



City Council Memorandum

To: Mayor Fasnender & City Councilmembers
From: Dan Wietecha, City Administrator
Date: May 15, 2023
Item: Suburban Rate Authority

Council Actions Requested:

Withdraw from Suburban Rate Authority JPA.

Background Information:

The Suburban Rate Authority (SRA) is a joint powers entity consisting of approximately 30 Twin Cities suburban cities with a total population over 1 million. The SRA was originally organized in 1963 to provide collective strength in negotiating franchises with the Minneapolis Gas Company. Hastings has been a member since at least the early 1970's.

Since then, the SRA has been active in matters concerning gas, electric, and telephone rate regulation and in legislation concerning the Public Utilities Commission. Of particular note, the SRA successfully negotiated/lobbied for power outage credits affecting municipal pumping stations in 2009-2014 and providing input on LED street lighting tariffs in 2015-2016. Such PUC decisions affect all utility customers, not just SRA members. The SRA has not quantified direct savings for its members, nor has it identified a causal influence on PUC decisions.

Public Works Director Ryan Stempki and I do not see this as the best use of staff time, question the value of continuing our membership, and recommend withdrawing from the SRA in 2024. There is a June 15, 2023 deadline to provide notice of withdrawal in 2024.

Financial Impact:

Savings of 2024 membership dues of \$2,440

Committee Discussion:

N/A

Attachments:

N/A