

**APPROVED MINUTES
CITY COUNCIL
WORK SESSION MEETING
CITY OF WYOMING, MINNESOTA
NOVEMBER 21, 2023
5:30 PM**

CALL TO ORDER:

Mayor Lisa Iverson called the Work Session Meeting of the Wyoming City Council for November 21, 2023 to order at 5:30 P.M.

CALL OF ROLL:

On a Call of the Roll the following members of the Wyoming City Council were present: Councilmembers Lisa Iverson, Linda Nanko Yeager, Dennis Schilling, Brett Ohnstad, and Claire Luger

Absent: None

Also Present: Robb Linwood- City Administrator, Grant MacFarlane - Assistant City Administrator, Joe Keding - Acting Public Works Superintendent, Mark Erickson – City Engineer, and Alan Erickson and Nick Dragisich of Erickson Northstar, LLC.

DETERMINATION OF A QUORUM:

Mayor Iverson determined a Quorum was present.

NEW BUSINESS:

1. Water and Sanitary Sewer Rate Study Discussion

City Administrator Linwood – Stated that Alan Erickson and Nick Dragisich of Erickson Northstar, LLC. were present to provide an overview of the 2024 Utility Rate Study.

Alan Erickson and Nick Dragisich – Erickson Northstar, LLC. – Mr. Erickson and Mr. Dragisich gave an overview of the of the 2024 Utility Rate Study

Key items of the 2024 Utility Rate Study overview

- Previewed the historical financial information for the City's water and sewer funds and estimates for future finances and ending cash balances for the next 10 years
- Informed the City Council of the purpose of having appropriate cash reserves for utility funds and reviewed the City's cash reserve policy
- Reviewed the known assumptions regarding City spending towards capital improvements which will impact the water and sewer funds

Councilmember Nanko-Yeager – Questioned why funding was not set aside for a water treatment plant or the addition of a new well

City Engineer Erickson – Most recent data of City water needs suggests that there is not a need for the water treatment plant in the next 10 years

Alan Erickson and Nick Dragisich – Erickson Northstar, LLC. – Mr. Erickson and Mr. Dragisich continued to provide overview of the of the 2024 Utility Rate Study

Key items of the 2024 Utility Rate Study overview

- Presented 10-year projections for the water, sewer, and CLJSTC capital improvement plans
- Showcased different models showcasing how financial projections, including cash reserves, would change based on different utility rate changes
- Recommended Annual Rate Increases
 - Water Utility Fund
 - 3.5% annual increase 2024 – 2029
 - Sewer Utility Fund
 - No rate increases recommended

Councilmember Nanko-Yeager – Asked why will we still see the funds operating at a loss until 2027

Alan Erickson, Erickson Northstar, LLC. – You would need to raise rates much higher in the first year to counteract this, we recommend a steady rate increase instead. The fund loss also included depreciation of assets.

Alan Erickson and Nick Dragisich – Erickson Northstar, LLC. – Mr. Erickson and Mr. Dragisich continued to provide overview of the of the 2024 Utility Rate Study

Key items of the 2024 Utility Rate Study overview

- Provided a table outlining projected monthly bills based on the proposed utility rate changes
- Affordability
 - Burden of proposed utility rate increases would be a moderate to low burden
 - Proposed utility rate change remains lower than comparable city's rate changes in same time-period
 - Reviewed comparison of monthly bills for residents of comparable cities for water and sewer bills in residential and commercial areas

Mayor Iverson – Thanked Mr. Erickson and Mr. Dragisich for their time.

Nick Dragisich, Erickson Northstar, LLC – Stated that a formal written report would be provided at a future meeting

MAYOR IVERSON ADJOURNED THE NOVEMBER 21, 2023 WORK SESSION MEETING AT 6:07 PM.