



# CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

## City Council Work Session

### March 24, 2026

<b>ITEM #1</b>	<b>CALL TO ORDER</b>
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Council Member Coleman-Woods called the work session to order on March 24, 2026, at 5:05 p.m., in the Bartholomew Room.

*Council Present:* Mary Supple, Mayor; Walter Burk, Sean Hayford Oleary, Sharon Christensen, Rori A. Coleman-Woods.  
*Mayor Supple and Council Member Hayford Oleary arrived at 5:10 pm.*

*Absent:* None.

*Staff Present:* Katie Rodriguez, City Manager; Kristin Asher, Public Works Director; Mary Bogie, Finance Director; Andrew Spear, IT Manager; Russ Lupkes, Utility Superintendent; Scott Kulzer, Senior Analyst; and Michelle Friedrich, City Clerk.

*Guests:* Kabby Jones, HDR Project Manager; Shawn Koorn, HDR Rate Analyst.

<b>ITEM #2</b>	<b>ITEM DISCUSSION</b>
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a. Utility Rate Study and Financial Analysis for Infrastructure Renewal Planning

Public Works Director Asher introduced the utility rate study and financial analysis item and noted Council understanding and feedback is needed on policies and approaches for potential implementation in 2027. She noted a detailed presentation would be provided at the August KFS Utility Rates Work Session, with additional sessions possible if needed. Public Works Director Asher introduced HDR Rate Analyst Shawn Koorn.

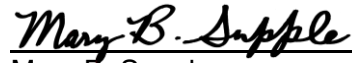
Mr. Koorn presented the utility rate study and financial analysis covers a 10-year period through 2035 and assumes 4% inflation. Mr. Koorn noted findings include a large funding gap in water utility, while sewer and stormwater utilities present stronger financial positions with sustainable pay-as-you-go funding supported by reserves across the 10-year period. Mr. Koorn noted the analysis and proposed rate adjustments support operations/maintenance system expenses and prudently fund system improvements and replacements. He added that the analysis does not include funding for future renewal and replacement projects or renewal and replacement reserves. Mr. Koorn reviewed residential, multifamily, and commercial utility rate transition plans, and noted the plans were developed to be cost-based, stable, and easy to understand, while encouraging conservation. Council discussed potential refinements, including equity for larger users and separate infrastructure charges.

Council consensus prefers maintaining the current rate structure with proportional increases, supporting transparency, conservation incentives, with further analysis of multifamily and commercial usage to enhance equity.

<b>ITEM #3</b>	<b>ADJOURNMENT</b>
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Mayor Supple adjourned the work session at 6:51 p.m.

Date Approved: April 14, 2026



Mary B. Supple  
Mayor



Michelle Friedrich  
City Clerk



Katie Rodriguez  
City Manager