

**PUBLIC WORKS COMMITTEE
CITY HALL CONFERENCE ROOM
SEPTEMBER 14, 2015
5:00 P.M.**

AGENDA

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1)
- III. NEW BUSINESS
 - A. Snowplowing Contract (page 4)
 - B. Flooding Area (page 11)
 - C. Rip Rap (page 20)
 - D. GPS Pathfinder (page 24)
 - E. Proposed 2016 Water & Sewer Budgets (page 25)
- IV. OLD BUSINESS
 - A. Regional Pond – Extension Of Purchase Option Agreement (page 46)
- V. INFORMATIONAL

***** Please call or email Ron at 320-243-3714 ext. 230 or at ron@paynesvillemn.com if you are not able to attend the meeting.*****

Members: Dave Peschong, Neil Herzberg, Melvin Schaefer, Keith Hemmesch, and Matt Quade – or his proxy.

Advisory Members: Chuck DeWolf, Ron Mergen, and Renee Eckerly

This agenda has been prepared to provide information regarding an upcoming meeting of the Paynesville Public Works Committee. This document does not claim to be complete and is subject to change.

BARRIER FREE: All Paynesville Public Works Committee meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual need for special services. Please contact City Hall (320) 243-3714 early so necessary arrangements can be made.

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: Public Works Committee

Committee/Council Meeting Date: September 14, 2015

Agenda Section: Consent

Originating Department: Public Works

Item Number: II - A

ITEM DESCRIPTION: Minutes

Prepared by: Staff

COMMENTS:

Please review the minutes from the July 13, 2015 Public Works Committee meeting.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the minutes of the July 13, 2015 Public Works Committee meeting.

**MINUTES
PUBLIC WORKS COMMITTEE**

JULY 13, 2015

The meeting was called to order by Chairperson Mel Schaefer at 5:00 p.m. Members present were Keith Hemmesch, Matt Quade, Neil Herzberg, and Dave Peschong. Advisory members present were Ron Mergen, Public Works Director and Chuck DeWolf, Bolton & Menk, Inc.

Motion was made by Peschong to approve the minutes from the June 15, 2015 Public Works Committee meeting. Seconded by Herzberg and unanimously carried.

COMPREHENSIVE WATER REVIEW

DeWolf reviewed the water distribution system and stated that the City has added a loop to the north side of the river and added a 12" main on Business 23 from Hwy. 55 to Maple St. and a future loop will continue to Lake Ave. (another area that will need a larger diameter looped main is to Diekmann Dr.). This area has all 10" mains; however, is fed by 6" lines. Members discussed several options and future projects where the City may have the opportunity to complete a loop.

REGIONAL POND

DeWolf updated the Committee on the regional pond. The City has applied for this grant several times in the past; however, are optimistic the City will receive the grant this round. The estimated cost is \$225,000.00 and it is a 75% grant 25% local cost split. The drainage area was reviewed along with the pond and, it is being scheduled with the 2016 project. After a short discussion,

Motion was made by Peschong to submit the grant application and recommend such to the City Council. Seconded by Hemmesch and unanimously carried.

WATER PLANT REHAB

DeWolf reported that the controls, painting, and landscaping are the remaining items.

MPCA FORMER MID TOWN SERVICE STATION

It was reported that John Stein, MPCA will be at the next Council meeting to give a report and start the agreement process.

2016 STREET PROJECT

The public hearing is scheduled for July 27, 2015 at 6:30 p.m. after which staff will proceed with a design.

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CITY SHOP – FUTURE PLANNING

Members reviewed the City shop property and the adjacent proposed purchase areas. It was noted that all these added up to 45,000 square feet. In order to accommodate the future needs staff had estimated the need of a minimum of 2 acres. It was suggested, at this time, that staff budget for the next five years, then bring it back to the Committee. Also discussed was utilizing the Fire Hall if they construct a new building.

There being no further business, the meeting was adjourned at 5:30 p.m.

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: Public Works Committee

Committee/Council Meeting Date: September 14, 2015

Agenda Section: New Business

Originating Department: Public Works

Item Number: III - A

ITEM DESCRIPTION: Snowplowing Contract

Prepared by: Staff

COMMENTS:

Ron Mergen will give a verbal report. Please review the attached Snowplowing Contract between the City of Paynesville and D & D Snowplowing for the term of one year commencing October 15, 2015 – October 14, 2016. The payment for services increased from \$115.00 per hour to \$120.00 per hour and dump truck time was also added at the same rate.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the Snowplowing Contract between the City of Paynesville and D & D Snowplowing for the term of one year commencing October 15, 2015 – October 14, 2016 and recommend such to the City Council.

SNOWPLOWING CONTRACT

THIS AGREEMENT, is made and entered into by and between the City of Paynesville, a municipal corporation under the laws of the State of Minnesota, hereinafter "the City", and D & D Snowplowing, a Minnesota Corporation, hereinafter "the Contractor".

WHEREAS, the City is desirous of contracting for snowplowing services on the public streets and airport within the City of Paynesville; and

WHEREAS, the City has advertised for bids for winter snowplowing and provided a general description and specifications for the requirements of the job; and

WHEREAS, the Contractor represents that they have sufficient manpower and equipment to provide the services specified; and

WHEREAS, the Contractor was the successful bidder for the providing of these services;

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1) Term of Agreement. This Agreement shall be for a term of one (1) years commencing October 15, 2015 and terminating October 14, 2016.

2) Services to be Provided. The Contractor shall provide the services as outlined in the general description and specifications, a copy of which are attached hereto, labeled Contract Exhibit A and incorporated herein by reference.

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3) Payment for Services. The City shall pay the Contractor as and for snow removal services as follows:

- a) For road grader time, \$120.00/hour
- b) For plow truck time, \$120.00/hour
- c) For 4 cu/yd Payloader time, \$120.00/hour
- d) For snow hauling, dump truck time \$ 120.00

Starting on November 1, 2015, and on the first day of each month thereafter, through and including March 1, 2016, the City shall pay to the Contractor a retainer of \$1,000.00 a month which shall be earned on payment regardless of whether any snowplowing is required during those months. To the extent that snowplowing is required, the retainer shall pay for the first 10.0 hours of road grader, plow truck or 4 cu/yd Payloader time expended during each of these months.

The Contractor shall submit monthly invoices for services showing hours of use of each of the various types of equipment and crediting against those hours the retainer referenced above.

4) Indemnity & Insurance. a) Indemnity. The Contractor does hereby agree that it will defend, indemnify and hold harmless the City against any and all liability, loss, damages, costs and expenses, which the City may sustain, incur, or be required to pay by reason of bodily injury, death, property loss or damage caused by the Contractor furnishing the snow removal services provided for under the terms of this Agreement, or caused by any negligent act, omission or intentional act of the Contractor, its agents, officers or employees.

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b) Insurance. The Contractor agrees that in order to protect itself, as well as the City under the indemnity provision hereinabove set forth, it will at all times during the term of this Agreement have and keep in full force and effect the liability insurance as set forth on the certificate of liability insurance which is attached hereto and incorporated herein by reference.

5) Independent Contractor. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of co-partners as between the parties hereto, or as constituting the Contractor as the agent, representative or employee of the City, for any purpose or in any manner whatsoever. The Contractor is to be and shall remain an independent Contractor with respect to all services performed under this Agreement. The Contractor represents that the Contractor has or will or secure at its own expense, all personnel required to perform the services under this Agreement. Any and all personnel of the Contractor, while engaged in the performance of any work or services required by the Contractor under this Agreement, shall have no contractual relationship with the City and shall not be considered employees of the City, and any and all claims that may or might arise under the Unemployment Compensation Act or Workers Compensation Act to the State of Minnesota, on behalf of said personnel arising out of employment or alleged employment including, without limitation, claims of discrimination, shall in no way be the responsibility of the City; and the Contractor shall defend,

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indemnify and hold the City, its officers, agents and employees harmless from any and all such claims irrespective of any determination of any pertinent tribunal, agency, board, commission or Court. Such personnel or other persons shall neither be required nor entitled to any compensation, rights or benefits of any kind whatsoever from the City, including without limitation 10 year rights, medical and hospital care, sick or vacation leave, workers compensation, unemployment compensation, disability, severance pay or retirement benefits.

6) Subcontracting & Assignment. Contractor shall not enter into any subcontract for performance of any of the services contemplated under this contract, nor assign any interest in the contract without the prior written approval of the City and subject to such conditions and provisions as the City may deem necessary. The Contractor shall be responsible for the performance of all subcontractors.

7) Cancellation. This contract may be cancelled by either party at any time with or without cause, upon 90 days written notice delivered by mail or in person.

IN WITNESS WHEREOF, the parties have executed this contract on the dates indicated below.

CITY OF PAYNESVILLE:

CONTRACTOR:

By: _____
Its:

By: _____
Its:

By: _____
Its:

By: _____
Its:

Contract Exhibit A

General Conditions

1. The downtown business district will be plowed beginning no earlier than 2 a.m. and be completed no later than 6 a.m. These streets will be plowed and piled into a wind row in the center of the street to be removed by others. Due to the compacted snow in the downtown it is required to have a motor grader or a machine which can exert down pressure in order to cut compacted snow and ice.

Note: City crews will clean the sidewalks in these areas and make one pass along the curb.
2. All other streets will generally be plowed from 1 a.m. to 6 a.m. and are to be cleaned from curb to curb. Other starting times may occur, depending on the snow event and time of day.
3. The City of Paynesville will determine when to commence snow plowing operations.
4. The contractor will be required to have two units plowing within 1 hour of being notified and have another unit available in cases of heavy snow or equipment break downs. It was the practice of the previous contractor to plow with three units.
5. All plowing trucks or plows must be able to maneuver and clear snow from intersections. Any wind rows or piles of snow requiring city crews to clean up will be billed back to the contractor.
6. Contractors are required to make one pass through the cul-de-sacs and the city crew will finish the clean up.
7. During a snow storm the contractor must be able to respond and clean all designated emergency vehicle routes within 1 hour.
8. The Paynesville Municipal Airport has a runway of 3,300' x 75', a tie down area of 300' x 300', an access road ¼ mile long and parking and taxi lanes of approximately 1,500' x 60'.
9. The snow in Taxi lane B must be completely removed and piled to the east or west of the hangars.
10. The contractor will be required to plow within 18" of the hangars.
11. FAA guidelines require the airport be plowed within 6 hours after a snow fall.
12. Any damages (i.e.: sod, mailboxes, etc) caused by the contractor will be repaired and/or replaced at the contractor's expense.

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: Public Works Committee

Committee/Council Meeting Date: September 14, 2015

Agenda Section: New Business

Originating Department: Public Works

Item Number: III - B

ITEM DESCRIPTION: Flooding Area

Prepared by: Staff

COMMENTS:

Ron Mergen will give a verbal report. Please review the attached photos of the recent flooding on Railroad St. and Garfield Ave.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:



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REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: Public Works Committee

Committee/Council Meeting Date: September 14, 2015

Agenda Section: New Business

Originating Department: Public Works

Item Number: III - C

ITEM DESCRIPTION: Rip Rap

Prepared by: Staff

COMMENTS:

Ron Mergen will give a verbal report. Please review the attached quotes to place rip rap at the sewer ponds:

JL Gabrielson Excavating, Inc.	\$52.00 per ton
Voss Plumbing & Heating, Inc.	\$48.00 per ton

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the quote from Voss Plumbing & Heating, Inc. in the amount of \$48.00 per ton for rip rap at the sewer ponds and recommend such to the City Council.

Ron Mergen

From: Jim Gabrielson <jlgabe22@gmail.com>
Sent: Wednesday, July 29, 2015 1:48 PM
To: Ron Mergen
Subject: Quote

JL Gabrielson Excavating Inc
Price for granite rip rap in place at sewer ponds. 52.00 per ton in place

Sent from my iPhone



License #58961PM

**PLUMBING & HEATING
OF PAYNESVILLE, INC.**

Dale Klein - David Voss

East Business Highway 23 - P.O. Box 77
Paynesville, Minnesota 56362

Phone: 320-243-3644

Fax: 320-243-3664

www.vossplumbing.com

Proposal

May 6, 2015

**City of Paynesville
221 Washburne Ave
Paynesville, MN 56362
320-243-3714**

RE: 6"-12" Granite Rip Rap for Sewage Ponds

Total \$48.00/ Ton for Rip Rap

We propose to furnish and place 1500 tons of rip rap to be placed at the sewage ponds in Paynesville.

The prices quoted are based on present material costs and are in effect for 30 days. After this period, in the event of a price increase by the manufacturer, this quotation becomes void and we reserve the right to requote.

Authorized and Accepted

Signature _____ Date _____

Voss PLUMBING & HEATING
Robert M Braun

CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

110-WATER FUND

REVENUES	2015		2016		2016		PERCENT VARIANCE	
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET		VARIANCE
WATER RECEIPTS								
110-4-3720-0450 WA CONNECTION/TRUNK FEES	4,397	5,724	4,132	0	3,429	0	0	0.00
110-4-3720-0780 DAMAGE DEPOSIT	0	0	500	0	1,000	0	0	0.00
110-4-3720-1170 GRANT MONIES	16,346	0	8,466	0	0	0	0	0.00
110-4-3720-2103 METERED CONSUMER SALES	473,452	487,122	499,549	571,200	218,525	0	(571,200)	100.00-
110-4-3720-2110 WATER PURCHASED IN BULK	2,129	552	5,057	0	291	0	0	0.00
110-4-3720-2150 SALES TAX RECEIPTS	11,666	12,437	13,310	0	6,374	0	0	0.00
110-4-3720-2810 NEW WATER METERS	2,294	2,175	2,400	0	533	0	0	0.00
110-4-3720-3100 INTEREST INCOME ON INVESTMENTS	7,938	9,641	6,867	11,000	3,598	0	(11,000)	100.00-
110-4-3720-3110 CHANGE IN FAIR MARKET VALUE	1,082	(8,323)	1,354	0	0	0	0	0.00
110-4-3720-4030 CONTRIBUTION REVENUE	0	0	0	0	0	0	0	0.00
110-4-3720-4031 WATER FESTIVAL DONATION	775	450	650	0	500	0	0	0.00
110-4-3720-4050 OTHER MISCELLANEOUS INCOME	1,365	296	1,022	0	91	0	0	0.00
110-4-3720-4055 WELL SEALING REIMBURSEMENT	0	0	0	0	130	0	0	0.00
110-4-3720-5110 SPECIAL ASSESSMENTS FROM MUNI	0	0	0	0	0	0	0	0.00
110-4-3720-5320 SPECIAL ASSESSMENTS FROM COUNT	127	(866)	(809)	0	0	0	0	0.00
110-4-3720-9600 PERMANENT TRANSFERS IN	0	0	0	0	0	0	0	0.00
110-4-3720-9601 CAPITAL CONTRIBUTIONS FROM GEN	0	0	338,762	0	0	0	0	0.00
TOTAL WATER RECEIPTS	521,651	509,207	881,262	582,200	234,471	0	(582,200)	100.00-
TOTAL REVENUES	521,651	509,207	881,262	582,200	234,471	0	(582,200)	100.00-

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

110-WATER FUND
 SOURCE OF SUPPLIES - WELL

EXPENDITURES	2012		2013		2014		(----- 2015 -----) (----- 2016 -----)		PERCENT VARIANCE	
	ACTUAL		ACTUAL		ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET		VARIANCE
110-5-4821-1320 PROFESSIONAL SERVICES (TESTING	30		49		70	200	53	200	0	0.00
110-5-4821-2200 UTILITIES	15,946		16,102		20,462	18,000	6,174	18,000	0	0.00
110-5-4821-2400 MAINTENANCE & REPAIR OF EQUIP	6,786		465		2,590	10,000	0	10,000	0	0.00
110-5-4821-2500 MAINTENANCE & REPAIR OF BLDG	507		0		0	0	0	0	0	0.00
110-5-4821-3000 GENERAL/OFFICE SUPPLIES	160		0		28	200	0	200	0	0.00
110-5-4821-4600 LICENSES & TAXES	0		0		0	0	0	0	0	0.00
TOTAL SOURCE OF SUPPLIES - WELL	23,429		16,616		23,150	28,400	6,228	28,400	0	0.00
5-4821-1320 PROFESSIONAL SERVICES (CURRENT YEAR NOTES: Water analysis										
5-4821-2400 MAINTENANCE & REPAIR OF (CURRENT YEAR NOTES: Repair of wells										

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

110-WATER FUND
 PURIFICATION

EXPENDITURES			(----- 2015 -----) (----- 2016 -----)					
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
110-5-4823-1320 PROFESSIONAL SERVICES (TESTING	0	0	165	300	548	500	200	66.67
110-5-4823-2200 UTILITIES	19,672	20,335	31,790	24,000	14,278	24,000	0	0.00
110-5-4823-2400 MAINTENANCE & REPAIR OF EQUIP	2,131	1,607	536	2,500	96	2,500	0	0.00
110-5-4823-3000 GENERAL/OFFICE SUPPLIES (331)	30	79	350	64	350	0	0.00
110-5-4823-3010 PLANT CHEMICALS	7,946	8,286	14,511	9,500	5,535	10,000	500	5.26
110-5-4823-3811 UNIFORMS	0	0	231	0	0	0	0	0.00
110-5-4823-5200 NEW EQUIPMENT	1,969	0	95	2,000	66	2,000	0	0.00
TOTAL PURIFICATION	31,387	30,258	47,406	38,650	20,587	39,350	700	1.81

- 5-4823-1320 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Testing at the water plant
- 5-4823-2200 UTILITIES (CURRENT YEAR NOTES:
The elect. unit heaters have been upgraded to natural gas
- 5-4823-3010 PLANT CHEMICALS (CURRENT YEAR NOTES:
Fluoride, KmnO4, CL2

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

110-WATER FUND
 DISTRIBUTION

EXPENDITURES			2015		2016			
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
110-5-4824-1311 PROFESSIONAL SERVICES (GENERAL	48	328	343	400	353	500	100	25.00
110-5-4824-1320 PROFESSIONAL SERVICES (TESTING	720	807	520	750	0	750	0	0.00
110-5-4824-2400 MAINTENANCE & REPAIR OF EQUIP	2,993	9,673	21,009	12,000	2,481	13,000	1,000	8.33
110-5-4824-2900 CONTRACTUAL SERVICE	1,712	1,200	1,700	1,800	1,200	1,900	100	5.56
110-5-4824-3000 GENERAL/OFFICE SUPPLIES	1,066	398	795	800	33	800	0	0.00
110-5-4824-4300 SUBSCRIPTIONS & MEMBERSHIPS	0	0	0	0	0	0	0	0.00
110-5-4824-5200 NEW EQUIPMENT	3,783	4,525	7,494	6,000	1,424	7,000	1,000	16.67
TOTAL DISTRIBUTION	10,322	16,932	31,860	21,750	5,490	23,950	2,200	10.11

- 5-4824-1311 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Gopher state one calls
- 5-4824-1320 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Bac-t anal. distribution system
- 5-4824-2400 MAINTENANCE & REPAIR OF CURRENT YEAR NOTES:
Water leaks
- 5-4824-2900 CONTRACTUAL SERVICE CURRENT YEAR NOTES:
Leak survey
- 5-4824-5200 NEW EQUIPMENT CURRENT YEAR NOTES:
Distribution supplies, meters, hydrants, valves etc.

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

110-WATER FUND
 ADMINISTRATION AND GENERA

EXPENDITURES	(----- 2015 -----) (----- 2016 -----)				Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET				
110-5-4825-1000 SALARIES	53,333	47,556	52,779	59,660	26,551	68,105	8,445	14.16
110-5-4825-1060 FICA WITHHOLDINGS	2,933	2,856	2,915	3,699	1,583	4,223	524	14.17
110-5-4825-1070 PERA WITHHOLDINGS	3,520	3,426	3,632	4,399	2,089	5,026	627	14.25
110-5-4825-1080 MEDICARE WITHHOLDINGS	686	668	682	865	370	892	27	3.12
110-5-4825-1090 HEALTH INSURANCE	8,148	7,375	7,213	7,750	4,760	7,927	177	2.28
110-5-4825-1180 ENGINEERING	159	0	808	1,000	140	1,000	0	0.00
110-5-4825-1290 PROFESSIONAL SERVICES (SAFETY)	1,100	1,344	1,370	1,350	50	1,400	50	3.70
110-5-4825-1300 PROFESSIONAL SERVICES (LEGAL)	138	110	566	500	44	500	0	0.00
110-5-4825-1310 PROFESSIONAL SERVICES (AUDIT)	4,953	5,625	5,828	5,850	4,304	6,000	150	2.56
110-5-4825-1311 PROFESSIONAL SERVICES (GENERAL)	92	167	115	150	20	150	0	0.00
110-5-4825-1350 PHYSICALS	0	0	215	0	0	225	225	0.00
110-5-4825-2000 POSTAGE	571	1,181	1,565	1,200	849	1,500	300	25.00
110-5-4825-2020 TELEPHONE	3,118	3,196	3,522	3,500	2,298	3,800	300	8.57
110-5-4825-2100 PRINTING & PUBLISHING	1,143	487	1,207	1,400	696	1,400	0	0.00
110-5-4825-2300 TRAVEL & SCHOOLS	287	656	492	1,250	1,062	1,250	0	0.00
110-5-4825-2400 MAINTENANCE & REPAIR OF EQUIP	3,941	3,898	4,101	4,800	2,054	5,000	200	4.17
110-5-4825-3000 GENERAL/OFFICE SUPPLIES	304	346	666	700	88	700	0	0.00
110-5-4825-3300 MOTOR FUELS & LUBRICANTS	2,422	2,015	2,668	3,500	0	3,500	0	0.00
110-5-4825-3811 UNIFORMS	1,151	1,431	1,178	1,600	807	1,650	50	3.13
110-5-4825-4100 INSURANCE AND BONDS	4,811	3,763	4,637	4,230	0	6,975	2,745	64.89
110-5-4825-4110 WORKERS' COMP INS	3,645	5,239	6,359	7,000	0	7,000	0	0.00
110-5-4825-4300 SUBSCRIPTIONS AND MEMBERSHIPS	420	1,040	730	750	470	800	50	6.67
110-5-4825-4590 LICENSES & PERMITS	2,840	2,990	1,778	1,600	150	2,000	400	25.00
110-5-4825-5060 NEW BUILDINGS AND STRUCTURES	0	0	0	0	0	0	0	0.00
110-5-4825-5200 NEW EQUIPMENT	0	0	0	0	0	0	0	0.00
110-5-4825-5300 EQUIPMENT RENTAL/LEASE	516	413	993	750	250	0	(750)	100.00-
110-5-4825-8020 MISCELLANEOUS	0	0	0	0	0	0	0	0.00
110-5-4825-8030 DAMAGE DEPOSIT REFUND	0	0	500	0	500	0	0	0.00
TOTAL ADMINISTRATION AND GENERA	100,232	95,780	106,518	117,503	49,136	131,023	13,520	11.51

- 5-4825-1180 ENGINEERING CURRENT YEAR NOTES:
mapping, small projects
- 5-4825-1290 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Safety contract
- 5-4825-1310 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Audit
- 5-4825-1311 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
other professional services
- 5-4825-1350 PHYSICALS CURRENT YEAR NOTES:
DOT

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

110-WATER FUND
 ADMINISTRATION AND GENERA

EXPENDITURES	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	(------ 2015 -----) (------ 2016 -----)		PERCENT VARIANCE
				CURRENT BUDGET	Y-T-D ACTUAL	
5-4825-2100	PRINTING & PUBLISHING	CURRENT YEAR NOTES: CCR, ads, etc				
5-4825-2400	MAINTENANCE & REPAIR OF	CURRENT YEAR NOTES: Soft ware support				
5-4825-4100	INSURANCE AND BONDS	CURRENT YEAR NOTES: BELINDA-8/17/15-WENT WITH 2015 ACTUAL BEFORE ANY CREDITS				
5-4825-4300	SUBSCRIPTIONS AND MEMBE	CURRENT YEAR NOTES: Rural water, ANWA				
5-4825-4590	LICENSES & PERMITS	CURRENT YEAR NOTES: Vehicle titles, Dept. of Health permit				

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

115-SEWER FUND

REVENUES	2015		2016		CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL					
SEWER RECEIPTS									
115-4-3540-0450 SE CONNECTION/TRUNK FEES	678	3,500	800	0	1,000	0	0	0.00	
115-4-3540-0490 PERMIT FEES	100	0	0	0	0	0	0	0.00	
115-4-3540-0990 SALE OF FIXED ASSETS	3,690	1,845	1,845	0	0	0	0	0.00	
115-4-3540-1012 MASTERMARK SURCHARGE	25,820	0	0	0	0	0	0	0.00	
115-4-3540-2102 MONTHLY CONSUMER SALES	338,853	326,780	334,144	338,445	129,073	0	(338,445)	100.00-	
115-4-3540-2104 QUARTERLY CONSUMER SALES	204,847	204,966	206,077	334,443	89,097	0	(334,443)	100.00-	
115-4-3540-3100 INTEREST INCOME ON INVESTMENTS	8,156	8,442	4,880	11,000	2,800	0	(11,000)	100.00-	
115-4-3540-3110 CHANGE IN FAIR MARKET VALUE	1,103	(7,419)	988	0	0	0	0	0.00	
115-4-3540-4030 CONTRIBUTION REVENUE	0	0	0	0	0	0	0	0.00	
115-4-3540-4045 DONATIONS - RV DUMP	368	337	513	0	203	0	0	0.00	
115-4-3540-4050 OTHER MISCELLANEOUS INCOME	200	395	201	0	0	0	0	0.00	
115-4-3540-4060 UTILITY PAYMENTS FROM AMPI	61,080	77,500	108,900	96,800	44,315	0	(96,800)	100.00-	
115-4-3540-4570 REIMBURSEMENTS	4,230	0	0	0	0	0	0	0.00	
115-4-3540-7700 ACREAGE PAYMENTS FROM FARMERS	77,346	80,624	86,527	90,900	0	0	(90,900)	100.00-	
115-4-3540-9600 PERMANENT TRANSFERS IN	0	0	0	0	0	0	0	0.00	
115-4-3540-9601 CAPITAL CONTRIBUTIONS FROM GEN	0	0	1,506,403	0	0	0	0	0.00	
115-4-3540-9670 INSPECTION FEES/MILEAGE-RON ME	4,121	4,333	5,522	0	2,060	0	0	0.00	
TOTAL SEWER RECEIPTS	730,592	701,303	2,256,799	871,588	268,547	0	(871,588)	100.00-	
TOTAL REVENUES	730,592	701,303	2,256,799	871,588	268,547	0	(871,588)	100.00-	

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

115-SEWER FUND
 COLLECTIONS - CITY MAINS

EXPENDITURES	2015				2016			
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
115-5-4841-2200 UTILITIES	4,168	3,967	5,209	4,750	2,320	5,000	250	5.26
115-5-4841-2400 MAINTENANCE & REPAIR OF EQUIP	2,723	4,276	2,606	7,500	10,492	8,000	500	6.67
115-5-4841-2450 M & R OF EQUIP-LIFT STATIONS	3,772	4,322	7,524	6,000	2,353	6,000	0	0.00
115-5-4841-2900 CONTRACTUAL SERVICE	9,991	12,063	8,940	12,000	0	12,500	500	4.17
115-5-4841-3000 GENERAL/OFFICE SUPPLIES	145	346	105	500	22	500	0	0.00
TOTAL COLLECTIONS - CITY MAINS	20,799	24,973	24,384	30,750	15,187	32,000	1,250	4.07

- 5-4841-2200 UTILITIES CURRENT YEAR NOTES:
Small lift stations 7 sites
- 5-4841-2400 MAINTENANCE & REPAIR OF CURRENT YEAR NOTES:
Main break repairs
- 5-4841-2450 M & R OF EQUIP-LIFT STACURRENT YEAR NOTES:
repair of lift stations
- 5-4841-2900 CONTRACTUAL SERVICE CURRENT YEAR NOTES:
Sewer jet contract

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

115-SEWER FUND
 DISPOSAL - MAIN LIFT STAT

EXPENDITURES	(----- 2015 -----)					(----- 2016 -----)		
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
115-5-4842-1320 PROFESSIONAL SERVICES (TESTING	10,208	10,386	11,396	13,000	7,103	13,000	0	0.00
115-5-4842-2020 TELEPHONE	343	1,133	1,945	1,100	903	1,500	400	36.36
115-5-4842-2200 UTILITIES	10,268	14,703	20,383	15,000	8,704	16,000	1,000	6.67
115-5-4842-2440 M & R OF EQUIP-PONDS	4,780	1,600	1,174	5,000	3,667	5,000	0	0.00
115-5-4842-2450 M & R OF EQUIP-LIFT STATIONS	3,313	1,103	4,950	4,000	4,646	4,000	0	0.00
115-5-4842-2900 CONTRACTUAL SERVICE	1,270	600	800	1,000	1,272	1,000	0	0.00
115-5-4842-3000 GENERAL/OFFICE SUPPLIES	232	260	95	500	51	500	0	0.00
115-5-4842-3010 PLANT CHEMICALS	0	0	315	500	0	0	(500)	100.00-
115-5-4842-3820 REFUSE COLLECTION	2,072	3,561	4,690	3,500	3,983	4,500	1,000	28.57
TOTAL DISPOSAL - MAIN LIFT STAT	32,485	33,346	45,748	43,600	30,328	45,500	1,900	4.36

- 5-4842-1320 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Sampling & testing analysis
- 5-4842-2200 UTILITIES CURRENT YEAR NOTES:
Main lift station
- 5-4842-2900 CONTRACTUAL SERVICE CURRENT YEAR NOTES:
Meter calibrations

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

115-SEWER FUND
 ADMINISTRATION AND GENERA

EXPENDITURES	2015				2016			
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
115-5-4843-1000 SALARIES	60,915	51,797	61,482	66,870	30,371	74,714	7,844	11.73
115-5-4843-1060 FICA WITHHOLDINGS	3,276	3,271	3,321	4,146	1,809	4,632	486	11.72
115-5-4843-1070 PERA WITHHOLDINGS	3,927	3,914	4,141	4,939	2,389	5,522	583	11.80
115-5-4843-1080 MEDICARE WITHHOLDINGS	766	765	777	970	423	987	17	1.75
115-5-4843-1090 HEALTH INSURANCE	9,050	8,446	8,144	8,781	5,489	8,841	60	0.68
115-5-4843-1180 ENGINEERING	159	0	0	1,000	0	1,000	0	0.00
115-5-4843-1290 PROFESSIONAL SERVICES (SAFETY)	1,250	1,259	1,430	1,400	35	1,500	100	7.14
115-5-4843-1300 PROFESSIONAL SERVICES (LEGAL)	196	1,137	8	1,500	0	1,500	0	0.00
115-5-4843-1310 PROFESSIONAL SERVICES (AUDIT)	4,953	5,625	5,828	5,825	4,304	6,000	175	3.00
115-5-4843-1311 PROFESSIONAL SERVICES (GENERAL)	92	291	115	250	0	250	0	0.00
115-5-4843-1350 PHYSICALS	0	0	215	0	0	225	225	0.00
115-5-4843-2000 POSTAGE	531	806	1,335	1,100	849	1,500	400	36.36
115-5-4843-2020 TELEPHONE	1,293	597	1,179	1,500	609	1,500	0	0.00
115-5-4843-2100 PRINTING & PUBLISHING	679	31	628	700	54	700	0	0.00
115-5-4843-2300 TRAVEL & SCHOOLS	1,266	1,144	1,529	1,600	1,090	1,600	0	0.00
115-5-4843-2400 MAINTENANCE & REPAIR OF EQUIP	2,070	4,026	4,209	5,000	1,934	5,000	0	0.00
115-5-4843-3000 GENERAL/OFFICE SUPPLIES	681	738	419	1,000	108	1,000	0	0.00
115-5-4843-3300 MOTOR FUELS & LUBRICANTS	3,398	2,699	3,360	4,500	1,085	4,500	0	0.00
115-5-4843-3811 UNIFORMS	1,481	1,077	1,195	1,600	572	1,600	0	0.00
115-5-4843-4100 INSURANCE AND BONDS	2,892	5,126	4,357	6,658	0	16,380	9,722	146.02
115-5-4843-4110 WORKERS' COMP INS	3,644	5,211	6,359	7,000	0	7,000	0	0.00
115-5-4843-4300 SUBSCRIPTIONS & MEMBERSHIPS	0	25	50	50	25	50	0	0.00
115-5-4843-4590 LICENSES & PERMITS	1,582	3,023	1,991	2,000	1,505	2,500	500	25.00
115-5-4843-4920 DEPRECIATION EXPENSE	102,190	103,032	135,224	211,934	0	211,934	0	0.00
115-5-4843-5200 NEW EQUIPMENT	2,597	2,660	1,688	3,500	500	3,500	0	0.00
115-5-4843-5300 EQUIPMENT RENTAL/LEASE	445	389	449	450	250	500	50	11.11
115-5-4843-8020 MISCELLANEOUS	0	0	0	0	0	0	0	0.00
TOTAL ADMINISTRATION AND GENERA	209,334	207,090	249,433	344,273	53,402	364,433	20,162	5.86

- 5-4843-1180 ENGINEERING CURRENT YEAR NOTES:
Mapping
- 5-4843-1290 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Safety contract
- 5-4843-1310 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Audit
- 5-4843-1311 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
DOT testing, assessments
- 5-4843-2400 MAINTENANCE & REPAIR OF CURRENT YEAR NOTES:
Software support
- 5-4843-4100 INSURANCE AND BONDS CURRENT YEAR NOTES:

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CITY OF PAYNESVILLE
PROPOSED BUDGET REPORT
AS OF: JULY 31ST, 2015

115-SEWER FUND
ADMINISTRATION AND GENERA

EXPENDITURES	(----- 2015 -----) (----- 2016 -----)							
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
BELINDA-8/17/15-WENT WITH 2015 ACTUAL BEFORE ANY CREDITS								
5-4843-4590	LICENSES & PERMITS	CURRENT YEAR NOTES: NPDES annual and renewal						
5-4843-5300	EQUIPMENT RENTAL/LEASE	CURRENT YEAR NOTES: Copier						

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

115-SEWER FUND
 NON-OPERATING EXPENSES

EXPENDITURES	2015					2016		PERCENT VARIANCE
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	
115-5-4844-4400 INTEREST EXPENSE	0	0	0	0	0	0	0	0.00
115-5-4844-4920 DEPRECIATION EXPENSE	0	0	0	0	0	0	0	0.00
115-5-4844-4930 GAIN/LOSS ON DISPOSAL	0	0	9,775	0	0	0	0	0.00
115-5-4844-5010 LAND	15,496	12,540	13,220	16,000	14,406	16,000	0	0.00
115-5-4844-5200 NEW EQUIPMENT	0	0	0	0	0	0	0	0.00
115-5-4844-5400 TF TO CAPITAL IMP	80,000	80,000	80,000	40,000	0	40,000	0	0.00
115-5-4844-5500 TF TO SE EQUIP REPLACEMENT FUN	152,900	156,200	159,500	100,000	0	100,000	0	0.00
115-5-4844-7010 PERMANENT TRANSFER OUT	200,000	0	0	0	0	0	0	0.00
115-5-4844-7050 TF TO DOWNTOWN DEBT	0	0	0	0	0	0	0	0.00
115-5-4844-7450 TF TO INFRASTRUCTURE DEBT	0	0	0	0	0	0	0	0.00
115-5-4844-7460 TF TO 1996 STREET DEBT	0	0	0	0	0	0	0	0.00
115-5-4844-7470 TF TO 1998 STREET DEBT	0	0	0	0	0	0	0	0.00
115-5-4844-7500 TF TO 2000 STREET DEBT	0	0	0	0	0	0	0	0.00
115-5-4844-7510 TF TO 2002 LAKE AVE DEBT	0	0	0	0	0	0	0	0.00
115-5-4844-7520 TF TO 2004 DEBT FUND	14,000	14,000	14,000	14,000	0	14,000	0	0.00
115-5-4844-7530 TF TO 2006 DEBT FUND	12,000	12,000	12,000	12,000	0	12,000	0	0.00
115-5-4844-7540 TF TO 2008 DEBT FUND	21,000	21,000	21,000	21,000	0	21,000	0	0.00
115-5-4844-7550 TF TO 2010 DEBT FUND	15,250	15,250	15,250	15,250	0	15,250	0	0.00
115-5-4844-7560 TF TO HWY 23 DEBT FUND	20,000	20,000	20,000	20,000	0	20,000	0	0.00
115-5-4844-7565 TF TO 2014 DEBT FUND	0	0	5,000	14,500	0	14,500	0	0.00
115-5-4844-7570 TF TO WW FACILITY PLAN DEBT	0	70,000	90,000	192,000	0	192,000	0	0.00
115-5-4844-7575 TF TO 2016 DEBT FUND	0	0	0	0	0	5,000	5,000	0.00
TOTAL NON-OPERATING EXPENSES	530,646	400,990	439,745	444,750	14,406	449,750	5,000	1.12

5-4844-5010 LAND CURRENT YEAR NOTES:
 Property taxes

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

115-SEWER FUND
 IRRIGATION

EXPENDITURES	(----- 2015 -----)				(----- 2016 -----)		PERCENT VARIANCE	
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET		VARIANCE
115-5-4845-1000 SALARIES	32,373	31,021	29,566	32,915	15,931	32,427	(488)	1.48-
115-5-4845-1060 FICA WITHHOLDINGS	1,826	1,731	1,697	2,041	946	2,010	(31)	1.52-
115-5-4845-1070 PERA WITHHOLDINGS	2,148	2,048	2,127	2,468	1,252	2,432	(36)	1.46-
115-5-4845-1080 MEDICARE WITHHOLDINGS	427	405	397	477	221	470	(7)	1.47-
115-5-4845-1090 HEALTH INSURANCE	4,915	4,315	3,775	4,021	2,703	4,006	(15)	0.37-
115-5-4845-1180 ENGINEERING	0	0	0	500	0	500	0	0.00
115-5-4845-1300 PROFESSIONAL SERVICES (LEGAL)	253	48	209	1,000	0	1,000	0	0.00
115-5-4845-1320 PROFESSIONAL SERVICES (TESTING)	1,130	800	897	1,000	1,248	1,250	250	25.00
115-5-4845-2000 POSTAGE	50	0	0	50	16	50	0	0.00
115-5-4845-2100 PRINTING & PUBLISHING	0	0	62	75	0	75	0	0.00
115-5-4845-2200 UTILITIES	4,787	8,728	7,670	7,500	2,745	7,500	0	0.00
115-5-4845-2210 UTILITIES-ELEC, HEAT (PUMPING)	19,842	23,605	30,787	23,500	2,851	25,000	1,500	6.38
115-5-4845-2300 TRAVEL & SCHOOLS	0	0	357	400	0	400	0	0.00
115-5-4845-2400 MAINTENANCE & REPAIR OF EQUIP	5,096	6,527	11,098	11,500	3,876	11,500	0	0.00
115-5-4845-2900 CONTRACTUAL SERVICE	0	0	0	0	0	0	0	0.00
115-5-4845-3000 GENERAL/OFFICE SUPPLIES	129	128	340	750	55	500	(250)	33.33-
115-5-4845-3300 MOTOR FUELS & LUBRICANTS	1,133	1,055	2,208	3,000	0	3,000	0	0.00
115-5-4845-3811 UNIFORMS	198	220	225	300	0	300	0	0.00
115-5-4845-4100 INSURANCE AND BONDS	11,051	12,583	12,973	15,242	0	17,001	1,759	11.54
115-5-4845-4920 DEPRECIATION EXPENSE	26,460	26,770	26,636	26,150	0	26,150	0	0.00
115-5-4845-5200 NEW EQUIPMENT	942	646	262	1,500	1,260	1,500	0	0.00
115-5-4845-7010 PERMANENT TRANSFER OUT	0	0	0	0	0	0	0	0.00
115-5-4845-8020 MISCELLANEOUS	0	0	0	0	0	0	0	0.00
TOTAL IRRIGATION	112,759	120,633	131,284	134,389	33,103	137,071	2,682	2.00

- 5-4845-1300 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Irrigation contracts
- 5-4845-1320 PROFESSIONAL SERVICES (CURRENT YEAR NOTES:
Water and soil analysis
- 5-4845-2200 UTILITIES CURRENT YEAR NOTES:
Pivots
- 5-4845-2210 UTILITIES-ELEC, HEAT (CURRENT YEAR NOTES:
Irrigation pump station
- 5-4845-2400 MAINTENANCE & REPAIR OFCURRENT YEAR NOTES:
Pivot repairs gear boxes, tower controls, tires, etc
- 5-4845-4100 INSURANCE AND BONDS CURRENT YEAR NOTES:
BELINDA-8/17/15-WENT WITH 2015 ACTUAL BEFORE ANY CREDITS

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CITY OF PAYNESVILLE
 PROPOSED BUDGET REPORT
 AS OF: JULY 31ST, 2015

115-SEWER FUND
 AERATION POND

EXPENDITURES	2015				2016			
	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROPOSED BUDGET	VARIANCE	PERCENT VARIANCE
115-5-4846-2200 UTILITIES	72,594	95,573	127,207	110,000	64,668	110,000	0	0.00
115-5-4846-2400 MAINTENANCE & REPAIR OF EQUIP	13	201	646	1,000	847	1,000	0	0.00
115-5-4846-3000 GENERAL/OFFICE SUPPLIES	77	0	3	100	0	100	0	0.00
115-5-4846-5200 NEW EQUIPMENT	0	97	1,590	0	0	0	0	0.00
115-5-4846-5400 TF TO CAPITAL IMP	45,000	0	0	0	0	0	0	0.00
115-5-4846-7480 TF TO PRETREATMENT POND DEBT	0	0	0	0	0	0	0	0.00
TOTAL AERATION POND	117,684	95,871	129,446	111,100	65,515	111,100	0	0.00
TOTAL EXPENDITURES	1,023,707	882,904	1,020,039	1,108,862	211,942	1,139,856	30,994	2.80
REVENUE OVER/(UNDER) EXPENDITURES	(293,116)	(181,601)	1,236,760	(237,274)	56,606	(1,139,856)	(902,582)	

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2016 PROPOSED WATER & SEWER RATES

WATER RATES		
	2015	2016
Flat	\$ 20.00	\$ 21.00
Multi Units	\$ 15.00	\$ 15.75
Bulk 2,001-99,999	\$ 2.77	\$ 2.87
Bulk 100,000-500,000	\$ 2.72	\$ 2.82
Bulk over 500,000	\$ 2.71	\$ 2.81
Consevation Rate	\$2.82	\$2.92
New Meter Charge	\$215.00	\$325.00

We are proposing a \$1.00 increase to the base rate and \$.10 increase in the bulk water rate for 2016.

SEWER RATES		
	2015	2016
Flat	\$ 21.00	\$ 21.00
Multi User	\$ 15.75	\$ 15.75
Bulk	\$ 2.85	\$ 3.36

We are proposing a \$.51 increase in the bulk sewer rate for 2015.

Homeowner Based on 10,000 gallons

Old Actual Bills

Water	\$ 42.16
Sewer	\$ 43.80
Total	\$ 85.96

Difference: \$5.88 per quarter or \$1.96 per month

Proposed-\$1.00 increase base rate and
\$.10 increase in bulk water rate
\$.51 increase in bulk sewer rate

\$ 43.96
\$ 47.88
\$ 91.84

Homeowner Based on 20,000 gallons

Old Actual Bills

Water	\$ 69.86
Sewer	\$ 72.30
Total	\$ 142.16

Difference: \$11.98 per quarter or \$4.00 per month

Proposed-\$1.00 increase base rate and
\$.10 increase in bulk water rate
\$.51 increase in bulk sewer rate

\$ 72.66
\$ 81.48
\$ 154.14

Industry Based on 500,000 gallons

Old Actual Bills

Water	1379.46
Sewer	1440.30
Total	2819.76

Difference: \$304.78 per quarter or \$101.60 per month

Proposed-\$1.00 increase base rate and
\$.10 increase in bulk water rate
\$.51 increase in bulk sewer rate

1430.26
1694.28
3124.54

AMPI Based on 6.0 MG Water/10.0 MG Sewer

Old Actual Bills

Water	16620.00
Sewer	28500.00
Total	45120.00

Difference: \$5,700.00 per month

Proposed-\$1.00 increase base rate and
\$.10 increase in bulk water rate
\$.51 increase in bulk sewer rate

17220.00
33600.00
50820.00

Industrial Charges

Industrial BOD Charge	0.005 cents per LB of BOD
AMPI	80% of aeration Pond Operation
MasterMark	8% of aeration Pond operation

RATE COMPARISONS

CITY	WATER		SEWER	
	QUARTERLY		QUARTERLY	
	FLAT RATE	BULK	FLAT RATE	BULK
Avon	\$ 30.00	\$ 2.59	\$ 32.10	\$ 4.25
Cold Spring	\$ 12.00	\$ 1.50	\$ 36.00	\$ 6.50
Melrose	\$ 34.86	\$ 1.24	\$ 64.98	\$ 2.24
Paynesville	\$ 21.00	\$ 2.87	\$ 21.00	\$ 3.36
Sauk Centre	\$ 36.63	\$ 3.27	\$ 21.99	\$ 7.74
New London	\$ 40.80	\$ 6.30	\$ 67.20	\$ 14.90
Eden Valley	\$ 27.00	\$ 8.75	\$ 30.00	\$ 5.25
Richmond	\$ 70.50	\$ 3.36	\$ 21.75	\$ 8.58
Watkins	\$ 21.00	\$ 7.05	\$ 30.00	\$ 11.83

WATER/SEWER CONNECT FEE COMPARISON

CITY	CONNECT FEE			TRUNK FEE	
	WATER	METER FEE	SEWER	WATER	SEWER
Avon	\$ 1,040.00	\$ 350.00	\$ 4,160.00	Varies by development	
Cold Spring	\$ 1,700.00	\$ 300.00	\$ 5,100.00	Do Not Charge	
Melrose	\$ 905.00	\$ 276.00	\$ 1,141.00	Do Not Charge	
Paynesville	\$ 800.00	\$ 215.00	\$ 1,000.00	\$1,390/acre	\$1,270/acre
Sauk Centre	\$ 1,231.00		\$ 1,845.00	Do Not Charge	
New London	\$ 500.00	\$ 120.00	\$ 500.00	Do Not Charge	
Eden Valley	\$ 1,000.00		\$ 1,000.00	Do Not Charge	
Richmond	\$ 2,465.00		\$ 4,950.00	Do Not Charge	
Watkins	\$ 2,500.00		\$ 2,500.00	Do Not Charge	

CITY OF PAYNESVILLE RATE INCREASE HISTORY

YEAR	WATER		SEWER	
	flat rate	bulk rate	flat rate	bulk rate
2015				
2014	\$ 1.00	\$ 0.12		\$ 0.10
2013		\$ 0.09		\$ 0.15
2012	\$ 2.00	\$ 0.14	\$ 3.00	\$ 0.20
2011	\$ 2.00	\$ 0.17	\$ 2.00	\$ 0.10
2010	\$ 0.50	\$ 0.08		\$ 0.05
2009		\$ 0.06		\$ 0.03
2008		\$ 0.10		\$ 0.10
2007		\$ 0.10		\$ 0.10
2006	\$ 0.87	\$ 0.10	\$ 0.02	\$ -
2005		\$ 0.11		\$ 0.08

1 Gallon of gas	\$2.89
1 Gallon of milk	\$3.49
Average monthly elec bill	\$175.00
Average monthly gas bill	\$75.00
Average monthly cable bill	\$150.00

WATER LOSS REPORT				
Quarter	City Water Sold		City Water Pumped	% Loss
1st	37943000		39522000	4.0%
2nd	43064000		43346000	0.7%
2 qtrs/2015	81007000		82868000	2.4%
Previous Years Totals				
2014	169693000		187751000	9.2%
2013	164746000		184361000	10.6%
2012	165084000		185966000	11.2%
2011	156930000		183339000	14.4%
2010	169329000		191288000	11.5%
2009	169119000		186094000	9.1%
2008	160667000		174154000	7.7%
2007	174309000		188067000	7.3%
2006	167632000		183376000	8.6%
2005	177680000		192445000	7.7%
2004	173812000		195327000	11.0%
**2003	164485000		198328000	17.1%
** Not accurate due to tower being down				

SEWER LOSS REPORT				
Quarter	City Sewer Sold		City Sewer Pumped	% Loss
1st	46745000		54162000	13.7%
2nd	43455000		51473000	15.6%
2 qtrs/2014	90200000		105635000	14.7%
Previous Years Totals				
2014	198608000		250327000	20.4%
2013	198722000		229924000	13.6%
2012	208387000		220897000	5.7%
2011	212216000		280041000	24.2%
2010	208899000		279093000	25.1%
2009	208877000		270674000	22.8%
2008	202626000		252363000	19.7%
2007	199518000		238460000	16.3%
2006	195688000		233496000	16.2%
2005	205837000		236474000	13.0%
2004	199635000		216942000	8.0%
2003	190584000		223715000	14.8%

PROJECTED REVENUE WATER			
Proposed			Budgeted
Flat Rate	\$ 21.00	\$ 79,800.00	Expenses
Multi Users	\$ 15.75	\$ 17,388.00	
Bulk 75MG @	\$ 2.87	\$ 215,250.00	
Bulk 100,000-500,000 30MG	\$ 2.82	\$ 84,600.00	\$ 762,505.00
Bulk over 500,000 65MG @	\$ 2.81	\$ 180,650.00	\$ (160,782.00)
Conservation Rate	\$2.92	\$ 5,840.00	
Grant funds		\$ 7,500.00	
Interest Income		\$ 11,000.00	
Total		\$ 602,028.00	\$ 601,723.00

depreciation

PROJECTED REVENUE SEWER			
Proposed			Budgeted
Flat Rate	\$ 21.00	\$ 79,800.00	Expenses
Multi Users	\$ 15.75	\$ 17,388.00	
Bulk 202MG @	\$ 3.36	\$ 606,600.00	
Irrigation		\$ 91,700.00	
Interest Income		\$ 9,000.00	\$ 1,139,856.00
Master Mark			
Pretreatment Utility Charge		\$ 8,800.00	
AMPI			\$ (238,084.00)
Pretreatment Utility Charge		\$ 88,000.00	
Total		\$ 901,288.00	\$ 901,772.00

depreciation

Cash Balances as of June 2015

Water Fund	\$ 590,153.95
Water Equipment Replacement Fund	\$ 754,600.30
Sewer Fund	\$ 462,697.84
Sewer Equipment Replacement Fund	\$ 991,501.80
Biosolids Removal Charge (AMPI)	\$ (103,100.00)
Water Capital Improvement	\$ 573,460.67
Sewer Capital Improvement	\$ 394,879.83
Preareation Replacement Fund	\$ 120,027.38

TOTAL IRRIGATION PER YEAR						
AT DESIGN FLOW OF .887 - 323.76 MG PER YEAR						
ACTUAL INCHES						
					4 Year	Running
Pivot #	2012	2013	2014	2015	Average	Average
2	9.53	9.95	7.31	7.67	8.61	6.28
3	5.02	4.41	4.47	1.37	3.82	3.90
6	13.01	13.26	14.11	8.43	12.20	7.86
8	8.61	12.80	10.27	6.18	9.47	9.68
11	7.63	6.23	6.65	4.86	6.34	6.09
12	14.37	16.52	10.95	8.15	12.50	10.75
14	8.97	8.84	8.08	4.21	7.53	11.11
15	8.94	9.23	6.94	5.00	7.53	8.11
15C	0.00	0.17	2.00	-	0.72	6.96
17C	0.00	10.66	20.82	3.95	8.86	14.40
19A	7.05	6.93	9.99	6.93	7.73	8.06
19B	0.00	0.00	34.21	5.00	9.80	19.33
20	6.39	7.70	10.93	4.25	7.32	9.21
20	5.31	7.15	10.38	4.13	6.74	7.14
21	10.09	14.21	10.53	7.90	10.68	8.05

Year	Total	Yearly
	Gallons	Rainfall
	Irrigated	
1995	278.11	33.27
1996	225.36	14.28
1997	251.05	25.81
1998	202.29	24.67
1999	225.18	21.65
2000	161.84	17.02
2001	259.94	21.01
2002	258.12	34.22
2003	223.22	21.96
2004	215.89	27.62
2005	275.57	31.98
2006	79.87	17.62
2007	250.66	11.84
2008	272.35	20.57
2009	296.40	23.35
2010	283.49	24.30
2011	321.95	29.21
2012	222.58	15.30
2013	283.39	22.14
2014	316.14	28.34
2015	156.21	25.11

*40 m.g. discharged

AS OF Aug 2015

2015 AGREEMENTS FOR IRRIGATION

NAME	PIVOT #	# OF		TOTAL \$
		ACRES	CHARGE/ACRE	AMOUNT
Larry Rien	2	22	\$ 35.00	\$ 770.00
City of Paynesville				
Renter: Tim Wegner	2*	73.5	\$ 277.00	\$ 20,359.50
Renter: Tim Wegner	3*	39	\$ 277.00	\$ 10,803.00
Bill Pflipsen	3	105	\$ 35.00	\$ 3,675.00
Bill Phlipsen	11	65	\$ 35.00	\$ 2,275.00
Bill Pflipsen	6	69	\$ 35.00	\$ 2,415.00
Ken Jarcho / Richard Lahr	8	85	\$ 35.00	\$ 2,975.00
Art Voss	11	33	\$ 35.00	\$ 1,155.00
Art Voss	12	40	\$ 35.00	\$ 1,400.00
Renter: Jack Hennen	17N	140	\$ 45.00	\$ 6,300.00
City of Paynesville				
Renter: Steve Gottwald	14N*	70	\$ 170.00	\$ 11,900.00
City of Paynesville				
Renter: Steve Gottwald	15N	80	\$ 45.00	\$ 3,600.00
City of Paynesville				
Renter: Mages-Welle	20N	78	\$ 170.00	\$ 13,260.00
Mages-Welle	20N	45	\$ 35.00	\$ 1,575.00
Stephen Gottwald	14N	65	\$ 35.00	\$ 2,275.00
Stephen Gottwald	15N	52	\$ 35.00	\$ 1,820.00
Miller/Stanis	19A	18	\$ -	\$ -
Miller/Stanis	19B	20	\$ -	\$ -
Miller/Stanis	21	57	\$ 35.00	\$ 1,995.00
Wettels	19A	26	\$ 35.00	\$ 910.00
Buermann	21	64	\$ 35.00	\$ 2,240.00
TOTALS				\$ 91,702.50

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: Public Works Committee

Committee/Council Meeting Date: September 14, 2015

Agenda Section: Old Business

Originating Department: Public Works

Item Number: IV - A

ITEM DESCRIPTION: Regional Pond – Extension Of Purchase Option Agreement

Prepared by: Staff

COMMENTS:

Ron Mergen will give a verbal report. Please review the attached email and Extension of Purchase Agreement between the City of Paynesville and Savage Land Partnership, LLC for the purchase of 1.5 acres for a regional pond in the amount of \$33,750.00.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the Extension of Purchase Agreement between the City of Paynesville and Savage Land Partnership, LLC and recommend such to the City Council.

Ron Mergen

From: Brian Savage <bsavage@valleyind.com>
Sent: Friday, August 28, 2015 3:05 PM
To: Ron Mergen
Subject: RE:
Attachments: [Untitled].pdf

Ron,

Jeff and I are ok with the purchase agreement but we want to change the purchase price to \$33,750.

I would like to explain the reason for the price increase. Our intention was to use the proceeds of this sale to help purchase the 2 acre lot next to us. In researching the asking price of the 2 acre lot and the market value of the lot (Stearns county website), we've come to the conclusion \$20k for the 1.5 acres would be a very good deal for the city. If you also take into consideration the thousands of dollars we have into the excavation, and other structures in the pond, the deal gets even better.

Long story short, I took the market value of the 2 acres next to us, multiplied it by .75 (amount for 1.5 acres) to come up with the \$33,750. I know the purchase agreement specifies the city will cover all the closing cost, etc., but I figure the excavation and other improvements we've already done to the lot will exceed in value any closing costs.

If you have any concerns about the price I am willing to discuss further, but I do consider this to be very fair.

I've attached a signed purchase agreement with the updated price.

Let me know if you have any questions.

Thanks,

Brian Savage
Operations Manager

Mail: bsavage@valleyind.com
Phone: 320-243-8500 ext. 202
Toll Free: 800-864-1649
Fax: 320-243-8030

Web: www.valleyind.com www.cometpump.com



180 Lake Ave North Paynesville

From: Ron Mergen [mailto:Ron@paynesvillemn.com]
Sent: Wednesday, August 26, 2015 10:02 AM
To: Brian Savage
Subject:

Brian

I need to follow up on the option to purchase agreement if you had a chance to review it want any changes. Obviously with the project moving forward the city will need to purchase your property even if we don't receive the grant. If it meets your approval I will bring it to the Council for their approval also.

Thanks Ron

**EXTENSION OF
PURCHASE OPTION AGREEMENT**

This Agreement is made this 28th day of August, 2015, by and between Savage Land Partnership, LLC, a limited liability company (Seller), and the City of Paynesville, a Minnesota municipal corporation (Buyer).

WHEREAS, Seller is the owner of land located at 180 Lake Avenue North in the City of Paynesville, County of Stearns, State of Minnesota, legally described as follows, to-wit:

Lot One (1), Block One (1), River Park Estates, Stearns County, Minnesota; and

WHEREAS, Seller previously granted Buyer an Option to Purchase a portion of the above-premises dated September 25, 2013; and

WHEREAS, Seller wishes to grant an extension of that Option to Buyer, and Buyer wishes to acquire from Seller an extension of that original Option to Purchase 1.5 acres, more or less, of the above-described premises lying within the shore land overlay district along the North Fork of the Crow River lying within Lot 1, Block 1, River Park Estates, for purposes of constructing and maintaining a water retention pond;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1) GRANT OF EXTENSION OF OPTION. Seller hereby grants to Buyer an exclusive extension of the right and option to purchase from Seller

property consisting of 1.5 acres, more or less, lying within the shore land overlay district along the North Fork of the Crow River within Lot 1, Block 1, River Park Estates, Stearns County, Minnesota. Seller shall neither sell, nor attempt to sell property to any third party during the term of the option, which shall be the period of time beginning from the date of this Agreement and terminating on July 1, 2016.

2) PURCHASE PRICE. If the option is exercised, Buyer shall purchase the property by making a payment to the Seller in the amount of Thirty Three Thousand Seven Hundred and Fifty Dollars (\$33,750.00) for the purchase of 1.5 acres, the exact legal description to be determined by survey. The parties will work together on the survey of the boundaries of the 1.5 acres to ensure that the lines as surveyed will not interfere with Seller's plans for future expansion. The purchase price shall be paid on the date of closing in the manner set forth below.

3) ADDITIONAL TERMS. a) It is understood and agreed by and between the parties hereto that the Buyer will be using this property for the construction of a water retention pond to provide drainage for the area, including that portion of the Seller's property not being conveyed to Buyer. The Buyer will design the water retention pond to accommodate the existing drainage system constructed by Seller to drain its property without further costs to the Seller. Part of the consideration for the Option is Seller's ability

to use this water retention pond to be constructed by Buyer for the drainage of Seller's remaining property.

b) Buyer will be responsible for all costs of closing.

4) EXERCISE OF OPTION. Buyer may exercise the option by giving the Seller, during the term of the option, of Buyer's intention to purchase the property. The option notice shall be accompanied by a check in the amount of Five Thousand Dollars (\$5,000.00) as earnest money, which shall be non-refundable, except in the event of breach by Seller under this Agreement, or Seller's inability to provide marketable title to the property, and said sum shall be applied to the purchase price on the date of closing. The earnest money shall be deposited by Seller to an account and the funds shall be retained in that account until the date of closing. The option notice shall specify as the date of purchase a date not more than 90 days from the date of delivery of the option notice, which shall then become the closing date.

5) PROPERTY. The property shall include 1.5 acres of real estate as described herein, the exact boundaries of which shall be determined by a survey to be completed by Buyer at Buyer's cost.

6) TITLE. Seller shall deliver to Buyer, as soon as practical after delivery of the option notice, an abstract of title to Lot 1, Block 1, River Park Estates, according to the recorded plat thereof, Stearns County, Minnesota, from which Buyer shall, at Buyer's cost, have an abstract of title created to

that portion of the premises being purchased pursuant to this Option, and the survey made pursuant thereto. Buyer shall have 60 days after receipt of the abstract to complete title work and obtain releases of mortgages to the portion of the main parcel being purchased by Buyer. Seller agrees to cooperate with Buyer in obtaining releases. Closing will be contingent upon the ability to obtain releases of 1.5 acres from existing mortgages.

7) CLOSING. The closing shall occur at such time and place as the parties mutually agree. At closing, Buyer shall deliver the purchase price (the full purchase price of \$33,750.00 less the earnest money of \$5,000.00 previously paid) to Seller, and the Seller shall deliver to Buyer the following:

a) A Warranty Deed to the property subject to all matters not timely objected to by Buyer.

b) Such title Affidavits as shall be required for insurance of an owner's title insurance policy.

c) Such other documents as shall reasonably requested by Buyer to facilitate the closing and transfer title of the property.

All expenses and income with respect to the property shall be prorated as of the closing date, with the exception of real estate taxes and special assessments, all of which shall be the responsibility of the Seller. Buyer shall pay the costs of filing the deed from the Seller and any premium on any title insurance policy resulting from the title commitment. All other costs shall be paid in the manner consistent with local custom.

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8) POSSESSORY RIGHTS. Buyer shall be entitled of full and complete possession of the property free of any and all rights of the Seller or any third parties immediately following closing. Seller covenants to give any third parties notice in a timely manner to quit prior to the date of closing. Seller shall have the right and obligation to remove from the property on or before the date of closing any personal property or debris located thereon.

9) BARE LOT. The parties hereto acknowledge that the property being purchased is a bare lot. There are no current existing improvements on the parcel to be surveyed. Seller agrees to provide reasonable access to the property to Buyer for inspection and survey at any time after the signing of this Option Agreement.

10) MAINTENANCE AFTER PURCHASE. In the event that the Buyer exercises the purchase Option hereby granted by Seller after the exercise of the Option, the Buyer agrees to maintain the area around the water retention pond to be constructed by the Buyer so that there is appropriate grass and the grass is mowed on a regular basis.

11) NOTICE. Each notice given pursuant to this Agreement shall be in writing and shall be addressed as follows:

If to Seller: Savage Land Partnership, LLC
29235 Co. Rd. 181
Paynesville, MN 56362

If to Buyer: City of Paynesville
221 Washburne Avenue
Paynesville, MN 56362

Notices shall be deemed to have been delivered on the date it was personally delivered, faxed or emailed, or two (2) business days after the date it was deposited in the United States mail. Any party may change its address for delivery of notice by giving notice of such change to the other party, in the manner specified above, no fewer than five (5) days prior to the effective date of the change.

12) DEFAULT REMEDIES. In the event of breach of this Agreement, the non-breaching party shall, if the breach is not cured within five (5) business days following notice to the breaching party, be entitled to all remedies provided at law or in equity, including specific performance. A party who fails to cure its breach within five (5) business days following notice shall pay the reasonable attorney's fees and costs incurred by the non-breaching party in pursuing its remedies. Nothing in this section shall preclude a party from immediately seeking injunctive relief to prevent irreparable harm.

13) MISCELLANEOUS. This Agreement contains the entire understanding of the parties with respect to the property and supersedes all prior agreements and understandings between the parties with respect to the property. This Agreement may not be modified by except in writing executed by both parties. Time is of the essence in all provisions of this Agreement. This Agreement is not to be interpreted as creating a partnership or joint venture between the parties with respect to this

property. This Agreement shall be construed under the laws of the State of Minnesota. This Agreement shall run with the land and be binding upon and inure to the benefit of the parties' successors and assigns. Either party shall be entitled to record a copy of this Agreement in the public records as a notice of the existence of this Agreement, which notice need not recite the financial terms contained herein.

DATED: 8/28/2015

DATED: _____

SAVAGE LAND PARTNERSHIP, LLC

CITY OF PAYNESVILLE

By: *[Signature]*
Its: _____

By: _____
Its: _____

By: _____
Its: _____

By: _____
Its: _____