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March 11, 2021

Special meeting of the City Council of the City of Two Harbors, Minnesota, held on Thursday, March 11, 2021, at 5:00 p.m.

The meeting was called to order by President Redden.

Members present, Councilors: Woodruff, Glaser, Rennwald, Passe, Erickson, Redden. 6.

Members absent, Mayor: Swanson. 1.

Others present: Administrator Walker
Finance Director, Pietila
City Clerk, Nordean
Gas, Water & Sewer Superintendent, Johnson

President Redden announced that the purpose of the meeting was to discuss natural gas rates and consider temporary utility billing options.

Administrator Walker explained to members of the Council that there has been a sudden drastic increase in natural gas pricing for February's consumption.

At 5:08 PM, Mayor Swanson joined the meeting.

Finance Director, Pietila was present and provided options for proceeding with billing of natural gas charges during this billing period. Those options include spreading the costs over a period of several years by increasing future gas rates over a specified period of time; drafting bills using the current rate, but temporarily eliminating the City's overhead charge; and allowing for the repayment of the additional charges over a period of several months without penalty charges.

Walker reported that other communities are experiencing the same charges, however, the methods they use for recovering these costs may vary as each community has uses different formulas to establish their rates.

At 6:04 PM, Councilor Woodruff left the meeting.

Motion by Glaser and Passe that **RESOLUTION NO. 3-74-21 DETERMINING THAT THE CITY'S NATURAL GAS UTILITY CUSTOMERS WILL BE BILLED AT THE CURRENT RATE LESS THE CITY'S OVERHEAD CHARGE AND THEY BE ALLOWED A PERIOD OF TWELVE MONTHS TO PAY THE CHARGES WITH NO PENALTY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

A letter will be included with the bills providing an explanation of the rate increase as well as information on paying the charges over a period of twelve months with not penalty and encouraging customers to sign up for the City's Budget Payment Plan.

Motion by Rennwald and Swanson that the meeting adjourn. Carried.

Benjamin Redden, City Council President

Patricia D. Nordean, City Clerk