

CITY OF NEW GERMAN WASTEWATER TREATMENT EXPANSION PROJECT

STRIVING FOR GROWTH
&
IMPROVING WATER QUALITY

MARCH 9, 2023

WHAT IS NEEDED?

The City of New Germany must expand the capacity of their wastewater treatment facility and increase the level of treatment capabilities to support growth within the City and improve water quality

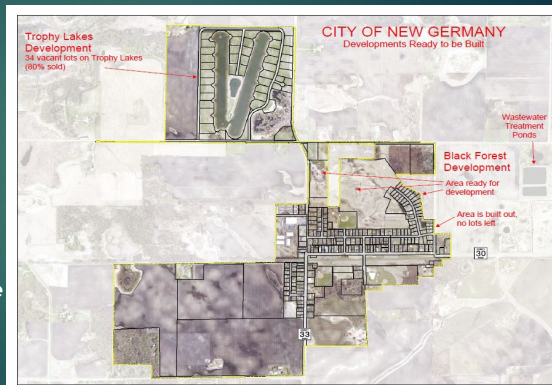
Population of New Germany is 466

Bonding Request: \$8,900,000



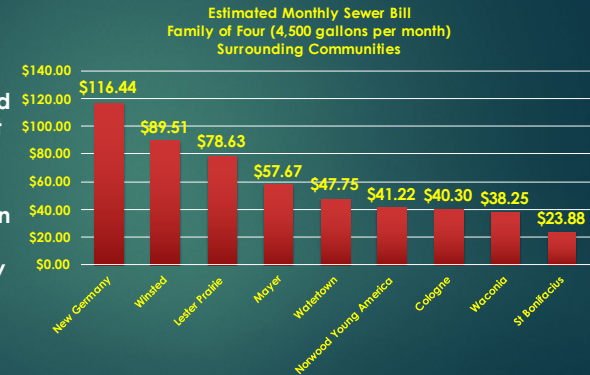
WHY IS THE PROJECT NEEDED?

- ▶ Wastewater Treatment Ponds exceed permitted capacity and do not meet effluent phosphorus limits
- ▶ Lots for affordable housing are sold and ready to be built
- ▶ MPCA will not allow new sewers to available lots until treatment capacity is added



WHY IS FUNDING NEEDED?

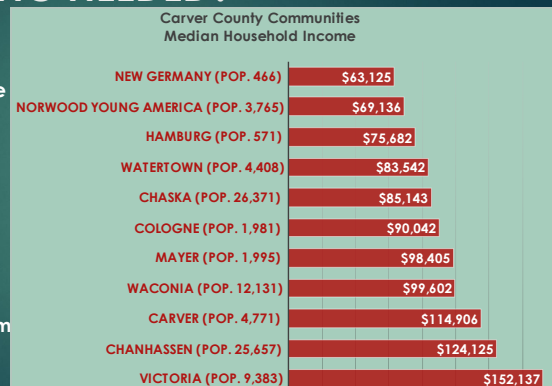
- ▶ Current sewer rates are unaffordable and highest amongst surrounding communities
- ▶ Aging population with fixed incomes – nearly 20% of population is 65 and over



Based on current published base and user sewer rates for each city

WHY IS FUNDING NEEDED?

- ▶ New Germany has lowest population and lowest median household income in Carver County
- ▶ Pay 2021 Tax Rate 2nd highest at 93.7%
 - ▶ \$722/year on median valued home of \$100k
- ▶ Recent bond rating downgrade
 - ▶ Highest debt burden
 - ▶ State-imposed moratorium on development



Based on 2019 data

POSITIVE OUTCOMES

- ▶ Support Community Growth – Expanding facility will allow for residential and commercial growth opportunities
- ▶ Affordable Housing – Lots ready to be built with affordable houses
- ▶ Improve Treatment Capabilities - The facility will provide greater level of treatment, reduce phosphorus, and provide flexibility to tackle future regulations

