



**AGENDA FOR  
REGULAR CITY COUNCIL MEETING  
TUESDAY, DECEMBER 5, 2023 – 5:00 P.M.**

1. **Pledge of Allegiance**
2. **Call to Order**
  - Roll Call and Establishment of Quorum
3. **Approval of Agenda**
  - Council Changes
  - Staff Changes
4. **Approval of Minutes**
  - A. November 21, 2023
5. **Audience Participation** (10-minute time limit for items not on the agenda)
6. **Consent Agenda**
  - A. 2024 Business License Renewals
  - B. Approve 2023 Pay Equity Compliance Report
  - C. Approve On Sale Liquor and Tobacco Licenses – Fernelius Enterprises LLC,  
dba Redwood Falls Golf Club
7. **Scheduled Public Hearings**
8. **Old Business**
  - A. Rezoning Request – Ordinance #88
9. **Regular Agenda**
  - A. Summary of Ordinance #88 – Resolution #74
  - B. Bid to Furnish Electric Utility Materials
  - C. 2024 Water, Sanitary Sewer, and Storm Sewer Rates – Resolution #75
  - D. 2024 Electric Rates – Resolution #76
10. **Other Items and Communications**
  - A. Council Items
  - B. Staff Items
11. **Paid Bills and Claims – For Informational Purposes**
  - A. City of Redwood Falls Accounts Payable Summary
12. **Adjournment**

**MINUTES  
REGULAR COUNCIL MEETING  
CITY OF REDWOOD FALLS, MINNESOTA  
TUESDAY, NOVEMBER 21, 2023**

Pursuant to due call and notice thereof, a regular meeting of the Redwood Falls City Council was called to order in the Municipal Chambers on Tuesday, November 21, 2023, at 5:00 p.m.

Roll call indicated Council Members Matt Smith, Denise Kerkhoff, Jim Sandgren, Larry Arentson, and John T. Buckley were present, constituting a quorum. Mayor Tom Quackenbush was absent.

Council President Jim Sandgren presided over the meeting.

Also present were City Administrator Keith Muetzel, Finance Director Kari Klages, City Attorney Trenton Dammann, Public Works Project Coordinator Jim Doering, and Deputy City Clerk Caitlin Kodet.

A motion was made by Council Member Kerkhoff and seconded by Council Member Buckley to approve the agenda. Motion passed by unanimous vote.

A motion was made by Council Member Smith and seconded by Council Member Arentson to approve the November 7, 2023, minutes as presented. Motion passed by unanimous vote.

Shannon Sweeney with David Drown and Associates was present via electronic means to introduce Resolution No. 69 of 2023 – Providing for the Issuance and Sale of a \$5,210,000 Electric Utility Revenue Bond, Series 2023B.

Mr. Sweeney stated as previously discussed, electrical improvements are being made to convert the City's electrical system from overhead lines to underground. The proposed sale of bonds is the recommended financing for the electrical improvements. The proposed financing has been sized to cover the project costs for the next two years. David Drown and Associates (DDA) recommend funding the project with the proposed \$5,210,000 Electric Utility Revenue Bond. The \$5,210,000 bond is structured over a 15-year term with annual payments of \$503,000 from electric utility revenues. The total estimate of costs to be included in the proposed project financing include:

Underground Project	\$5,132,284.00
Debt Service Reserve	\$369,830.00
Finance & Legal	\$78,470.00
<b>TOTAL PROJECT COST:</b>	<b>\$5,580,584.00</b>

The funding sources to be utilized to finance the costs include:

2023B Electric Utility Revenue Bonds	\$5,210,000.00
Construction Fund Earnings	\$754.00
Cash Contribution (D/S Reserve)	\$369,830.00
<b>TOTAL PROJECT COST:</b>	<b>\$5,580,584.00</b>

Mr. Sweeney stated alternatives were considered. DDA looked at both a public sale (with a credit rating) and a bank placement, and ultimately recommended the use of a placement agent, DA Davidson. DA Davidson reached out to local banks and others in this process and ultimately Security Bank & Trust Co. offered what was the most competitive proposal that compared well to a rated public sale. Resolution No. 69 of 2023 authorizes the sale of bonds to Security Bank & Trust Co. with a projected closing date of December 6, 2023.

A motion was made by Council Member Smith and seconded by Council Member Buckley to waive the reading of Resolution No. 69 of 2023 – Providing for the Issuance and Sale of a \$5,210,000 Electric Utility Revenue Bond, Series 2023B. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Kerkhoff to approve Resolution No. 69 of 2023 – Providing for the Issuance and Sale of a \$5,210,000 Electric Utility Revenue Bond, Series 2023B. Motion passed by unanimous vote.

City Attorney Dammann introduced Resolution No. 70 of 2023 – Approving Request for Exclusion from Settlement Agreement; In Re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2-18-MN-2873-RMG; City of Camden, Et Al. V. 3M Company, Case No. 2:23-CV-03147-RMG and Resolution No.71 of 2023 – Approving Request for Exclusion from Settlement Agreement; In Re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2-18-MN-2873-RMG; City of Camden, Et Al. V. E.I. Dupont De Nemours and Company (N/K/A EIDP, Inc.), Et Al., Case No. 2:23-CV-03230-RMG.

Mr. Dammann stated there are proposed class action settlements between 3M and public water systems in the United States as well as Dupont related to PFAS contamination in drinking water. These class action lawsuits consolidate multidistrict litigation. The City of Redwood Falls has been automatically included as a class member in both suits as the City owns and operates a “Public Water System.” It is important to note that Redwood Falls drinking water sources have not tested positive for PFAS contamination and have not experienced any negative impact from PFAS.

Mr. Dammann stated in the proposed national settlement, 3M will pay out somewhere between \$10.5-12.5 billion. The funds will be split between two groups: 1) Phase one class members are public water systems that have detected PFAS before the settlement date; 2) Phase two class members are public water systems that have not detected PFAS before the settlement date but are either required to test their drinking water for PFAS contamination pursuant to UCMR-5, or serve more than 3,300 people according to the Safe Drinking Water Information System (SDWIS). The Dupont settlement is structured similarly and is approximately \$1.185 billion. The City of Redwood Falls is considered a Phase Two class member in both settlement agreements because PFAS has not been detected in the drinking water sources.

Mr. Dammann further stated all class members are subject to important deadlines in exercising their rights under the settlement agreements. If the City wishes to remain a class member, it will be required to submit a claims form in both cases by January 1, 2026, and undertake PFAS testing and reporting. If the City wishes to opt out of either or both settlement agreements, a Request for Exclusion with supporting affidavit and documentation must be returned prior to the December deadlines. Remaining as a class member may provide the City access to the settlement funds, but the City will be required to give up significant legal rights that would impact the City’s ability to seek future legal recourse including the recovery of any clean-up costs not covered by the current settlements. Resolutions 70 and 71 would approve the option for the City to opt out of both class action lawsuits and preserve future legal recourse in the event PFAS is detected.

A motion was made by Council Member Kerkhoff and seconded by Council Member Buckley to waive the reading of Resolution No. 70 of 2023 – Approving Request for Exclusion from Settlement Agreement; In Re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2-18-MN-2873-RMG; City of Camden, Et Al. V. 3M Company, Case No. 2:23-CV-03147-RMG. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Smith to approve Resolution No. 70 of 2023 – Approving Request for Exclusion from Settlement Agreement; In Re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2-18-MN-2873-RMG; City of Camden, Et Al. V. 3M Company, Case No. 2:23-CV-03147-RMG. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Smith to waive the reading of Resolution No.71 of 2023 – Approving Request for Exclusion from Settlement Agreement; In Re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2-18-MN-2873-RMG; City of Camden, Et Al. V. E.I. Dupont De Nemours and Company (N/K/A EIDP, Inc.), Et Al., Case No. 2:23-CV-03230-RMG. Motion passed by unanimous vote.

A motion was made by Council Member Kerkhoff and seconded by Council Member Buckley to approve Resolution No.71 of 2023 – Approving Request for Exclusion from Settlement Agreement; In Re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2-18-MN-2873-RMG; City of Camden, Et Al. V. E.I. Dupont De Nemours and Company (N/K/A EIDP, Inc.), Et Al., Case No. 2:23-CV-03230-RMG. Motion passed by unanimous vote.

Public Works Project Coordinator Jim Doering introduced Resolution No. 72 of 2023 – Authorization to Execute Minnesota Department of Transportation Grant Agreement for Airport Maintenance and Operation.

Mr. Doering stated Resolution No. 72 of 2023 is a housekeeping item to provide the proper resolution format for the State of MN Aeronautics department. The City of Redwood Falls Airport was awarded \$159,210.00 in 90% Federal funding and \$8,845.00 in 5% State funding with a local share of \$8,845.00. This grant is to complete the airport masterplan update, a third-party project review, and the 12' airport broom attachment for the JD Payloader.

Mr. Doering stated at the April 5th, 2022 Council meeting, Resolution No. 28 of 2022 was passed to approve Task Order 2022-4 for master planning services and authorize the application for this federal grant to complete the master plan update and purchase the 12' runway broom for the airport payloader. That resolution also authorized the Mayor or City Administrator to execute all subsequent grant agreements that would result from the grant submission. On June 20, 2023, the City Administrator and City Attorney executed the awarded Federal grant agreement 3-27-0083-022-2023 under the authority of Resolution No. 28 of 2022 and the resolution was accepted for the Federal agreement.

Mr. Doering stated on July 18, 2023, the Mayor and City Administrator executed the State companion grant under the authority of Resolution No. 28 of 2022 and was submitted electronically on July 24, 2023. Email correspondence on November 15, 2023, was received from the State of MN that Resolution No. 28 of 2022 was not sufficient because it does not include the State project number or grant number assigned. Staff recommends approval of Resolution 72 of 2023 which will allow reimbursement requests for accrued expenses of the master plan update that is underway and the 12' broom that was purchased in 2022.

A motion was made by Council Member Buckley and seconded by Council Member Smith to waive the reading of Resolution No. 72 of 2023 – Authorization to Execute Minnesota Department of Transportation Grant Agreement for Airport Maintenance and Operation. Motion passed by unanimous vote.

A motion was made by Council Member Smith and seconded by Council Member Arentson to approve Resolution No. 72 of 2023 – Authorization to Execute Minnesota Department of Transportation Grant Agreement for Airport Maintenance and Operation. Motion passed by unanimous vote.

Police Chief Jason Cotner was present to introduce Resolution No. 73 of 2023 – Resolution Approving Brown-Lyon-Redwood-Renville Drug Task Force (BLRR-DTF) Joint Powers Agreement with the City of Redwood Falls on Behalf of Its Police Department.

Chief Cotner stated in 2018 Council reviewed and approved an updated Joint Powers Agreement (JPA) between the Brown/Lyon/Redwood/Renville Drug Task Force and all the member agencies which included the City of Redwood Falls. During a regularly scheduled Board of Directors meeting of the Drug Task Force (DTF) on November 9, 2023, the board approved a motion to change their meeting dates from every month to every other month.

Chief Cotner stated the change of meeting dates was made in consideration of several factors. First, State of Minnesota guidelines on DTF operations dictate Board of Directors meet no less than once per quarter. The Board of Directors for most of the DTFs in the state do not meet monthly. The BLRR-DTF is one of the smallest DTFs in the state yet its Board of Directors was meeting the most frequently. In addition, most members of the Board of Directors, and staff, must travel a significant distance consuming a significant amount of time each month. To facilitate this change of meeting dates verbiage within the JPA had to be revised. Specifically, language was changed within items 3.2, 3.13, 6, 7, and 9.4. The primary change can be found within item #6 and, in summary, authorizes the fiscal agent to make expenditures not to exceed \$15,000 without board approval or upon written approval of the Board Chairman. Most other language changes were made to support this primary change.

A motion was made by Council Member Kerkhoff and seconded by Council Member Buckley to waive the reading of Resolution No. 73 of 2023 – Resolution Approving Brown-Lyon-Redwood-Renville Drug Task Force (BLRR-DTF) Joint Powers Agreement with the City of Redwood Falls on Behalf of Its Police Department. Motion passed by unanimous vote.

A motion was made by Council Member Arentson and seconded by Council Member Smith to approve Resolution No. 73 of 2023 – Resolution Approving Brown-Lyon-Redwood-Renville Drug Task Force (BLRR-DTF) Joint Powers Agreement with the City of Redwood Falls on Behalf of Its Police Department. Motion passed by unanimous vote.

City Attorney Dammann introduced Ordinance No. 88, Fourth Series – An Ordinance Amending Zoning Ordinance.

Mr. Dammann stated the City received a request from Bob LeSage on behalf of R & R Partnership, John & Tina Jenniges, and Prouty Properties to rezone the properties located at 820 E. Plum Street, 210 North Patten Street, 204 North Patten Street, and parcel #88-131-4050 (no address assigned) from R-4 to B-2; to also rezone 905 E. Plum Street from R-2 to B-2; rezone the south half of 900 E. Elm Street (#88-131-4070) currently zoned R-M to a B-2; and rezone the north half of 900 E. Elm Street (#88-131-4070) from R-M to R-2.

Mr. Dammann stated the applicant is also in the process of completing a minor subdivision to split 900 E. Elm Street, Parcel #88-131-4070 into two equal parcels. Parcel #88-131-4070 is currently zoned R-M but the property is not being utilized as a Manufactured Home Park. The zoning request includes rezoning the north half to R-2 and the south half to B-2. These changes better suit the surrounding properties and uses. With the request to also rezone 905 E. Plum St. to B-2, the applicant intends to combine 905 E. Plum St. with the south half of 900 E. Elm St. to construct commercial storage buildings.

Mr. Dammann further stated based on the current commercial use of the requested parcels and the surrounding properties, the business zoning designation fits this area better than the current residential zoning. The request to re-zone the property was presented to the Planning and Zoning Commission on August 8, 2023. The Planning and Zoning Commission, along with City staff, recommend approval of the re-zone and Amendment of the Zoning Ordinance. There was no public comment received at the meeting.

Mr. Dammann stated City Staff will provide the required 10-day notice of the Ordinance prior to the final approval of the proposed Ordinance. On December 5, 2023, City staff will request Council approve the proposed Ordinance by roll call vote in accordance with Chapter 4 of the City Charter and Chapter 3 of the City's Unified Development Ordinance.

A motion was made by Council Member Smith and seconded by Council Member Buckley to waive the reading of Ordinance No. 88, Fourth Series – An Ordinance Amending Zoning Ordinance. Motion passed by unanimous vote.

Bills and Claims were presented to Council for informational purposes. No questions, comments, or concerns were raised.

There being no further business, a motion was made by Council Member Arentson and seconded by Council Member Buckley to adjourn the meeting at 5:30 p.m. Motion passed by unanimous vote.

ATTEST:

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Keith Muetzel  
City Administrator

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Tom Quackenbush  
Mayor

## AGENDA RECOMMENDATION

**Meeting Date:** December 5, 2023

**Agenda Item:** Business License Renewal Applications

**Recommendation/Action Requested:** The following establishments have completed the necessary application process for a 2024 license. Therefore, it is recommended that City Council approve the issuance of the following licenses contingent on receiving the updated 2024 certificates of liability insurance as needed:

### CIGARETTE AND OTHER TOBACCO PRODUCTS:

- Redwood Co VFW Post 2553
- Redwood Falls Municipal Liquor Store dba Liquor Lodge
- Walmart #1865
- Farmers Coop Company of Renville dba Cenex
- The Market at Redwood, LLC
- Casey's Retail Company #2184
- Casey's Retail Company #3277
- Redwood Tobacco, Inc.
- Kwik Trip #1203

### OFF SALE 3.2 MALT LIQUOR:

- Walmart #1865
- Kwik Trip #1203

### ON SALE 3.2 MALT LIQUOR:

- Rubi's Kitchen

### ON SALE LIQUOR:

- American Legion Post #38
- Redwood Co VFW Post 2553
- Duffy's South Inc. dba Duffy's Riverside Saloon
- Las Lomas, Inc. dba. Plaza Garibaldi
- Barnes Enterprises dba Barney's Burger & Brew

### ON SALE SUNDAY LIQUOR:

- American Legion Post #38
- Redwood Co VFW Post 2553
- Duffy's South Inc. dba Duffy's Riverside Saloon
- Las Lomas, Inc. dba. Plaza Garibaldi

**SOLID WASTE HAULING - COMMERCIAL:**

- West Central Sanitation, Inc.
- Southwest Sanitation, Inc.
- R&E Sanitation, Inc.
- Waste Management of MN, Inc.
- Sweetman Sanitation

**SOLID WASTE HAULING - RESIDENTIAL:**

- West Central Sanitation, Inc.

**THERAPEUTIC MASSAGE:**

- Bridge Street Massage – Dakotah Harmoning
- Riverbend Therapeutic Massage – Tammy Tordsen

**WINE:**

- Rubi's Kitchen



## AGENDA RECOMMENDATION

**Meeting Date:** December 5, 2023

**Agenda Item:** Consider 2023 Pay Equity Compliance and Approval Reports

**Recommendation/Action Requested:** Staff recommends approval of the final 2023 Pay Equity Form and Compliance Reports from the Minnesota Department of Employee Relations/MMB.

**Summary/Overview:** Every three years the City must submit a Pay Equity Implementation Report to the Minnesota Department of Employee Relations/MMB. This report was submitted back in January 2023. The City was recently notified, that our case was approved and that the City of Redwood Falls meets the compliance requirements set by the Employee Relations/MMB.

This reporting is required under the Local Government Pay Equity Act, which requires public jurisdictions such as cities, counties, and school districts to eliminate any sex-based wage inequities in compensation. The deadline for submission was January 31, 2023.

**Attachments:** Compliance Letter, Compliance Reports and City of Redwood Falls Internal Pay Grade, Positions and Point Range Listing.

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November 14, 2023

Local Government Official  
Redwood Falls  
333 S. Washington Street  
P.O. Box 526  
Redwood Falls, MN 56283

Dear Local Government Official:

Congratulations! I am very pleased to send you the attached notification of compliance with the Local Government Pay Equity Act. Since the law was passed in 1984, jurisdictions have worked diligently to meet compliance requirements and your work is to be commended.

Minnesota Rules Chapter 3920 specifies the procedure and criteria for measuring compliance and your jurisdiction's results are attached. You may find a copy of our "Guide to Understanding Pay Equity Compliance" and other resources on our Local Government Pay Equity webpage at: <https://mn.gov/mmb/employee-relations/compensation/laws/local-gov/local-gov-pay-equity/>.

This notice and results of the compliance review are public information and must be supplied upon request to any interested party.

If you have questions or need assistance, please contact Dominique Murray at (651) 259-3805, or by email: [pay.equity@state.mn.us](mailto:pay.equity@state.mn.us)

Again, congratulations on your achievement!

Sincerely,  
Dominique Murray  
Pay Equity Coordinator

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## Results of Tests for Pay Equity Compliance

Date: November 14, 2023

Jurisdiction: Redwood Falls

ID#: 975

### 1. Completeness and Accuracy Test

- Passed. Required information was submitted accurately and on time.
- Passed by Exception. Request for Reconsideration approved.

### 2. Statistical Analysis Test

- Passed. Jurisdiction had more than three male classes and an underpayment ratio of 80% or more.
- Passed. Jurisdiction had at least six male classes, at least one class with a salary range, an underpayment ratio below 80% but a t-test that was not statistically significant.
- Passed by Exception. Request to Reconsideration approved

### 3. Salary Range Test

- Passed. Too few classes had an established number of years to move through a salary range.
- Passed. Salary range test showed a score of 80% or more.
- Passed by Exception. Request for Reconsideration approved.

### 4. Exceptional Service Pay Test

- Passed. Too few classes received exceptional service pay.
- Passed. Exceptional service pay test showed a score of 80% or more.
- Passed by Exception. Request for Reconsideration approved.

If you have questions or need assistance, please contact Dominique Murray at (651) 259-3805, or by email: [pay.equity@state.mn.us](mailto:pay.equity@state.mn.us)



# Notice of Pay Equity Compliance

*Presented to*

## Redwood Falls

For successfully meeting the requirements of the Local Government Pay Equity Act M.S. 471.991 - 471.999 and Minnesota rules Chapter 3920. This notice is a result of an official review of your 2023 pay equity report by Minnesota Management & Budget.

Your cooperation in complying with the local government pay equity requirements is greatly appreciated.

November 14, 2023

Date

A handwritten signature in blue ink that reads 'Jim Schowalter'.

Jim Schowalter, Commissioner

**INTERNAL STRUCTURE  
PAY GRADES, POSITIONS, AND POINT RANGES**

Presented to Council: January 2023  
USING STATE JOB MATCH, SUBMITTED TO PAY EQUITY - JANUARY 2023

12/31/2022

Pay Grade	Full-time Position Title (Point Rating)	Full-time (Point Rating)	Part-time Title (Point Rating)	Point Range
1			Cust Serv Specialist/Bldg Sup (PT) P&R Maint Worker (103) Liquor Store Clerk (PT) (117) Library Clerk PT (117) PT Police Officer (244)	102-244
2	Library Clerk (117)			117
3	Police Admin Assistant (141) Liquor Store Clerk (153) Customer Service Specialist (162)			141-162
4	Park & Recreation Maintenance Worker (163) Lead Park & Rec Maint. Worker (166) Asst/Children's Lib. (166) Lead Customer Service Specialist (169) Police Lead Admin Assistant (169) Street Maint. Worker (183) Lead Street Maint. Worker (187) Shop Assistant (188)			163-188
5	Accounting Clerk (187) P&R Operations Coordinator (187) W/WW Operator (171) Lead WWW Operator (183) P&R Program Coordinator (187)			187-208
6	Airport Manager (209) Deputy City Clerk (222) Acct Rec/Cust Serv Coordinator (222) Power Plant Operator (224)			209-224
7	Human Resource Coordinator (233) Accountant – General (238) Park Superintendent (244) Liquor Store Manager (282)	Police Officer (244) Longevity		238-282
8	Utility Line Worker (238) Payroll/AP/IT Coordinator (245) Financial Analyst (252) Library Director (282) Building Official (289) Parks & Recreation Director (291) Street Superintendent (301) W/WW Superintendent (291)			238-291
9	Power Plant Lead Manager (291)	Police Serg. (291) Longevity		244-289
10	Assistant Police Chief (289) Utility Line Foreman (289)			268-301
11	City Attorney (342) Police Chief (314) Utility Superintendent (314) Public Works Proj Coordinator (314)			314-342
12	Finance Director (385)			385
13	City Administrator (555)			555

Positions Identified are included in City Pay Equity Report.

### **AGENDA RECOMMENDATION**

**Meeting Date:** December 5, 2023

**Agenda Item:** On Sale Liquor License, On Sale Sunday Liquor License, and Tobacco License Application

**Recommendation/Action Requested:** Approve Fernelius Enterprises LLC, dba Redwood Falls Golf Club Business License Applications for 2024.

**Summary/Overview:** Ryan Fernelius of Fernelius Enterprises LLC, dba Redwood Falls Golf Club at 101 E. Oak Street, has completed the necessary application process for an On Sale Liquor license, On Sale Sunday Liquor license, and a Cigarette and Other Tobacco Products license effective 1-1-2024. Staff recommends approval.

## AGENDA MEMO

**Meeting Date:** December 5, 2023

**Agenda Item:** Ordinance No. 88, Fourth Series – An Ordinance Amending Zoning Ordinance

**Recommendation/Action Requested:** The proposed ordinance was introduced at the November 21, 2023, City Council Meeting. At tonight's meeting, staff is requesting Council approve the ordinance by motion and roll call vote in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** The City has received a request from Bob LeSage on behalf of R & R Partnership, John & Tina Jenniges, and Prouty Properties to rezone the properties located at 820 E. Plum Street, 210 North Patten Street, 204 North Patten Street, and parcel #88-131-4050 (no address assigned) from R-4 to B-2; to also rezone 905 E. Plum Street from R-2 to B-2; rezone the south half of 900 E. Elm Street (#88-131-4070) currently zoned R-M to a B-2; and rezone the north half of 900 E. Elm Street (#88-131-4070) from R-M to R-2. (See included map)

The applicant is also in the process of completing a minor subdivision to split 900 E. Elm Street into two equal parcels. 900 E. Elm Street is currently zoned R-M but the property is not being utilized as a Manufactured Home Park. The zoning request includes rezoning the north half to R-2 and the south half to B-2. These changes better suit the surrounding properties and uses. With the request to also rezone 905 E. Plum St. to B-2, the applicant intends to combine 905 E. Plum St. with the south half of 900 E. Elm St. to construct commercial storage buildings.

Based on the current commercial use of the requested parcels and the surrounding properties, the business zoning designation fits this area better than the current residential zoning. The request to re-zone the property was presented to the Planning and Zoning Commission on August 8, 2023. The Planning and Zoning Commission, along with City staff, recommend approval of the re-zone and Amendment of the Zoning Ordinance.

State law requires that all ordinances adopted be published prior to becoming effective. As Council is aware, Ordinance No. 88, Fourth Series is lengthy and authorizes a change to the zoning map referred to in Section 6.03 of the Unified Development Ordinance. However, Minnesota Statutes, Section 412.191, subd. 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps. Staff has prepared Resolution No. 74 of 2023 and Exhibit A which contains the summary of Ordinance No. 88 for publication.

**Attachment:** Ordinance No. 88, Fourth Series – An Ordinance Amending Zoning Ordinance  
Map of Property requesting Re-Zone

**ORDINANCE NO. 88, FOURTH SERIES**

**AN ORDINANCE AMENDING ZONING ORDINANCE**

**THE CITY COUNCIL OF REDWOOD FALLS DOES ORDAIN:**

**SECTION 1.** That after a public hearing and review of all the evidence pertaining to the request to re-zone certain real property as referenced in Section 2, Section 3, Section 4, and Section 5, the City Council of the City of Redwood Falls makes the following:

**FINDINGS OF FACT**

1. The amendment is consistent with the applicable policies of the City's Comprehensive and Land Use Plan.
2. The amendment proposes to change the zoning classification of particular properties.
3. The amendment is in the best interest of the public as it promotes orderly development and is not solely for the benefit of a single property owner.
4. The existing uses of properties and the zoning classification of property within the general area of the properties in question are compatible with the proposed zoning classification.
5. There are reasonable uses of the properties in question permitted under the existing zoning classifications of R-4, R-2, and R-M.
6. There has been a change in the character or trend of development in the general area of the properties in question, which has taken place since such properties were placed in their present zoning classifications.

**SECTION 2.** That the following described real estate lying and being in the City of Redwood Falls, Redwood County, Minnesota, to-wit:

The East 130 feet of the North Half of Lot Eleven (11) of Auditor's Subdivision Number One (1) of the Southwest Quarter of the Southeast Quarter (SW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>) of Section Thirty-



one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, EXCEPTING therefrom the South 5 feet thereof; AND

The North Half (N $\frac{1}{2}$ ) of Lot Eleven (11), Auditor's Subdivision Number One (1) of the Southwest Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, and of Auditor's Lot Twenty-five (25) of Auditor's Subdivision Number One (1) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, EXCEPTING therefrom the East 130 feet of said North Half of Lot 11 and also EXCEPTING therefrom the South 5 feet of the North Half of said Lot 11, Redwood County Minnesota; AND

The Southerly 135 feet of Lot Eleven (11) of the Plat entitled "Auditor's Subdivision No. One (1) of the Southwest Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, Redwood County, Minnesota, and of Lot Twenty-five (25) of Auditor's Subdivision Number One (1) of the Southwest Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian;

now classified as "R-4, Multiple Family Residential," be changed to "B-2, Limited Community Retail Business."

**SECTION 3.** That the following described real estate lying and being in the City of Redwood Falls, Redwood County, Minnesota, to-wit:

Lot Twelve (12), Block Four (4) of Watson's Third Addition to the Village (now City) of Redwood Falls, Minnesota, according to the recorded plat thereof;

now classified as "R-2, Single and Two Family Residential," be changed to "B-2, Limited Community Retail Business."

**SECTION 4.** That the following described real estate lying and being in the City of Redwood Falls, Redwood County, Minnesota, to-wit:

That part of Lot Twelve (12), of the record Plat entitled Auditor's Subdivision No. One (1) of the Southwest Quarter (SW $\frac{1}{4}$ ) of the Southeast Quarter (SE $\frac{1}{4}$ ) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, Redwood County Minnesota, and of Auditor's Lot No. Twenty-five (25) of Auditor's Subdivision No. One (1) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, Redwood County, Minnesota, on file in the office of the Redwood County Recorder, lying south of the following described line: Beginning at the northeast corner of Lot 12 of said Block 4 of the record plat entitled Watson's 3<sup>rd</sup> Addition, on file in the office of the Redwood County Recorder; thence on an assumed bearing of North 89 degrees 54 minutes 48 seconds East, along the easterly extension of the north line of

Lot 12 of said Block 4, a distance of 120.00 feet to the east line of Lot 12 of said Auditor's Subdivision where said line terminates. Subject to the extension of Plum Street on, over and across the Southerly sixty (60) feet of said Auditor's Lot (12), and said Auditor's Lot No. Twenty-five (25), Redwood County, Minnesota.

now classified as "R-M, Manufactured Home Park," be changed to "B-2, Limited Community Retail Business."

**SECTION 5.** That the following described real estate lying and being in the City of Redwood Falls, Redwood County, Minnesota, to-wit:

That part of Lot Twelve (12), of the record Plat entitled "Auditor's Subdivision No. One (1) of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of the Southeast Quarter (SE<sup>1</sup>/<sub>4</sub>) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, Redwood County Minnesota," and of Auditor's Lot No. Twenty-five (25) of Auditor's Subdivision No. One (1) of Section Thirty-one (31), Township One Hundred Thirteen (113) North, Range Thirty-five (35) West of the Fifth Principal Meridian, Redwood County, Minnesota, on file in the office of the Redwood County Recorder, described as follows: Beginning at the northeast corner of Lot 12 of Block 4 of the record plat entitled Watson's 3rd Addition, on file in the office of the Redwood County Recorder; thence on an assumed bearing of North 89 degrees 54 minutes 48 seconds East, along the easterly extension of the north line of Lot 12 of said Block 4, a distance of 120.00 feet to the east line of Lot 12 of said Auditor's Subdivision; thence on a bearing of North 0 degrees 02 minutes 40 seconds East, along the east line of Lot 12 of said Auditor's Subdivision, a distance of 140.00 feet to the northeast corner of Lot 12 of said Auditor's Subdivision; thence on a bearing of South 89 degrees 54 minutes 48 seconds West, along the north line of Lot 12 of said Auditor's Subdivision, a distance of 120.00 feet to the northeast corner of Lot 1 of said Block 4; thence on a bearing of South 0 degrees 02 minutes 40 seconds West, along the east line of Lot 1 of said Block 4 and its southerly extension, a distance of 140.00 feet to the point of beginning.

now classified as "R-M, Manufactured Home Park," be changed to "R-2, Single and Two Family Residential."

**SECTION 6.** That the Zoning Administrator is hereby directed to change the zoning map referred to in Section 6.03 of Chapter 6 of the Unified Development Ordinance in accordance herewith.

**SECTION 7.** This Ordinance becomes effective from and after its passage and publication.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

*ATTEST:*

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Keith Muetzel  
City Administrator

(City Seal)

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Tom Quackenbush  
Mayor

Subscribed and sworn to before me this  
\_\_\_\_\_ day of \_\_\_\_\_, 2023.

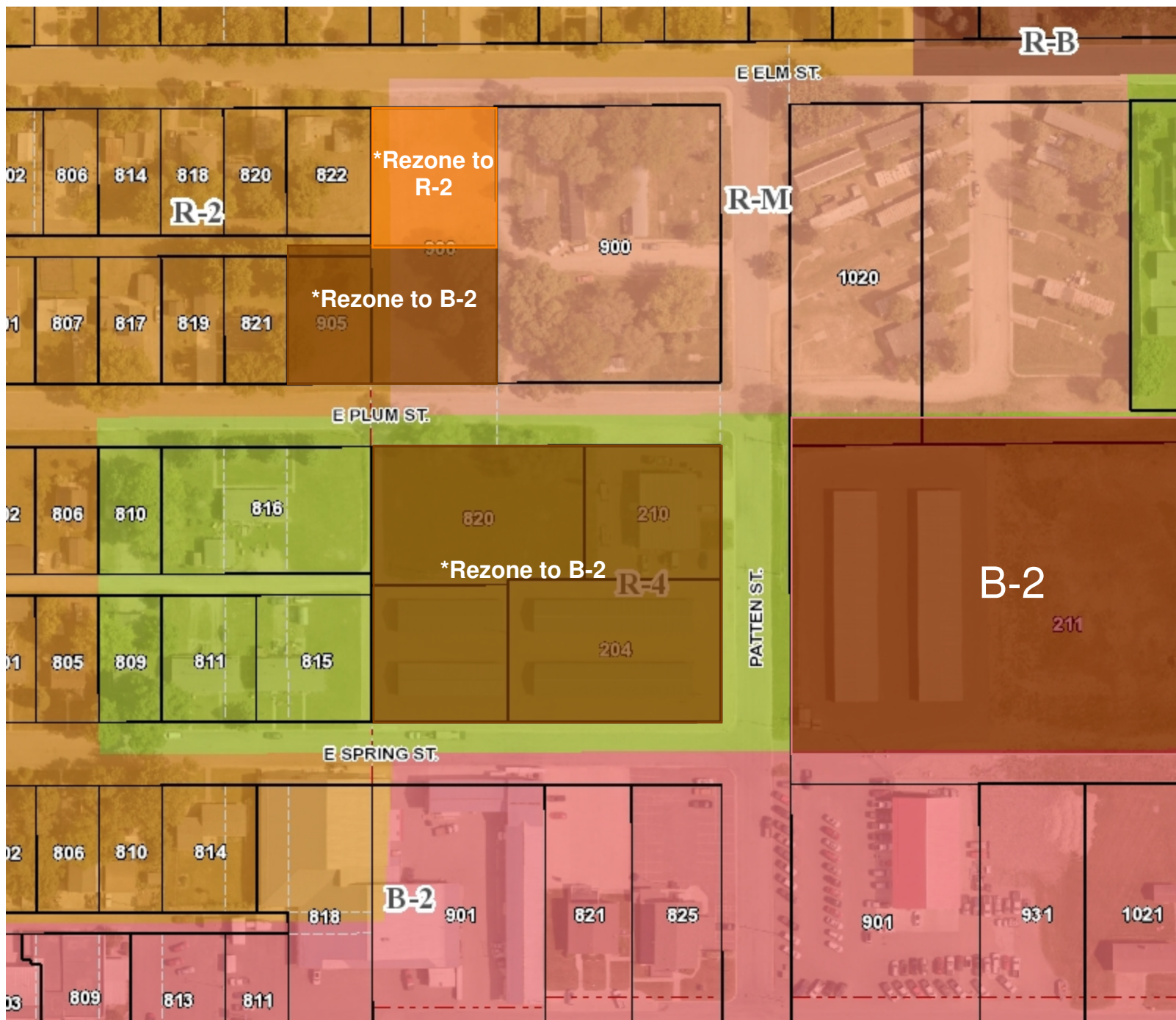
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Notary Public

Introduced: November 21, 2023  
10 Day Notice: November 22, 2023  
Approved:  
Publication:

**This instrument was drafted by:**

Trenton Dammann  
Redwood Falls City Attorney  
P.O. Box 526  
Redwood Falls, MN 56283  
Phone: (507) 616-7400  
Atty. Reg. #0396869



**Legend**

- City Limits
- Parcels (10/28/2022)
- Road ROW
- Lot Lines
- Shoreland Overlay
- Airport Surface**
  - Approach Zone 'A'
  - Approach Zone 'B'
- Zoning**
  - Airport District
  - B-2
  - B-3
  - B-4
  - I-1
  - I-2
  - Lake Redwood
  - PUD
  - R-2
  - R-3
  - R-4
  - R-B
  - R-M
  - R-R
  - Redwood Valley School District
- Redw\_cty20.sid**
  - Red: Band\_1
  - Green: Band\_2
  - Blue: Band\_3

**Zoning Site Map**



**Disclaimer:**

This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is a compilation of records, information, and data located in various city, county, and state offices, and other sources affecting the area shown, and is to be used for reference purposes only. The City of Redwood Falls is not responsible for any inaccuracies herein contained.





Trenton Dammann  
City Attorney  
Phone: (507)616-7400  
Fax: (507)637-2417

tdammann@ci.redwood-falls.mn.us

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## AGENDA MEMO

**Meeting Date:** December 5, 2023

**Agenda Item:** Resolution No. 74 of 2023 – A Resolution of the City of Redwood Falls Providing for the Summary Publication of Ordinance No. 88, Fourth Series, An Ordinance Amending Zoning Ordinance.

**Recommendation/Action Requested:** Read the proposed Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If there are no concerns, adopt the proposed Resolution by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** State law requires that all ordinances adopted be published prior to becoming effective. As the Council is aware, Ordinance No. 88, Fourth Series is lengthy and authorizes a change to the zoning map referred to in Section 6.03 of the Unified Development Ordinance. However, Minnesota Statutes, Section 412.191, subd. 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps. Staff has prepared Resolution No. 74 of 2023 and Exhibit A which contains the summary of Ordinance No. 88 for publication. Both documents are attached.

**Attachment:** Resolution No. 74 of 2023  
Exhibit A – Summary Publication

**RESOLUTION NO. 74 OF 2023**

**A RESOLUTION OF THE CITY OF REDWOOD FALLS PROVIDING FOR THE SUMMARY PUBLICATION OF ORDINANCE NO. 88, FOURTH SERIES, AN ORDINANCE AMENDING ZONING ORDINANCE**

**WHEREAS**, on December 5, 2023, at the regular Redwood Falls City Council meeting, by majority vote, the City Council adopted Ordinance No. 88, Fourth Series, An Ordinance Amending Zoning Ordinance and

**WHEREAS**, State law requires that all ordinances adopted be published prior to becoming effective; and

**WHEREAS**, the Ordinance is lengthy; and

**WHEREAS**, Minnesota Statutes, Section 412.191, subd. 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps; and

**WHEREAS**, The City Council believes that the Summary Publication, as identified in Exhibit A attached hereto, would clearly inform the public of the intent and effect of the Ordinance; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF REDWOOD FALLS, MINNESOTA**, that the City Administrator shall cause Ordinance No. 88, Fourth Series to be published in summary in the official newspaper in lieu of the entire ordinance.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota this 5th day of December 2023.

ATTEST:

\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this  
5<sup>th</sup> day of December 2023.

\_\_\_\_\_  
Notary Public

## EXHIBIT A

### PUBLIC NOTICE

The following is a summary of Ordinance No. 88, Fourth Series, Titled “An Ordinance Amending Zoning Ordinance.” for the City of Redwood Falls.

The City previously received a request for a zoning amendment to rezone several properties by and on behalf of affected property owners. Pursuant to Section 3.17 of the Redwood Falls Unified Development Ordinance, a public hearing was held by the Redwood Falls Planning Commission on August 8, 2023. Recommendations from the Planning Commission for approval of the zoning amendment request were presented to City Council in the form of Ordinance No. 88, Fourth Series on November 21, 2023.

A complete copy of the full ordinance is available at Redwood Falls City Hall during regular business hours or on the City website at <https://ci.redwood-falls.mn.us/city-government/city-code-of-ordinances>. The affected properties, which are listed by address in this summary, are listed only by legal description within the Ordinance to meet the requirements of the Redwood County Recorder’s Office.

This ordinance was enacted after the required public hearing published and held on December 5, 2023.

THE CITY OF REDWOOD FALLS DOES ORDAIN:

SECTION 1. Statement of Procedure and Findings of Fact;

SECTION 2. Rezone from R-4 to B-2 the following Parcels: 820 E. Plum Street, 210 North Patten Street, 204 North Patten Street, and parcel #88-131-4050 (no address assigned);

SECTION 3. Rezone from R-2 to B-2 the following Parcel: 905 E. Plum Street;

SECTION 4. Rezone from R-M to B-2 the following Parcel: the south half of 900 E. Elm Street (#88-131-4070);

SECTION 5. Rezone from R-M to R-2 the following Parcel: the north half of 900 E. Elm Street (#88-131-4070);

SECTION 6. Authorization to Zoning Administrator to change the zoning map referred to in Section 6.03 of Chapter 6 of the Unified Development Ordinance;

SECTION 7. Effective Date.

Passed and Adopted by the Redwood Falls City Council December 5, 2023

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Keith Muetzel  
City Administrator



Keith Muetzel  
City Administrator  
Phone: 507-616-7400  
Fax: 507-637-2417  
kmuettel@ci.redwood-falls.mn.us

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**Meeting Date: December 5, 2023**

## **AGENDA RECOMMENDATION**

**Agenda Item:** Bids to Furnish Electric Utility Materials

**Recommendation/Action Requested:** Due to bid inconsistencies, staff recommends rejecting all bids and rebidding the materials.

**Summary/Overview:** On November 22, bids were publicly opened for materials related to the 2024 Electric Distribution Improvement Project. Per the bid advertisement, bids were due at 1:15 p.m. on November 22 and bidders were required to include a bid bond in the amount of 10% of each of the six bid items.

At the bid opening, bids were received by four vendors and several bid inconsistencies were noted. One of the vendors included the appropriate bid bond but did not submit a bid for each bid item. Two vendors did not include a bid bond for all bid items and one vendor failed to include a bid bond for any item. Finally, a bid from a fifth vendor was delivered by UPS and received at 10:00 a.m. on November 27.

Staff has reviewed the bids and recommends rejecting all bids and rebidding the materials due to the multiple bid inconsistencies. A copy of the bid tabulation will be made available at the city council meeting.

**Attachments:** None





Kari Klages  
Director of Finance  
Phone: 507-616-7400  
Fax: 507-637-2417

kklages@ci.redwood-falls.mn.us

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## AGENDA MEMO

**Meeting Date:** December 5, 2023

**Agenda Item:** Resolution No. 75 of 2023 -Adjusting Water, Sanitary Sewer and Storm Sewer Service Charges

**Recommendation/Action Requested:** Read the Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If no concerns, adopt proposed Resolution by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** Consideration of the attached enabling Resolution, which if adopted, would enact the 2024 water, sanitary sewer, and storm sewer utility rates.

Every year, DGR updates the overall cash flow projections and proposes any necessary rate changes. The proposed water rates have been developed to provide an increase of 8.7% per cubic foot sold and 8.7% per infrastructure base charge. The proposed sanitary sewer rates have been developed to provide an increase of 9.5% per cubic foot used and 9.5% per infrastructure base charge. The proposed storm sewer rates have been developed to provide an increase of 6% per infrastructure base charge.

Staff recommends approval of the proposed 2024 rates.

**Attachments:** Resolution No. 75 of 2023  
Water Sewer Storm Support 1 – Rate History  
Water Sewer Storm Support 2 – DGR Report

**RESOLUTION NO. 75 OF 2023**

**RESOLUTION ADJUSTING WATER, SANITARY SEWER AND  
STORM SEWER SERVICE CHARGES**

BE IT RESOLVED by the City Council of the City of Redwood Falls, Minnesota, as follows:

That effective for water, sanitary sewer, and storm sewer charges billed in January 2024 and payable in February 2024, the City hereby established the following rate schedules for monthly charges:

Water Base Charge:	\$16.70 per meter per month
Water Usage Charge:	\$7.69 per 100 cubic feet
Sanitary Sewer Base Charge:	\$13.79 per meter per month
Sanitary Sewer Usage Charge:	\$4.45 per 100 cubic feet of water consumed
Storm Sewer Utility Charge:	\$11.35 per month per 1 Residential Equivalency Factor

PASSED AND ADOPTED by the City Council of the City of Redwood Falls, Minnesota, this 5<sup>th</sup> day of December, 2023.

ATTEST:

\_\_\_\_\_  
Keith T. Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this  
5<sup>th</sup> day of December, 2023.

\_\_\_\_\_  
Notary Public

**WATER, SEWER, STORM SEWER RATES**

**WATER SERVICE**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	
\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	Hook up new service line
\$7.69	\$7.07	\$6.49	\$6.09	\$5.80	\$5.47	\$5.21	\$5.01	\$4.77	\$4.50	\$4.26	\$4.10	\$4.00	\$3.75	\$3.54	\$2.85	Per 100 cubic feet
\$16.70	\$15.36	\$14.09	\$12.75	\$12.14	\$11.45	\$10.90	\$10.38	\$9.98	\$9.60	\$9.26	\$8.90	\$8.60	\$7.80	\$7.15	\$6.15	Infrastructure Replacement/Availability

**SEWER SERVICE**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	
\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	Hook up new service line
\$4.45	\$4.06	\$3.76	\$3.47	\$3.34	\$3.24	\$3.18	\$3.03	\$2.89	\$2.75	\$2.58	\$2.50	\$2.45	\$2.40	\$2.35	\$2.30	Per 100 cubic feet
\$13.79	\$12.58	\$11.65	\$10.74	\$10.33	\$10.03	\$9.74	\$9.28	\$8.84	\$8.50	\$8.09	\$7.85	\$7.65	\$6.60	\$6.35	\$6.35	Infrastructure Replacement/Availability

**STORM SEWER**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	
\$11.35	\$10.71	\$10.01	\$9.53	\$9.08	\$8.65	\$8.24	\$7.92	\$7.62	\$7.40	\$7.16	\$6.95	\$6.75	\$6.40	\$6.25	\$5.00	Per residential equivalency factor

2024 Usage	Water Minimum	Water Commodity	Total Water	% Change water	Wastewater Minimum	Wastewater Commodity	Total Wastewater	% Change Wastewater	% Change Total
0	\$ 16.70	\$0.00	\$16.70	8.7%	\$13.79	\$0.00	\$13.79	9.6%	9.1%
250	\$ 16.70	\$19.23	\$35.93	8.7%	\$13.79	\$11.13	\$24.92	9.6%	9.1%
500	\$ 16.70	\$38.45	\$55.15	8.8%	\$13.79	\$22.25	\$36.04	9.6%	9.1%
550	\$ 16.70	\$42.30	\$59.00	8.8%	\$13.79	\$24.48	\$38.27	9.6%	9.1%
1000	\$ 16.70	\$76.90	\$93.60	8.8%	\$13.79	\$44.50	\$58.29	9.6%	9.1%
1500	\$ 16.70	\$115.35	\$132.05	8.8%	\$13.79	\$66.75	\$80.54	9.6%	9.1%
2000	\$ 16.70	\$153.80	\$170.50	8.8%	\$13.79	\$89.00	\$102.79	9.6%	9.1%
2500	\$ 16.70	\$192.25	\$208.95	8.8%	\$13.79	\$111.25	\$125.04	9.6%	9.1%
5000	\$ 16.70	\$384.50	\$401.20	8.8%	\$13.79	\$222.50	\$236.29	9.6%	9.1%

2023 Usage	Water Minimum	Water Commodity	Total Water	% Change water	Wastewater Minimum	Wastewater Commodity	Total Wastewater	% Change Wastewater	% Change Total
0	\$ 15.36	\$0.00	\$15.36	9%	\$12.58	\$0.00	\$12.58	8%	9%
250	\$ 15.36	\$17.68	\$33.04	9%	\$12.58	\$10.15	\$22.73	8%	9%
500	\$ 15.36	\$35.35	\$50.71	9%	\$12.58	\$20.30	\$32.88	8%	9%
550	\$ 15.36	\$38.89	\$54.25	9%	\$12.58	\$22.33	\$34.91	8%	9%
1000	\$ 15.36	\$70.70	\$86.06	9%	\$12.58	\$40.60	\$53.18	8%	9%
1500	\$ 15.36	\$106.05	\$121.41	9%	\$12.58	\$60.90	\$73.48	8%	9%
2000	\$ 15.36	\$141.40	\$156.76	9%	\$12.58	\$81.20	\$93.78	8%	9%
2500	\$ 15.36	\$176.75	\$192.11	9%	\$12.58	\$101.50	\$114.08	8%	9%
5000	\$ 15.36	\$353.50	\$368.86	9%	\$12.58	\$203.00	\$215.58	8%	9%

2022 Usage	Water Minimum	Water Commodity	Total Water	% Change water	Wastewater Minimum	Wastewater Commodity	Total Wastewater	% Change Wastewater	% Change Total
0	\$ 14.09	\$0.00	\$14.09	11%	\$11.65	\$0.00	\$11.65	8%	10%
250	\$ 14.09	\$16.23	\$30.32	8%	\$11.65	\$9.40	\$21.05	8%	8%
500	\$ 14.09	\$32.45	\$46.54	8%	\$11.65	\$18.80	\$30.45	8%	8%
550	\$ 14.09	\$35.70	\$49.79	7%	\$11.65	\$20.68	\$32.33	8%	7%
1000	\$ 14.09	\$64.90	\$78.99	7%	\$11.65	\$37.60	\$49.25	8%	8%
1500	\$ 14.09	\$97.35	\$111.44	7%	\$11.65	\$56.40	\$68.05	8%	8%
2000	\$ 14.09	\$129.80	\$143.89	7%	\$11.65	\$75.20	\$86.85	8%	7%
2500	\$ 14.09	\$162.25	\$176.34	7%	\$11.65	\$94.00	\$105.65	8%	7%
5000	\$ 14.09	\$324.50	\$338.59	7%	\$11.65	\$188.00	\$199.65	8%	7%

**Proposed Rates**

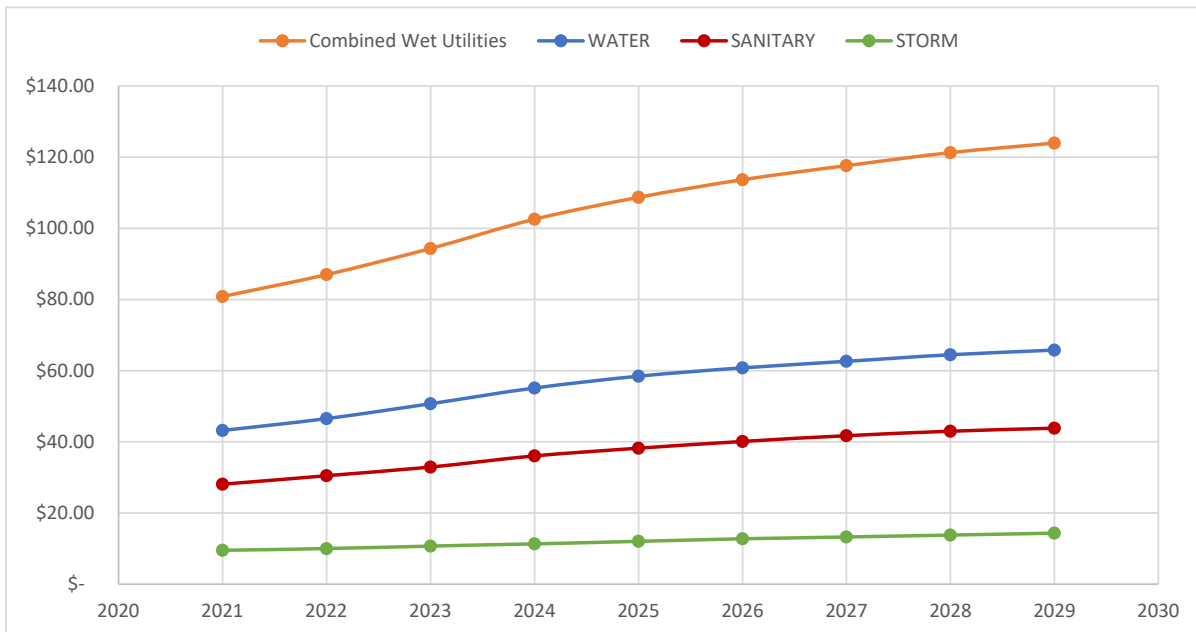
Impact to Avg. Residential Bill based on 3,540 Gallons (5 ccf) per Month

	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>WATER</b>									
Minimum Charge	12.75	14.09	15.36	16.70	17.70	18.41	18.96	19.53	19.92
Commodity Charge	6.09	6.49	7.07	7.69	8.15	8.47	8.73	8.99	9.17
Avg. Monthly Bill	\$ 43.20	\$ 46.52	\$ 50.70	\$ 55.14	\$ 58.44	\$ 60.78	\$ 62.61	\$ 64.48	\$ 65.77
		7.7%	9.0%	8.7%	6.0%	4.0%	3.0%	3.0%	2.0%

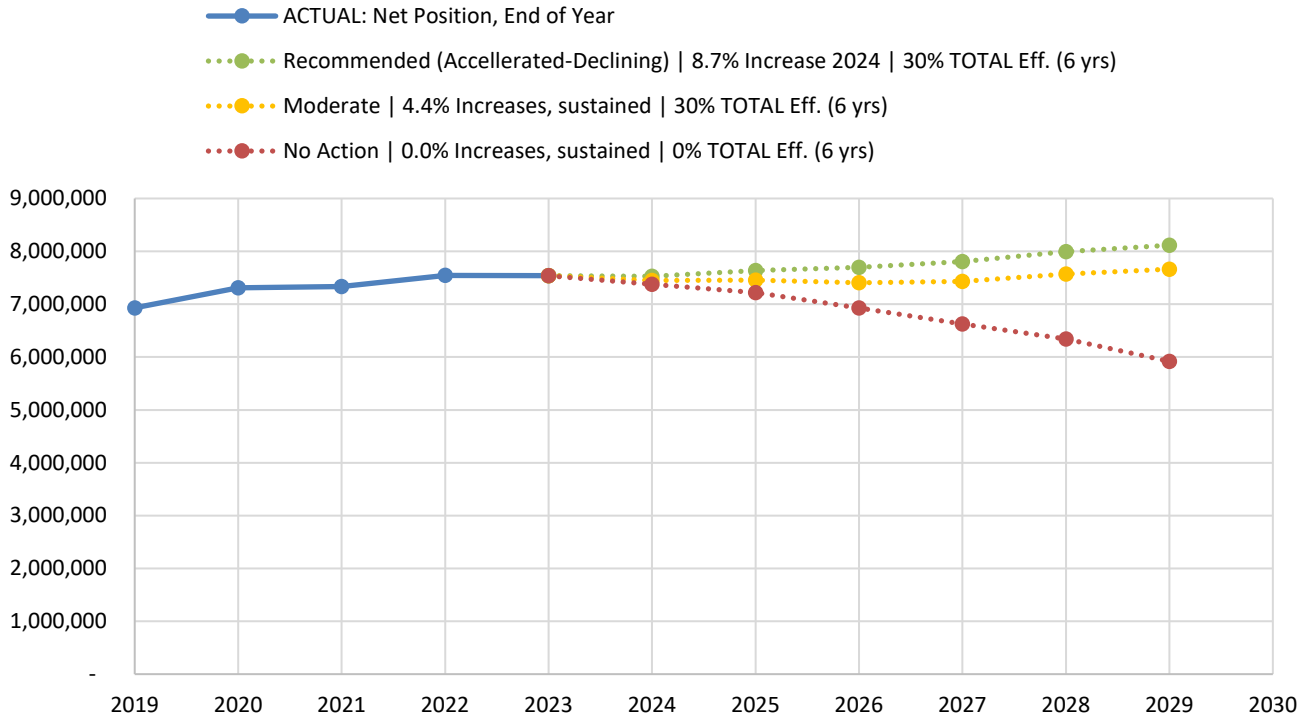
<b>SANITARY</b>									
Minimum Charge	10.74	11.65	12.59	13.79	14.61	15.34	15.96	16.44	16.77
Commodity Charge	3.47	3.76	4.07	4.45	4.72	4.96	5.15	5.31	5.41
Avg. Monthly Bill	\$ 28.09	\$ 30.48	\$ 32.92	\$ 36.05	\$ 38.21	\$ 40.12	\$ 41.73	\$ 42.98	\$ 43.84
		8.5%	8.0%	9.5%	6.0%	5.0%	4.0%	3.0%	2.0%

<b>STORM</b>									
Minimum Charge	\$ 9.53	\$ 10.01	\$ 10.71	\$ 11.35	\$ 12.03	\$ 12.76	\$ 13.27	\$ 13.80	\$ 14.35
		5.0%	7.0%	6.0%	6.0%	6.0%	4.0%	4.0%	4.0%

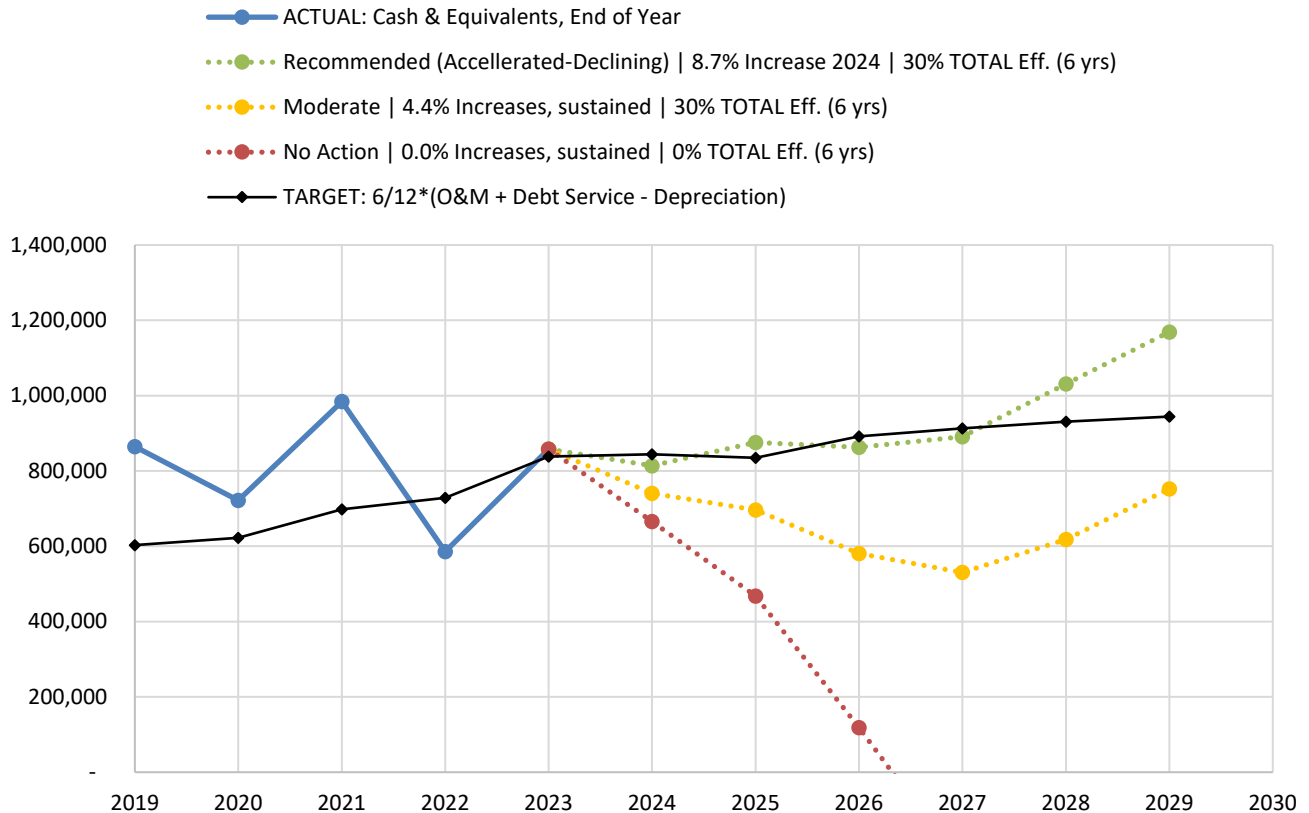
<b>Combined Wet Utilities</b>									
Avg. Monthly Bill	\$ 80.82	\$ 87.00	\$ 94.33	\$ 102.54	\$ 108.69	\$ 113.66	\$ 117.60	\$ 121.26	\$ 123.96
		7.6%	8.4%	8.7%	6.0%	4.6%	3.5%		5.4%



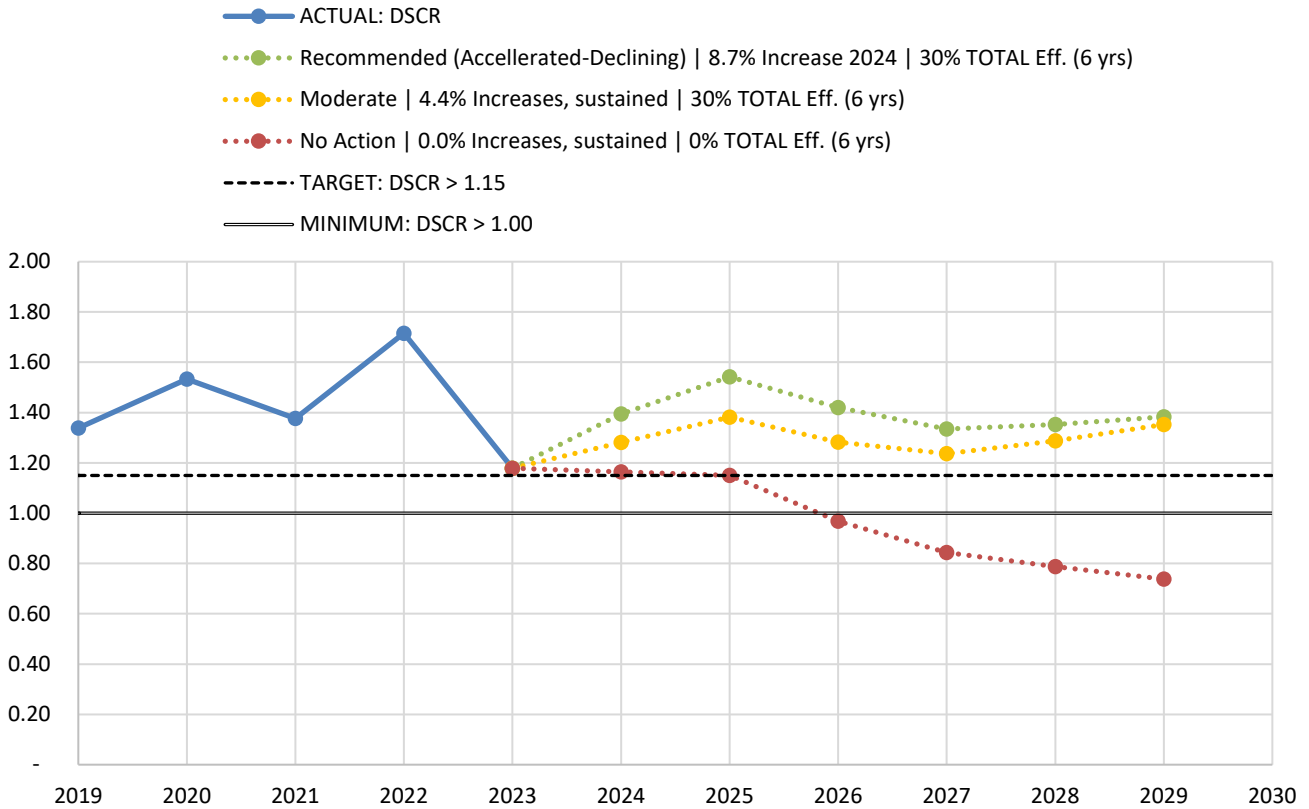
### Net Position - WATER



### Cash Reserves - WATER

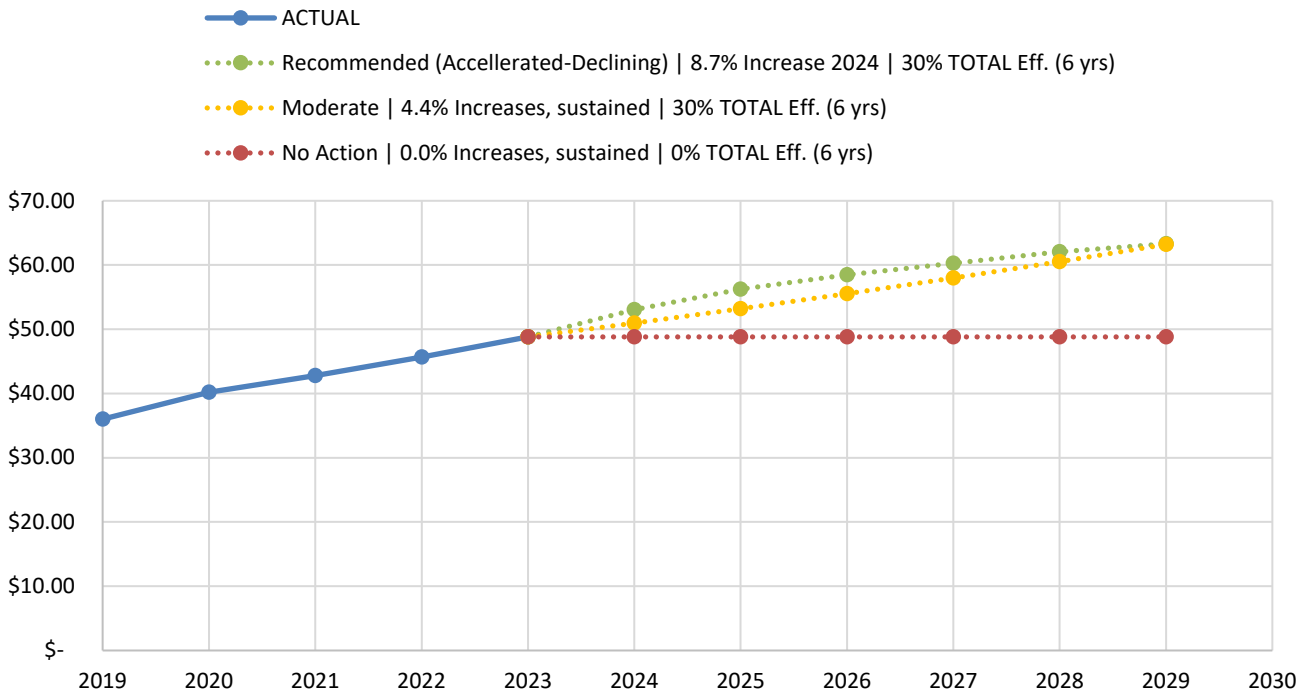


### Debt Service Coverage Ratio - WATER

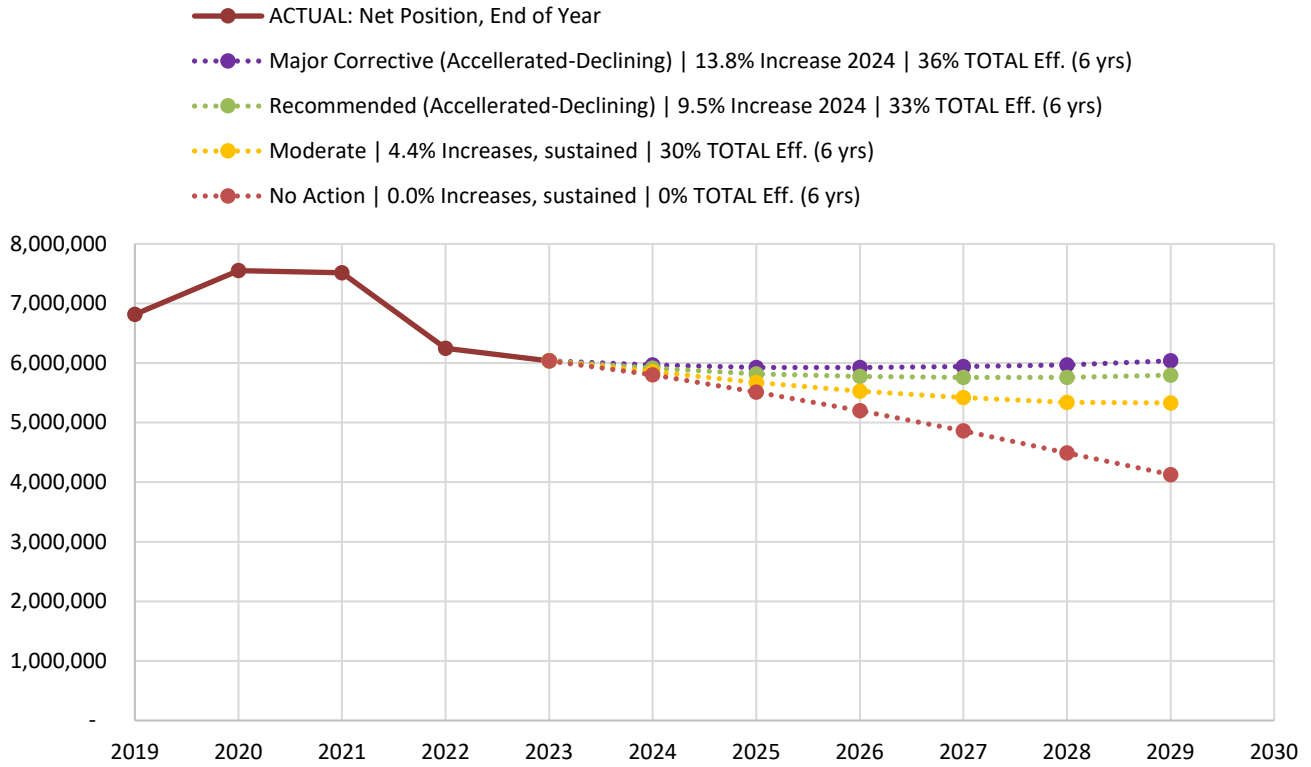


### Impact to Avg. Monthly Residential Bill - WATER

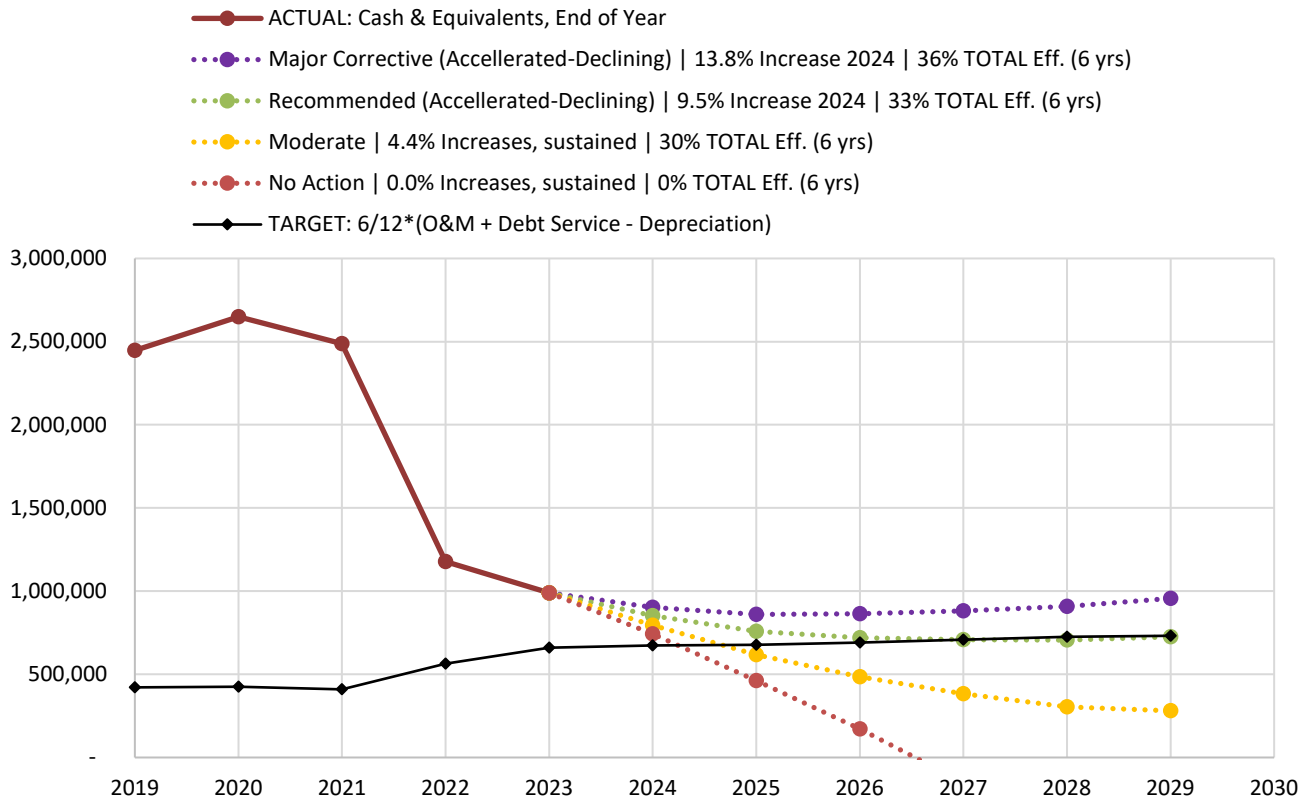
5,678 Cu.Ft. (3,540 Gallons) per Month



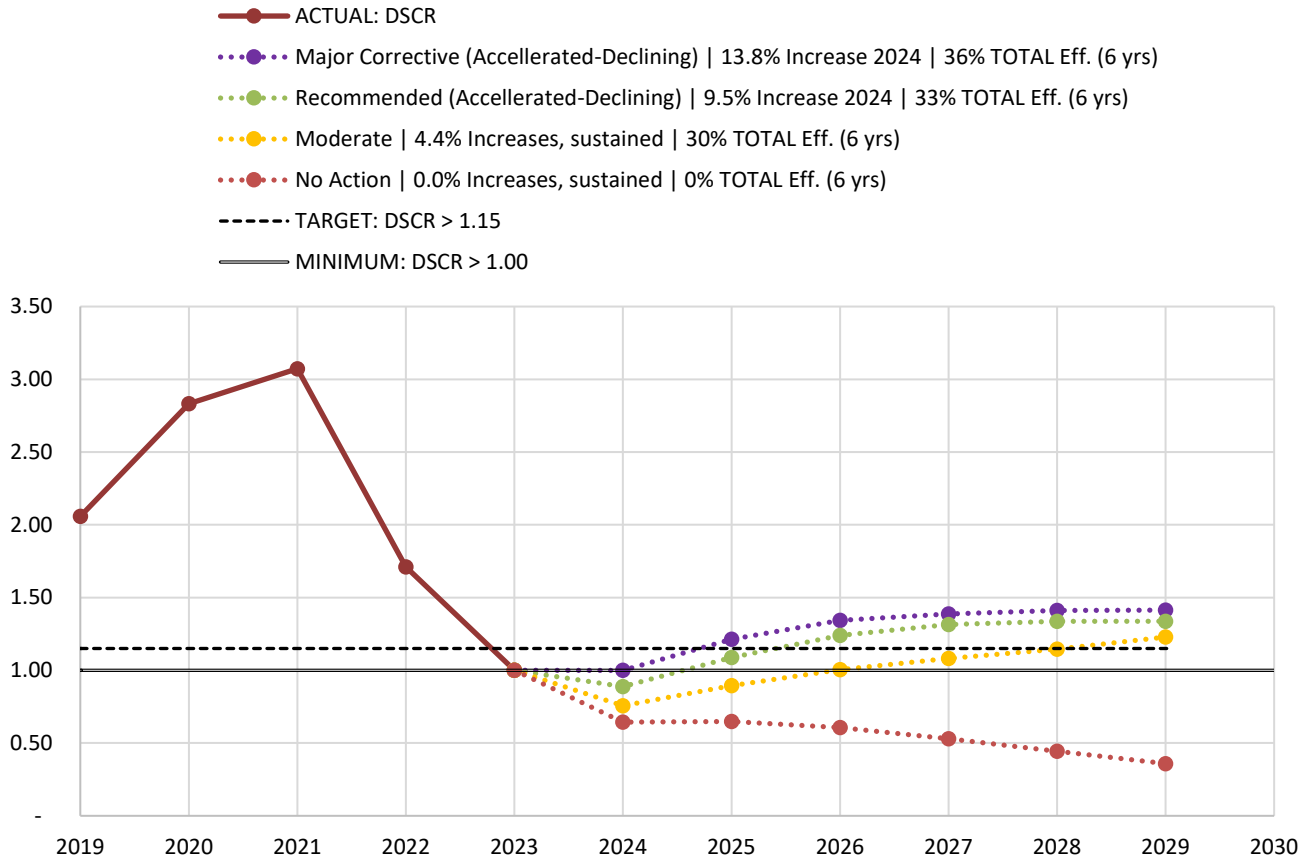
### Net Position - SANITARY



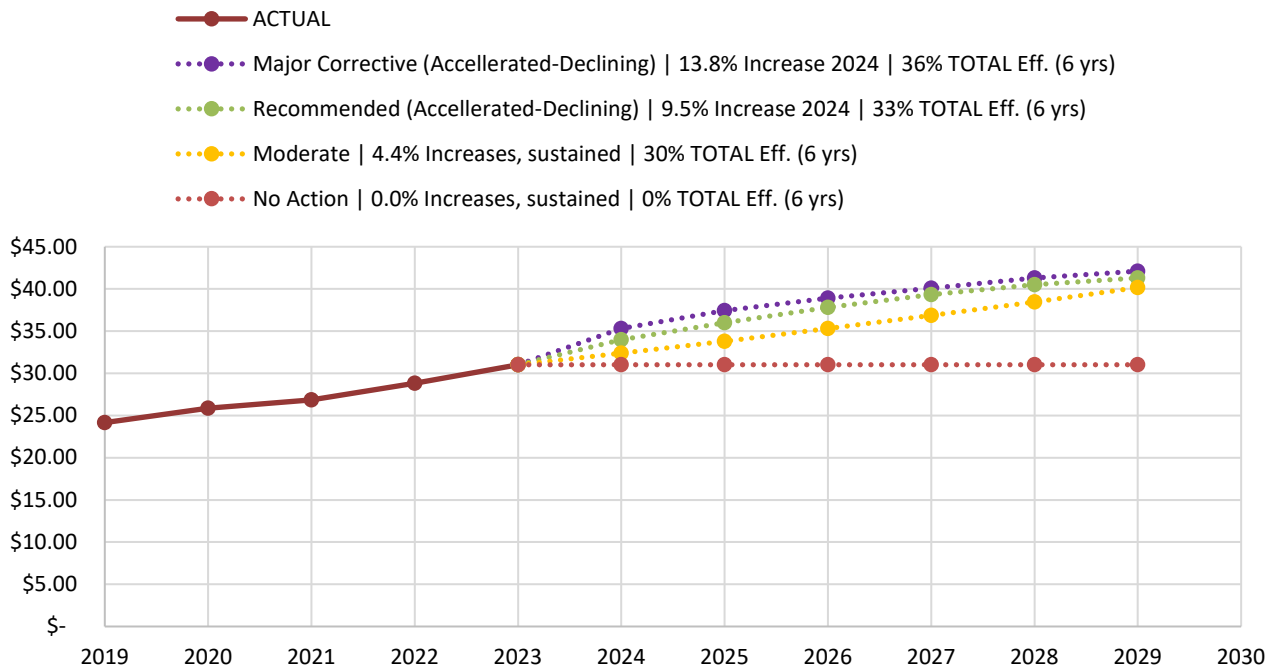
### Cash Reserves - SANITARY



### Debt Service Coverage Ratio - SANITARY

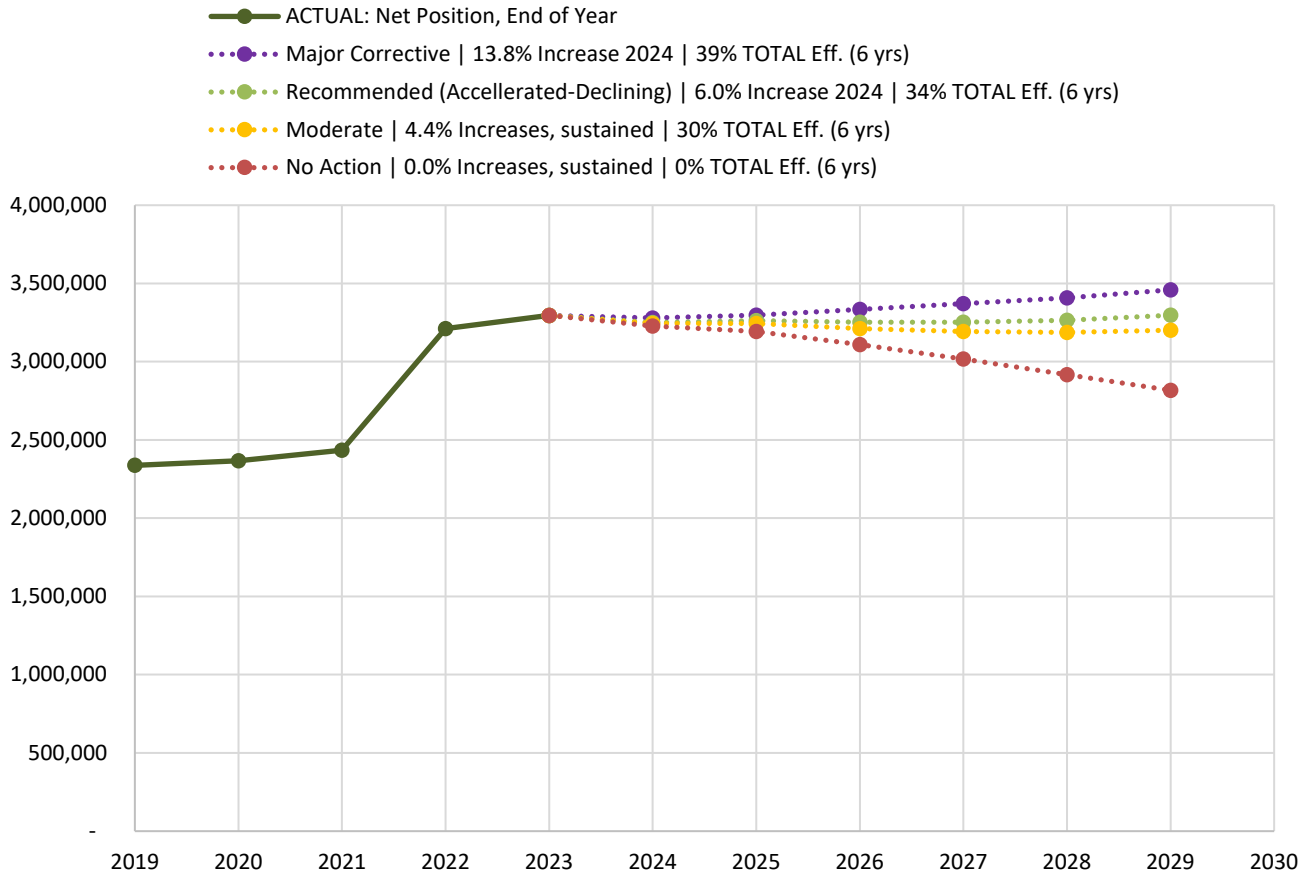


### Impact to Avg. Monthly Residential Bill - SANITARY 5,678 Cu.Ft. (3,540 Gallons) per Month

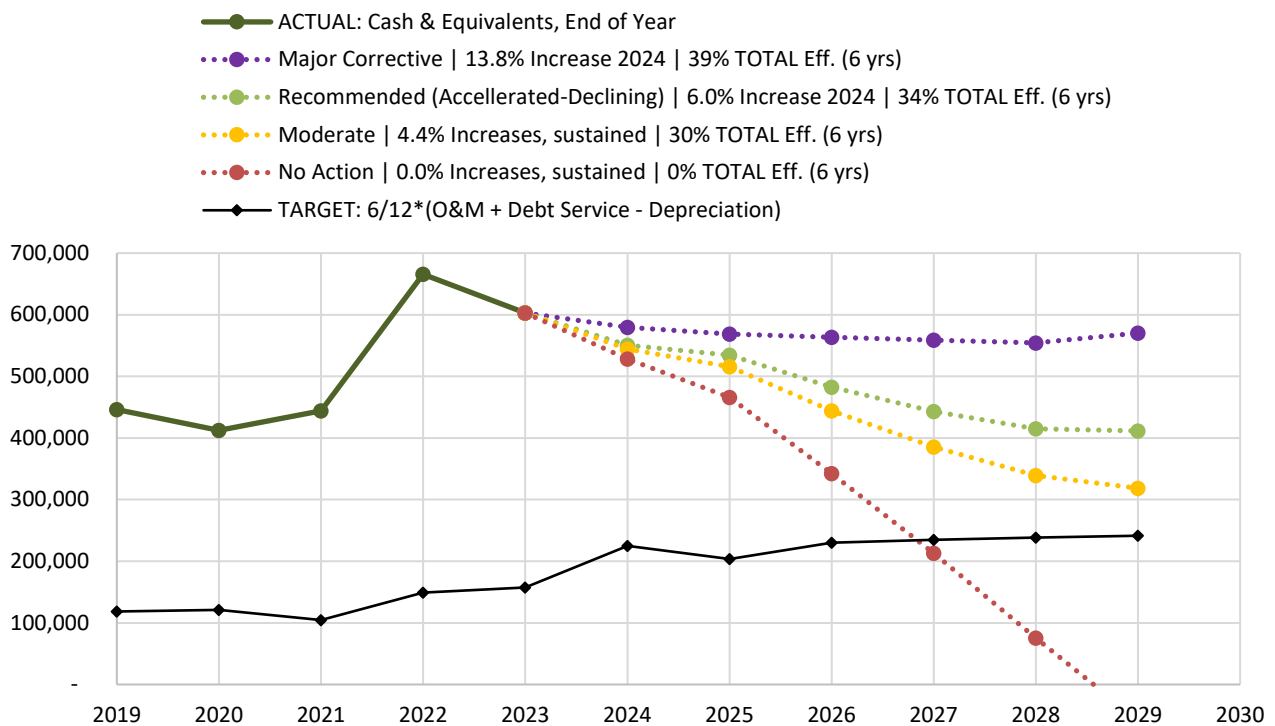




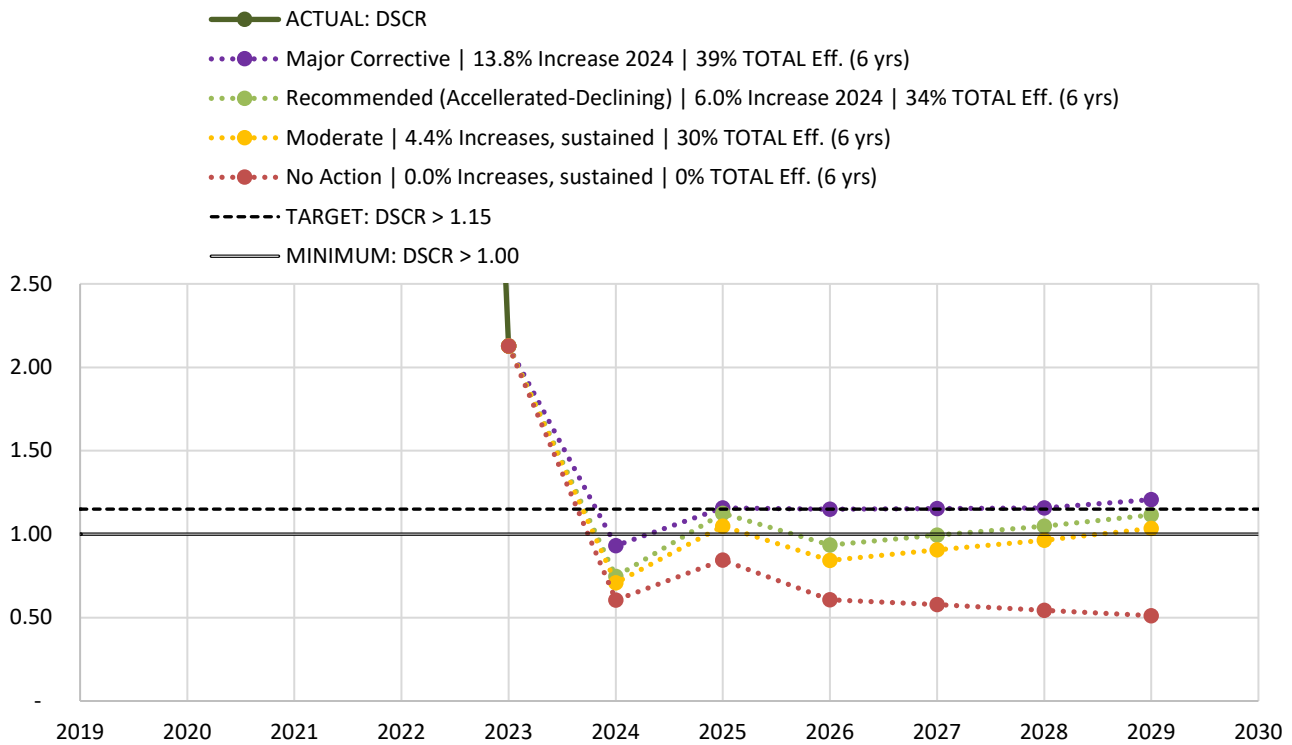
### Net Position - STORM



### Cash Reserves - STORM

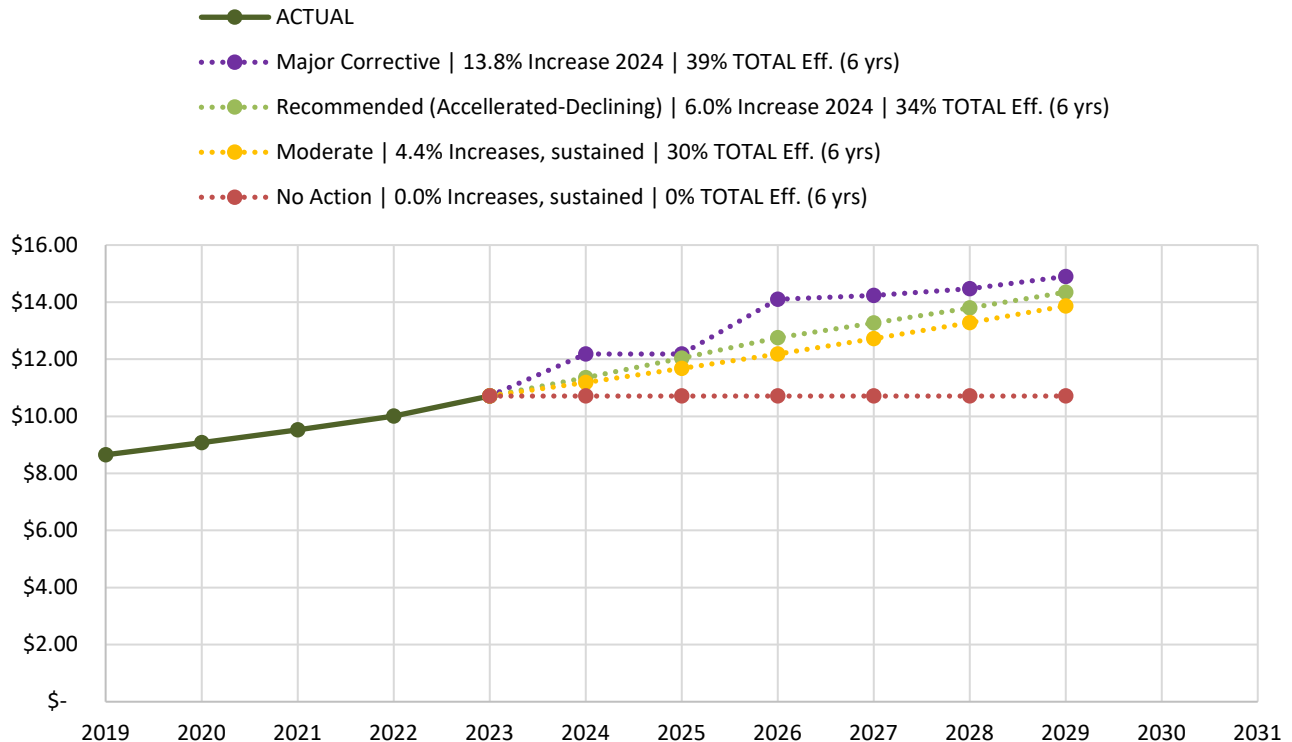


### Debt Service Coverage Ratio - STORM



### Impact to Avg. Monthly Residential Bill - STORM

5,678 Cu.Ft. (3,540 Gallons) per Month



AGENDA MEMO

**Meeting Date:** December 5, 2023

**Agenda Item:** Resolution No. 76 of 2023 - Establishing Rates for Municipal Electric Utilities

**Recommendation/Action Requested:** Read the Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If no concerns, adopt proposed Resolution by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** Consideration of the attached enabling Resolution which, if adopted, would enact the 2024 electric utility rates.

Every year, DGR updates the overall cash flow projections and proposes any necessary rate changes. Every three years, DGR also does a full cost-of-service study to make sure we are assigning costs appropriately to the various rate classes, and setting rates that will collect revenues from each class accordingly. This was the year to do the full cost-of-service study.

The proposed rates have been developed to provide an overall increase in revenues of 5%. The actual impact on each customer class and on the customers within each class will vary somewhat, but most customers will see increases close to the 5% figure. DGR has provided rate comparison information to illustrate the impact of the proposed rates for each rate class. Staff recommends approval of the proposed 2024 electric rates.

**Attachments:** Resolution 76 of 2023  
Electric Support 1 – Rate History  
Electric Support 2 – DGR Report

## RESOLUTION NO. 76 OF 2023

### RESOLUTION ESTABLISHING RATES FOR MUNICIPAL ELECTRIC UTILITIES

**WHEREAS**, the City of Redwood Falls, through its Redwood Falls Public Utilities ("Utilities"), owns, operates, and maintains a municipal utility which, amongst other services, provides retail electric services to approximately 2,900 customers; and

**WHEREAS**, Redwood Falls City Charter § 11.02 provides that the Redwood Falls City Council ("Council"), may by resolution establish rates, fares and prices for municipal utilities and services, but that such rates, fares and prices shall be established after study of commission recommendations; and

**WHEREAS**, Redwood Falls City Code § 2.52 establishes a Public Utilities Commission ("Commission"), who is charged with the responsibility to recommend to the Council rates and charges to be made for services furnished by the Utilities; and

**WHEREAS**, the Commission retained the services of DGR Engineering to perform a study of the allocated cost of serving the various classes of the Utilities' retail customers (the "Study"); and

**WHEREAS**, the Commission has recommended to the Council the adoption of class rates and other changes as suggested by the Study; and

**WHEREAS**, Redwood Falls City Code § 3.02 provides that rates and charges for municipal utilities shall be fixed, determined, and adopted by resolution of the Council, said resolution containing the effective date thereof, kept on file and open to inspection in the office of the City Administrator, be uniformly enforced, and, if the various types of service are categorized and classified, such categorization and classification be included in said resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF REDWOOD FALLS, MINNESOTA:**

**1. Classes of Customers.** That customers of the Utility shall be classified as follows:

**a. Residential Customer.** Residential means a customer whose principal use of electricity is for household purposes such as lighting, cooking, water heating, and space heating in space occupied as living quarters. Utility service is normally supplied through a single meter to a single-family dwelling unit, but apartments or other subdivided dwelling units may be classified as residential provided the individual units take service through separate meters.

**b. Small Commercial Electric Heat Customer.** (This class is closed and no new customer, nor any existing customer currently included within some other classification, shall be eligible for inclusion in this class). Small Commercial Electric Heat Customer

means a customer whose primary source of space heat is electrically generated and whose monthly utility demand is less than 50 kilowatts. Electric heat service must be provided through a separate meter.

**c. Large Commercial Electric Heat Customer.** (This class is closed and no new customer, nor any existing customer currently included within some other classification, shall be eligible for inclusion in this class). Large Commercial Electric Heat Customer means a customer whose primary source of space heat is electrically generated and whose monthly utility demand is 50 kilowatts or more. Electric heat service must be provided through a separate meter.

**d. Small Commercial Customer.** Small Commercial Customer means a customer who does not qualify as a residential customer and whose monthly utility demand is less than 50 kilowatts.

**e. Large Commercial Customer.** Large Commercial Customer means a customer who does not qualify as a residential customer and whose monthly utility demand is 50 kilowatts or more but less than 250 kilowatts.

**f. Industrial Customer.** Industrial Customer means a customer who does not qualify as a residential customer and whose monthly utility demand is 250 kilowatts or more.

**2. Electric Rate Schedule.** The following rate schedule is hereby established, which shall be uniformly enforced within the separate classes of customers as identified in Resolution No. 11 of 1998:

**a. Residential Customer.** Electric power shall be furnished to residential customers at a flat customer charge of \$25.50 plus \$0.100 per kilowatt-hour for each month of service.

**b. Small Commercial Electric Heat Customer.** (This class is closed and no new customer, nor any existing customer currently included within some other classification, shall be eligible for inclusion in this class). Electric power shall be furnished to small commercial electric heat customers at a flat customer charge of \$37.00 plus \$0.110 per kilowatt-hour for each month of service.

**c. Large Commercial Electric Heat Customer.** (This class is closed and no new customer, nor any existing customer currently included within some other classification, shall be eligible for inclusion in this class). Electric power shall be furnished to large commercial electric heat customers at a flat customer charge of \$54.00 plus \$0.048 per kilowatt-hour plus a demand rate of \$14.70 for each month of service.

**d. Small Commercial Customer.** Electric power shall be furnished to small commercial customers at a flat customer charge of \$37.00 plus \$0.110 per kilowatt-hour for each month of service.

**e. Large Commercial Customers.** Electric power shall be furnished to large commercial customers at a flat customer charge of \$54.00 plus \$0.048 per kilowatt-hour plus a demand rate of \$14.70 per kilowatt for each month of service.

**f. Industrial Customers.** Electric power shall be furnished to Industrial customers at a flat customer charge of \$76.75 plus \$0.048 per kilowatt-hour plus a demand rate of \$14.60 per kilowatt for each month of service.

**3. Purchased Power Cost Adjustment.** To compensate for monthly changes in RFPU's cost of purchasing power, an Energy Cost Adjustment (ECA) may be applied to all energy (kWh) sold each month. The ECA will be calculated by comparing the actual purchased power cost on a 12 month rolling basis to the then-current budgeted "base" cost of purchased power contained in RFPU's annual Electric Utility budget.

Calculation of the monthly ECA will be as follows:

$$\text{ECA (mils)} = (\text{Rolling 12 Month Average Net Power Cost in mils}) - (\text{Base Power Cost in mils})$$

**a. Terms are defined as follows:**

1. Rolling 12 Month Average Net Power Cost: The rolling 12 month average net power cost will be calculated by summing the net power cost for the preceding 12 month period, and dividing by the total purchased kWh for the same period.

2. Net Power Cost: Net Power Cost is equal to the sum of the following: 1) WAPA bill and 2) SMMPA bill.

3. Base Power Cost: The base power cost will be established at the beginning of each Fiscal Year, and will equal the budgeted net power cost per kWh contained in the cash flow projection for the Fiscal Year.

**b. Energy Cost Adjustment Base Rate.** The ECA base rate shall be set at 54.1 mils and said rate shall be effective as of January 1, 2024.

**c. Authority to Adjust.** The Commission shall make the monthly ECA calculation and thereafter adjust the rates accordingly. The Commission shall report all such adjustments to the Council on a monthly basis.

**4. Determination of Demand.** Demands shall be determined by measurement. Measured standards shall be determined in accordance with the Utilities' standard practice, and, except in unusual cases, shall be based on the maximum fifteen (15) minute kilowatt demand created during the billing period.

5. **Effective Date.** The customer classes and rates established by this Resolution shall be effective as of January 1, 2024, for electricity billed in January 2024 and payable in February 2024 and shall supersede any previous Resolutions.
6. **Public Inspection.** A printed copy of this Resolution shall be made available for inspection by any person at the office of the City Administrator during normal business hours.

PASSED AND ADOPTED by the City Council of the City of Redwood Falls, Minnesota, this 5<sup>th</sup> day of December, 2023.

ATTEST:

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Keith T. Muetzel  
City Administrator

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Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this  
5<sup>th</sup> day of December, 2023.

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Notary Public

**ELECTRIC RATE HISTORY**

**RESIDENTIAL SERVICE:**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
\$25.50	\$21.47	\$20.45	\$19.85	\$14.85	\$14.85	\$14.85	\$8.38	\$8.14	\$7.75	\$6.46	\$6.46	\$6.46	\$6.15	\$5.20	\$5.20	\$5.00	\$5.00	\$5.00	\$3.00
\$0.100	\$0.098	\$0.093	\$0.090	\$0.091	\$0.091	\$0.091	\$0.094	\$0.091	\$0.087	\$0.083	\$0.083	\$0.083	\$0.079	\$0.076	\$0.076	\$0.073	\$0.060	\$0.047	\$0.0422

Flat Customer Charge  
Energy per KWH

**COMMERCIAL SERVICE:**

Small Commercial whose demand is *LESS* than 50 KW Demand

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
\$37.00	\$29.36	\$27.96	\$27.15	\$21.20	\$21.20	\$21.20	\$12.11	\$11.76	\$11.20	\$9.45	\$9.45	\$9.45	\$9.00	\$11.50	\$11.50	\$11.00	\$11.00	\$11.00	\$6.00
\$0.110	\$0.106	\$0.101	\$0.098	\$0.100	\$0.100	\$0.100	\$0.102	\$0.099	\$0.094	\$0.085	\$0.085	\$0.085	\$0.081	\$0.073	\$0.073	\$0.070	\$0.060	\$0.049	\$0.046

Flat Customer Charge  
Energy per KWH

Large Commercial whose demand is *MORE* than 50 KW Demand

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
\$54.00	\$47.69	\$45.42	\$44.10	\$32.00	\$32.00	\$32.00	\$17.57	\$17.06	\$16.25	\$15.75	\$15.75	\$15.75	\$15.00	\$15.10	\$15.10	\$14.50	\$14.50	\$20.00	\$5.00
\$14.70	\$13.84	\$13.18	\$12.80	\$12.25	\$12.25	\$12.25	\$13.25	\$12.86	\$12.25	\$9.98	\$9.98	\$9.98	\$9.50	\$9.40	\$9.40	\$9.00	\$7.50	\$5.70	\$5.00
\$0.048	\$0.045	\$0.043	\$0.042	\$0.040	\$0.040	\$0.040	\$0.033	\$0.032	\$0.030	\$0.035	\$0.035	\$0.035	\$0.033	\$0.029	\$0.029	\$0.028	\$0.028	\$0.027	\$0.0294

Flat Customer Charge  
per KW Demand  
Energy per KWH

Industrial Commercial: demand is *MORE* than 250 KW Demand

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
\$76.75	\$63.11	\$60.10	\$58.35	\$32.00	\$32.00	\$32.00	\$17.57	\$17.06	\$16.25	\$15.75	\$15.75	\$15.75	\$15.00	\$15.10	\$15.10	\$14.50	\$14.50	-----	-----
\$14.60	\$12.98	\$12.36	\$12.00	\$11.75	\$11.75	\$11.75	\$14.33	\$13.91	\$13.25	\$10.50	\$10.50	\$10.50	\$10.00	\$10.40	\$10.40	\$10.00	\$8.50	-----	-----
\$0.048	\$0.045	\$0.043	\$0.042	\$0.040	\$0.040	\$0.040	\$0.033	\$0.032	\$0.030	\$0.035	\$0.035	\$0.035	\$0.033	\$0.029	\$0.029	\$0.028	\$0.028	-----	-----

Flat Customer Charge  
per KW Demand  
Energy per KWH

**ECA Base**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
\$ 0.0541	\$ 0.0533	\$ 0.0461	\$ 0.0466	\$ 0.0436	\$ 0.0436	\$ 0.0438	\$ 0.0510	\$ 0.0510	\$ 0.0510	\$ 0.0510	\$ 0.0510	\$ 0.0510	\$ 0.0497	\$ 0.0503	\$ 0.0487	\$ 0.0482	\$ 0.0418	\$ 0.0300	-----

**Security Lighting**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
\$ 6.20	\$ 5.90	\$ 5.62	\$ 5.46	\$ 5.35	\$ 5.35	\$ 5.35	\$5.30	\$5.15	\$4.90	\$4.73	\$4.73	\$4.73	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$3.95

per light per month

**Area Lighting**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
\$ 6.20	\$ 5.90	\$ 5.62	\$ 5.46	\$5.35	\$5.35	\$5.35	\$5.30	\$5.15	\$4.90	\$4.73	\$4.73	\$4.73	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
\$ 10.93	\$ 10.41	\$ 9.91	\$ 9.62	\$9.43	\$9.43	\$9.43	\$9.34	\$9.07	\$8.64	\$8.35	\$8.35	\$8.35	\$7.95	\$7.95	\$7.95	\$7.95	\$7.95	\$7.95	\$7.95
\$ 14.45	\$ 13.76	\$ 13.10	\$ 12.72	\$12.47	\$12.47	\$12.47	\$12.35	\$11.99	\$11.42	\$11.03	\$11.03	\$11.03	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50
\$ 18.76	\$ 17.87	\$ 17.02	\$ 16.52	\$16.20	\$16.20	\$16.20	\$16.04	\$15.57	\$14.83	\$14.33	\$14.33	\$14.33	\$13.65	\$13.65	\$13.65	\$13.65	\$13.65	\$13.65	\$13.65
\$ 41.24	\$ 39.28	\$ 37.41	\$ 36.32	\$35.61	\$35.61	\$35.61	\$35.26	\$34.23	\$32.60	\$31.50	\$31.50	\$31.50	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00

100 watt  
150 watt  
250 watt  
400 watt  
1000 watt



Cash Flow Projection - Electric Utility

Redwood Falls Public Utilities  
November 22, 2023

ITEM	PROJECTIONS										Basis of assumptions
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
<b>PURCHASED POWER COSTS</b>											
1 Purchased Power (kWh)	63,916,036	62,935,202	63,678,295	64,272,453	61,600,000	60,500,000	60,815,000	61,131,575	61,449,733	61,769,482	Growth at 0.5% net per year.
2 Local Hydro Generation (kWh)	3,829,379	2,962,526	977,605	0	800,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	Hydro plant off-line for all of FY22 and portions of FY21 and FY23.
3 Total Requirements (kWh)	67,745,415	65,897,728	64,655,900	64,272,453	62,400,000	63,000,000	63,315,000	63,631,575	63,949,733	64,269,482	
<b>WAPA Costs</b>											
4 WAPA Energy (kWh)	44,340,000	44,477,000	44,340,000	44,340,000	44,340,000	44,477,000	44,340,000	44,340,000	44,340,000	44,477,000	
5 WAPA Demand (kW)	92,155	92,155	92,155	92,155	92,155	92,155	92,155	92,155	92,155	92,155	
6 Cost of WAPA Energy (\$)	\$588,392	\$590,210	\$588,392	\$588,392	\$588,392	\$679,164	\$744,779	\$744,779	\$744,779	\$747,080	
7 Cost of WAPA Demand (\$)	\$483,814	\$483,814	\$483,814	\$483,814	\$571,361	\$571,361	\$628,497	\$628,497	\$628,497	\$628,497	
8 MISO Transmission Cost for WAPA Deliveries (\$)		\$44,340	\$129,590	\$184,954	\$425,000	\$480,000	\$600,000	\$600,000	\$600,000	\$600,000	
9 Total WAPA Cost, including WAPA transmission billed through SMMPA (\$)	\$1,027,866	\$1,073,887	\$1,201,796	\$1,257,159	\$1,673,433	\$1,730,525	\$1,973,276	\$1,973,276	\$1,973,276	\$1,975,577	
10 WAPA Cost per kWh (mils)	23.18	23.15	27.10	28.35	37.74	38.91	44.50	44.50	44.50	44.42	
<b>SMMPA Costs</b>											
11 SMMPA On-Peak Energy (kWh)	9,648,515	8,759,285	9,223,034	10,104,610	8,112,200	7,530,810	7,743,250	7,892,040	8,041,574	8,127,466	
12 SMMPA Off-Peak Energy (kWh)	10,997,082	9,698,920	10,115,265	11,616,013	9,147,800	8,492,190	8,731,750	8,899,535	9,068,158	9,165,015	
13 SMMPA Billing Demand (kW)	51,493	43,224	44,779	50,913	47,833	45,457	47,626	48,366	49,110	49,858	
14 Cost of On-Peak Energy (\$)	\$539,390	\$487,279	\$513,077	\$578,573	\$521,696	\$484,306	\$497,968	\$441,557	\$382,435	\$386,520	
15 Cost of Off-Peak Energy (\$)	\$459,681	\$403,378	\$420,694	\$498,689	\$439,826	\$408,304	\$419,823	\$372,264	\$322,420	\$325,864	
16 Cost of Power Supply Demand Charge (\$)	\$566,409	\$473,303	\$490,330	\$557,497	\$497,754	\$523,771	\$497,754	\$460,760	\$397,671	\$403,726	
17 Cost of Transmission Demand Charge (\$)	\$175,342	\$142,954	\$141,532	\$161,687	\$167,877	\$152,601	\$151,476	\$150,423	\$152,737	\$155,063	
18 Cost of Energy Cost Adjustment Charge (\$)			(\$15,374)	(\$19,086)	\$0	\$0	\$0	\$0	\$0	\$0	
19 Total SMMPA Cost, excluding WAPA transmission billed through SMMPA (\$)	\$1,773,221	\$1,487,984	\$1,550,259	\$1,777,360	\$1,653,170	\$1,542,966	\$1,590,769	\$1,425,004	\$1,255,263	\$1,271,173	
20 SMMPA Cost per kWh (mils)	83.74	80.61	80.17	81.83	95.78	96.30	96.56	84.86	73.37	73.51	
21 Total Annual Purchased Power Cost (\$)	\$2,801,087	\$2,561,870	\$2,752,055	\$3,034,519	\$3,326,603	\$3,273,491	\$3,564,046	\$3,398,280	\$3,228,539	\$3,246,750	
22 Average Cost per kWh (mils)	43.82	40.71	43.22	47.21	54.00	54.11	58.60	55.59	52.54	52.56	
<b>OPERATING REVENUES</b>											
Demand Sales											
23 Demand Units Sold (kW)	72,228	72,247	72,246	70,549	64,000	65,000	65,325	65,652	65,980	66,310	Assumes demand sales grow 0.5% per year.
24 Year over year increase in revenue per unit (%)						5%	3%	3%	3%	3%	
25 Average Revenue per Demand Unit Sold (\$/kW)	\$ 12.11	\$ 12.11	\$ 12.56	\$ 12.94	\$ 13.55	\$ 14.67	\$ 15.11	\$ 15.56	\$ 16.03	\$ 16.51	
26 Total Demand Sales (\$)	\$874,540	\$874,651	\$907,573	\$912,709	\$867,200	\$953,550	\$987,067	\$1,021,763	\$1,057,678	\$1,094,855	
Energy Sales											
27 Energy Units Sold (kWh)	63,131,259	62,003,241	61,637,070	61,979,231	60,500,000	60,550,000	60,782,400	61,086,312	61,391,744	61,698,702	At 96% of Total Requirements.
28 Year over year increase in revenue per unit (%)						5%	3%	3%	3%	3%	
29 Average Revenue per Energy Unit Sold (mils/kWh)	74.0	74.2	74.0	77.1	82.0	81.3	83.8	86.3	88.9	91.5	Without ECA
30 Total Energy Sales (\$)	\$4,668,626	\$4,599,316	\$4,559,703	\$4,779,554	\$4,961,000	\$4,923,926	\$5,091,110	\$5,270,062	\$5,455,305	\$5,647,059	
31 Customer Charge Revenue (\$)	\$552,032	\$551,548	\$734,243	\$759,368	\$765,000	\$983,400	\$1,012,902	\$1,043,289	\$1,074,588	\$1,106,825	
32 Year over year increase in revenue per unit (%)						5%	3%	3%	3%	3%	
33 Energy Cost Adjustment Revenue (\$)	\$48,610	\$0	\$0	\$43,809	\$17,500	\$0	\$0	\$0	\$0	\$0	FY23 is estimate based on YTD through August.
34 ECA Base	43.8	40.7	43.2	47.2	54.0	54.1	58.6	55.6	52.5	52.6	Base ECA amount.
35 Total Sales Revenue (\$)	\$6,143,808	\$6,025,515	\$6,201,519	\$6,495,441	\$6,610,700	\$6,860,876	\$7,091,079	\$7,335,114	\$7,587,570	\$7,848,739	
36 Average Revenue per kWh (mils)	97.3	97.2	100.6	104.8	109.3	113.3	116.7	120.1	123.6	127.2	Including ECA
37 Other Operating Revenue (\$)	\$122,033	\$59,434	\$191,998	\$130,765	\$125,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	Includes misc operating reimbursements, insurance & patronage dividends & special assessment principal. For '23 based on YTD thru Aug; for '24, set equal to budget; assumed constant thereafter.
38 Capacity Credit Income (\$)	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	\$216,000	For '23 and '24, set equal to budget; assumed constant thereafter.
39 Miscellaneous Income (\$)	\$415,920	\$266,240	\$369,919	\$336,289	\$260,000	\$276,000	\$281,520	\$287,150	\$292,893	\$298,751	Includes interest earnings on debt service & spec assessments; equipment rental; other electric rev (operating); other misc revenues; and SMMPA reimbursed payroll (starting in 2016; prior to 2016, was eliminated on both revenue and expense side). For '23 based on year to date through Aug; '24, set equal to budget; increase at 2% per year thereafter.
40 Grants, Aids, Administrative Fee Income (\$)	\$27,504	\$17,341	\$20,351	\$18,858	\$15,600	\$18,700	\$18,700	\$18,700	\$18,700	\$18,700	Cutoff revenue; administrative fees; PIRA aid; federal & state grants & aid. For '23 based on YTD thru Aug; for '24, set equal to budget; assumed constant thereafter.
41 Penalty Revenue	\$35,131	\$15,230	\$30,344	\$33,430	\$45,000	\$34,000	\$34,000	\$34,000	\$34,000	\$34,000	For '23 based on YTD thru Aug; for '24, set equal to budget; assumed constant thereafter.
42 Total Operating Revenue (\$)	\$6,960,396	\$6,599,760	\$7,030,131	\$7,230,783	\$7,272,300	\$7,580,576	\$7,816,299	\$8,065,964	\$8,324,163	\$8,591,190	
<b>OPERATING EXPENSES</b>											
43 Purchased Power Cost (\$)	\$2,801,087	\$2,561,870	\$2,752,055	\$3,034,519	\$3,326,603	\$3,273,491	\$3,564,046	\$3,398,280	\$3,228,539	\$3,246,750	Per estimate above.
44 Other Miscellaneous Operating Expenses (\$)	\$247,500	\$258,500	\$266,255	\$274,243	\$266,255	\$274,243	\$282,470	\$282,470	\$282,470	\$290,944	Class 36 - Misc Operating Expenses (net of purchased power cost, which is shown above). FY23 and FY24 at budget; Increase at 3% per year.
45 Personnel Services (\$)	\$1,342,081	\$1,331,280	\$1,371,219	\$1,412,355	\$1,342,081	\$1,331,280	\$1,371,219	\$1,412,355	\$1,454,726	\$1,498,368	Class 11 - Personnel Services. Includes all personnel-related costs, including payroll taxes, retirement contributions, and personnel-related insurance. FY23 and FY24 at budget; Increase at 3% per year.
46 Supplies (\$)	\$227,500	\$220,500	\$227,115	\$233,928	\$227,500	\$220,500	\$227,115	\$233,928	\$240,946	\$248,175	Class 22 - Supplies. Includes small tools, repairs, maintenance of OH and UG lines and lighting, uniforms, safety equipment. FY23 and FY24 at budget; Increase at 3% per year.
47 Other Services & Charges (\$)	\$233,347	\$255,452	\$263,116	\$271,009	\$233,347	\$255,452	\$263,116	\$271,009	\$279,139	\$287,514	Class 33 - Other Services & Charges. Includes professional services, office expenses, travel and training, and business insurance. FY23 and FY24 at budget; Increase at 3% per year.
48 Miscellaneous (less depreciation) (\$)	\$150,138	\$160,362	\$165,177	\$170,132	\$150,138	\$160,362	\$165,177	\$170,132	\$175,236	\$180,493	Class 34 - Miscellaneous. Includes misc. rentals and repairs, support, public works equipment rental costs, etc. Depreciation is listed separately below. FY23 and FY24 at budget; Increase at 3% per year.
49 Royalty Payments (\$)	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$21,855	\$22,510	Class 37 - Royalties. Includes service territory royalties. FY23 and FY24 at budget; Increase at 3% per year.
50 Dues/Subscriptions/Permits (\$)	\$360,211	\$385,468	\$393,507	\$423,562	\$41,500	\$38,750	\$39,913	\$41,110	\$42,343	\$43,613	Class 39 - Dues/Subscriptions/Permits. Includes dues & subscriptions, bad debt, bank charges, licenses, and permit fees. FY23 and FY24 at budget; Increase at 3% per year.
51 Plant Maintenance Cost (\$)	\$590,953	\$576,396	\$802,273	\$635,913	\$814,906	\$693,333	\$884,974	\$973,652	\$732,788	\$764,169	Approximately constant (includes depreciation from each expense category). FY24 equal to budget.
52 Total Operating Expenses (\$)	\$5,299,945	\$4,981,236	\$5,623,257	\$5,976,855	\$6,581,669	\$6,551,339	\$6,910,440	\$6,815,276	\$6,718,255	\$6,811,368	
<b>CASH INFLOWS OR (OUTFLOWS)</b>											
53 Operating Margin (\$)	\$1,660,451	\$1,618,524	\$1,406,874	\$1,253,927	\$690,631	\$1,029,237	\$905,859	\$1,250,688	\$1,605,908	\$1,779,823	

**Cash Flow Projection - Electric Utility**

**Redwood Falls Public Utilities  
November 22, 2023**

ITEM	FY 2019 - FY 2022				PROJECTIONS						Basis of assumptions	
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028		
Non-operating Revenue (\$)												
54 Interest Income (\$)	\$170,894	\$166,738	\$87,854	\$75,084	\$82,500	\$90,000	\$87,026	\$52,976	\$111,300	\$83,596		Equal to 2% of BOY investment balance for '25 and beyond; for '23 based on YTD thru July; for '24, set equal to budget.
55 Sales of Materials and Fixed Assets (\$)	\$11,839	\$19,516	\$35,829	\$24,828	\$14,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500		Approximately constant. For '23 based on YTD thru July; for '24, set equal to budget.
56 Other Non-operating Revenue (\$)	\$32,466	\$65,100	\$48,896	\$137,527	\$5,500	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000		Approximately constant (includes return of equity from SMMPA; other propriety non-op revenue). For FY23, based on YTD thru July. For FY24 and beyond, set at average of past years.
57 Total Non-operating Revenue (\$)	\$215,199	\$251,354	\$172,579	\$237,439	\$102,500	\$145,500	\$142,526	\$108,476	\$166,800	\$139,096		
Non-operating Expenses (\$)												
58 Bond Interest & Expense Payment, 2001 Revenue Bonds (Now Refunding Bonds of '06)(\$)	\$24,412	\$12,280	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		Bond principal payment shown below. This line includes bond issuance costs, discount, fiscal agent fees, etc of approx. \$6500. Final payment in 2020.
59 Bond Interest Payment, Revenue Bonds (Series 2011B) (\$)	\$81,550											Refunded by Series 2019 bonds.
60 Bond Interest Payment, Electric Utility Revenue Bonds (Series 2013A) (\$)	\$28,076	\$25,712	\$23,012	\$20,212	\$17,412	\$14,512	\$11,252	\$7,874	\$4,000			Per final amortization schedule. Final payment 2027.
61 Bond Interest Payment, Electric Utility Revenue Refunding Bonds (Series 2019A) (\$)	\$51,641	\$56,122	\$52,594	\$48,340	\$43,992	\$39,550	\$34,992	\$30,338	\$25,568	\$20,680		Per final amortization schedule from David Drown Associates. Final payment 2031. Refunds 2011B bonds. Number for 2019 is for fiscal agent fees.
62 Bond Interest Payment, Electric Revenue Bonds (Series 2021B) (\$)			\$39,130	\$28,117	\$21,566	\$20,236	\$18,906	\$17,480	\$16,056	\$14,630		Per final payment schedule. Final payment is 2036. Figures in FY21 and FY22 include fiscal agent fees.
63 Bond Interest Payment, Electric Revenue Bonds (Series 2023A) (\$)						\$256,882	\$248,600	\$235,900	\$222,600	\$208,600		Per final amortization schedule from D A Davidson, dated Nov. 1, 2023. Final payment 2038.
64 Bond Interest Payment, Proposed Electric Revenue Bonds (Series 2026) (\$)									\$250,000	\$238,414		Associated with payments for proposed financing.
65 Total Non-operating Expenses (\$)	\$185,679	\$94,114	\$114,736	\$96,669	\$82,970	\$331,180	\$313,750	\$291,592	\$518,224	\$482,324		
66 Add-back of Depreciation (\$)	\$732,788	\$764,169	\$790,448	\$909,209	\$993,000	\$993,000	\$993,000	\$993,000	\$993,000	\$993,000		Equal to row 49.
67 Cash Available For Debt Service (\$)	\$2,608,438	\$2,634,047	\$2,369,901	\$2,400,575	\$1,786,131	\$2,167,737	\$2,041,385	\$2,352,163	\$2,765,708	\$2,911,919		Operating margin plus non-operating revenue less non-operating expenses (not including bond interest) plus depreciation
68 Debt Service Coverage Ratio	4.82	4.17	5.44	4.88	3.67	2.22	2.06	2.37	1.88	2.22		Cash available for debt service divided by sum of all bond principal and interest payments due
<b>USES OF CASH</b>												
69 Capital Outlay, Normal Line Extensions & Replacements (\$)	\$1,138,745	\$1,728,492	\$1,488,155	\$2,220,635	\$0	\$0	\$0	\$0	\$0	\$0		Historical covers all distribution-related expenses. Estimated costs for normal line extensions are included in row 69.
70 Capital Outlay, Other City Projects (\$)		\$529,000	\$98,721	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0		Miscellaneous non-recurring projects. Amount shown in FY20 is the electric Fund portion of Lake Redwood restoration project plus chargers at RACC. FY21 is "transfer out" (account - 8829). FY22 is transfer in support of the Reflections project.
71 Capital Outlay, Equipment Replacements & Upgrades (\$)						\$365,000	\$100,000	\$-	\$-	\$-		Covers vehicles, equipment, substation upgrades, and related costs that are included in the Capital Improvements budget and not included in Underground Conversion line. For '23, uses a best-guess estimate based on YTD figures.
72 Capital Outlay, Annual Underground Conversion Projects (\$)					\$2,100,000	\$2,200,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000		For '24-'28, uses capital planning worksheet amounts. Includes "Long Range Plan URD Conversion projects" from the capital purchases spreadsheet and specific projects that have been identified. For '23, uses a best-guess estimate based on YTD actual and estimated future costs; '24 is latest budgeted amount; '25-'28 are from 5-year capital purchases spreadsheet.
73 Capital Outlay, Reflections Subdivision Electrical Infrastructure (\$)						\$250,000	\$250,000	\$250,000	\$250,000	\$250,000		Per Jason updated estimate.
74 Capital Outlay, Replacement of Hydro Unit/RICE Upgrades (\$)												For replacement of the existing hydro generator, and emissions work to meet EPA RICE rules.
75 Bond Principal Payments, 2001 Revenue Bonds (Now Refunding Bonds of '06) (\$)	\$220,000	\$225,000										From amortization schedule dated 12-05. Final payment Dec. 2020.
76 Bond Principal Payments, Revenue Bonds (Series 2011B) (\$)												Refunded by Series 2019 bonds.
77 Bond Principal Payments, Electric Utility Revenue Bonds (Series 2013A) (\$)	\$135,000	\$135,000	\$140,000	\$140,000	\$145,000	\$145,000	\$150,000	\$155,000	\$160,000	\$160,000		Per final amortization schedule. Final payment Dec. 2027.
78 Bond Principal Payments, Electric Utility Revenue Refunding Bonds (Series 2019A) (\$)	\$177,000	\$181,000	\$185,000	\$185,000	\$189,000	\$194,000	\$198,000	\$203,000	\$208,000	\$212,000		Per final amortization schedule from David Drown Associates. Final payment 2031. Refunds 2011B bonds.
79 Bond Principal Payments, Electric Revenue Bonds (Series 2021B) (\$)			\$70,000	\$70,000	\$70,000	\$70,000	\$75,000	\$75,000	\$75,000	\$80,000		Per final payment schedule. Final payment is 2036.
80 Bond Principal Payment, Electric Revenue Bonds (Series 2023A) (\$)						\$238,000	\$254,000	\$266,000	\$280,000	\$294,000		Per final amortization schedule from D A Davidson, dated Nov. 1, 2023. Final payment 2038.
81 Bond Principal Payment, Proposed Electric Revenue Bonds (Series 2026) (\$)									\$231,711	\$243,297		Associated with payments for proposed financing.
82 Transfers Out - General Fund & Streetlights (\$)	\$368,495	\$365,150	\$372,196	\$381,011	\$396,785	\$396,785	\$403,140	\$415,342	\$427,965	\$441,023		Contribution to City General Fund, and Streetlighting (calculated at 5% of sales revenue, plus \$48.6k for streetlights). For '23 and '24 budgeted amounts are used.
83 Transfers Out - Central Garage (\$)						\$0	\$0	\$300,000	\$0	\$0		Represents the Electric Utility's portion of capital equipment that is subsequently transferred to Central Garage. The only remaining expenditure that will come from this line item is the bucket truck in FY26; all other vehicles will be initially paid for out of Central Garage, and the Electric Utility will pay the CG expense as an operating expense.
84 Major Capital Projects from Long Range Plan (\$)												Are now covered in capital improvements budget process.
85 Bond Proceeds, Electric Utility Revenue Bonds (\$)	\$105,000		(\$1,205,000)		(\$5,132,284)			(\$5,000,000)				For FY21, includes the funds provided by the Series 2021B bonds. For FY23, includes 2023A bonds. For FY26, includes proposed financing needed to support planned capital spending.
86 Transfer to Bond Reserve Account (\$)		(\$231,341)	\$32,572		\$15,730			\$480,000				To debt service reserve account for new debt.
87 Other Cash-related Balance Sheet Transactions (\$)			\$844,487	(\$324,757)								Reflects cash-related changes in balance sheet asset and liability accounts, as shown in audit.
88 Other Cash-related Adjustments (\$)				\$393,106	(\$393,106)							Reflects other cash-related activities, including the change in the fair market value of cash equivalents.
89 Increase or (Decrease) in Cash (\$)	\$494,799	(\$341,092)	\$303,034	(\$1,261,089)	\$4,312,036	(\$2,022,228)	(\$1,702,505)	\$2,916,230	(\$1,385,192)	(\$1,090,725)		Historical totals are actual from audit, and account for miscellaneous changes in asset and liability accounts. Future estimates do not reflect such changes.
<b>RECTIFICATION OF RESERVES</b>												
90 Cash in bank, checking account, BOY (\$)												
91 Cash in bank, checking account, EOY (\$)												
92 Bank Accounts (\$)												
93 Certificate of Deposits (\$)												
94 Prepayment Program Investments (\$)												
95 Federal Securities (\$)												
96 Total Unrestricted Cash (\$)	\$3,439,001	\$3,087,735	\$3,285,905	\$2,061,481	\$6,373,517	\$4,351,289	\$2,648,783	\$5,565,013	\$4,179,822	\$3,089,097		Equal to previous year's balance, plus the impact on cash in the current year.
97 Debt Service Reserve Account (\$)	\$627,947	\$396,606	\$490,008	\$486,970	\$502,700	\$502,700	\$502,700	\$982,700	\$982,700	\$982,700		Debt service reserve fund associated with all outstanding bonds.
98 Total Reserves (\$)	\$4,066,948	\$3,484,341	\$3,775,913	\$2,548,451	\$6,876,217	\$4,853,989	\$3,151,483	\$6,547,713	\$5,162,522	\$4,071,797		

Unrestricted Cash as a % of Operating Expenses      65%      62%      58%      34%      97%      66%      38%      82%      62%      45%

**RESIDENTIAL RATE COMPARISON - Option 1**  
**Redwood Falls Public Utilities**  
**November 22, 2023**

Monthly Usage	Existing Rate		Proposed Rate			
	Cost (\$)	\$/kWh	Cost (\$)	\$/kWh	% Increase	\$ Increase
0	\$ 21.47		\$ 25.50		18.8%	\$ 4.03
50	\$ 26.38	\$ 0.5277	\$ 30.50	\$ 0.61	15.6%	\$ 4.12
100	\$ 31.30	\$ 0.3130	\$ 35.50	\$ 0.3550	13.4%	\$ 4.20
200	\$ 41.13	\$ 0.2056	\$ 45.50	\$ 0.2275	10.6%	\$ 4.37
300	\$ 50.96	\$ 0.1699	\$ 55.50	\$ 0.1850	8.9%	\$ 4.54
400	\$ 60.79	\$ 0.1520	\$ 65.50	\$ 0.1638	7.8%	\$ 4.71
500	\$ 70.62	\$ 0.1412	\$ 75.50	\$ 0.1510	6.9%	\$ 4.88
600	\$ 80.44	\$ 0.1341	\$ 85.50	\$ 0.1425	6.3%	\$ 5.06
700	\$ 90.27	\$ 0.1290	\$ 95.50	\$ 0.1364	5.8%	\$ 5.23
800	\$ 100.10	\$ 0.1251	\$ 105.50	\$ 0.1319	5.4%	\$ 5.40
900	\$ 109.93	\$ 0.1221	\$ 115.50	\$ 0.1283	5.1%	\$ 5.57
<b>980</b>	<b>\$ 117.79</b>	<b>\$ 0.1202</b>	<b>\$ 123.50</b>	<b>\$ 0.1260</b>	<b>4.8%</b>	<b>\$ 5.71</b>
1000	\$ 119.76	\$ 0.1198	\$ 125.50	\$ 0.1255	4.8%	\$ 5.74
1100	\$ 129.59	\$ 0.1178	\$ 135.50	\$ 0.1232	4.6%	\$ 5.91
1200	\$ 139.42	\$ 0.1162	\$ 145.50	\$ 0.1213	4.4%	\$ 6.08
1300	\$ 149.25	\$ 0.1148	\$ 155.50	\$ 0.1196	4.2%	\$ 6.25
1400	\$ 159.08	\$ 0.1136	\$ 165.50	\$ 0.1182	4.0%	\$ 6.42
1500	\$ 168.91	\$ 0.1126	\$ 175.50	\$ 0.1170	3.9%	\$ 6.60
1600	\$ 178.73	\$ 0.1117	\$ 185.50	\$ 0.1159	3.8%	\$ 6.77
1700	\$ 188.56	\$ 0.1109	\$ 195.50	\$ 0.1150	3.7%	\$ 6.94
1800	\$ 198.39	\$ 0.1102	\$ 205.50	\$ 0.1142	3.6%	\$ 7.11
1900	\$ 208.22	\$ 0.1096	\$ 215.50	\$ 0.1134	3.5%	\$ 7.28
2000	\$ 218.05	\$ 0.1090	\$ 225.50	\$ 0.1128	3.4%	\$ 7.45
2500	\$ 267.20	\$ 0.1069	\$ 275.50	\$ 0.1102	3.1%	\$ 8.31
3000	\$ 316.34	\$ 0.1054	\$ 325.50	\$ 0.1085	2.9%	\$ 9.16
3500	\$ 365.49	\$ 0.1044	\$ 375.50	\$ 0.1073	2.7%	\$ 10.02
4000	\$ 414.63	\$ 0.1037	\$ 425.50	\$ 0.1064	2.6%	\$ 10.87
4500	\$ 463.78	\$ 0.1031	\$ 475.50	\$ 0.1057	2.5%	\$ 11.73
5000	\$ 512.92	\$ 0.1026	\$ 525.50	\$ 0.1051	2.5%	\$ 12.58
6000	\$ 611.21	\$ 0.1019	\$ 625.50	\$ 0.1043	2.3%	\$ 14.29
7000	\$ 709.50	\$ 0.1014	\$ 725.50	\$ 0.1036	2.3%	\$ 16.00
8000	\$ 807.79	\$ 0.1010	\$ 825.50	\$ 0.1032	2.2%	\$ 17.71
9000	\$ 906.08	\$ 0.1007	\$ 925.50	\$ 0.1028	2.1%	\$ 19.42
10000	\$ 1,004.37	\$ 0.1004	\$ 1,025.50	\$ 0.1026	2.1%	\$ 21.13

**Proposed Rate:**

All kWh	\$0.1000
Cust. Charge	\$ 25.50

Existing Rate:	Total	Ave ECA	Base
All kWh	\$ 0.0983	\$ 0.0003	\$ 0.0980
Cust Charge	\$ 21.47		

**SMALL COMMERCIAL RATE COMPARISON - Option 1**  
**Redwood Falls Public Utilities**  
**November 22, 2023**

Monthly Usage	Existing Rate		Proposed Rate			
	Cost (\$)	\$/kWh	Cost (\$)	\$/kWh	% Increase	\$ Increase
0	\$ 29.36		\$ 37.00		26.0%	\$ 7.64
50	\$ 34.67	\$ 0.6935	\$ 42.50	\$ 0.85	22.6%	\$ 7.83
100	\$ 39.99	\$ 0.3999	\$ 48.00	\$ 0.4800	20.0%	\$ 8.01
200	\$ 50.62	\$ 0.2531	\$ 59.00	\$ 0.2950	16.6%	\$ 8.38
300	\$ 61.25	\$ 0.2042	\$ 70.00	\$ 0.2333	14.3%	\$ 8.75
400	\$ 71.88	\$ 0.1797	\$ 81.00	\$ 0.2025	12.7%	\$ 9.12
500	\$ 82.51	\$ 0.1650	\$ 92.00	\$ 0.1840	11.5%	\$ 9.50
600	\$ 93.13	\$ 0.1552	\$ 103.00	\$ 0.1717	10.6%	\$ 9.87
700	\$ 103.76	\$ 0.1482	\$ 114.00	\$ 0.1629	9.9%	\$ 10.24
800	\$ 114.39	\$ 0.1430	\$ 125.00	\$ 0.1563	9.3%	\$ 10.61
900	\$ 125.02	\$ 0.1389	\$ 136.00	\$ 0.1511	8.8%	\$ 10.98
1000	\$ 135.65	\$ 0.1357	\$ 147.00	\$ 0.1470	8.4%	\$ 11.35
1100	\$ 146.28	\$ 0.1330	\$ 158.00	\$ 0.1436	8.0%	\$ 11.72
1200	\$ 156.91	\$ 0.1308	\$ 169.00	\$ 0.1408	7.7%	\$ 12.09
1300	\$ 167.54	\$ 0.1289	\$ 180.00	\$ 0.1385	7.4%	\$ 12.46
1400	\$ 178.17	\$ 0.1273	\$ 191.00	\$ 0.1364	7.2%	\$ 12.83
1500	\$ 188.80	\$ 0.1259	\$ 202.00	\$ 0.1347	7.0%	\$ 13.21
1600	\$ 199.42	\$ 0.1246	\$ 213.00	\$ 0.1331	6.8%	\$ 13.58
1700	\$ 210.05	\$ 0.1236	\$ 224.00	\$ 0.1318	6.6%	\$ 13.95
<b>1727</b>	<b>\$ 212.92</b>	<b>\$ 0.1233</b>	<b>\$ 226.97</b>	<b>\$ 0.1314</b>	<b>6.6%</b>	<b>\$ 14.05</b>
1800	\$ 220.68	\$ 0.1226	\$ 235.00	\$ 0.1306	6.5%	\$ 14.32
1900	\$ 231.31	\$ 0.1217	\$ 246.00	\$ 0.1295	6.4%	\$ 14.69
2000	\$ 241.94	\$ 0.1210	\$ 257.00	\$ 0.1285	6.2%	\$ 15.06
2500	\$ 295.09	\$ 0.1180	\$ 312.00	\$ 0.1248	5.7%	\$ 16.92
3000	\$ 348.23	\$ 0.1161	\$ 367.00	\$ 0.1223	5.4%	\$ 18.77
3500	\$ 401.38	\$ 0.1147	\$ 422.00	\$ 0.1206	5.1%	\$ 20.63
4000	\$ 454.52	\$ 0.1136	\$ 477.00	\$ 0.1193	4.9%	\$ 22.48
4500	\$ 507.67	\$ 0.1128	\$ 532.00	\$ 0.1182	4.8%	\$ 24.34
5000	\$ 560.81	\$ 0.1122	\$ 587.00	\$ 0.1174	4.7%	\$ 26.19
6000	\$ 667.10	\$ 0.1112	\$ 697.00	\$ 0.1162	4.5%	\$ 29.90
7000	\$ 773.39	\$ 0.1105	\$ 807.00	\$ 0.1153	4.3%	\$ 33.61
8000	\$ 879.68	\$ 0.1100	\$ 917.00	\$ 0.1146	4.2%	\$ 37.32
9000	\$ 985.97	\$ 0.1096	\$ 1,027.00	\$ 0.1141	4.2%	\$ 41.03
10000	\$ 1,092.26	\$ 0.1092	\$ 1,137.00	\$ 0.1137	4.1%	\$ 44.74

**Proposed Rate:**

All kWh	\$0.1100
Cust. Charge	\$ 37.00

Existing Rate:	Total	Ave ECA	Base
All kWh	\$ 0.1063	\$ 0.0003	\$ 0.1060
Cust Charge	\$ 29.36		

Estimated Revenues - FY24  
 Redwood Falls Public Utilities  
 Option 1 Rates

11/22/2023

Proposed Rates with estimated FY24 usage

Rate Class	Estimated No. of Cust.	Estimated Annual Energy	Revenue per kWh	Energy Revenue	Estimated Annual Billing Demand units	Revenue per kW	Demand Revenue	Customer Charge	Cust Ch Revenue	Total Revenue	Average Cost Per kWh	Percent of Total Rev.
Residential	2295	26,500,000	0.1000	\$ 2,650,000	0	\$ -	\$ -	\$ 25.50	\$ 702,270	\$ 3,352,270	0.12650	49%
Small Commercial	555	10,300,000	0.1100	\$ 1,133,000	0	\$ -	\$ -	\$ 37.00	\$ 246,420	\$ 1,379,420	0.13392	20%
Large Commercial	46	15,200,000	0.0480	\$ 729,600	46,000	\$ 14.70	\$ 676,200	\$ 54.00	\$ 29,808	\$ 1,435,608	0.09445	21%
Industrial	5	8,300,000	0.0480	\$ 398,400	19,000	\$ 14.60	\$ 277,400	\$ 76.75	\$ 4,605	\$ 680,405	0.08198	10%
Streetlights	1	250,000	0.0520	\$ 13,000	0	\$ -	\$ -	\$ 23.00	\$ 276	\$ 13,276	0.05310	0.2%
Total	2902	60,550,000		\$ 4,924,000			\$ 953,600		\$ 983,379	\$ 6,860,979	0.11331	100%