

**Cambridge City Council Special Meeting Minutes
Friday, November 9, 2018**

A special meeting of the Cambridge City Council was held on Friday, November 9, 2018, at Cambridge City Hall Council Chambers, 300 3rd Avenue NE, Cambridge, Minnesota, 55008 after being duly noticed and posted.

Members Present: Mayor Marlys Palmer; Council Members Jim Godfrey, Lisa Iverson, Joe Morin and Kersten Conley.

Members Absent: None

Staff Present: City Administrator Woulfe, Director of Finance Moe, and Public Works-Utilities Director Schwab

Call to Order

Palmer called the special meeting to order at 3:42 pm.

Utility Fund Budgets for 2019

Water

Moe reviewed the proposed water rates for 2019. Moe stated she was not recommending an increase over the 2018 rates with a monthly base rate of \$13.31 per residential equivalency unit (REU) along with monthly flow rates of \$4.24 per thousand gallons of water up to 6,000 gallons, \$4.82 per thousand gallons between 6,000 and 20,000 gallons; and \$5.39 per thousand gallons over 20,000 gallons.

Moe stated these rates are recommended in anticipation of the new water tower debt starting in 2021 and that housing growth is helping keep the rates stable. Council accepted this recommendation and directed staff to include this amount in the 2019 fee resolution by unanimous consent.

Storm Sewer

Moe reviewed the demands on the storm sewer budget including operating costs of \$27,600 and debt service of \$230,255. Moe recommended no rate change for 2019. Council accepted the recommendation of charging \$4.58 per unit for storm sewer in 2019 and directed staff to include this amount in the 2019 fee resolution by unanimous consent.

Street Light Utility

Moe noted this fund has operational costs of \$200,000 per year and recommended no rate change for 2019. Council accepted the recommendation of charging \$4.27 per unit for storm sewer in 2019 and directed staff to include this amount in the 2019 fee resolution by unanimous consent.

Sanitary Sewer

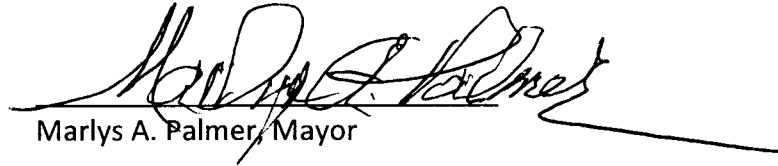
Moe noted that with the reduction in sewer base units by J Rettenmaier, sewer rates will need to increase to keep the sewer fund in a financially sound condition. Moe stated the sewer fund has operating costs of \$1,304,790 with debt service costs of \$868,074. Moe recommended the following rates for 2019:

Monthly Base Rate Per REU	\$22.00 (up from \$19.00)
Monthly Flow Rate	\$4.00 per thousand gallons up to 6,000 gallons (up from \$3.67)
	\$4.50 per thousand gallons 6,000-20,000 gallons (up from \$4.03)
	\$5.00 per thousand gallons over 20,000 gallons (up from \$4.60)

Palmer asked what the percentage increase in the water were. Moe responded it would be a 5.6% increase in sewer rates for the average homeowner. Council accepted the recommended sanitary sewer charges and directed staff to include this amount in the 2019 fee resolution by unanimous consent.

Adjournment of Council Meeting

Being no further business before the City Council, Morin moved, seconded by Godfrey, to adjourn the regular meeting at 4:33 pm. Motion carried unanimously.



Marlys A. Palmer, Mayor

ATTEST:



Lynda J. Woulfe, City Administrator