

**Hastings, Minnesota  
City Council Workshop  
February 16, 2017**

The City Council of the City of Hastings, Minnesota met in a workshop on Thursday, February 16, 2017 at 6:30 p.m. in the Council Chambers at the Hastings City Hall, 101 East 4<sup>th</sup> Street, Hastings, Minnesota.

**Members Present:** Mayor Hicks, Councilmembers Braucks, Folch, Leifeld, Vaughan, Lund, and Balsanek

**Staff Present:** City Administrator Melanie Mesko Lee  
Administrative Services Director Julie Flaten  
Public Works Director Nick Egger  
City Engineer Ryan Stempski

**Consultants:** Jeanne Vogt, Ehlers  
Stacie Kvilvang, Ehlers

Mayor Hicks called the workshop to order at 6:30 p.m.

Mesko lee introduced the meeting and introductions were made. Egger presented the agenda for the workshop which includes the purpose for the utility rate study, present utility rate structure, evolution of the study and options to date, SAC/WAC fees, health of funds and options.

Kvilvang and Vogt went into more detail on the options that have been presented to the Council and Finance Committee at various meetings since July of 2016. The most recent three options were discussed, one of which included a 25% reduction to the current SAC/WAC rates.

Council discussion on the fixed cost vs. variable costs, shifting the collection of fees to cover actual fixed costs, debt and revenue pledged to cover debt, burden to taxpayers in various usage levels, additional revenue options and small business assistance programs, and comparison to other cities SAC/WAC rates.

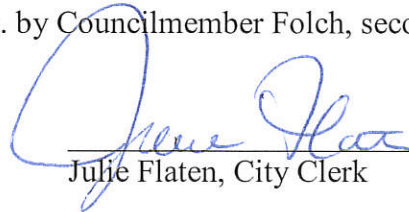
Mayor Hicks allowed public comment. Comments and questions received on nitrate levels, financing assistance for the water treatment plant, and SAC/WAC rates.

Councilmember Vaughan made a motion to bring the Utility Rate Study back to the Finance Committee, seconded by Councilmember Braucks. 7-0

**ADJOURNMENT**

Motion to adjourn the meeting at 9:05 p.m. by Councilmember Folch, seconded by Councilmember Balsanek. 7-0

  
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Paul Hicks, Mayor

  
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Julie Flaten, City Clerk