



**CITY OF COLOGNE  
RESOLUTION NO. 14-11  
RESOLUTION TO REVIEW WATER RATES**

**WHEREAS**, the City of Cologne has authorized Springsted Incorporated to analyze the current and future funding needs of the Water Utility; and

**WHEREAS**, the City of Cologne has reviewed the Water Fund Analysis prepared by Springsted Incorporated, dated June 10, 2014, and agrees with the conclusions and the proposed rate increases for the next 20 years that are required to repay the PFA Loan, operate the Water Utility and to maintain sufficient reserves; and

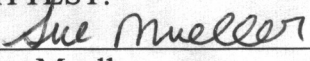
**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Cologne, Minnesota, that the following will take place:

1. The City of Cologne will undertake periodic rate studies to determine the necessary rate requirements 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 water rates for 2015 which will be effective January 1, 2015.

Adopted by the City Council of the City of Cologne, Minnesota, this 16th day of June, 2014.

  
\_\_\_\_\_  
Matt Lein, Mayor

ATTEST:

  
\_\_\_\_\_  
Sue Mueller  
Deputy Clerk

M/ Evenski

Lein Aye  
Williams Aye  
Evenski Aye

Meyer Aye  
McInnis Absent

S/ meyer

---

## MEMORANDUM

---

**TO:** Mayor Matt Lein & City Council Members  
**FROM:** John Hendel, City Administrator  
**SUBJECT:** Water Rate Study to Repay PFA loan  
**DATE:** 6/13/2014

---

Attached to this memo is the study that we asked Springsted to do for us to help understand the water fund and future water rate increases that may be necessary. One item that is presented deals with the City utilizing tax levy money to support the water fund. This is not allowed under State Statute. The rate increases that are presented allow the City to gradually phase out the tax levy money. The memo also includes a Resolution to accept the findings and make a plan to increase rates.

Action to be taken:

Pass Resolution 14-11.