

TAX EXEMPTION FOR WASTEWATER TREATMENT FACILITY



PUBLIC PURPOSE

The City of Watertown owns and operates a mechanical treatment facility serving its commercial and residential users. The treatment facility's last major capital project was in 1993 when a stabilization pond system was converted to an activated sludge treatment facility with effluent filtration and chlorine disinfection. Much of the equipment installed in 1993 has exceeded its design life and should be replaced.

WHAT IS THE CITY SEEKING?

In January of 2018, the Minnesota Pollution Control Agency (MPCA) issued an Effluent Limitations Summary for Watertown's NPDES permit renewal. The new permit includes mass and concentration discharge limits for phosphorus. These limits required construction of a nutrient removal system at the treatment facility. Additionally, the community is projected to grow from its current 4,500 residents to an estimated 7,200 residents by 2038. The increase population required expansion of numerous treatment processes.

To address these needs, it was recommended that the facility undertake a major capital improvement project to expand and refurbish its treatment processes. The city is requesting a sales tax exemption on the materials used in the construction of the facility.

SCHEDULE

Construction:

The vast majority of material purchasing has occurred and construction is to be completed by the Spring of 2025.

CONTACT

MAYOR: **MIKE WALTERS**
mwalters@watertownmn.gov

REPRESENTATIVE: **BOBBIE HARDER**
rep.bobbie.harder@house.mn.gov

SENATOR: **GLENN GRUENHAGEN**
sen.glenn.gruenhagen@senate.mn

\$11.5 M

IN MATERIAL COST

\$25 M

TOTAL PROJECT COST