP-3 Trickling Filter Pump Station  
BP-4 Trickling Filters  
BP-5 Final Clarifiers  
BP-5A Final Clarifier Slurry Wall  
BP-5C Groundwater Control

We have stopped work on the following five packages based on your instructions in January 1987, except for needed interface design with BP-6, -9, and -12.

BP-10 Plant Control System  
BP-11 Aeration Tanks  
BP-13 Plant Improvements  
BP-14 Detritus Tank Improvements  
BP-15 Maintenance Center and Thickening Facilities

We have continued to work on the remaining highest priority packages that were scheduled to proceed to construction either this year or early next year. In order to comply with State requirements, the design of these projects must be completed by the end of this year in order to be eligible for possible Federal and State funding in 1987.

BP-6 Secondary Treatment Operating Center (STOC)  
BP-9 Sludge Disposal Improvements  
BP-12 Effluent Pump Station
The District has appropriated $6,329,500 to date toward the total design contract of $9,447,792. By the end of April, we anticipate our expenditures will be about $7.3 million. We understand an additional $1,000,000 is up for adoption at the April 29, 1987 Board meeting.

Approximately $850,000 will be required to complete the three priority packages. Work on these projects is currently scheduled to be completed by October, 1987. We would encourage the District to complete the designs now, rather than stop in the middle and try to reassemble the same or a new design team sometime in the future. We estimate that if the design was terminated at the end of April, it would cost an additional fee of $450,000 to demobilize and remobilize.

The Site Preparation, Resident Engineers Office and East Prairie Avenue Extension construction contracts have been completed. Construction is underway on the Trickling Filter Pump Station and Final Clarifier Slurry Wall and we anticipate that construction will begin on the Groundwater Control package in July, 1987.

The District has appropriated $1,000,000 to date toward the total construction management services. By the end of April we anticipate our expenditures at $835,000. We estimate that an additional $375,000 appropriation will be necessary in the future to complete the contract packages presently under construction. The Construction Management manpower has already been reduced in accordance with our earlier recommendations.

If additional information is needed, please advise.

SVERDRUP/HAVENS AND EMERSON
A Joint Venture

H. Gerard Schwartz, Jr.
Project Director
Section 7.180. **Taxes levied and collected—How and when.**—On or before the fifteenth day of May in each year, the Board shall determine the amount of taxes that will be required during the next succeeding fiscal year to pay interest falling due on bonds issued and the principal of bonds maturing in such year and the costs of operation and maintenance plus such amount as may be required to cover emergencies and anticipated tax delinquencies, and shall certify to the Board of Aldermen, Comptroller, License Collector, and Collector of the City of St. Louis the amount of such taxes which shall be levied, assessed, and collected on all taxable tangible property in the District or a subdistrict, as the case may be, within the corporate limits of the City of St. Louis, and shall certify to the County Council, County Clerk, and Collector of St. Louis County the amount of such taxes which shall be levied, assessed, and collected on all taxable tangible property in the District or a subdistrict, as the case may be, within the corporate limits of St. Louis County. Upon receipt of such certificate, said officers of said city and county, respectively, at the time they make the levy for state, county, city, school, and other ad valorem taxes, shall levy such rate of taxation upon all taxable tangible property in the District or a subdistrict, as the case may be, within their respective jurisdictions as will produce the respective amounts of taxes certified. All officers of said city and county and of the state, concerned with the assessment and collection of taxes, fines, and penalties, shall perform such duties in relation to the levy, assessment, and collection of District and subdistrict taxes as are imposed by the existing law of this state upon such officers in relation to state, county, city, school, and other ad valorem taxes. All District and subdistrict taxes levied shall be based upon the assessed valuation of lands and other taxable tangible property in the District or a subdistrict, as the case may be, as may be determined by the records in the offices of the Assessor, Comptroller, and License Collector of the City of St. Louis and the Assessor and County Clerk of St. Louis County, and shall be collected and remitted to the Secretary-Treasurer of the District. All the laws, rights, and remedies provided by the laws of this state for the collection of state, county, city, school, and other ad valorem taxes shall be applicable to the collection of taxes herein authorized to be collected.
AFFIDAVIT OF PUBLICATION
— IN THE —

ST. LOUIS POST-DISPATCH

ST. LOUIS, MISSOURI 63101

The attached advertisement

of the Metropolitan Sewer District

was published as follows:

[ ] In the St. Louis Post-Dispatch

April 23 & 28, 1987

_____ (dates)_____

Michael Davis

Classified Sales Manager

(signed)

(title)

Sworn to and subscribed before me,

This 1st day of May, 1987

Notary public, City of St. Louis

My term expires ____________

Affidavit charge $ ________
A frequent explanation of the sewer service charges given by MSD officials is that the rates are uniform throughout the District except for the addition of a stormwater charge in certain areas and the addition of debt service charges which apply only to the Fee Fee Subdistrict. (See Journal of January 28, 1987, page 2)

The facts are: The only part of the service charges which is uniform throughout the District for each class of customers is the User Charge Portion. For all single family residential property, this is $50.16 a year. But the "debt service" charges (Capital Charge Portions) which are included in all service charges rates are not uniform. For most of the subdistricts or service areas, the annual capital charge portion for single family residential property is $1.56. This was explained last year as the amount needed to service the outstanding $8.6 million District-wide revenue bonds.

Four service areas -- not only the Fee Fee Subdistrict -- the annual capital charge (now being called a "debt service" charge), for single family residential property is much higher than $1.56; it ranges from $2.88 to $45.84. This is supposedly due to higher outstanding debts in the St. Louis County Sewer Co. Service Area, the Martigney Creek Service Area, the Fenton Service Area and the Fee Fee Subdistrict. It is true that the General Appropriation Ordinance (proposed Ord. No. 505-87) shows outstanding revenue bond debt of the Fee Fee Subdistrict resulting from the purchase of the Fee Fee Sewer Co., and the outstanding negotiable notes of the Fenton Service Area for the purchase of the Fenton Sewer Co. -- both payable from service charges collected in those two Service Areas. These two outstanding debts with their amortization schedules are also shown in the Budget for FY 87-88. But there is nothing in any such document to indicate that there are such outstanding debts payable with service charges to be collected in the St. Louis County Service Area and the Martigney Creek Service Area.

When asked about this, Mr. Stevens explained that customers in the St. Louis County Service Area are required to repay the District for what the District spent to acquire the St. Louis County Sewer Co. because it would be unfair to have that cost paid by customers of the entire District.

The St. Louis County Service Area was created in March, 1985 when the District purchased the outstanding stock of the privately owned St. Louis County Sewer Co. Two months earlier, MSD had purchased publicly owned sewer facilities from the City of Valley Park, thereby creating the Valley Park Service Area. Although the user charge rates of Valley Park were increased to conform with the District's uniform user charges, customers in the new Valley Park Service Area have not been required to pay higher "debt service" charges to repay the District for the $500,000 spent to purchase sewer facilities in that area. The only capital charge ("debt service" charge) levied in the Valley Park Service Area is the capital charge for servicing the $8.6 million District-wide revenue bonds -- now $1.56 a year for single family residential property.
The District has long followed the pattern of waiting to purchase a privately owned sewer company until after the company had applied for and received a rate increase from the Public Service Commission. Then MSD has continued charging the higher rates despite the District being a not-for-profit publicly owned utility which pays no taxes. MSD purchased the St. Louis County Sewer Co. shortly after that company had been authorized by the PSC to increase its rates by 31%.

There are other gross inequities in the service charges levied in the Fenton, St. Louis County and Martigney Creek Service Area which can best be understood by considering the following:

-- There are hundreds of lift stations or pump stations throughout the District, and more are being built to facilitate the conveyance of wastewater to treatment plants. Why are three service areas singled out for higher rates to be paid by customers served by lift station sewers than customers served by gravity sewers?

-- Even if it can be established that customers in a particular service area, such as Fenton, must pay the cost of the District having purchased the private sewer company which previously served them, should a customer served by a lift station sewer pay a debt service charge which is five times greater than customers in the Fenton Service Area served by gravity sewers?

Unless such unfair practices are corrected, the credibility of the District will be further damaged.

Although there are outstanding debts that are the obligations of the Fee Fee Subdistrict and the Fenton Service Area, questions were raised last year about the calculations of the increases in the service charges for those two service areas which became effective July 1, 1986 and will probably continue in effect for FY 1987-88.

For single family residential customers in the Fee Fee Subdistrict the annual service charge was increased from $57.00 to $64.92. Within that total rate, the annual amount for "debt service" (exclusive of the amount for servicing the District-wide revenue bonds) was increased from $9.60 to $13.20. We remain unconvinced that such increase in the Fee Fee capital charge was levied solely for debt retirement.

A review of budgets and audited financial statements for the past years discloses that service charges collected in the Fee Fee Subdistrict have consistently generated larger net revenues than required to service the outstanding Fee Fee revenue bonds. As a result, the balances in the Fee Fee debt service funds have grown to an amount sufficient to pay principal, interest and incidental expenses of the Fee Fee bonds for several future years. What is even more to the point, the surpluses in the Fee Fee Revenue Fund (where service charges are deposited) have historically provided many millions of dollars to spend on capital improvements.

The Budget for FY 1987-88 indicates that the Fee Fee service charges as increased July 1, 1986, will generate net revenues which will be 140% of the subdistricts debt service requirements in FY 1987-88. When service charge rates are established to assure a
debt service coverage of 140%, it is difficult not to conclude that the rates were not increased for the sole purpose of servicing the subdistrict's outstanding revenue bonds. Were not the current service charge rates for Fee Fee also designed to continue producing revenue that can be used for additional capital improvements? There has never been a satisfactory response to that question.

_____________________________________________________________________________

The reason given last year for increasing the service charges in the Fenton Service Area was that the increases are needed to pay the debt service on the Fenton outstanding promissory notes. What prompted us to question that need was the information on page 37 of the Official Statement of March, 1985 for the issuance of $8.6 million District-wide revenue bonds. In describing all outstanding debt of the District, that Official Statement had this comment about the Fenton Notes:

"There are currently funds held in reserve for the Fenton Subdistrict Notes in the amount of $550,000. These reserve funds along with interest earnings thereon are anticipated to be sufficient to meet scheduled debt payments."

MSD's rate consultant responsible for calculating the service charge rates that became effective July 1, 1986 also participated in the preparation of the above Official Statement published in March, 1985.
An Explanation of Your Bill

Like you, MSD is subject to increased operating costs for utilities such as electricity, gas, telephone and fuel. For this reason, and also to help finance sewer improvement projects designated to keep MSD in compliance with federal and state clean water guidelines, a new rate, effective July 1, 1986, has been determined for the sewer service you receive. The rate chart below outlines the yearly rates charged customers in your service area.

**Martigny Service Area**

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Monthly Cost</th>
<th>Annual Cost</th>
<th>Yearly Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Residence</td>
<td>$50.16</td>
<td>$60.16</td>
<td>$85.80</td>
</tr>
<tr>
<td>Multi-Family Residence</td>
<td>$37.80</td>
<td>$45.30</td>
<td>$68.48</td>
</tr>
<tr>
<td>Single Family Residence (with Lift Station)</td>
<td>$50.16</td>
<td>$60.16</td>
<td>$96.00</td>
</tr>
<tr>
<td>Multi-Family Residence (with Lift Station)</td>
<td>$37.80</td>
<td>$45.30</td>
<td>$77.04</td>
</tr>
<tr>
<td>Commercial/Industrial Minimum</td>
<td>$83.16</td>
<td>$99.80</td>
<td>$85.80</td>
</tr>
<tr>
<td>First 9 Ccf/month</td>
<td>.29/Ccf</td>
<td>.35/Ccf</td>
<td>.39/Ccf</td>
</tr>
<tr>
<td>Over 9 Ccf/month</td>
<td>.403/Ccf</td>
<td>.45/Ccf</td>
<td>.5172</td>
</tr>
</tbody>
</table>

*Surcharges are assessed depending upon the strength of the wastewater released into the sewers.*

Should you have a question regarding your bill, contact the MSD Billing Division at 768-6230.

If you ever experience a problem with the public sewers in your neighborhood, contact our Maintenance Department at 768-6260. That number is answered 24 hours a day every day of the year.

An Explanation of Your Bill (Continued)

### St. Louis County

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Operational Costs</th>
<th>Debt Service</th>
<th>Yearly Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Residence</td>
<td>$50.16</td>
<td>$33.00</td>
<td>$83.16</td>
</tr>
<tr>
<td>Multi-Family Residence</td>
<td>$37.80</td>
<td>28.68</td>
<td>66.48</td>
</tr>
<tr>
<td>Single Family Residence (with Lift Station)</td>
<td>$50.16</td>
<td>44.64</td>
<td>94.80</td>
</tr>
<tr>
<td>Multi-Family Residence (with Lift Station)</td>
<td>$37.80</td>
<td>38.04</td>
<td>75.84</td>
</tr>
<tr>
<td>Commercial/Industrial Minimum</td>
<td>$83.16</td>
<td>–</td>
<td>83.16</td>
</tr>
<tr>
<td>First 9 Ccf/month</td>
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<td>.403/Ccf</td>
<td>.693/Ccf</td>
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### MSD SEWER SERVICE CHARGES, ORDINANCE NO. 6576, EFFECTIVE 7/1/86 (Same as proposed for FY 1987-88)

#### RESIDENTIAL PROPERTY

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Miss. River</th>
<th>Coldwater</th>
<th>Sugar Creek</th>
</tr>
</thead>
<tbody>
<tr>
<td>User Charge Portion</td>
<td>$50.16</td>
<td>$50.16</td>
<td>$50.16</td>
</tr>
<tr>
<td>Storm Water Charge</td>
<td>2.88</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital Charge Portion</td>
<td>1.56</td>
<td>14.76</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$54.60</strong></td>
<td><strong>$64.92</strong></td>
<td><strong>$65.04</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Fenton</th>
<th>St. Louis County</th>
<th>Martigney</th>
<th>All Other Service Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gravity Lift</td>
<td>33.00</td>
<td>44.64</td>
<td>35.64</td>
<td>1.56</td>
</tr>
<tr>
<td>Lift</td>
<td>31.44</td>
<td>43.08</td>
<td>34.08</td>
<td>34.28</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$83.16</strong></td>
<td><strong>$94.80</strong></td>
<td><strong>$85.80</strong></td>
<td><strong>$96.00</strong></td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Service Area</th>
<th>Gravity Lift</th>
<th>Lift</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martigney</td>
<td>$39.76</td>
<td>38.16</td>
</tr>
<tr>
<td>All Other Service Areas</td>
<td>$37.80</td>
<td></td>
</tr>
</tbody>
</table>

#### Multi-Unit

<table>
<thead>
<tr>
<th>Service Area</th>
<th>User Charge Portion</th>
<th>Storm Water Charge</th>
<th>Capital Charge Portion</th>
<th><strong>TOTAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mississippi</td>
<td>$37.80</td>
<td>2.16</td>
<td>1.08</td>
<td><strong>$41.04</strong></td>
</tr>
<tr>
<td>Coldwater</td>
<td>$37.80</td>
<td>-</td>
<td>-</td>
<td><strong>$37.80</strong></td>
</tr>
<tr>
<td>Sugar Creek</td>
<td>$37.80</td>
<td>-</td>
<td>-</td>
<td><strong>$37.80</strong></td>
</tr>
<tr>
<td>Fenton</td>
<td>$37.80</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>St. Louis County</td>
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<td><strong>$37.80</strong></td>
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<td><strong>$38.88</strong></td>
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</table>

The above table lists only the service charge components for residential customers, but charges for non-residential customers are equally important. The capital charge portions of non-residential service charges also vary, depending on the service area in which customers are located.

* All service charge ordinances beginning with Ord. No. 5921, adopted 3/13/85, define "Capital Charge" to mean "that part of the total charges . . . which is levied for debt retirement, construction or reconstruction . . . and any other lawful purpose . . . not considered part of the User Charge." Despite that definition, statements by District officials (as well as bill enclosures mailed to customers) present the total Capital Charge as a "Debt Service" charge only, indicating that all proceeds from collection of the Capital Charge Portion will be used only to retire outstanding debt of the subdistrict or service area. (See attached examples of bill enclosures mailed to MSD customers.)

Red ink - The amount which is supposed to be served as a "Debt Service" charge for outstanding debt of the subdistrict or service area, evaluation of the amount levied throughout the District to service District-wide revenue bonds.
MSD SEWER SERVICE CHARGES, ORDINANCE NO. 6576, EFFECTIVE 7/1/86 (Same as proposed for FY 1987-88)

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<tr>
<th>RESIDENTIAL PROPERTY</th>
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<th>Coldwater</th>
<th>Fee Fee</th>
<th>Fenton Gravity Lift</th>
<th>St. Louis County Gravity Lift</th>
<th>Martigney Gravity Lift</th>
<th>All Other Service Areas (now 14)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Single Unit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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| **Multi-Unit**       |             |           |         |                     |                             |                       |                               |
| User Charge Portion  | $37.80      | $37.80    | $37.80  | $37.80              | $37.80                      | $37.80                 | $37.80                        |
| Stormwater Charge    | 2.16        |           |         |                     |                             |                       |                               |
| *Capital Charge Portion | 1.08   | 11.16     | 2.04    | 14.04               | 28.68                       | 38.04                  | 30.84                         |
|                      |             |           |         |                     |                             |                       |                               |
| **TOTAL**            | $41.04      | $48.96    | $39.84  | $51.84              | $66.48                      | $75.84                 | $68.64                        |

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