



CITY OF COLOGNE
RESOLUTION NO. 16-23
RESOLUTION TO REVIEW WATER RATES

WHEREAS, the City of Cologne authorized Sprinsted Incorporated to analyze the current and future funding needs of the water utility; and

WHEREAS, the City recognizes that future debt service for the Water Treatment Facility must be covered by water revenue; and

WHEREAS, the estimated annual debt service for the Water Treatment Facility is \$287,000; and

WHEREAS, the City will phase in a plant fee and increase rates over time to avoid a large, immediate jump for user rates; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cologne, Minnesota, that the following will take place:

- 1. The City of Cologne will undertake periodic rate studies to determine the necessary rate requirement on an ongoing basis throughout the term of the PFA loan.
- 2. The City of Cologne agrees to approve rate increases as determined to be necessary, until the PFA loan is retired.
- 3. The City of Cologne will set new rates for 2017 which will be effective January 1, 2017.

Adopted by the City Council of the City of Cologne, Minnesota, this 15th day of August, 2016.

Scott Williams

Scott Williams, Mayor

ATTEST:

Sue Mueller

Sue Mueller
City Clerk

M/ <u>Evenski</u>	Williams	<u>Aye</u>	Meyer	<u>Aye</u>
	Szaroletta	<u>Aye</u>	McInnis	<u>Absent</u>
S/ <u>Meyer</u>	Evenski	<u>Aye</u>		