

AGENDA
CITY OF DAYTON, MINNESOTA
12260 S. Diamond Lake Road, Dayton, MN 55327
Tuesday, June 9, 2026

WORKSESSION ON WATER SUPPLY SYSTEM - 5:00 P.M.
REGULAR MEETING OF THE CITY COUNCIL - 6:30 P.M.

The invite for Zoom for this meeting can be found on the City's website community calendar

- 6:30 **CALL TO ORDER**
6:30 **PLEDGE OF ALLEGIANCE**
6:35 **APPROVAL OF AGENDA**
6:40 **CONSENT AGENDA** *These routine or previously discussed items are enacted with one motion. Any questions on items should have those items removed from consent agenda and approved separately.*

- A. Approval of Council Meeting and Worksession Minutes of May 26, 2026
- B. Approval of Resolution 25-2026; Accepting Donation for Police Department
- C. Approval of Community Event Specialist Hire
- D. Approval of Liquor License Renewals
 - 1 Dayton Bar & Grill
 - 2 Dayton Gas Stop
 - 3 Dayton Wine & Spirits
 - 4 Daytona Country Club
 - 5 Dehn's Country Manor
 - 6 Sundance Entertainment Center
 - 7 Kwik Trip # 1157
 - 8 Kwik Trip # 1187
- E. Approval of Renewing Low Potency Cannabis License for:
 - 1 Kwik Trip #1157
 - 2 Kwik Trip #1187
 - 3 Dayton Wine & Spirits
- F. Resolution 24-2026; Appointing Election Judges and AB Board for the Primary and General Election
- G. Approval of Pay Application 1 for 2026 Mill and Overlay Improvements

OPEN FORUM RESPONSE

- 6:45 **OPEN FORUM** *Is limited to Three minutes for non-agenda items; state your name and address; No Council Action will be taken and items will be referred back to staff*

6:50 **STAFF, CONSULTANT AND COUNCIL UPDATES**

Action Items

- H. Audit
- I. Approval of Payment of Claims for June 9, 2026
- J. Adopt Draft Historic Village Sewer and Water Utility Plans
- K. Adopt Draft Sewer and Water Comprehensive Plans
- L. Approve Engineering Proposal for the NW Water Tower Project
- M. Communication Policy
- N. RFP engineering

COUNCIL BUSINESS

New Business

- O. Budget

Closed Session

- P. Closed session pursuant to Minnesota Statutes Section 13D.05, subd. 2(b) for preliminary consideration of allegations or charges against an individual subject to its authority.

Action Items

- Q. Consideration Taking Action Regarding the Matter Discussed in Closed Session

ADJOURNMENT

The City of Dayton's mission is to promote a thriving community and to provide residents with a safe and pleasant place to live while preserving our rural character, creating connections to our natural resources, and providing customer service that is efficient, fiscally responsible, and responsive.

CALL TO ORDER

Fisher called the regular meeting of the Dayton City Council to order at 6:30 PM on Tuesday, May 26, 2026.

PRESENT: Dennis Fisher, David Fashant, Stephanie Henderson, Scott Salonek, and Sara Van Asten

ABSENT:

ALSO PRESENT: City Administrator/Finance Director, Zach Doud; Community Development Director, Jon Sevald; Public Works Superintendent, Marty Farrell; Fire Chief, Gary Hendrickson; Police Chief, Paul Enga; Assistant City Administrator/City Clerk, Amy Benting; City Engineer, Jason Quisberg; City Attorney, Cynthia Kirchoff

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Motion to approve the agenda was made by Fashant and seconded by Henderson. The motion carried 5-0.

CONSENT AGENDA

- A. Approval of Council Meeting Minutes of May 12, 2026
- B. Approval of Council Worksession Meeting Minutes of May 12, 2026
- C. Approval of Temporary Liquor License Dates for Lions Club of Dayton; Dates 06/05/2026, 06/26/2026, 07/10/2026, 07/24/2026, 08/07/2026, 08/21/2026
- D. Approval of Resolution 23-2026; Municipal State Aid Advance Request for Dayton Parkway Traffic Signals Funding
- E. Approval of Resolution 21-2026: Waiving of City Code 1002.08, Subd 6 (Proof of Recording), French Lake Industrial Center Six
- F. Approval of Seasonal Public Works Employees
- G. Approval of Change Order 12 for the Well Head Treatment
- H. Administrators Memo on Spending
- I. MOU
- J. Approval of Election Timeframe Change for Early Voting

Van Asten asked about what happened for item D. Quisberg informed that the city received only a partial payment on a previously approved advance because advances are valid for only one year; resubmitting will restore eligibility with no loss of funds. Van Asten questioned item E that the county was responsible for the recording delay, not the applicant, and that the applicant had accepted responsibility for any negative consequences in writing. Doud confirmed.

Henderson commended staff for item H noting the importance of establishing financial guardrails.

Fisher raised a question regarding item G and Farrell explained that the Minnesota Department of Health required a last-minute air gap solution for backflow prevention that had not been anticipated during design, as MDH inspectors required the additional measure before permitting.

Salonek echoed appreciation for the spending policy work referenced in item H.

Motion to approve the consent agenda was made by Van Asten and seconded by Fashant. The motion carried 5-0.

OPEN FORUM

Victoria Rice of 13931 Landale Lane North addressed the Council regarding speeding concerns on Lawndale Lane and 138th Avenue North, describing frequent excessive speeds and requesting either an additional stop sign or speed bumps. Rice was directed to fill out a public comment form and connect with the police chief. Jane and Bob Trost of 12700 Cedarwood Court followed up on a prior inquiry regarding home improvement grants and a driveway variance. They presented diagrams illustrating a misaligned driveway entry and asked about the maximum allowable curb cut width, whether a variance of 12 feet above the 28-foot maximum would be possible, and whether any grant program could be made retroactive. Staff indicated the grant policy is still being developed and directed the Trosts to follow up with staff regarding the variance question.

STAFF, CONSULTANT AND COUNCIL UPDATES

Doud reported that the legislative session concluded with two significant outcomes for Dayton: a \$3,000,000 bonding bill grant for the Historic Village Water Tower, and \$2,900,000 in general fund directed spending for the Tier 1 EIS study. The EIS study process is expected to take approximately three years to commence and complete. Doud relayed a resident request to consider an ordinance requiring trash cans to be stored behind the garage line citywide. The Council did not express interest in pursuing the amendment.

Benting reminded the Council that candidate filing is open through June 2nd.

Hendrickson announced that the new fire department ladder truck has arrived, has been lettered, and is in the station. It will be brought out for Council viewing at the June 9th meeting.

Enga reported an increase in vehicle thefts at construction sites and urged residents and contractors to lock their vehicles.

Sevald asked Council members to submit any questions or priorities they have for the upcoming comprehensive plan update.

Van Asten inquired about the timeline for the curb appeal grant program funded through the EDA. Doud reminded that the funds were directed to the EDA for their administration, and that the clock on those dollars runs approximately three and a half years. Sevald added the staff time needed to accomplish it.

Henderson raised the question of whether it would be cost-effective to bring fire apparatus maintenance in-house, noting that other communities perform most maintenance internally. Henderson asked staff to research current outsourced maintenance costs versus the cost of in-house capacity. Hendrickson responded to training and equipment needs such as appropriate lifts and NFPA certification. The Council expressed general interest. Doud committed to providing a research summary by end of June or beginning of July to inform budget discussions.

COUNCIL BUSINESS

New Business

K. Accept (Draft) NW Water Tower Preliminary Design Report

Quisberg presented the preliminary design report for a proposed elevated water storage tower in the Historic Village area of northwest Dayton. The area is currently served by a city-owned water system with approximately 250 residential services, two supply wells, and a 2,000-gallon tank that provides pressure but insufficient

volume or storage for fire flow requirements. The proposal addresses both fire suppression capacity and service continuity during outages.

Four potential sites were evaluated. Two were on private property and were declined by the landowners. The southerly public site was less desirable due to lower elevation — requiring a taller and significantly more expensive tower — and its position at the edge rather than the center of the system. The recommended site is McNeil Park, which is more centralized and at a more favorable elevation.

A spheroid-style tower was recommended as the most cost-effective design for the proposed size. The current cost estimate is approximately \$2,800,000 for the tower and \$830,000 for a new 12-inch water main along Shadyview, for a total of approximately \$3,600,000.

Fashant requested visual renderings showing the tower's relationship to the historic church steeple visible upon entering town from the west, noting that the church is a key landmark. Quisberg confirmed renderings have not yet been prepared and committed to providing profile views prior to final design approval.

Quisberg noted the estimate was intentionally kept high pending confirmation of state bonding bill requirements, and that the Buy American clause is not expected to apply, though prevailing wage requirements will. Doud confirmed that the \$3,000,000 grant from the bonding bill may be a full grant or could carry an 80/20 match requirement, and that he is reviewing the bill language to determine which applies.

Van Asten asked why the proposed storage capacity of 250,000 gallons was selected when the report's own analysis suggested higher figures. Quisberg explained that the calculations were based on full buildout of the Historic Village area, which is unlikely for many years, and that there is a risk of stagnant water if the tank is oversized relative to current demand.

Van Asten would also like a sightline rendering before committing to the final design. Van Asten suggested a dark blue color scheme matching the city logo with white lettering, omitting "City of" text for simplicity and reducing maintenance concerns related to mildew visibility. The Council generally supported darker colors given improvements in paint formulations.

Motion to accept the draft NW Water Tower Preliminary Design Report was made by Van Asten and seconded by Henderson. The motion carried 5-0.

COUNCIL BUSINESS

Action Items

L. Approval of Payment of Claims for May 26, 2026

Salonek questioned the FDIC conference hotel costs (explained as a six-day conference with two attendees), \$750 in cups (branded cups used for the open house and future events), and the cleanup day expense of approximately \$4,500. Doud confirmed the cleanup day generated approximately \$5,100 in revenue, with scrap metal proceeds still pending, making the event approximately cost-neutral. Henderson clarified a perceived duplicate charge for a first responder event, which was explained as two separate line items for two attendees. Henderson inquired a \$39.99 charge described as a "phone screen" which Benting confirmed to be a screen protector and case for a new public works employee's phone.

Motion to approve payment of claims for May 26, 2026 was made by Van Asten and seconded by Fashant. The motion carried 5-0.

M. 2026 Resident Survey Results

Peter Leatherman of the Morris Leatherman Company presented the results of the 2026 City of Dayton resident survey, conducted by telephone with a random sample of 400 residents between April 27 and May 11, 2026. Leatherman shared methodology behind the survey techniques. Key findings included:

- 94% of residents rated the overall quality of life favorably, consistent with 2024 results and significantly above the current statewide norm of 78%. The top attributes residents valued were safety, small-town feel, sense of community, schools, and rural open spaces. The most frequently cited concern was growth management, with 28% of respondents identifying no problems in the city.
- 90% of respondents reported a strong or somewhat strong sense of community, compared to a post-pandemic metro norm of 70%. Police and fire services received the highest satisfaction ratings at 94% and 91% favorable, respectively. Street maintenance received the lowest rating at 62% favorable, though this was above the spring norm of 55%. City planning received mixed marks, largely tied to a perceived lack of dining, retail, and entertainment options.
- On property taxes, 63% rated their taxes as high, up from 57% in the prior survey, reflecting a statewide trend of increasing tax hostility. Despite this, the value proposition for city services remained positive, with residents still rating services highly relative to cost. Regarding a hypothetical property tax increase for fire station relocation, only 21% were opposed, with the typical resident willing to support approximately \$12 per month.
- On city-managed trash collection, results were essentially tied at 47% in support and 45% opposed, which Leatherman characterized as an issue that is "not ripe." The primary reasons for support were cost savings and reduced street wear; opposition centered on the desire to choose one's own hauler.
- Regarding development preferences, 32% opposed any further development, while 19% favored retail and service development. Support for financial incentives to attract desired development declined from 91% to 66%, attributed in part to growing tax concerns.
- Park and recreation facilities received 92% favorable ratings, unchanged from 2024, with a Veterans Memorial, fishing piers, picnic shelters, off-leash dog parks, and trails among the most supported park investment priorities.
- The newsletter remains the top information source at 40%, with social media growing significantly; 72% regularly read the newsletter and 92% rate it favorably. Fashant requested that future survey reports include more explicit comparisons to prior-year results where statistically significant changes occurred. Leatherman confirmed this would be incorporated in the written report.

N. Approval of Resolution 22-2026, Variance to increase the maximum front yard buildings setback; and Site Plan Review for Dayton Assisted Living

Sevald presented the application for a variance and site plan review for a proposed assisted living facility on a vacant wedge-shaped parcel south of Raintree Plaza on Balsam. The property is zoned GMU-4, where assisted living is a permitted use. The GMU-4 district requires a minimum 15-foot and maximum 30-foot front yard setback; the applicant requested a variance to increase the maximum setback to 180 feet due to the unusual shape of the lot.

The applicant previously presented a three-story concept in December 2025, which drew opposition from Council and the Planning Commission. In response, the applicant reduced the building to one story, which was noted as a significant improvement in compatibility with the adjacent residential neighborhood to the west. The parking lot and building setbacks were adjusted.

Three critical issues were identified: the front yard setback variance, driveway access (shared with Raintree Plaza or individual), and buffering along the western property line adjacent to single-family homes. Sevald shared Raintree Plaza verbally indicated willingness to share their south driveway access if the city preferred it. The Planning Commission recommended a shared access and a 6- to 8-foot fence along the western property line.

Council members expressed general support for the variance given the unique shape of the lot, acknowledging it would be difficult to place any reasonably sized building on the parcel without it. Henderson believed the building was too large for the lot, particularly given the turning radius requirements that constrain the ability to shift the building eastward. Fashant and Van Asten agreed the western buffer should be maximized.

Van Asten raised the broader issue of the city's code not requiring adequate setbacks where non-residential uses abut residential properties and expressed frustration that the city had not yet updated those standards. Kirchoff confirmed that because the site plan meets existing code requirements and the variance criteria are satisfied under the practical difficulties standard, the Council's discretion to deny was limited.

The applicants, Frank Orito and Chad Caza, confirmed willingness to add an 8-foot fence, pursue the shared access with Raintree Plaza, and adjust the site plan to push the parking loop as far east as feasible. Caza also described the building's interior amenities, including a commercial kitchen, common areas, a physical therapy loop, a game room, and a memory care wing.

Salonek asked about formal complaints at the applicant's existing Favorite's Place facility. Orito confirmed that CMS, Medicare, Medicaid, and accreditation reviewers had cleared the facility of wrongdoing. Caza noted that the hospice operation is a separate entity from the proposed assisted living facility.

Motion to approve Resolution 22-2026, granting the variance to increase the maximum front yard building setback and approving the site plan for Dayton Assisted Living, with conditions including an 8-foot fence along the western property line, additional screening/shrubbery on the western edge per updated plans, and a requirement to shift the parking area and building as far east as mathematically possible, was made by Van Asten and seconded by Fashant. The motion carried 4-1 with nay Salonek.

Following approval, Van Asten requested direction to staff to place a moratorium on similar applications where non-residential uses abut residential properties, in order to allow time to update the relevant code provisions. The Council expressed consensus support. Doud confirmed staff would research whether a public hearing is required and bring a moratorium ordinance forward at the next meeting, potentially limited to commercial/industrial uses abutting residential zoning. Kirchoff stated a public hearing is not needed.

O. Approval of Ordinance 2026-09; Amending City Code 1001.35 Regarding Accessory Buildings

Sevald presented a proposed ordinance that would allow shipping containers as accessory structures on agricultural and residential properties meeting a minimum lot size threshold. The proposal arose from two prior interim use permits for event centers that utilized shipping containers. The Planning Commission recommended allowing them on lots of 2 acres or more while staff recommendation was 5 acres or more.

Van Asten expressed strong opposition to visible shipping containers, stating that any container on her property would be concealed in a barn due to their appearance. Van Asten expressed concern that containers tend to attract accumulating clutter around them and that enforcement of maintenance standards would be difficult. Fashant and Fisher expressed fewer objections, noting that a well-maintained container could represent an improvement over a deteriorating shed and that containers are widely used for a variety of purposes.

Henderson noted that a 2-acre lot is not large enough to adequately buffer such a structure from neighboring properties and questioned the city's capacity to enforce appearance standards.

Salonek and Fisher both noted a preference for requiring some maintenance standard and suggested matching the container allowance to existing accessory building rules, with a minimum lot size of 5 acres.

Salonek motioned to allow one shipping container on lots of at least 5 acres.

The motion failed to receive a second.

Fashant then motioned to approve the ordinance with a 2-acre minimum, with the number of containers and total square footage following existing accessory building guidelines. That motion also failed to receive a second.

The ordinance was not approved.

P. Curbside EAW Response

Sevald presented a draft comment letter to the Minnesota Pollution Control Agency regarding Curbside's Environmental Assessment Worksheet (EAW) for a proposed expansion of their yard waste transfer station from 42,000 to 500,000 cubic yards annually within their existing building. The EAW comment period runs through June 5th.

Fashant and Van Asten argued that it is mathematically implausible to increase throughput by approximately ten times without additional truck traffic, and that the city should not characterize traffic impacts as neutral when this is not within the city's knowledge or control. Council directed staff to strike or replace that language with a statement expressing concern about a potential increase in traffic.

The Council also addressed which of the five proposed waste streams — yard waste, mixed municipal solid waste, construction and demolition waste, source separated organics, and single-stream recycling — the city would support. The Council indicated support for yard waste, construction and demolition waste, and single-stream recycling, and opposition to mixed municipal solid waste and source separated organics. Additional concerns to be noted in the letter include potential increases in odor, days and hours of operation, and debris, as well as the requirement for a fire suppression system if the facility expands to the proposed uses.

Staff confirmed that regardless of the EAW outcome, Curbside would need to return to the City Council to amend their conditional use permit before processing any waste streams beyond yard waste.

No formal motion was required; Council provided direction to staff to revise and submit the comment letter accordingly.

Q. Letter of Support for Regional Solicitation Grant

Doud presented a request from Hennepin County to co-submit a regional solicitation grant application to the Metropolitan Council for trail improvements along the Dayton River Road corridor, specifically the segment from North Diamond Lake Road to the eastern city boundary. The maximum grant request is \$5,500,000 out of \$250,000,000 available, making award prospects reasonably favorable. Funds are federal, subject to prevailing wage and federal requirements to be administered by the county.

Doud expressed concern with the county's cost-sharing calculation, which he felt disproportionately benefited the county. Doud preferred framework — Option 3 — would apply the full \$5,500,000 grant against the estimated \$7,000,000 trail cost, with the city and county each responsible for 50% of the remaining \$1,500,000, resulting in a city share of approximately \$750,000. This contrasts with the county's figure of \$2,334,000 for the city's share. Doud committed to including the city's preferred cost-sharing framework in the letter of support and to working with the Three Rivers Park District to explore whether park district funds could cover a portion of or the entire city share.

Motion to approve the letter of support for the regional solicitation grant using Zach's cost-sharing calculation was made by Fashant and seconded by Salonek. The motion carried 5-0.

COUNCIL BUSINESS

Closed Session

Closed Session. Pursuant to MN Statute 13D.05, Subd 3(c)(3), a closed session shall be conducted to develop or consider offers or counteroffers for the purchase or sale of real or personal property PID: 31-120-22-33-0009

Motion to enter closed session pursuant to Minnesota Statute 13D.05, Subdivision 3(c)(3), to develop or consider offers or counteroffers for the purchase or sale of real or personal property, PID: 31-120-22-33-0009, was made by Fisher and seconded by Van Asten. The motion carried 5-0.

The Council returned to open session following the closed session.

ADJOURNMENT

With no objections, Fisher adjourned the meeting at 9:23 PM.

Approved: _____

Attest: Amy Benting

CALL TO ORDER

Fisher called the work session meeting to order at 5:26 p.m.

PRESENT: Mayor Dennis Fisher, Stephanie Henderson, David Fashant, Scott Salonek, Sara Van Asten, David Pikal, Luke Senst, Keri Lingard, and Brad Cole

ABSENT: Kaia Chambers

ALSO PRESENT: Public Works Superintendent, Marty Farrell; Fire Chief Gary Hendrickson; City Administrator/Finance Director, Zach Doud; Assistant City Administrator/City Clerk, Amy Benting; Police Chief, Paul Enga; City Engineer, Jason Quisberg

WORKSESSION WITH PARKS COMMISSION

Farrell introduced the annual meeting for Parks Commission to update the Council on last year and share goals for this year.

Pikal shared the extensive list from last year. Pikal stated the commission understands that the money is not always flowing for park projects.

Cole was looking forward to the connection on trail from Elsie Stephens to Coon Rapids Dam. Doud added they are still looking into it for land rights on the east side of the road on Vinewood. Discussion continued about the Hennepin County project for 2029 to combine that area.

Pikal shared 2026 goals include Elsie Stephens Park, Rush Creek Trails, Diamond Lake Diamonds for the small soccer fields, new trails for the corridors, and park site visits. Farrell confirmed Goodin Park and Dayton Farms Park were the first site visits.

Lingard mentioned identifying snowmobile trails and asked for council input. Fashant and Henderson encouraged the trails to remain. Fisher and Van Asten thought to have the snowmobile trails be horse trails in the off season.

Fashant inquired how to preserve the barn and silo at Elsie Stephens Park. Farrell stated funding was difficult and he has reached out the historical preservation and looked for grant money. Senst added the rural roots for Dayton should encourage to preserve or reuse them. Discussion over cost-effective ideas, building code, insurance, and risks involved if not restored. Farrell agreed the next steps would be structural engineer and building code be looked at to determine if restoration is an option.

Pikal asked about survey responses for the park and if it aligns with council. Discussion over Elsie Stephens improvements and the parks need study that commissioners encouraged but was denied by council. Pikal prepared the council to see the parks need study to be revisited.

ADJOURNMENT

Fisher declared the meeting adjourned at 6:22 p.m.

Approved: _____

Attest: Amy Benting

ITEM:

Request City Council Accept a Donation from resident

PREPARED BY:

Amy Benting, City Clerk

POLICY DECISION / ACTION TO BE CONSIDERED:

accept a gift card to jimmy johns for \$200.00 from resident

BACKGROUND:

This was presented as a thank you to the PD for the gun safety class that took place

CRITICAL ISSUES:

None

RECOMMENDATION:

The staff recommends that the City Council approve the gift card donation of \$200.00

ATTACHMENT(S):

Resolution 25-2026; Accepting donation from

**CITY OF DAYTON
COUNTIES OF HENNEPIN AND WRIGHT
STATE OF MINNESOTA**

**RESOLUTION 25-2026
RESOLUTION ACCEPTING DONATION FROM Ava Hanson**

WHEREAS, The City of Dayton is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens, and is specifically authorized to accept gifts and bequests for the benefit of police and fire services; and

WHEREAS, Ava Hanson, donor, has donated \$200.00 gift card to Jersey Mikes; and

WHEREAS, All such donations have been contributed to assist the city in the establishment and operation of police and fire facilities and programs either alone or in cooperation with others, as allowed by law; and

WHEREAS, The City Council finds that it is appropriate to accept the donations offered.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THE CITY OF DAYTON, MINNESOTA, AS FOLLOWS:

1. The donations described above are accepted and shall be used to as a group lunch for the Police department.
2. The City Clerk is hereby directed to issue receipts to each donor acknowledging the city's receipt of the donor's donation.

Adopted by the City Council of the City of Dayton on June 09, 2026.

Mayor – Dennis Fisher

Amy Benting, City Clerk

Motion by _____, Second by _____.
Resolution **Approved**

ITEM:

Approval to Hire Derek Johnson for the PT Community Event Specialist

PREPARED BY:

Zach Doud, City Administrator

POLICY DECISION / ACTION TO BE CONSIDERED:

Approve hiring of Derek Johnson

BACKGROUND:

Staff advertised to fill the vacant Community Event Specialist position. The City received 23 applicants and interviewed the top 5 candidates with Derek Johnson being our selected candidate. The candidate brings relevant experience that will support community engagement for events and programs to support the departments efforts to connect with residents to deliver quality events and programs.

City Staff is recommending Derek Johnson for hire. He will begin employment with a wage of \$25.14 per hour; Grade 1, Step 1.

We are excited and look forward to having Derek on the team in Dayton.

CRITICAL ISSUES:

None.

RECOMMENDATION:

Approval of Derek Johnson for the PT Community Event Specialist Position.

ATTACHMENT(S):

Offer Letter



May 29, 2026

Derek Johnson
1781 Gold Court
Eagan, MN 55122

Dear Derek Johnson:

The City of Dayton is pleased to offer you the position of Part-Time Community Event Specialist. This will be pending a background check to be completed and the City Council will approve your hire on June 09, 2026 contingent upon that.

Your anticipated start date is no later than June 29, 2026. You will begin employment with a wage of \$25.14 per hour-based Grade 1, Step 1 wage scale; additional details are as follows:

- This is a part-time position of 32 hours per week.
- Vacation accrual will start at year 1 at a prorated ratio with a starting bank of 40 vacation hours and 40 sick hours.
- One-year probation period before any salary adjustment (except COLA).
- Progression through the City's compensation plan is based on satisfactory performance.
- Upon satisfactory performance, step increases will occur on your anniversary date.
- Public employees meeting income and position requirements set by state statute automatically become members of the Public Employees Retirement Association (PERA).
- All other personnel policies items will apply normally.

We look forward to working with you. If you have any questions, please feel free to call me at (763)-323-4010.

Sincerely,

A handwritten signature in black ink that reads "Zach Doud".

Zach Doud
City Administrator

Please sign below acknowledging agreement with the terms outlined in this letter.

Derek Johnson
Signature

06/02/2026
Date

ITEM:

Approval of Liquor Licenses for 2026-2027

PREPARED BY:

Amy Benting, City Clerk

POLICY DECISION / ACTION TO BE CONSIDERED:

Approval of annual liquor licenses

BACKGROUND:

Once all required fees have been paid and background checks have been passed. Compliance checks have been completed and no violations to report.

The City has received annual liquor licenses application for the following businesses:

Dayton Gas Stop- 3.2 Off-Sale Beer

Dayton Wine and Spirits- Off-Sale Liquor

Daytona Country Club- On-Sale and Sunday

Dehn's County Manor- 3.2 Beer On-Sale and Wine and set up license

Sundance Entertainment- On-Sale/ Off-Sale and Sunday

Dayton Bar and Grill- On-Sale and Sunday

Kwik Trip 1157- Off Sale

Kwik Trip 1187- Off Sale

CRITICAL ISSUES:

There are no outstanding issues.

RECOMMENDATION:

Approval of the annual liquor licenses once paperwork and fees are submitted.

ATTACHMENTS:

None

ITEM:

Approval of Low Potency Cannabis Licenses for 2026-2027

PREPARED BY:

Amy Benting, City Clerk

POLICY DECISION / ACTION TO BE CONSIDERED:

Approval of annual low potency cannabis licenses

BACKGROUND:

Once all required fees have been paid.

The City has received annual low potency cannabis licenses application for the following businesses:

Dayton Wine and Spirits
Kwik Trip 1157
Kwik Trip 1187

CRITICAL ISSUES:

There are no outstanding issues.

RECOMMENDATION:

Approval of the annual low potency cannabis licenses once paperwork and fees are submitted.

ATTACHMENTS:

None

ITEM:

Approval of Resolution 24-2026; Appointing Absentee Ballot Board and Election Judges

PREPARED BY:

Amy Benting, City Clerk

POLICY DECISION / ACTION TO BE CONSIDERED:

Approval of Resolution 24-2026

BACKGROUND:

Minnesota election law requires the persons serving as election judges be appointed by Council at least 25 days prior to election day.

CRITICAL ISSUES:

There are no outstanding issues.

RECOMMENDATION:

Approval of Resolution 24-2026

ATTACHMENTS:

Resolution 24-2026

**CITY OF DAYTON
COUNTIES OF HENNEPIN AND WRIGHT**

RESOLUTION 24-2026

**RESOLUTION APPOINTING ABSENTEE BALLOT BOARD ELECTION
JUDGES
AUGUST 11, 2026 PRIMARY ELECTION AND
THE NOVEMBER 03, 2026 GENERAL ELECTION**

WHEREAS, Minnesota Election Law 204B.21 requires that persons serving as election judges be appointed by the Council at least 25 days before the election.

BE IT RESOLVED by the Dayton City Council that the individuals named on Exhibit A, and on file in the office of the City Clerk be appointed as the City of Dayton Election Judges and Absentee Ballot Board Election Judges for the August 11, 2026 Primary Election and the November 03, 2026 General Election; and

BE IT FURTHER RESOLVED the Dayton City Council also appoints other individuals and all members appointed to the Hennepin County Absentee Ballot Board as authorized under Minn. Stat. 204B.21, subd. 2 under the direction of the Election Manager to serve as members of the Dayton Absentee Ballot Board; and

BE IT FURTHER RESOLVED that the City Clerk is with this, authorized to make any substitutions or additions as deemed necessary.

Passed and adopted by the Dayton City Council this 09th day of June 2026.

Mayor, Dennis Fisher

Attest _____
City Clerk, Amy Benting

Motion was made by _____, seconded by _____.
Motion carried unanimously.

Exhibit A to Resolution 24-2026

Ann Johnson
Charles Wagner
Belinda Wohlever
Terianne Sipe
Peter Sipe
Vicent Johnson
Elaine Wagner
Tammi Oliver-Vaught
Mary Holen
Jerry Holen
Patricia Lehn
Barbara Klingbeil
Jillian Welch
Jen Foley
Julie Schoephoerster
Jon Nelson
Sonja Nelson
Cathryn Kennedy
Elizabeth Nash
Stephen Schmidt
Gary McCarney
Dena Brunette
Carissa Hoyt
Karen Johansen
Amy Benting
Kelly Thelen
Kristine Cookson
Lloyd Anderson
Sally Tobin
Jonna Duke
Nicole Atkinson
Marc Marty
Roxanne Molskness
Mary Anderson
Niloo Krueger
Joel Ostmoe
David MacPherson
Jerry Bergstrom
Michelle Lynch
Dillon DeBruzzi
Mary Talcott
Richard Talcott
Gavin Butak
Mark Gause
Stefanie Beam

PRESENTER:

Jason Quisberg

ITEM:

2026 Dayton Mill and Overlay Improvements – Pay Application No. 1

PREPARED BY:

Jason Quisberg, Engineering
Nick Findley, Engineering

POLICY DECISION / ACTION TO BE CONSIDERED:

None

BACKGROUND:

Knife River Corporation – North Central has completed the majority of the concrete work for the 2026 Mill and Overlay Improvements. The work remaining includes the remaining concrete work, milling, bituminous paving, striping, and restoration. A 5% retainage is being held until the final completion of this project.

CRITICAL ISSUES:

COMMISSION REVIEW / ACTION (IF APPLICABLE):

60/120-DAY RULE (IF APPLICABLE):

RELATIONSHIP TO COUNCIL GOALS:

BUDGET IMPACT:

The work completed is within the previously approved budget for the project.

RECOMMENDATION:

We recommend payment for the work completed to date, in the amount of \$261,764.90.

ATTACHMENT(S):

Pay Estimate No. 1
2026 Dayton Mill and Overlay Pay Estimate No. 1 Tabulation

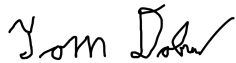
SECTION 00 62 76
APPLICATION FOR PAYMENT FORM

OWNER: City of Dayton
PROJECT: Dayton 2026 Mill and Overlay Improvements
CONTRACTOR: Knife River Corporation - North Central

PAY ESTIMATE NO. 1

| | |
|--|------------------------|
| Original Contract Amount: | <u>\$ 1,293,775.50</u> |
| Contract Changes approved to Date (0): | <u>\$ -</u> |
| Revised Contract Price : | <u>\$ 1,293,775.50</u> |
| Work Completed to Date (attached): | <u>\$ 275,542.00</u> |
| Retainage to Date, 5%: | <u>\$ 13,777.10</u> |
| Work Completed to Date Less Retainage to Date: | <u>\$ 261,764.90</u> |
| Total Amount Previously Certified: | <u>\$ -</u> |
| Payment Request This Estimate: | <u>\$ 261,764.90</u> |

I declare under penalty of perjury that this account, claim, or demand is just and correct and that no part of it has been paid.



Knife River Corp- North Central

CONTRACTOR

CERTIFICATE OF CONTRACTOR

I hereby certify that the work and the materials supplied to date, as shown on the request for payment, represents the actual value of accomplishment under the terms of the contract dated 8/26/2025 between between the City of Dayton (OWNER) and Knife River Corporation - North Central (CONTRACTOR) and all authorized changes therto:

Tom Dobrick

By _____ Tom Dobrick _____

Title _____ Estimator / Project Manager _____

Approval:

| | | | |
|-----------------------------------|-----------------------------|------|-----------------|
| (CONTRACTOR) | <i>Tom Dobrick</i> _____ | Date | 6/2/26 _____ |
| STANTEC CONSULTING SERVICES, INC. | _____ | Date | _____ |
| CITY OF DAYTON | _____ | Date | _____ |

END OF SECTION

2026 DAYTON MILL AND OVERLAY IMPROVEMENTS
PAYMENT REQUEST FORM
QUANTITY TABULATION

| NO. | ITEM DESCRIPTION | UNIT | BID QUANTITY | UNIT PRICE | TOTAL PRICE | COMPLETED TO DATE | | LESS PREVIOUS PAYMENTS | | PAY REQUEST #1 June 2026 | |
|-----------------------------|--|----------|--------------|-------------|-----------------------|---------------------|--------------|------------------------|-------|-----------------------------|--------------|
| | | | | | | QTY | PRICE | QTY | PRICE | QTY | PRICE |
| BASE BID SCHEDULE A | | | | | | | | | | | |
| 1 | MOBILIZATION | LUMP SUM | 1 | \$38,000.00 | \$38,000.00 | 0.7 | \$ 26,600.00 | 0 | \$ - | 0.7 | \$ 26,600.00 |
| 2 | TRAFFIC CONTROL | LUMP SUM | 1 | \$12,000.00 | \$12,000.00 | 0.7 | \$ 8,400.00 | 0 | \$ - | 0.7 | \$ 8,400.00 |
| 3 | MILL BITUMINOUS SURFACE (1.5") | SQ YD | 55452 | \$1.60 | \$88,723.20 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 4 | MILL BITUMINOUS SURFACE (2") | SQ YD | 13746 | \$2.40 | \$32,990.40 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 5 | REMOVE CONCRETE CURB AND GUTTER | LIN FT | 6533 | \$5.70 | \$37,238.10 | 3082 | \$ 17,567.40 | 0 | \$ - | 3082 | \$ 17,567.40 |
| 6 | REMOVE BITUMINOUS PAVEMENT | SQ YD | 6121 | \$4.30 | \$26,320.30 | 1247 | \$ 5,362.10 | 0 | \$ - | 1247 | \$ 5,362.10 |
| 7 | REMOVE BITUMINOUS DRIVEWAY PAVEMENT | SQ YD | 234 | \$9.00 | \$2,106.00 | 140 | \$ 1,260.00 | 0 | \$ - | 140 | \$ 1,260.00 |
| 8 | REMOVE CONCRETE DRIVEWAY PAVEMENT | SQ YD | 434 | \$11.00 | \$4,774.00 | 51 | \$ 561.00 | 0 | \$ - | 51 | \$ 561.00 |
| 9 | SHAPE EXISTING AGGREGATE | SQ YD | 4286 | \$1.00 | \$4,286.00 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 10 | AGGREGATE BASE CLASS 5, 80% CRUSHED | TON | 100 | \$29.50 | \$2,950.00 | 50 | \$ 1,475.00 | 0 | \$ - | 50 | \$ 1,475.00 |
| 11 | AGGREGATE BASE CLASS 2, 100% CRUSHED - SHOULDERING | TON | 303 | \$56.50 | \$17,119.50 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 12 | BITUMINOUS MATERIAL FOR TACK COAT | GAL | 8300 | \$0.01 | \$83.00 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 13 | TYPE SP 9.5 WEARING COURSE MIXTURE (3,B) - DRIVEWAY | TON | 50 | \$140.00 | \$7,000.00 | 11 | \$ 1,540.00 | 0 | \$ - | 11 | \$ 1,540.00 |
| 14 | TYPE SP 9.5 WEARING COURSE MIXTURE (3,B) - COMMERCIAL DRIVEWAY | TON | 10 | \$175.00 | \$1,750.00 | 18 | \$ 3,150.00 | 0 | \$ - | 18 | \$ 3,150.00 |
| 15 | TYPE SP 9.5 WEARING COURSE MIXTURE (3,B) | TON | 7622 | \$74.00 | \$564,028.00 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 16 | TYPE SP 12.5 NON-WEARING COURSE MIXTURE (3,B) - PATCH | TON | 466 | \$112.00 | \$52,192.00 | 194 | \$ 21,728.00 | 0 | \$ - | 194 | \$ 21,728.00 |
| 17 | TYPE SP 12.5 NON-WEARING COURSE MIXTURE (3,B) | TON | 641 | \$74.00 | \$47,434.00 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 18 | CONCRETE CURB AND GUTTER DESIGN B618 | LIN FT | 5357 | \$24.50 | \$131,246.50 | 2488 | \$ 60,956.00 | 0 | \$ - | 2488 | \$ 60,956.00 |
| 19 | CONCRETE CURB AND GUTTER DESGIN SURMOUNTABLE | LIN FT | 503 | \$24.50 | \$12,323.50 | 503 | \$ 12,323.50 | 0 | \$ - | 503 | \$ 12,323.50 |
| 20 | CONCRETE VALLEY GUTTER - HIGH EARLY CONCRETE | SQ YD | 12 | \$150.00 | \$1,800.00 | 8 | \$ 1,200.00 | 0 | \$ - | 8 | \$ 1,200.00 |
| 21 | CONCRETE CURB AND GUTTER DESIGN RIBBON | LIN FT | 673 | \$23.00 | \$15,479.00 | 92 | \$ 2,116.00 | 0 | \$ - | 92 | \$ 2,116.00 |
| 22 | CONCRETE DRIVEWAY PAVEMENT | SQ YD | 341 | \$80.00 | \$27,280.00 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 23 | CONCRETE COMMERCIAL DRIVEWAY PAVEMENT - HIGH EARLY CONCRETE | SQ YD | 93 | \$110.00 | \$10,230.00 | 53 | \$ 5,830.00 | 0 | \$ - | 53 | \$ 5,830.00 |
| 24 | ADJUST CATCH BASIN CASTING | EACH | 60 | \$410.00 | \$24,600.00 | 45 | \$ 18,450.00 | 0 | \$ - | 45 | \$ 18,450.00 |
| 25 | ADJUST MANHOLE CASTING | EACH | 69 | \$875.00 | \$60,375.00 | 55 | \$ 48,125.00 | 0 | \$ - | 55 | \$ 48,125.00 |
| 26 | ADJUST VALVE BOX | EACH | 10 | \$220.00 | \$2,200.00 | 4 | \$ 880.00 | 0 | \$ - | 4 | \$ 880.00 |
| 29 | REPLACE VALVE BOX TOP SECTION - WATER | EACH | 10 | \$375.00 | \$3,750.00 | 5 | \$ 1,875.00 | 0 | \$ - | 5 | \$ 1,875.00 |
| 28 | REMOVE AND REPLACE MANHOLE CASTING | EACH | 2 | \$1,450.00 | \$2,900.00 | 2 | \$ 2,900.00 | 0 | \$ - | 2 | \$ 2,900.00 |
| 29 | REMOVE AND REPLACE CASTING WITH R-3067-C | EACH | 1 | \$1,200.00 | \$1,200.00 | 1 | \$ 1,200.00 | 0 | \$ - | 1 | \$ 1,200.00 |
| 30 | REPAIR STORM STRUCTURE DOGHOUSES/INVERTS | EACH | 10 | \$489.00 | \$4,890.00 | 2 | \$ 978.00 | 0 | \$ - | 2 | \$ 978.00 |
| 31 | STORM DRAIN INLET PROTECTION - MAINTAINED | EACH | 89 | \$150.00 | \$13,350.00 | 88 | \$ 13,200.00 | 0 | \$ - | 88 | \$ 13,200.00 |
| 32 | LOAM TOPSOIL BORROW (LV) | CU YD | 162 | \$60.00 | \$9,720.00 | 31 | \$ 1,860.00 | 0 | \$ - | 31 | \$ 1,860.00 |
| 33 | RESTORATION | SQ YD | 1597 | \$5.00 | \$7,985.00 | 1826 | \$ 9,130.00 | 0 | \$ - | 1826 | \$ 9,130.00 |
| 34 | 24" SOLID LINE WHITE MULTI-COMPONENT | LIN FT | 157 | \$7.50 | \$1,177.50 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 35 | 24" SOLID LINE YELLOW MULTI-COMPONENT | LIN FT | 157 | \$7.50 | \$1,177.50 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 36 | 4" DOUBLE SOLID LINE YELLOW MULTI-COMPONENT | LIN FT | 5328 | \$0.80 | \$4,262.40 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 37 | 4" SOLID LINE YELLOW MULTI-COMPONENT | LIN FT | 107 | \$0.40 | \$42.80 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 38 | 4" SOLID LINE WHITE MULTI-COMPONENT | LIN FT | 5835 | \$0.40 | \$2,334.00 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 39 | 4" BROKEN LINE YELLOW MULTI-COMPONENT | LIN FT | 2489 | \$0.40 | \$995.60 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 40 | CROSSWALK MULTI-COMPONENT | SQ FT | 666 | \$6.70 | \$4,462.20 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| 41 | IRRIGATION SYSTEM REPAIR | EACH | 20 | \$275.00 | \$5,500.00 | 25 | \$ 6,875.00 | 0 | \$ - | 25 | \$ 6,875.00 |
| 42 | PET CONTAINMENT SYSTEM REPAIR | EACH | 20 | \$275.00 | \$5,500.00 | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| TOTAL SCHEDULE A BID | | | | | \$1,293,775.50 | \$275,542.00 | | \$0.00 | | \$275,542.00 | |

| GENERAL CONTRACTOR | COMPLETED TO DATE | LESS PREVIOUS PAYMENTS | PAYMENT REQUEST 1 |
|-------------------------|----------------------------|------------------------|----------------------------|
| Knife River Corporation | Subtotal: \$ 275,542.00 | Subtotal: \$ - | Subtotal: \$275,542.00 |
| 4784 Shadow Wood Dr. NE | 5% Retainage: \$ 13,777.10 | 5% Retainage: \$ - | 5% Retainage: \$ 13,777.10 |
| Sauk Rapids, MN 56379 | Total: \$ 261,764.90 | Total: \$ - | Total: \$ 261,764.90 |

ITEM:

Approval of 2025 Audit

PREPARED BY:

Zach Doud, City Administrator

POLICY DECISION / ACTION TO BE CONSIDERED:

Approval of 2025 Audit

BACKGROUND:

This is accepting the 2025 Audit from our auditors CliftonLarsonAllen (CLA).

RELATIONSHIP TO COUNCIL GOALS:

Foster and Safer and Welcoming Community

RECOMMENDATION:

Staff recommends approval of the 2025 audit.

ATTACHMENT(S):

2025 Governance Letter
2025 Single Audit Report
2025 Financial Statements



Mayor and City Council
City of Dayton
Dayton, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Dayton as of and for the year ended December 31, 2025, and have issued our report thereon dated June 2, 2026. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit in our statement of work dated April 7, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Dayton are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2025.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined that the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following summarizes uncorrected misstatements of the financial statements:

- During the current year audit, it was identified that prior year cell tower lessor lease calculations did not include the full term of the modified agreement. Revised calculations increased both the lease receivable and related deferred inflow, resulting in a net increase to general fund balance of \$53,270; because the change was recorded as a 2025 modification rather than a prior period restatement, the general fund change in fund balance is overstated by \$53,270.
- During the current year audit, it was identified that PFA direct borrowings were incorrectly reported in governmental activities rather than the Water Fund, resulting in governmental activities long-term debt being overstated by \$220,000 and net position understated by \$220,000, with an equal and opposite misstatement in the Water Fund. The adjustment reclassifies the debt to the Water Fund, increasing governmental activities net position and decreasing Water Fund net position by \$220,000. This is a classification correction only and has no impact on total government-wide net position.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Corrected misstatements

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated June 2, 2026.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application

of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI.

We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated June 2, 2026.

With respect to the combining and individual nonmajor fund financial statements and schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated June 2, 2026.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the elected officials and administration. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the City Council and management of City of Dayton and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 2, 2026

**CITY OF DAYTON
DAYTON, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND OTHER REQUIRED REPORTS**

YEAR ENDED DECEMBER 31, 2025



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

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YEAR ENDED DECEMBER 31, 2025**

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SINGLE AUDIT AND OTHER REQUIRED REPORTS



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and
Members of the City Council
City of Dayton
Dayton, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Dayton, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City of Dayton' basic financial statements, and have issued our report thereon dated June 2, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Dayton's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Dayton's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Dayton's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Honorable Mayor and
Members of the City Council
City of Dayton

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Dayton’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Dayton’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Dayton’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. City of Dayton’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 2, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and
Members of the City Council
City of Dayton
Dayton, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Dayton's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Dayton's major federal programs for the year ended December 31, 2025. City of Dayton's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Dayton complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Dayton and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Dayton's compliance with the compliance requirements referred to above.

Honorable Mayor and
Members of the City Council
City of Dayton

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Dayton's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Dayton's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Dayton's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Dayton's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Dayton's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Dayton's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Honorable Mayor and
Members of the City Council
City of Dayton

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-002, 2025-003, and 2025-004 to be material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

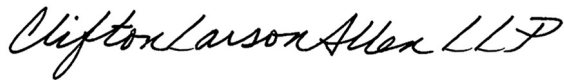
Government Auditing Standards requires the auditor to perform limited procedures on City of Dayton's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. City of Dayton's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Honorable Mayor and
Members of the City Council
City of Dayton

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Dayton as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise City of Dayton' basic financial statements. We have issued our report thereon, dated June 2, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 2, 2026

**CITY OF DAYTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025**

| Federal Agency/Pass-Through Grantor/Program or Cluster Title | Federal ALN Number | Pass-Through Identifying Number | Federal Expenditures | Pass-Through to Subrecipients |
|--|--------------------------|------------------------------------|-------------------------|-------------------------------------|
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | |
| Direct: | | | | |
| Community Project Funding | 14.251 | | \$ 3,983,751 | \$ - |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| Passed Through Minnesota Department of Health and Human Services | | | | |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | H55246191 | 400 | - |
| DEPARTMENT OF HOMELAND SECURITY | | | | |
| Passed Through Minnesota Department of Public Safety: | | | | |
| Hazard Mitigation Grant | 97.039 | P07204442HM | <u>3,005</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 3,987,156</u> | <u>\$ -</u> |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF DAYTON
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2025**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Dayton (the City) under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The City of Dayton has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 FEDERAL EXPENDITURES

The City of Dayton's federal expenditures include expenditures from the years ended December 31, 2023, 2024, and 2025, due to the timing of when approvals were obtained from the Department of Housing and Urban Development related to an environmental review requirement as well as obtaining a memorandum of agreement from the Minnesota State Historic Preservation Office. The following costs became eligible for reimbursement in 2025:

| Fiscal Year | Amount |
|-------------------|--------------|
| December 31, 2023 | \$ 583,816 |
| December 31, 2024 | 631,057 |
| December 31, 2025 | 2,768,878 |
| Total | \$ 3,983,751 |



INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and
Members of the City Council
City of Dayton
Dayton, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dayton (the City) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 2, 2026.

In connection with our audit, we noted that the City of Dayton failed to comply with provisions of the public indebtedness the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters as described in the schedule of findings and questioned costs as item 2025-005. Also, in connection with our audit, nothing came to our attention that caused us to believe that the City of Dayton failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City of Dayton's response to the legal compliance findings identified in our audit and described in the accompanying (*name of report where the responses/corrective action plans are included*). The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 2, 2026

**CITY OF DAYTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

1. Internal control over financial reporting:

- Material weakness(es) identified? x yes no
- Significant deficiency(ies) identified? yes x none reported

2. Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? x yes no
- Significant deficiency(ies) identified? yes x none reported

1. Type of auditors’ report issued on compliance for major federal programs: Unmodified

2. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs

| Assistance Listing Number(s) | Name of Federal Program or Cluster |
|--|--|
| 14.251 | Community Project Funding (CPF) Program |
| Dollar threshold used to distinguish between Type A and Type B programs: | <u>\$1,000,000</u> |
| Auditee qualified as low-risk auditee? | <u> </u> yes <u> x </u> no |

**CITY OF DAYTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section II – Financial Statement Findings

2025 – 001 – Segregation of Duties

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: The City does not have adequate segregation of accounting duties due to a limited number of office employees responsible for initiating, recording, processing, and reporting financial transactions. In addition, certain journal entries are prepared and posted without sufficient independent review and approval due to staffing limitations.

Criteria or specific requirement: Effective internal control over financial reporting requires adequate segregation of duties and appropriate review and approval of journal entries to reduce the risk of errors or misstatements. These principles are outlined in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control – Integrated Framework, which management uses as a basis for designing and evaluating internal control over financial reporting.

Effect: The lack of adequate segregation of duties and independent review and approval of journal entries increases the risk that errors or misstatements in the City's financial records may occur and not be detected in a timely manner. This condition could adversely affect the City's ability to ensure the accuracy and reliability of its financial reporting.

Cause: The condition is due to the City's limited staffing levels, which restrict management's ability to fully segregate accounting duties and implement independent review and approval of journal entries. Given the size of the City and the number of personnel available, assigning separate individuals to all key accounting and review functions is not always feasible.

Repeat Finding: Yes.

Recommendation: We recommend that management and the City Council continue to monitor accounting activities and implement compensating controls where feasible to mitigate the risks arising from the lack of segregation of duties and journal entry approval. Such controls may include documented supervisory review of journal entries, periodic review of account activity and reconciliations, and enhanced oversight by those charged with governance.

Views of responsible officials and planned corrective actions: City staff are aware of the lack of segregation of accounting duties and the challenges related to independent journal entry review and approval. Staff will continue to make every effort to monitor transactions to the greatest extent possible and will evaluate additional compensating controls and processes to strengthen oversight and reduce the risk of misstatements in the City's financial reporting.

**CITY OF DAYTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs

2025 – 002 – Suspension and Debarment

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Community Project Funding (CPF) Program

Assistance Listing Number: 14.251

Federal Award Identification Number and Year: B-22-CP-MN-0492, 2025

Award Period: January 1, 2025 – December 31, 2025

Type of Finding: Material Weakness in Internal Control over Compliance

Criteria or specific requirement: The non-federal entity is required to have controls in place to ensure compliance with suspension and debarment requirements. Uniform Guidance (2 CFR §200.214) requires non-federal entities to verify that contractors are not suspended or debarred from participating in federal programs. Verification may be accomplished by reviewing the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA), obtaining a certification from the contractor, or by including a clause or condition in the covered transaction.

Condition: The City did not maintain documentation demonstrating that required suspension and debarment verifications were performed for contractors associated with the Community Project Funding program.

Questioned costs: None.

Context: During testing of compliance with suspension and debarment requirements for the Community Project Funding program, the auditors reviewed covered transactions subject to suspension and debarment requirements. Documentation evidencing verification through SAM.gov or other allowable methods was not retained for the transactions tested.

Cause: The City does not have a formalized policy or documented procedures requiring suspension and debarment verification to be performed and retained for covered transactions associated with federal programs.

Effect: Failure to perform and document required suspension and debarment procedures could result in the City entering into transactions with entities that are suspended or debarred, resulting in potential noncompliance with federal requirements.

Repeat Finding: No.

Recommendation: We recommend the City formalize suspension and debarment compliance procedures in a written policy and ensure verification is performed and documented for all covered transactions prior to entering into contracts funded by Community Project Funding.

Views of responsible officials: There is no disagreement with the audit finding. Management acknowledges the need to formalize suspension and debarment procedures and will implement controls to ensure required verifications are performed and documented for applicable transactions.

**CITY OF DAYTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2025 – 003 – Reporting

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Community Project Funding (CPF) Program

Assistance Listing Number: 14.251

Federal Award Identification Number and Year: B-22-CP-MN-0492, 2025

Award Period: January 1, 2025 – December 31, 2025

Type of Finding: Material Weakness in Internal Control over Compliance

Criteria or specific requirement: The Uniform Guidance (2 CFR §200.303) requires non-federal entities to establish and maintain effective internal control over federal awards that provides reasonable assurance the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the award. For the Community Project Funding program, reporting is a compliance requirement and includes submission of required performance and financial reports.

Condition: The City did not maintain documentation demonstrating that required reports for the Community Project Funding program were reviewed by someone other than the preparer prior to submission, including the DRGR Performance Report and the DRGR Financial Report.

Questioned costs: None.

Context: Reporting is a compliance requirement for the Community Project Funding program and includes submission of multiple reports during the award period. The City's internal control over compliance related to reporting consists of review of reports prior to submission. Instances were identified where evidence of such review was not documented.

Cause: Due to limited staffing levels, the City Administrator/Finance Director is responsible for both preparing and reviewing required program reports. As a result, independent review and documentation of report approval is limited.

Effect: Lack of documented review of required reports increases the risk that errors or noncompliance in program reporting may occur and not be identified prior to submission, which could result in noncompliance with federal reporting requirements.

Repeat Finding: No.

Recommendation: We recommend the City implement procedures to ensure appropriate internal controls over compliance related to reporting, including documentation of review and approval of all required reports by someone other than the preparer prior to submission.

Views of responsible officials: There is no disagreement with the audit finding. City management acknowledges that limited staffing and experience constrain segregation of duties; however, the City will evaluate and implement procedures to improve documentation of review and approval of required reports for the Community Project Funding program.

**CITY OF DAYTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2025 – 004 –Special Provisions

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Community Project Funding (CPF) Program

Assistance Listing Number: 14.251

Federal Award Identification Number and Year: B-22-CP-MN-0492, 2025

Award Period: January 1, 2025 – December 31, 2025

Type of Finding: Material Weakness in Internal Control over Compliance

Criteria or specific requirement: The grant agreement requires that, following the letter of invitation for the grant, neither the City nor contractors funded under the grant may undertake, commit, or expend grant funds or local funds for project activities until an acceptable environmental review process has been completed in accordance with applicable federal requirements.

Condition: Project expenditures related to the Community Project Funding program were incurred prior to completion of the required environmental review process. Environmental review activities did not begin until after project-related expenditures had already occurred.

Questioned costs: None.

Context: The City received erroneous advice regarding the requirements for this environmental review from the federal grants officer, leading the City to believe the environmental review process was not required for their circumstances. Once revised guidance was provided to the city, the review was completed and costs were allowably spent on the project subsequent to the review.

Cause: The environmental review was not completed prior to incurring project expenditures due to errors in guidance received regarding the timing and requirements of the environmental review process.

Effect: Failure to complete the required environmental review prior to incurring project expenditures resulted in noncompliance with the terms and conditions of the federal award and applicable federal requirements.

Repeat Finding: No.

Recommendation: We recommend the City ensure environmental review requirements are completed and documented prior to incurring any project-related expenditures for the Community Project Funding program. The City should continue to maintain procedures designed to prevent project activities from beginning before environmental review requirements are satisfied.

Views of responsible officials: There is no disagreement with the audit finding. City management noted that procedures have been implemented for this grant, including a memorandum of understanding that is annually reaffirmed by the City Council, to ensure environmental review requirements are completed prior to incurring project expenditures and to prevent similar occurrences in the future.

**CITY OF DAYTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025**

Section IV – MN Legal Compliance Findings

2025 – 005 – Tax Levy for Debt Service

Criteria or specific requirement: Minnesota Statutes § 475.61 requires that, for municipalities other than school districts, tax levies for all years must be, in combination with other estimated collections of special assessments and other revenues pledged for payment of the bonds, at least five percent (5%) greater than the total principal and interest payments due for the year (i.e., 105% of total principal and interest payments).

Condition and Context: The City's tax levy for the bonds payable from the levy (2016A) represents only 101% of the total principal and interest payments due for the year. As a result, the levy does not meet the statutory requirement to levy at least 105% of the annual principal and interest payments when combined with other pledged resources.

Cause: The City Council adopted a tax levy for 2025 that did not meet the minimum levy requirement prescribed by Minnesota Statutes § 475.61.

Effect: The City of Dayton is not in compliance with Minnesota Statutes § 475.61 regarding the required tax levy as a percentage of total principal and interest payments for 2025.

Recommendation: We recommend the City ensure future tax levies comply with Minnesota Statutes § 475.61 by including an appropriate levy amount sufficient to meet or exceed 105% of the annual principal and interest payments. The levy should be properly calculated and allocated within the debt service fund for debt payments funded through the levy.

Views of responsible officials: There is no disagreement with the finding. Management acknowledges the statutory requirement and will take the necessary steps to ensure future levies comply with Minnesota law.



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CITY OF DAYTON
Hennepin County and Wright County, Minnesota

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcconnect.com

**CITY OF DAYTON
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YEAR ENDED DECEMBER 31, 2025**

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**CITY OF DAYTON
ELECTED OFFICIALS AND ADMINISTRATION
DECEMBER 31, 2025**

| <u>Elected Officials</u> | <u>Position</u> | <u>Term Expires</u> |
|--------------------------|-----------------|---------------------|
| Dennis Fisher | Mayor | December 31, 2026 |
| Scott Salonek | Council Member | December 31, 2026 |
| David Fashant | Council Member | December 31, 2026 |
| Sara Van Asten | Council Member | December 31, 2028 |
| Stephanie Henderson | Council Member | December 31, 2028 |

| <u>Administration</u> | <u>Position</u> |
|-----------------------|---|
| Zach Doud | Finance Director/City Administrator |
| Amy Benting | Assistant City Administrator/City Clerk |
| Dena Brunette | Accountant |



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
City of Dayton
Dayton, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dayton, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City of Dayton's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dayton, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Dayton and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Dayton's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Dayton's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Dayton's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison for the general fund, the schedules related to the City's pensions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dayton's basic financial statements. The detailed budgetary schedule of the general fund, and combining financial fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the detailed budgetary schedule of the general fund, and combining financial fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the elected officials and administration section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Honorable Mayor and Members of the City Council
City of Dayton

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2026, on our consideration of the City of Dayton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Dayton's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Dayton's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 2, 2026

**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

As management of the City of Dayton (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$179,640,076 (net position).
- The City's total net position increased by \$9,040,144. This was primarily due to increases in capital asset construction in progress along with additional asset additions that the City completed in 2025.
- As of the close of the current year, all the City's governmental funds reported combined ending fund balances of \$23,811,596, an increase of \$1,870,038 in comparison with the prior year.
- At the end of the current year, unassigned fund balance for the General Fund was \$3,199,907, or 37.39%, of total General Fund expenditures.
- The City's total bonded debt decreased \$1,710,000 during the current fiscal year due to scheduled principal payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position provides information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with a difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this Statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Government-Wide Financial Statements (Continued)

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, parks and recreation, economic development, and interest on long-term debt. The business-type activities of the City include the water and sewer utilities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is more limited in scope than that of the more expansive government-wide financial statement, a better understanding of the long-term impact of a City's near-term financing decisions can be achieved by comparing the information presented for governmental funds with governmental activities, as the two are more closely related. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and other major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds - The City maintains two proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds, all of which are considered to be major funds of the City.

**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pensions and other postemployment benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$179,640,076 at the close of the most recent fiscal year.

A portion of the City's net position (\$140,028,338 or 77.9%) reflects its investment in capital assets of (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$9,076,462 or 5.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$30,535,276 or 17.0%) may be used to meet the City's ongoing obligations to citizens and creditors.

**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Government-Wide Financial Analysis (Continued)

Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Assets | | | | | | |
| Current and Other Assets | \$ 33,014,858 | \$ 30,966,230 | \$ 16,881,462 | \$ 13,893,619 | \$ 49,896,320 | \$ 44,859,849 |
| Capital Assets (Net of Accumulated Depreciation/Amortization) | 105,866,068 | 106,754,668 | 51,801,739 | 48,915,019 | 157,667,807 | 155,669,687 |
| Total Assets | <u>138,880,926</u> | <u>137,720,898</u> | <u>68,683,201</u> | <u>62,808,638</u> | <u>207,564,127</u> | <u>200,529,536</u> |
| Deferred Outflows of Resources | | | | | | |
| Related to Pensions | <u>2,771,371</u> | <u>2,472,095</u> | <u>84,209</u> | <u>52,045</u> | <u>2,855,580</u> | <u>2,524,140</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 141,652,297</u> | <u>\$ 140,192,993</u> | <u>\$ 68,767,410</u> | <u>\$ 62,860,683</u> | <u>\$ 210,419,707</u> | <u>\$ 203,053,676</u> |
| Liabilities | | | | | | |
| Current Liabilities | \$ 8,872,575 | \$ 8,466,053 | \$ 876,526 | \$ 1,233,812 | \$ 9,749,101 | \$ 9,699,865 |
| Noncurrent Liabilities | 17,349,042 | 19,611,014 | 429,264 | 216,695 | 17,778,306 | 19,827,709 |
| Total Liabilities | <u>26,221,617</u> | <u>28,077,067</u> | <u>1,305,790</u> | <u>1,450,507</u> | <u>27,527,407</u> | <u>29,527,574</u> |
| Deferred Inflows of Resources | | | | | | |
| Advanced Appropriations - State Shared Taxes | - | 12,946 | - | - | - | 12,946 |
| Deferred Inflows of Resources Related to Pensions | 2,754,263 | 2,568,685 | 117,052 | 84,487 | 2,871,315 | 2,653,172 |
| Deferred Inflows of Resources Related to Lease Receivable | 380,909 | 260,052 | - | - | 380,909 | 260,052 |
| Total Deferred Inflows of Resources | <u>3,135,172</u> | <u>2,841,683</u> | <u>117,052</u> | <u>84,487</u> | <u>3,252,224</u> | <u>2,926,170</u> |
| Net Position | | | | | | |
| Net Investment in Capital Assets | 88,714,257 | 92,203,263 | 51,314,081 | 48,915,019 | 140,028,338 | 141,118,282 |
| Restricted | 9,055,586 | 6,003,615 | 20,876 | 20,876 | 9,076,462 | 6,024,491 |
| Unrestricted | 14,525,665 | 11,067,365 | 16,009,611 | 12,389,794 | 30,535,276 | 23,457,159 |
| Total Net Position | <u>112,295,508</u> | <u>109,274,243</u> | <u>67,344,568</u> | <u>61,325,689</u> | <u>179,640,076</u> | <u>170,599,932</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u>\$ 141,652,297</u> | <u>\$ 140,192,993</u> | <u>\$ 68,767,410</u> | <u>\$ 62,860,683</u> | <u>\$ 210,419,707</u> | <u>\$ 203,053,676</u> |

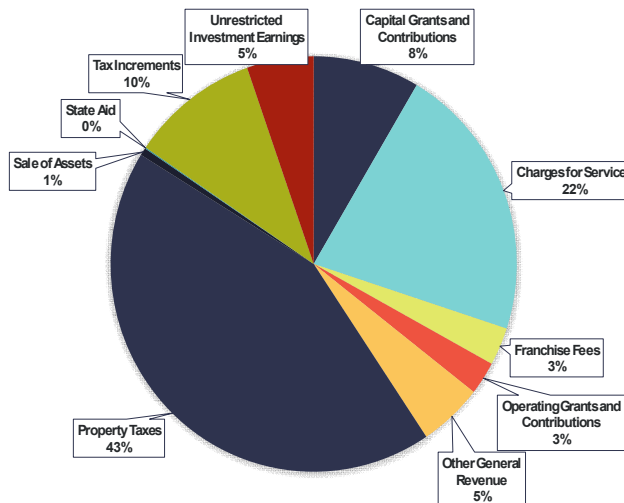
**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Governmental activities increased the City's net position by \$2,801,265.

Changes in Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Revenues | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | \$ 4,330,793 | \$ 3,689,619 | \$ 4,296,543 | \$ 6,287,713 | \$ 8,627,336 | \$ 9,977,332 |
| Operating Grants and Contributions | 520,809 | 789,199 | - | - | 520,809 | 789,199 |
| Capital Grants and Contributions | 1,703,024 | 10,417,983 | 6,917,817 | 8,233,902 | 8,620,841 | 18,651,885 |
| General Revenues | | | | | | |
| Property Taxes | 8,674,819 | 7,833,496 | - | - | 8,674,819 | 7,833,496 |
| Franchise Fees | 593,347 | 561,518 | - | - | 593,347 | 561,518 |
| Tax Increments | 2,049,699 | 1,210,619 | - | - | 2,049,699 | 1,210,619 |
| State Aid | 17,860 | 39,488 | - | - | 17,860 | 39,488 |
| Unrestricted Investment Earnings | 1,068,761 | 902,527 | 694,305 | 519,660 | 1,763,066 | 1,422,187 |
| Other General Revenue | 1,069,967 | 309,312 | - | - | 1,069,967 | 309,312 |
| Gain on Sale of Capital Assets | 116,392 | 168,292 | - | - | 116,392 | 168,292 |
| Total Revenues | 20,145,471 | 25,922,053 | 11,908,665 | 15,041,275 | 32,054,136 | 40,963,328 |
| Expenses | | | | | | |
| General Government | 1,435,711 | 1,735,474 | - | - | 1,435,711 | 1,735,474 |
| Public Safety | 5,568,482 | 4,934,850 | - | - | 5,568,482 | 4,934,850 |
| Public Works | 8,454,475 | 6,849,601 | - | - | 8,454,475 | 6,849,601 |
| Parks and Recreation | 1,122,989 | 834,045 | - | - | 1,122,989 | 834,045 |
| Economic Development | 1,235,436 | 932,630 | - | - | 1,235,436 | 932,630 |
| Interest on Long-Term Debt | 462,363 | 526,897 | - | - | 462,363 | 526,897 |
| Water | - | - | 2,855,667 | 2,023,810 | 2,855,667 | 2,023,810 |
| Sewer | - | - | 2,098,869 | 1,809,516 | 2,098,869 | 1,809,516 |
| Total Expenses | 18,279,456 | 15,813,497 | 4,954,536 | 3,833,326 | 23,233,992 | 19,646,823 |
| Change in Net Position Before Transfers | 1,866,015 | 10,108,556 | 6,954,129 | 11,207,949 | 8,820,144 | 21,316,505 |
| Transfers | 935,250 | 836,175 | (935,250) | (836,175) | - | - |
| Change in Net Position | 2,801,265 | 10,944,731 | 6,018,879 | 10,371,774 | 8,820,144 | 21,316,505 |
| Net Position - Beginning of Year | 109,494,243 | 98,549,512 | 61,325,689 | 50,953,915 | 170,819,932 | 149,503,427 |
| Net Position - Ending | \$ 112,295,508 | \$ 109,494,243 | \$ 67,344,568 | \$ 61,325,689 | \$ 179,640,076 | \$ 170,819,932 |

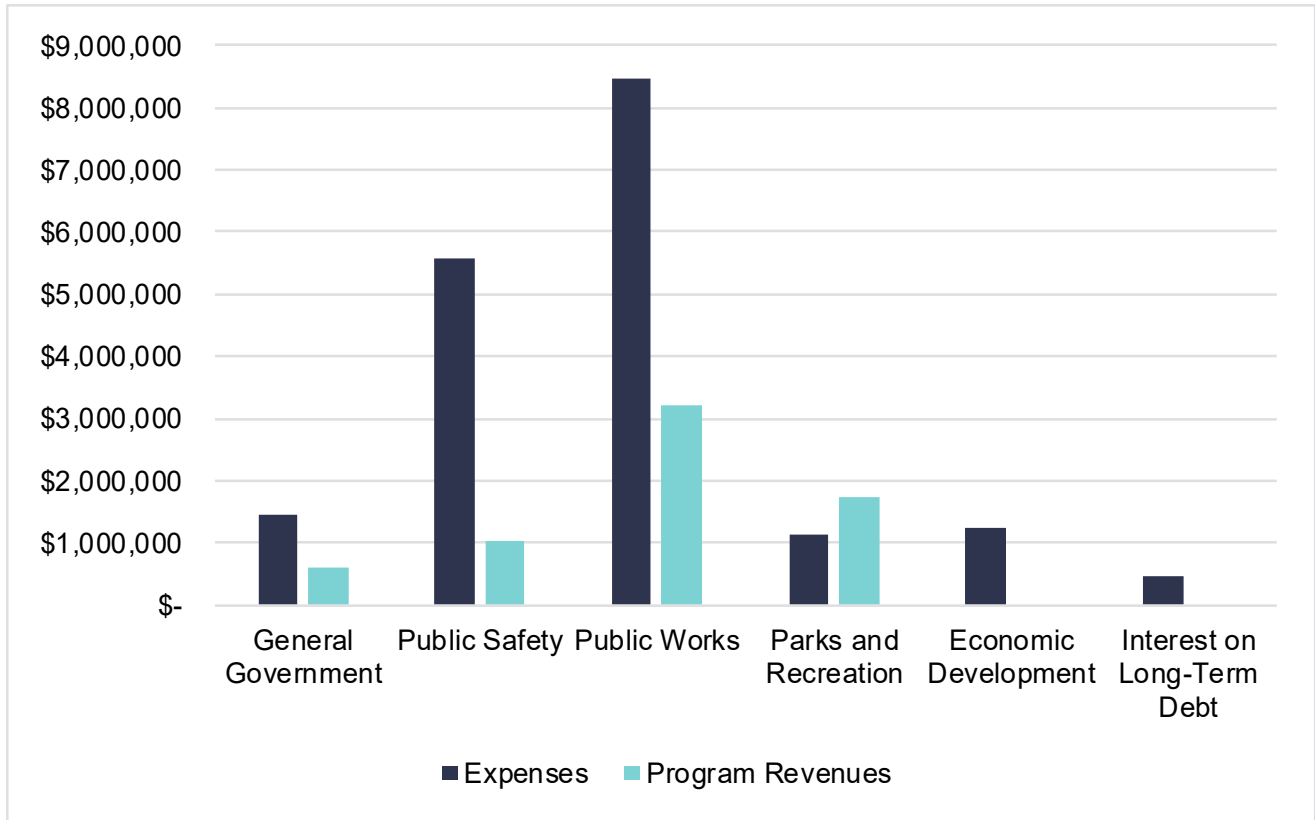
Revenues by Source - Governmental Activities



**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Governmental Activities (Continued)

Expenses and Program Revenues – Governmental Activities

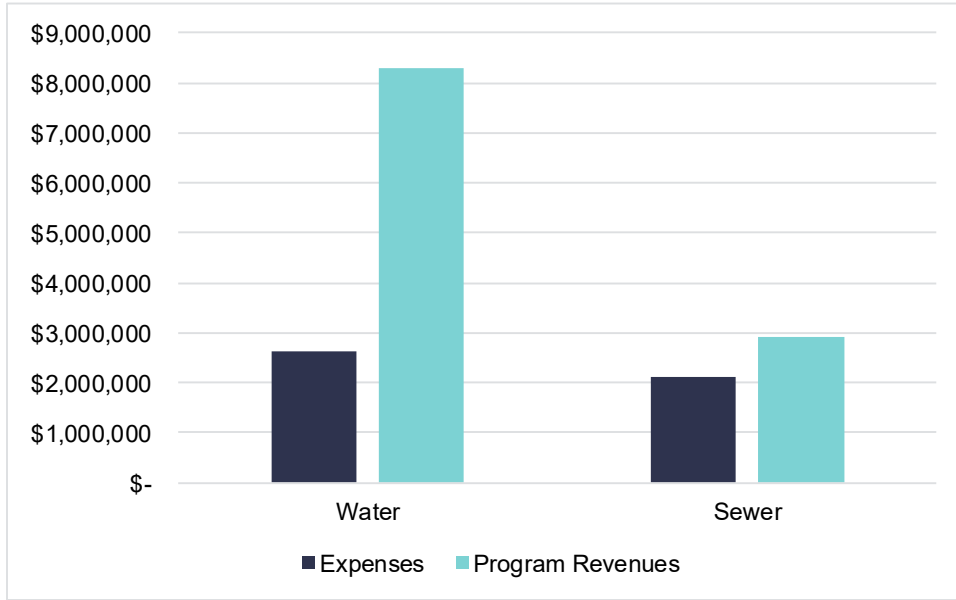


**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Business-Type Activities

Business-type activities increased the City's net position \$6,018,879.

Expenses and Program Revenues - Business-Type Activities



**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Financial Analysis of the City's Fund

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23,811,596, an increase of \$1,870,038 in comparison with the prior year. Of this total amount, \$2,498,791 constitutes unassigned fund balance which is available for spending at the City's discretion. The remaining fund balance is made up of the following:

- Nonspendable \$ 130,106
- Restricted \$ 7,143,895
- Committed \$ 556,076
- Assigned \$ 13,482,728

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, the fund balance of the General Fund was \$3,330,013. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 34.45% of total General Fund budgeted expenditures for the following year.

The fund balance of the City's General Fund increased \$114,270 in 2025.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the City's government-wide financial statements, but in more detail. Unrestricted net position of the enterprise funds at the end of the year amounted to \$16,009,611. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's General Fund budget was not amended during the year and was approved as a balanced budget. Total revenues were under budget by \$82,608. Total expenditures were under budget by \$38,117. Proceeds from sale of capital assets for the General Fund was \$2,392, and transfers in from other funds of \$156,369 for 2025. Some of the significant variances can be briefly summarized as follows:

- Licenses and Permits Revenue was under budget by \$220,268, due to the decreased market activity within the housing market in 2025 than projected. The City projected 200 pulled permits in 2025, however actual results were 137 permits.
- Public Safety expenditures were over budget by \$157,512 due to additional overtime, and related retirement, needed for the Police Department along with services rendered by Santec and Metro West related to development.

**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Capital Asset and Debt Administration

Capital Assets - The City's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounted to \$157,667,807 (net of accumulated depreciation/amortization). This investment in capital assets includes land, buildings and improvements, infrastructure, collection and distribution system, machinery and equipment, construction in progress and leased vehicles.

The City's most significant capital activity during the year was the additions to land and construction in progress for Dayton Farms Park and Wellhead Treatment projects in 2025.

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Land | \$ 4,898,896 | \$ 3,968,450 | \$ 528,412 | \$ 113,767 | \$ 5,427,308 | \$ 4,082,217 |
| Buildings and Improvements | 6,032,340 | 6,023,409 | - | - | 6,032,340 | 6,023,409 |
| Infrastructure | 112,816,235 | 112,117,093 | - | - | 112,816,235 | 112,117,093 |
| Collection and Distribution System | - | - | 57,611,819 | 57,113,971 | 57,611,819 | 57,113,971 |
| Machinery and Equipment | 9,582,747 | 9,228,595 | 395,396 | 395,396 | 9,978,143 | 9,623,991 |
| Construction in Progress | 2,438,929 | 993,200 | 9,381,854 | 5,661,156 | 11,820,783 | 6,654,356 |
| Lease Vehicles | 403,625 | 271,173 | - | - | 403,625 | 271,173 |
| Total Capital Assets | 136,172,772 | 132,601,920 | 67,917,481 | 63,284,290 | 204,090,253 | 195,886,210 |
| Less: Accumulated Depreciation/ Amortization | (30,306,704) | (25,847,252) | (16,115,742) | (16,115,742) | (46,422,446) | (41,962,994) |
| Net Capital Assets | <u>\$ 105,866,068</u> | <u>\$ 106,754,668</u> | <u>\$ 51,801,739</u> | <u>\$ 47,168,548</u> | <u>\$ 157,667,807</u> | <u>\$ 153,923,216</u> |

Long-term Debt - At the end of the current fiscal year, the City had total bonded debt outstanding of \$16,310,000. While all of the City's bonds have revenue streams, they are all backed by the full faith and credit of the City.

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------------|-------------------------|----------------------|--------------------------|-------------------|----------------------|----------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| General Obligation Bonds, Net | \$ 16,785,284 | \$ 18,602,397 | \$ - | \$ - | \$ 16,785,284 | \$ 18,602,397 |
| PFA Notes | - | - | 177,000 | 220,000 | 177,000 | 220,000 |
| Lease Liabilities | 247,647 | 210,584 | - | - | 247,647 | 210,584 |
| Compensated Absences | 640,028 | 552,093 | 121,830 | 85,747 | 761,858 | 637,840 |
| Total | <u>\$ 17,672,959</u> | <u>\$ 19,365,074</u> | <u>\$ 298,830</u> | <u>\$ 305,747</u> | <u>\$ 17,971,789</u> | <u>\$ 19,670,821</u> |

The City's total bonded debt decreased \$1,710,000 due to regularly scheduled debt payments.

**CITY OF DAYTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025**

Economic Factors and Next Year's Budgets and Rates

The City has adopted a balanced budget for 2026. The General Fund revenue and expenditure budgets both total \$9,286,330. The general portion of the property tax levy for 2026 increased by 7.13% to \$7,122,060 while the debt service portion of the levy remained steady at \$210,000.

The City continues to emphasize the accumulation of resources for the acquisition, construction, or upgrade of the City's infrastructure, facilities, and equipment in the near future. The 2026 property tax levy includes \$2,047,000 of property tax revenue for the capital funds. The City continues to review and update the long-term capital improvement planning process to improve infrastructure, facilities, and equipment.

The City has experienced increases in tax capacity in recent years. The City attributes this improvement in the tax capacity to changes in market conditions along with increased development activity. The City anticipates continued growth in the tax capacity for the next few years.

The City's tax rate increased slightly in 2026 to 35.603% from the 2025 rate of 35.394%.

The City has experienced a much slower level of growth in residential development in 2025 than it did in 2024. The City has put the final touches together on road projects that resurfaced several miles of roads that have seen increased traffic, such as South Diamond Lake Road, 125th Avenue, and East French Lake Road. This focus on improving City streets will continue in 2026, with more Northeast Neighborhood roads being completed and completing Holly Lane, along with adding a street light to Holly Lane and Dayton Parkway. The City is continuing to develop transportation and essential services for this growing community with better planning and focus on the future of Dayton.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Zach Doud, City Administrator
City of Dayton
12260 South Diamond Lake Road
Dayton, Minnesota 55327

BASIC FINANCIAL STATEMENTS

**CITY OF DAYTON
STATEMENT OF NET POSITION
DECEMBER 31, 2025**

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|-----------------------|
| ASSETS | | | |
| Cash and Investments (Including Cash Equivalents) | \$ 29,155,032 | \$ 15,474,862 | \$ 44,629,894 |
| Taxes Receivable - Delinquent | 62,141 | - | 62,141 |
| Accounts Receivable | 509,637 | 505,229 | 1,014,866 |
| Lease Receivable | 448,303 | - | 448,303 |
| Interest Receivable | 280,808 | - | 280,808 |
| Due from Other Governments | 403,433 | 33,488 | 436,921 |
| Special Assessments Receivable | | | |
| Current | 2,428 | 94 | 2,522 |
| Delinquent | 6,487 | 4,142 | 10,629 |
| Deferred Charges | 1,739,427 | 795,480 | 2,534,907 |
| Inventories | 40,979 | - | 40,979 |
| Prepaid Items | 89,127 | 68,167 | 157,294 |
| Net Pension Asset - Fire Relief Association | 277,056 | - | 277,056 |
| Capital Assets Not Being Depreciated | | | |
| Land | 4,898,896 | 528,412 | 5,427,308 |
| Construction in Progress | 2,438,929 | 9,381,854 | 11,820,783 |
| Capital Assets (Net of Accumulated Depreciation/Amortization) | | | |
| Buildings and Improvements | 3,704,088 | - | 3,704,088 |
| Infrastructure | 88,633,579 | - | 88,633,579 |
| Collection and Distribution System | - | 41,664,804 | 41,664,804 |
| Machinery and Equipment | 5,950,783 | 226,669 | 6,177,452 |
| Lease Vehicles | 239,793 | - | 239,793 |
| Total Assets | <u>138,880,926</u> | <u>68,683,201</u> | <u>207,564,127</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Outflows of Resources Related to Pensions | <u>2,771,371</u> | <u>84,209</u> | <u>2,855,580</u> |
| Total Assets and Deferred Outflows of Resources | <u>141,652,297</u> | <u>68,767,410</u> | <u>210,419,707</u> |
| LIABILITIES | | | |
| Accounts and Contracts Payable | 5,285,365 | 380,734 | 5,666,099 |
| Due to Other Governments | 820,741 | 401,864 | 1,222,605 |
| Salaries and Benefits Payable | 304,189 | 31,766 | 335,955 |
| Interest Payable | 229,724 | 1,098 | 230,822 |
| Unearned Revenue | - | 5,881 | 5,881 |
| Bonds Payable, Net | | | |
| Payable Within One Year | 2,125,000 | - | 2,125,000 |
| Payable After One Year | 14,660,284 | - | 14,660,284 |
| Notes from Direct Borrowing | | | |
| Payable Within One Year | - | 43,000 | 43,000 |
| Payable After One Year | - | 134,000 | 134,000 |
| Compensated Absences Payable | | | |
| Payable Within One Year | 8,794 | 12,183 | 20,977 |
| Payable After One Year | 631,234 | 109,647 | 740,881 |
| Lease Liability | | | |
| Payable Within One Year | 98,762 | - | 98,762 |
| Payable After One Year | 148,885 | - | 148,885 |
| Net Pension Liability | <u>1,908,639</u> | <u>185,617</u> | <u>2,094,256</u> |
| Total Liabilities | <u>26,221,617</u> | <u>1,305,790</u> | <u>27,527,407</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Inflows of Resources Related to Pensions | <u>2,754,263</u> | <u>117,052</u> | <u>2,871,315</u> |
| Deferred Inflows of Resources Related to Lease Receivable | <u>380,909</u> | <u>-</u> | <u>380,909</u> |
| Total Deferred Inflows of Resources | <u>3,135,172</u> | <u>117,052</u> | <u>3,252,224</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 88,714,257 | 51,314,081 | 140,028,338 |
| Restricted for: | | | |
| Debt Service | 5,260,046 | - | 5,260,046 |
| Net Pension Asset - Fire Relief Association | 277,056 | - | 277,056 |
| Police Forfeitures | 13,174 | - | 13,174 |
| Park Dedication | 2,973,350 | - | 2,973,350 |
| Tax Increment | 531,960 | - | 531,960 |
| Infrastructure Replacement | - | 20,876 | 20,876 |
| Unrestricted | <u>14,525,665</u> | <u>16,009,611</u> | <u>30,535,276</u> |
| Total Net Position | <u>112,295,508</u> | <u>67,344,568</u> | <u>179,640,076</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u>\$ 141,652,297</u> | <u>\$ 68,767,410</u> | <u>\$ 210,419,707</u> |

See accompanying Notes to Basic Financial Statements.

**CITY OF DAYTON
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

| Functions/Programs | Expenses | Program Revenue | | | Net (Expense) Revenue and Changes in Net Position | | Total |
|--|----------------------|-------------------------|--|--|--|-----------------------------|-----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | |
| Governmental Activities | | | | | | | |
| General Government | \$ 1,435,711 | \$ 499,316 | \$ 87,821 | \$ - | \$ (848,574) | \$ - | \$ (848,574) |
| Public Safety | 5,568,482 | 600,856 | 411,312 | - | (4,556,314) | - | (4,556,314) |
| Public Works | 8,454,475 | 1,489,574 | 21,676 | 1,703,024 | (5,240,201) | - | (5,240,201) |
| Parks and Recreation | 1,122,989 | 1,741,047 | - | - | 618,058 | - | 618,058 |
| Economic Development | 1,235,436 | - | - | - | (1,235,436) | - | (1,235,436) |
| Interest on Long-Term Debt | 462,363 | - | - | - | (462,363) | - | (462,363) |
| Total Governmental Activities | 18,279,456 | 4,330,793 | 520,809 | 1,703,024 | (11,724,830) | - | (11,724,830) |
| Business-Type Activities | | | | | | | |
| Water | 2,855,667 | 2,129,288 | - | 6,158,267 | - | 5,431,888 | 5,431,888 |
| Sewer | 2,098,869 | 2,167,255 | - | 759,550 | - | 827,936 | 827,936 |
| Total Business-Type Activities | 4,954,536 | 4,296,543 | - | 6,917,817 | - | 6,259,824 | 6,259,824 |
| Total Governmental and Business-Type Activities | \$ 23,233,992 | \$ 8,627,336 | \$ 520,809 | \$ 8,620,841 | (11,724,830) | 6,259,824 | (5,465,006) |
| General Revenues | | | | | | | |
| Property Taxes | | | | | 8,674,819 | - | 8,674,819 |
| Franchise Fees | | | | | 593,347 | - | 593,347 |
| Tax Increments | | | | | 2,049,699 | - | 2,049,699 |
| State Aids | | | | | 17,860 | - | 17,860 |
| Unrestricted Investment Earnings | | | | | 1,068,761 | 694,305 | 1,763,066 |
| Other General Revenue | | | | | 1,069,967 | - | 1,069,967 |
| Gain on Sale of Capital Assets | | | | | 116,392 | - | 116,392 |
| Transfers | | | | | 935,250 | (935,250) | - |
| Total General Revenues and Transfers | | | | | 14,526,095 | (240,945) | 14,285,150 |
| Change in Net Position | | | | | 2,801,265 | 6,018,879 | 8,820,144 |
| Net Position - Beginning | | | | | 109,494,243 | 61,325,689 | 170,819,932 |
| Net Position - End of Year | | | | | \$ 112,295,508 | \$ 67,344,568 | \$ 179,640,076 |

See accompanying Notes to Basic Financial Statements.

**CITY OF DAYTON
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

| | General Fund (101) | EDA (225) | Capital Projects | | | Other Governmental Funds | Total Governmental Funds |
|--|-----------------------|-------------------|-----------------------------------|---|-------------------------------------|--------------------------------|--------------------------------|
| | | | Developer Escrow Fund (411) | Pavement Management and Improvements Fund (414) | Landscaping Escrow Fund (420) | | |
| ASSETS | | | | | | | |
| Cash and Investments | \$ 3,422,545 | \$ 872,952 | \$ 3,323,226 | \$ 3,609,613 | \$ 1,104,000 | \$ 16,822,696 | \$ 29,155,032 |
| Receivables | | | | | | | |
| Taxes Receivable - Delinquent | 62,141 | - | - | - | - | - | 62,141 |
| Accounts Receivable | 51,957 | 125 | 304,794 | 141,635 | - | 11,126 | 509,637 |
| Lease Receivable | 448,303 | - | - | - | - | - | 448,303 |
| Interest Receivable | 279,808 | - | - | - | - | 1,000 | 280,808 |
| Due from Other Governments | 42,803 | - | - | 356,146 | - | 4,484 | 403,433 |
| Special Assessments Receivable | | | | | | | |
| Current | - | - | - | - | - | 2,428 | 2,428 |
| Delinquent | - | - | - | - | - | 6,487 | 6,487 |
| Deferred Charges | 1,435 | - | - | - | - | 1,737,992 | 1,739,427 |
| Due from Other Funds | - | - | - | - | - | 765,065 | 765,065 |
| Inventories | 40,979 | - | - | - | - | - | 40,979 |
| Prepaid Items | 89,127 | - | - | - | - | - | 89,127 |
| Total Assets | <u>\$ 4,439,098</u> | <u>\$ 873,077</u> | <u>\$ 3,628,020</u> | <u>\$ 4,107,394</u> | <u>\$ 1,104,000</u> | <u>\$ 19,351,278</u> | <u>\$ 33,502,867</u> |
| LIABILITIES | | | | | | | |
| Accounts and Contracts Payable | \$ 321,450 | \$ 1,000 | \$ 3,581,015 | \$ 53,723 | \$ 1,104,000 | \$ 225,177 | \$ 5,286,365 |
| Due to Other Funds | - | 300,000 | - | - | - | 465,065 | 765,065 |
| Due to Other Governments | 38,961 | 775,128 | - | - | - | 6,652 | 820,741 |
| Salaries and Benefits Payable | 304,189 | - | - | - | - | - | 304,189 |
| Total Liabilities | <u>664,600</u> | <u>1,076,128</u> | <u>3,581,015</u> | <u>53,723</u> | <u>1,104,000</u> | <u>696,894</u> | <u>7,176,360</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable Revenue - Property Taxes | 62,141 | - | - | 325,947 | - | - | 388,088 |
| Deferred Inflow Related to Lease Receivable | 380,909 | - | - | - | - | - | 380,909 |
| Unavailable Revenue - Special Assessments | 1,435 | - | - | - | - | 1,744,479 | 1,745,914 |
| Total Deferred Inflows of Resources | <u>444,485</u> | <u>-</u> | <u>-</u> | <u>325,947</u> | <u>-</u> | <u>1,744,479</u> | <u>2,514,911</u> |
| FUND BALANCES | | | | | | | |
| Nonspendable | 130,106 | - | - | - | - | - | 130,106 |
| Restricted | - | - | - | - | - | 7,143,895 | 7,143,895 |
| Committed | - | - | - | - | - | 556,076 | 556,076 |
| Assigned | - | - | 47,005 | 3,727,724 | - | 9,707,999 | 13,482,728 |
| Unassigned | 3,199,907 | (203,051) | - | - | - | (498,065) | 2,498,791 |
| Total Fund Balances | <u>3,330,013</u> | <u>(203,051)</u> | <u>47,005</u> | <u>3,727,724</u> | <u>-</u> | <u>16,909,905</u> | <u>23,811,596</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 4,439,098</u> | <u>\$ 873,077</u> | <u>\$ 3,628,020</u> | <u>\$ 4,107,394</u> | <u>\$ 1,104,000</u> | <u>\$ 19,351,278</u> | <u>\$ 33,502,867</u> |

See accompanying Notes to Basic Financial Statements.

**CITY OF DAYTON
RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

Total Fund Balances - Governmental Funds \$ 23,811,596

Amounts Reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.

| | |
|-------------------------------|--------------|
| Cost of Capital Assets | 135,769,147 |
| Less Accumulated Depreciation | (30,142,872) |
| Cost of Lease Assets | 403,625 |
| Less Accumulated Amortization | (163,832) |

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Long-term liabilities at year-end consist of:

| | |
|------------------------------|--------------|
| Bonds Payable | (16,310,000) |
| Unamortized Bond Premium | (475,284) |
| Lease Liability | (247,647) |
| Compensated Absences Payable | (640,028) |
| Net Pension Liability | (1,908,639) |

Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds.

| | |
|--|-------------|
| Deferred Inflows of Resources Related to Pensions | (2,754,263) |
| Deferred Outflows of Resources Related to Pensions | 2,771,371 |

Fire Relief Association net pension asset created through contributions to a defined benefit pension plan which is not recognized in the governmental funds.

277,056

Delinquent receivables will be collected in subsequent years, but are not available soon enough pay for the current period's expenditures and, therefore, are deferred in the funds.

| | |
|---|-----------|
| Delinquent Taxes and Special Assessments Receivable | 2,134,002 |
|---|-----------|

Governmental funds do not report a liability for accrued interest due and payable.

(228,724)

Total Net Position - Governmental Activities

\$ 112,295,508

CITY OF DAYTON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

| | Capital Projects | | | | | | | Total Governmental Funds |
|--|-----------------------|---------------------|------------------------------------|-----------------------------------|---|-------------------------------------|--------------------------------|--------------------------------|
| | General Fund (101) | EDA (225) | Capital Equipment Fund (401) | Developer Escrow Fund (411) | Pavement Management and Improvements Fund (414) | Landscaping Escrow Fund (420) | Other Governmental Funds | |
| REVENUES | | | | | | | | |
| Property Taxes | \$ 6,398,662 | \$ - | \$ - | \$ - | \$ 800,000 | \$ - | \$ 1,495,000 | \$ 8,693,662 |
| Tax Increments | - | - | - | - | - | - | 2,049,699 | 2,049,699 |
| Franchise Fees | - | - | - | - | 593,347 | - | - | 593,347 |
| Special Assessments | - | - | - | - | - | - | 434,551 | 434,551 |
| Licenses and Permits | 680,332 | - | - | - | - | - | 89,148 | 769,480 |
| Intergovernmental | 661,387 | - | - | - | 1,061,421 | - | 2,678,547 | 4,401,355 |
| Charges for Services | 428,706 | - | - | - | 513,233 | - | - | 941,939 |
| Fines and Forfeitures | 29,546 | - | - | - | - | - | 429 | 29,975 |
| Miscellaneous | | | | | | | | |
| Investment Income | 116,672 | 27,055 | - | - | 155,781 | - | 769,253 | 1,068,761 |
| Contributions and Donations | 65,410 | - | - | - | - | - | 34,532 | 99,942 |
| Other | 133,177 | 800 | - | 754,741 | - | - | 81,307 | 970,025 |
| Total Revenues | <u>8,513,892</u> | <u>27,855</u> | <u>-</u> | <u>754,741</u> | <u>3,123,782</u> | <u>-</u> | <u>7,632,466</u> | <u>20,052,736</u> |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| General Government | 1,285,422 | - | - | - | 3,071 | - | 33,651 | 1,322,144 |
| Public Safety | 5,005,512 | - | - | - | - | - | - | 5,005,512 |
| Public Works | 1,568,486 | - | - | 26,076 | 1,620,271 | - | - | 3,214,833 |
| Parks and Recreation | 568,056 | - | - | - | - | - | 93,824 | 661,880 |
| Economic Development | - | 76,531 | - | - | - | - | 1,150,838 | 1,227,369 |
| Debt Service | | | | | | | | |
| Principal | - | - | - | - | - | - | 1,805,389 | 1,805,389 |
| Interest and Other Charges | - | 1,000 | - | - | - | - | 590,553 | 591,553 |
| Capital Outlay | | | | | | | | |
| General Government | 14,892 | - | - | - | - | - | 63,795 | 78,687 |
| Public Safety | 18,970 | - | - | - | - | - | 474,413 | 493,383 |
| Public Works | 77,550 | - | - | 707,881 | 431,688 | - | 639,587 | 1,856,706 |
| Parks and Recreation | 19,495 | - | - | - | - | - | 2,171,410 | 2,190,905 |
| Economic Development | - | 918,431 | - | - | - | - | - | 918,431 |
| Total Expenditures | <u>8,558,383</u> | <u>995,962</u> | <u>-</u> | <u>733,957</u> | <u>2,055,030</u> | <u>-</u> | <u>7,023,460</u> | <u>19,366,792</u> |
| Excess of Revenues Over (Under) Expenditures | (44,491) | (968,107) | - | 20,784 | 1,068,752 | - | 609,006 | 685,944 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Proceeds from Sale of Capital Asset | 2,392 | 89,000 | - | - | - | - | 25,000 | 116,392 |
| Lease Issuance | - | - | - | - | - | - | 132,452 | 132,452 |
| Transfers In | 156,369 | - | - | - | - | - | 1,034,331 | 1,190,700 |
| Transfers Out | - | - | - | - | - | - | (255,450) | (255,450) |
| Total Other Financing Sources (Uses) | <u>158,761</u> | <u>89,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>936,333</u> | <u>1,184,094</u> |
| Net Change in Fund Balances | 114,270 | (879,107) | - | 20,784 | 1,068,752 | - | 1,545,339 | 1,870,038 |
| FUND BALANCES | | | | | | | | |
| Beginning of Year | 3,215,743 | - | (665,084) | 26,221 | - | - | 19,364,678 | 21,941,558 |
| Changes to or within Financial Reporting Entity - See Note 13 | - | 676,056 | 665,084 | - | 2,658,972 | - | (4,000,112) | - |
| Fund Balances - Beginning, As Adjusted | <u>3,215,743</u> | <u>676,056</u> | <u>-</u> | <u>26,221</u> | <u>2,658,972</u> | <u>-</u> | <u>15,364,566</u> | <u>21,941,558</u> |
| End of Year | <u>\$ 3,330,013</u> | <u>\$ (203,051)</u> | <u>\$ -</u> | <u>\$ 47,005</u> | <u>\$ 3,727,724</u> | <u>\$ -</u> | <u>\$ 16,909,905</u> | <u>\$ 23,811,596</u> |

See accompanying Notes to Basic Financial Statements.

CITY OF DAYTON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Governmental Funds \$ 1,870,038

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

| | |
|----------------------|-------------|
| Capital Outlays | 3,600,660 |
| Depreciation Expense | (4,525,883) |
| Lease Asset Outlays | 132,452 |
| Amortization Expense | (95,829) |

Compensated absences are recognized as paid in the governmental funds, but recognized as the expense is incurred in the Statement of Activities. (87,935)

Governmental funds recognized pension contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to pensions on a full accrual perspective.

| | |
|--------------------------------------|---------|
| Pension Expense | 24,899 |
| State Aid Related to Pension Expense | 117,825 |

Principal payments on long-term debt are recognized as expenditures in the governmental funds, but have no effect on net position in the Statement of Activities. 1,805,389

Governmental funds report the effects of bond discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. 107,113

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus, requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 20,657

Proceeds from long-term debt are recognized as an other financing source in the governmental funds, but have no effect on net position in the Statement of Activities.
 Lease Liability Issued (132,452)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds until measurable and available.

| | |
|--|-----------|
| Deferred Taxes and Special Assessments | (361,616) |
| Deferred State Aid Grants | 325,947 |

Change in Net Position - Governmental Activities \$ 2,801,265

CITY OF DAYTON
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
DECEMBER 31, 2025

| | <u>Water (601)</u> | <u>Sewer (602)</u> | <u>Total</u> |
|--|----------------------|----------------------|----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | \$ 10,841,785 | \$ 4,633,077 | \$ 15,474,862 |
| Accounts Receivable | 242,457 | 262,772 | 505,229 |
| Special Assessments Receivable | 43,502 | 756,214 | 799,716 |
| Due from Other Governments | 9,138 | 24,350 | 33,488 |
| Prepaid Expenses | 5,232 | 62,935 | 68,167 |
| Total Current Assets | <u>11,142,114</u> | <u>5,739,348</u> | <u>16,881,462</u> |
| Noncurrent Assets | | | |
| Capital Assets | | | |
| Land | 528,412 | - | 528,412 |
| Collection and Distribution System | 28,264,030 | 29,347,789 | 57,611,819 |
| Machinery and Equipment | 61,282 | 334,114 | 395,396 |
| Construction in Progress | 9,164,817 | 217,037 | 9,381,854 |
| Total Capital Assets | <u>38,018,541</u> | <u>29,898,940</u> | <u>67,917,481</u> |
| Less: Accumulated Depreciation | <u>(7,504,214)</u> | <u>(8,611,528)</u> | <u>(16,115,742)</u> |
| Net Capital Assets | <u>30,514,327</u> | <u>21,287,412</u> | <u>51,801,739</u> |
| Total Assets | 41,656,441 | 27,026,760 | 68,683,201 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Outflows of Resources Related to Pensions | <u>43,270</u> | <u>40,939</u> | <u>84,209</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 41,699,711</u> | <u>\$ 27,067,699</u> | <u>\$ 68,767,410</u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts Payable | \$ 346,929 | \$ 33,805 | \$ 380,734 |
| Salaries and Benefits Payable | 16,476 | 15,290 | 31,766 |
| Due to Other Governments | 295,401 | 106,463 | 401,864 |
| Accrued Interest Payable | 1,098 | - | 1,098 |
| Current Compensated Absences | 6,153 | 6,030 | 12,183 |
| Unearned Revenue | 5,881 | - | 5,881 |
| Current Maturities of Notes from Direct Borrowing | 43,000 | - | 43,000 |
| Total Current Liabilities | <u>714,938</u> | <u>161,588</u> | <u>876,526</u> |
| Noncurrent Liabilities | | | |
| Compensated Absences | 55,375 | 54,272 | 109,647 |
| Notes from Direct Borrowing | 134,000 | - | 134,000 |
| Net Pension Liability | 95,377 | 90,240 | 185,617 |
| Total Noncurrent Liabilities | <u>284,752</u> | <u>144,512</u> | <u>429,264</u> |
| Total Liabilities | 999,690 | 306,100 | 1,305,790 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Inflows of Resources Related to Pensions | <u>60,146</u> | <u>56,906</u> | <u>117,052</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 30,026,669 | 21,287,412 | 51,314,081 |
| Restricted for Infrastructure Replacement | - | 20,876 | 20,876 |
| Unrestricted | <u>10,613,206</u> | <u>5,396,405</u> | <u>16,009,611</u> |
| Total Net Position | <u>40,639,875</u> | <u>26,704,693</u> | <u>67,344,568</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u>\$ 41,699,711</u> | <u>\$ 27,067,699</u> | <u>\$ 68,767,410</u> |

See accompanying Notes to Basic Financial Statements.

CITY OF DAYTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION –
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

| | Water (601) | Sewer (602) | Total |
|---|----------------------|----------------------|----------------------|
| OPERATING REVENUES | | | |
| Charges for Services | \$ 2,037,814 | \$ 2,138,596 | \$ 4,176,410 |
| Permits, Hookup Fees, and Penalties | 75,317 | 11,908 | 87,225 |
| Other Charges | 16,157 | 16,751 | 32,908 |
| Total Operating Revenues | <u>2,129,288</u> | <u>2,167,255</u> | <u>4,296,543</u> |
| OPERATING EXPENSES | | | |
| Wages and Salaries | 257,160 | 243,040 | 500,200 |
| Employee Benefits | 118,878 | 111,745 | 230,623 |
| Materials and Supplies | 329,966 | 7,852 | 337,818 |
| Repairs and Maintenance | 320,106 | 14,697 | 334,803 |
| Contracted Services | 219,718 | 788,772 | 1,008,490 |
| Administrative Services | 757 | - | 757 |
| Utilities | 534,219 | 10,969 | 545,188 |
| Depreciation | 838,614 | 907,857 | 1,746,471 |
| Miscellaneous | 11,512 | 13,937 | 25,449 |
| Total Operating Expenses | <u>2,630,930</u> | <u>2,098,869</u> | <u>4,729,799</u> |
| Operating Income (Loss) | (501,642) | 68,386 | (433,256) |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Investment Income | 480,562 | 213,743 | 694,305 |
| Connection Charges | 2,174,516 | 759,550 | 2,934,066 |
| Intergovernmental | 3,983,751 | - | 3,983,751 |
| Interest and Fiscal Charges | (224,737) | - | (224,737) |
| Total Nonoperating Revenues (Expenses) | <u>6,414,092</u> | <u>973,293</u> | <u>7,387,385</u> |
| Income Before Transfers | 5,912,450 | 1,041,679 | 6,954,129 |
| Transfers Out | (672,900) | (262,350) | (935,250) |
| Change in Net Position | 5,239,550 | 779,329 | 6,018,879 |
| NET POSITION | | | |
| Beginning of Year | <u>35,400,325</u> | <u>25,925,364</u> | <u>61,325,689</u> |
| End of Year | <u>\$ 40,639,875</u> | <u>\$ 26,704,693</u> | <u>\$ 67,344,568</u> |

See accompanying Notes to Basic Financial Statements.

CITY OF DAYTON
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

| | Water (601) | Sewer (602) | Total |
|---|---------------|--------------|---------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from Customers and Users | \$ 2,126,553 | \$ 1,439,805 | \$ 3,566,358 |
| Payments to Suppliers | (1,898,086) | (896,565) | (2,794,651) |
| Payments to Employees | (332,541) | (311,963) | (644,504) |
| Net Cash Provided (Used) by Operating Activities | (104,074) | 231,277 | 127,203 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfer to Other Funds | (672,900) | (262,350) | (935,250) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Connection Charges | 2,174,516 | 759,550 | 2,934,066 |
| Capital Grants and Contributions | 3,983,751 | - | 3,983,751 |
| Acquisition of Capital Assets | (4,384,241) | (127,698) | (4,511,939) |
| Principal Paid on Notes from Direct Borrowing | (43,000) | - | (43,000) |
| Interest Paid on Notes from Direct Borrowing | (3,639) | - | (3,639) |
| Net Cash Provided by Capital and Related Financing Activities | 1,727,387 | 631,852 | 2,359,239 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Investment Income | 480,562 | 213,743 | 694,305 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 1,430,975 | 814,522 | 2,245,497 |
| Cash and Cash Equivalents - Beginning of Year | 9,410,810 | 3,818,555 | 13,229,365 |
| CASH AND CASH EQUIVALENTS - END OF YEAR | \$ 10,841,785 | \$ 4,633,077 | \$ 15,474,862 |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | | |
| Operating Income (Loss) | \$ (501,642) | \$ 68,386 | \$ (433,256) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities | | | |
| Unearned Revenue | 17 | - | 17 |
| Depreciation Expense | 838,614 | 907,857 | 1,746,471 |
| Net Pension Expense | 23,198 | 23,297 | 46,495 |
| Accounts Receivable | 744 | (32,831) | (32,087) |
| Special Assessments Receivable | (3,496) | (694,619) | (698,115) |
| Due from Other Governments | (1,788) | (1,928) | (3,716) |
| Prepaid Items | (127) | (8,301) | (8,428) |
| Accounts Payable | (525,147) | 10,647 | (514,500) |
| Due to Other Governments | 45,254 | (60,756) | (15,502) |
| Salaries Payable | 1,941 | 1,800 | 3,741 |
| Compensated Absences Payable | 18,358 | 17,725 | 36,083 |
| Total Adjustments | 397,568 | 162,891 | 560,459 |
| Net Cash Provided (Used) by Operating Activities | \$ (104,074) | \$ 231,277 | \$ 127,203 |
| NONCASH CAPITAL ACTIVITIES | | | |
| Capital Assets on Account | \$ 310,658 | \$ - | \$ 310,658 |

See accompanying Notes to Basic Financial Statements.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Dayton (City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

A. Reporting Entity

The City of Dayton is a statutory city governed by an elected mayor and four council members. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

1. Blended Component Unit

The Dayton Economic Development Authority (EDA) is a legal entity separate from the City; however, the EDA is reported as if it were part of the primary government because the EDA Board is the same as the City Council and the City can impose its will on the EDA.

The activity of the EDA is shown in the EDA Special Revenue Fund. No separate financial statements are issued for the EDA.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated revenues are reported as general revenues rather than program revenues.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the City's enterprise fund and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current period. However, revenues related to grants are considered to be available within 12 months of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Description of Funds

The fund financial statements provide information about the City's funds, including its blended component units. Separate statements for each fund category—governmental and proprietary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds in separate columns in the fund financial statements.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Description of Funds (Continued)

Major Governmental Funds

General Fund – This fund is the City’s primary operating fund. It accounts for all financial resources of the general City, except those accounted for in another fund.

EDA Fund – This fund accounts for the financial resources of the City’s Economic Development Authority, which is legally separate but reported as part of the City. It accounts for activities related to economic development.

Developer Escrow Fund – This fund accounts for the resources accumulated related to developer escrows.

Pavement and Management Improvements Fund – This fund accounts for the resources accumulated and expenditures incurred for pavement and management improvement projects.

Landscaping Escrow Fund – This fund accounts for the resources accumulated related to landscaping escrows.

Major Proprietary Funds

Water Fund – This fund accounts for the operations of the City’s water utility.

Sewer Fund – This fund accounts for the operations of the City’s sewer utility.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City’s utility functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

1. Deposits and Investments

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the individual funds based on the average month-end cash and investment balances.

The City's cash and cash equivalents are considered to be cash on hand, certificates of deposit, municipal bonds, government securities, brokered certificates of deposit, and brokered money markets.

Minnesota Statutes authorizes the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days and in the Minnesota Municipal Investment Pool.

Certain investments for the City are reported at fair value as disclosed in Note 3. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

2. Receivables and Payables

All trade and property tax receivables are shown at a gross amount since both are assessable to the property taxes and are collectible upon the sale of the property.

The City levies its property tax for the subsequent year during the month of December. December 28 is the last day the City can certify a tax levy to the County Auditors for collection the following year. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. The property tax is recorded as revenue when it becomes measurable and available. Hennepin County and Wright County are the collecting agencies for the levy and remit the collections to the City three times a year. The tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Taxes not collected as of December 31 each year are shown as delinquent taxes receivable.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

The County Auditors prepare the tax lists for all taxable property in the City, applying the applicable tax rate to the tax capacity of individual properties, to arrive at the actual tax for each property. The County Auditors also collect all special assessments, except for certain prepayments paid directly to the City.

The County Auditors submit the lists of taxes and special assessments to be collected on each parcel of property to the County Treasurers in January of each year.

3. Inventory and Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption.

Inventory is valued at cost using the first in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations that have initial useful lives in excess of five-years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Capitalization thresholds by asset class are:

| | |
|--|-----------|
| • Land | \$50,000 |
| • Building and building improvements | \$100,000 |
| • Improvement other than buildings | \$75,000 |
| • Machinery and equipment | \$25,000 |
| • Infrastructure and improvements | \$150,000 |
| • All other assets (and intangible assets) | \$25,000 |
| • Group asset purchases | \$150,000 |

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

4. Capital Assets (Continued)

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|-------------------------|----------|
| Buildings | 20 to 35 |
| Improvements | 10 to 35 |
| Infrastructure | 20 to 35 |
| Utilities | 25 |
| Machinery and Equipment | 4 to 20 |
| Vehicles | 4 to 20 |

Right-to-use lease assets are initially measured at the net present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Useful lives vary from 3 to 5 years for right-to-use lease assets.

5. Leases

The City determines if an arrangement is a lease at inception. Lessor leases are included in lease receivables and deferred inflow of resources in the statement of net position and fund financial statements.

Lease receivables represent the City's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The individual lease contracts do not always provide information about the discount rate implicit in the lease. Therefore, the City has elected to use their incremental borrowing rate to calculate the present value of expected lease payments when it is not explicitly stated in the contract.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

5. Leases (Continued)

The City accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the City treats the components as a single lease unit.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City presents deferred outflows of resources on the Statement of Net Position for deferred outflows of resources related to pensions for various estimate differences that will be amortized and recognized over future years.

In addition to liabilities, the statement of financial position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. The City presents deferred inflows of resources on the Governmental Fund Balance Sheet as unavailable revenue. The governmental funds report unavailable revenues from three sources: property taxes, special assessments, and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City presents deferred inflows of resources on the Statement of Net Position for deferred inflows of resources related to grant revenue that are not yet available and pensions for various estimate differences that will be amortized and recognized over future years. Deferred inflows of resources related to lease receivable is reported in both the government wide Statement of Net Position and the Governmental Funds Balance Sheet.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

7. Compensated Absences

The City compensates employees who resign or retire in good standing for all unused vacation.

Sick leave may be accumulated and banked to a maximum of 960 hours for full-time employees. Employees are allowed to put a portion of their monthly accrual toward their short and long-term disability insurance, which is required by the City. An employee leaving employment voluntarily, with five or more years of continuous service with the City and leaving on good standing, will be paid at the base rate of pay, a half or one-third of the accumulated sick leave hours into a post-retirement health care savings fund, depending on the employee's union or negotiated contract. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bond.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

9. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the relief association and additions to/deductions from PERA's and the relief association's fiduciary net position have been determined on the same basis as they are reported by PERA and the relief association except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Fund Balance

a. Classification

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

- **Nonspendable Fund Balances** – These are amounts that cannot be spent because they are not in spendable form.
- **Restricted Fund Balances** – These are amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through enabling legislation.
- **Committed Fund Balances** – These are amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council (highest level of decision making authority) through resolution. Committed balances can only be removed or changed through council resolution.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

11. Fund Balance (Continued)

a. Classification (Continued)

- Assigned Fund Balances – These are amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the City Administrator based on the City Council’s direction.
- Unassigned Fund Balances – These are residual amounts in the General Fund not reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted and committed fund balances exceed the total net resources of that fund.

When both restricted and unrestricted resources are available for use, it is the City’s policy to first use restricted resources and then use unrestricted resources as they are needed.

When committed, assigned, or unassigned resources are available for use, it is the City’s policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

b. Minimum Fund Balance

The City’s target General Fund balance is to maintain 40% of the subsequent year’s budgeted expenditures.

12. Net Position

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statement when there are limitations on use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (Continued)

13. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

E. Budgetary Information

1. In August of each year, City staff submits to the City Council a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution after obtaining taxpayer comments.
4. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Expenditures may not legally exceed budgeted appropriations at the department level. No fund's budget can be increased without City Council approval. The City Council may authorize transfer of budgeted amounts between departments within any fund. Management may amend budgets within a department level, so long as the total department budget is not changed.
6. The annual appropriated budget is adopted during the year for the General Fund. Annual appropriated budgets are not adopted for Debt Service Funds because effective budgetary control is alternatively achieved through bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project controls and formal appropriated budgets are not adopted.
7. Budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original amounts budgeted. Budgeted expenditure appropriations lapse at year-end.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance

The following Funds had a deficit fund balance at December 31, 2025:

| | |
|------------------------|------------|
| Capital Equipment Fund | \$ 436,158 |
| EDA | 203,051 |
| Park Capital Equipment | 58,907 |
| ROW Escrow Fund | 3,000 |

NOTE 3 DEPOSITS AND INVESTMENTS

Cash balances of the City’s funds are combined (pooled) and invested to the extent available in various investments authorized by *Minnesota Statutes*. Each fund’s portion of this pool (or pools) is displayed in the financial statements as “cash and cash equivalents” or “investments.” For purposes of identifying risk of investing public funds, the balances and related restrictions are summarized as follows.

A. Deposits

Custodial Credit Risk – Deposits: This is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City has a policy in place to address custodial credit risk for deposits, stating all deposits will be insured or collateralized in accordance with *Minnesota Statutes* § 118A. As of December 31, 2025, the City’s bank balance was not exposed to custodial credit risk as the amount was insured through FDIC insurance and secured with pledged collateral.

As of December 31, 2025, the City’s book balance for deposits was \$3,837,429.

B. Investments

As of December 31, 2025, the City had the following investments:

| Investment Type | Fair Value | Investment Maturities | | | |
|----------------------------------|----------------------|-----------------------|----------------------|---------------------|----------------------|
| | | Less than One Year | 1 to 3 Years | 3 to 5 Years | Greater than 5 Years |
| Municipal Bonds | \$ 13,457,316 | \$ 6,629,770 | \$ 6,827,546 | \$ - | \$ - |
| Government Securities | 11,994,165 | 3,526,661 | 3,112,195 | 5,355,309 | - |
| Brokered Certificates of Deposit | 3,179,470 | 1,697,931 | 1,481,539 | - | - |
| Corporate Securities | 4,645,893 | 2,176,914 | 2,220,218 | 248,761 | - |
| Brokered Money Market Account | 7,515,621 | 7,515,621 | - | - | - |
| Total | <u>\$ 40,792,465</u> | <u>\$ 21,546,897</u> | <u>\$ 13,641,498</u> | <u>\$ 5,604,070</u> | <u>\$ -</u> |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of an investment in a single issuer. The City’s investment policy states the City will attempt to diversify its investments according to type and maturity. As of December 31, 2025, the no individual securities exceeded 5% of total investments.

Custodial Credit Risk - Investments: This is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s investment policy states all financial institutions and broker/dealers qualified for investment transactions with the City must comply with *Minnesota Statutes* § 118A. The policy further states all investment securities will be held by brokers only to the extent SIPC and excess SIPC coverage is available. The City’s investments held by the broker-dealer were insured by Securities Investor Protection Corporation (SIPC) or other supplemental insurance as of December 31, 2025. However, each investment brokerage firm may have a limit to their supplemental insurance and because of the size of the City’s portfolio in relation to the brokerage firm’s excess SIPC coverage limits, the portion of the supplemental policy applicable to the City’s portfolio is unknown. The City accepts the risk due to the controls in place at the broker-dealer.

Interest Rate Risk: This is the risk that market values of securities in a portfolio would decrease due to changes in market interest rates. The City’s investment policy states the City will minimize interest rate risk by diversifying their portfolio according to type and maturity and as much as possible, contain both short-term and long-term investments.

The City has the following recurring fair value measurements as of December 31, 2025:

- \$5,387,414 of investments are valued using a quoted market prices (Level 1 inputs).
- \$35,405,050 of investments are valued using a matrix pricing model (Level 2 inputs).

The following is a summary of total deposits and investments at December 31, 2025:

| | |
|--------------------------------|---------------|
| Deposits | \$ 3,837,429 |
| Investments | 40,792,465 |
| Total Deposits and Investments | \$ 44,629,894 |

Deposits and investments are presented in the December 31, 2025 basic financial statements as follows:

| | |
|---|---------------|
| Statement of Net Position | |
| Cash and Investments (Including Cash Equivalents) | \$ 44,629,894 |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 4 INTERFUND ACTIVITY

A. Transfers

The transfers were done to fund revolving capital project funds, and to subsidize operations.

| | Transfer In | Transfer Out |
|--------------------------|--------------|--------------|
| Governmental Funds: | | |
| General Fund | \$ 156,369 | \$ - |
| Other Governmental Funds | 1,034,331 | 255,450 |
| Total Governmental Funds | 1,190,700 | 255,450 |
| Proprietary Funds: | | |
| Water | - | 672,900 |
| Sewer | - | 262,350 |
| Total Proprietary Funds | - | 935,250 |
| Total | \$ 1,190,700 | \$ 1,190,700 |

B. Interfund Balances

The following amounts are due from other funds to cover temporary deficit cash balances and internal financing of projects:

| | Due to Other Funds | | Total |
|--------------------------|------------------------------|--------------------------------|------------|
| | Capital Equipment Fund | Other Governmental Funds | |
| Due from Other Funds | | | |
| Other Governmental Funds | \$ - | \$ 765,065 | \$ 765,065 |

CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|-----------------------|---------------------|---------------------|-----------------------|
| Governmental Activities | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | \$ 3,968,450 | \$ 930,446 | \$ - | \$ 4,898,896 |
| Construction in Progress | 993,200 | 2,304,915 | (859,186) | 2,438,929 |
| Total Capital Assets Not Being Depreciated | <u>4,961,650</u> | <u>3,235,361</u> | <u>(859,186)</u> | <u>7,337,825</u> |
| Other Capital Assets | | | | |
| Buildings and Improvements | 6,023,409 | 8,931 | - | 6,032,340 |
| Infrastructure | 112,117,093 | 699,142 | - | 112,816,235 |
| Machinery and Equipment | 9,228,595 | 516,412 | (162,260) | 9,582,747 |
| Lease Vehicles | 271,173 | 132,452 | - | 403,625 |
| Total Other Capital Assets | <u>127,640,270</u> | <u>1,356,937</u> | <u>(162,260)</u> | <u>128,834,947</u> |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | 2,146,533 | 181,719 | - | 2,328,252 |
| Infrastructure | 20,480,293 | 3,702,363 | - | 24,182,656 |
| Machinery and Equipment | 3,152,423 | 641,801 | (162,260) | 3,631,964 |
| Less Accumulated Amortization for: | | | | |
| Lease Vehicles | 68,003 | 95,829 | - | 163,832 |
| Total Accumulated Depreciation and Amortization | <u>25,847,252</u> | <u>4,621,712</u> | <u>(162,260)</u> | <u>30,306,704</u> |
| Total Other Capital Assets, Net | <u>101,793,018</u> | <u>(3,264,775)</u> | <u>-</u> | <u>98,528,243</u> |
| Governmental Activities | | | | |
| Capital Assets, Net | <u>\$ 106,754,668</u> | <u>\$ (29,414)</u> | <u>\$ (859,186)</u> | <u>\$ 105,866,068</u> |
| Business-Type Activities | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | \$ 113,767 | \$ 414,645 | \$ - | \$ 528,412 |
| Construction in Progress | 5,661,156 | 4,103,681 | (382,983) | 9,381,854 |
| Total Capital Assets Not Being Depreciated | <u>5,774,923</u> | <u>4,518,326</u> | <u>(382,983)</u> | <u>9,910,266</u> |
| Other Capital Assets | | | | |
| Collection and Distribution System | 57,113,971 | 497,848 | - | 57,611,819 |
| Machinery and Equipment | 395,396 | - | - | 395,396 |
| Total Other Capital Assets | <u>57,509,367</u> | <u>497,848</u> | <u>-</u> | <u>58,007,215</u> |
| Less Accumulated Depreciation for: | | | | |
| Collection and Distribution System | 14,229,081 | 1,717,934 | - | 15,947,015 |
| Machinery and Equipment | 140,190 | 28,537 | - | 168,727 |
| Total Accumulated Depreciation | <u>14,369,271</u> | <u>1,746,471</u> | <u>-</u> | <u>16,115,742</u> |
| Total Other Capital Assets, Net | <u>43,140,096</u> | <u>(1,248,623)</u> | <u>-</u> | <u>41,891,473</u> |
| Business-Type Activities | | | | |
| Capital Assets, Net | <u>\$ 48,915,019</u> | <u>\$ 3,269,703</u> | <u>\$ (382,983)</u> | <u>\$ 51,801,739</u> |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions/programs of the City as follows:

| | |
|---|---------------------|
| Governmental Activities | |
| General Government | \$ 58,430 |
| Public Safety | 416,652 |
| Public Works | 3,923,919 |
| Parks and Recreation | 222,711 |
| Total Depreciation and Amortization Expense - Governmental Activities | <u>\$ 4,621,712</u> |
| Business-Type Activities | |
| Water | \$ 838,614 |
| Sewer | 907,857 |
| Total Depreciation Expense - Business-Type Activities | <u>\$ 1,746,471</u> |

NOTE 6 LEASE RECEIVABLE

The City entered into a cell tower lease with New Cingular Wireless PCS, LLC. This lease was entered into in 2013 and will expire in 2033. During the year ended December 31, 2025 the City recognized \$29,875 and \$17,550 in lease revenue and interest revenue, respectively, pursuant to these contracts. The lease payment in 2025 was \$33,300 and will increase 4% annually. The interest rate applicable to this lease is 4%.

Total future minimum lease payments to be received under lease agreements are as follows:

| <u>Year Ending December 31,</u> | <u>Long-Term Leases Receivable</u> | |
|---------------------------------|------------------------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2026 | \$ 17,779 | \$ 16,854 |
| 2027 | 19,945 | 16,073 |
| 2028 | 22,257 | 15,201 |
| 2029 | 24,723 | 14,234 |
| 2030 | 27,352 | 13,163 |
| 2031-2035 | 182,562 | 45,658 |
| 2036-2038 | 153,685 | 6,343 |
| Total | <u>\$ 448,303</u> | <u>\$ 127,526</u> |

CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 7 LONG-TERM DEBT

A. Components of Long-Term Liabilities

| | Issue Date | Interest Rates | Original Issue | Final Maturity | Principal Outstanding | Due Within One Year |
|---------------------------------|---------------|-------------------|-------------------|-------------------|--------------------------|------------------------|
| Long-Term Liabilities | | | | | | |
| Governmental Activities | | | | | | |
| Bonds Payable | | | | | | |
| 2014A G.O. Refunding | 09/09/14 | 2.0% to 3.0% | \$ 9,685,000 | 02/01/30 | \$ 5,375,000 | \$ 460,000 |
| 2015A G.O. Refunding | 01/08/15 | 2.25% to 3.0% | 7,430,000 | 02/01/27 | 1,845,000 | 900,000 |
| 2016A G.O. CIP | 09/01/16 | 2.00% to 2.75% | 3,610,000 | 02/01/37 | 2,165,000 | 160,000 |
| 2020A G.O. Improvement | | | | | | |
| Street Reconstruction | 06/04/20 | 2.0% to 3.0% | 1,935,000 | 02/01/30 | 1,025,000 | 195,000 |
| 2023A G.O. TIF Improvement | 06/15/23 | 4.0% to 5.0% | 5,950,000 | 02/01/33 | 5,900,000 | 410,000 |
| Unamortized Premium | | | | | 475,284 | - |
| Lease Liabilities | | | | | 247,647 | 98,762 |
| Compensated Absences | | | | | 640,028 | 8,794 |
| Total Governmental Activities | | | | | <u>17,672,959</u> | <u>2,232,556</u> |
| Business-Type Activities | | | | | | |
| Compensated Absences | | | | | 121,830 | 12,183 |
| PFA Notes from Direct Borrowing | | | | | | |
| 2010A Improvement Notes | 05/06/10 | 1.65% | 750,449 | 08/20/29 | 177,000 | 43,000 |
| Total Business-Type Activities | | | | | <u>298,830</u> | <u>55,183</u> |
| Total Long-Term Liabilities | | | | | <u>\$ 17,971,789</u> | <u>\$ 2,287,739</u> |

Long-term bonded indebtedness listed above were issued to finance acquisition and construction of capital infrastructure or facilities or to refinance (refund) previous bond issues.

B. Lease Liabilities

On February 27, 2023, the City entered into four lease agreements with Enterprise Fleet management for Dodge Durangos. The lease agreements include monthly principal and interest payments of \$1,005 to \$1,105. The lease agreements are for four years and expire July 18, 2027 through December 19, 2027.

On April 1, 2024, the City entered into a lease agreements with Enterprise Fleet management for a Dodge Durango. The lease agreements include monthly principal and interest payments of \$1,121. The lease agreements are for four years and expire April 1, 2028.

On June 1, 2024, the City entered into a lease agreements with Enterprise Fleet management for a 2025 Ram 1500. The lease agreements include monthly principal and interest payments of \$1,231. The lease agreements are for five years and expire May 1, 2029.

On January 10, 2025 the City entered into a lease agreements with Enterprise Fleet management for a 2025 Dodge Durango. The lease agreements include monthly principal and interest payments of \$1,041. The lease agreement is for 4 years and expire January 9, 2029.

On January 17, 2025 the City entered into a lease agreements with Enterprise Fleet management for a 2025 Jeep Compass. The lease agreements include monthly principal and interest payments of \$588. The lease agreement is for 5 years and expire January 16, 2030.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 LONG-TERM DEBT (CONTINUED)

B. Lease Liabilities (Continued)

On January 30, 2025 the City entered into a lease agreements with Enterprise Fleet management for a 2025 Dodge Durango. The lease agreements include monthly principal and interest payments of \$1,167. The lease agreement is for 4 years and expire January 29, 2029.

C. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2025 was as follows:

| | Beginning Balance | Additions | Reductions | Net Change | Ending Balance | Due Within One Year |
|------------------------------------|----------------------|-------------------|-----------------------|-------------------|----------------------|---------------------|
| Governmental Activities | | | | | | |
| Bonds Payable | | | | | | |
| G.O. Improvement Bonds | \$ 3,535,000 | \$ - | \$ (345,000) | \$ - | \$ 3,190,000 | \$ 355,000 |
| G.O. Refunding Bonds | 8,535,000 | - | (1,315,000) | - | 7,220,000 | 1,360,000 |
| G.O. Tax Increment | 5,950,000 | - | (50,000) | - | 5,900,000 | 410,000 |
| Unamortized Premium | 582,397 | - | (107,113) | - | 475,284 | - |
| Lease Liabilities | 210,584 | 132,452 | (95,389) | - | 247,647 | 98,762 |
| Compensated Absences | 552,093 | - | - | 87,935 | 640,028 | 8,794 |
| Total Governmental Activities | <u>19,365,074</u> | <u>132,452</u> | <u>(1,912,502)</u> | <u>87,935</u> | <u>17,672,959</u> | <u>2,232,556</u> |
| Business-Type Activities | | | | | | |
| Notes from Direct Borrowing | 220,000 | - | (43,000) | - | 177,000 | 43,000 |
| Compensated Absences | 85,747 | - | - | 36,083 | 121,830 | 12,183 |
| Total Business-Type Activities | <u>305,747</u> | <u>-</u> | <u>(43,000)</u> | <u>36,083</u> | <u>298,830</u> | <u>55,183</u> |
| Total Long-Term Liabilities | <u>\$ 19,670,821</u> | <u>\$ 132,452</u> | <u>\$ (1,955,502)</u> | <u>\$ 124,018</u> | <u>\$ 17,971,789</u> | <u>\$ 2,287,739</u> |

Minimum principal and interest payments required to retire long-term liabilities:

| Years Ending December 31, | Governmental Activities | | | |
|---------------------------|-------------------------|-------------------|---------------------|---------------------|
| | G.O. Improvement Bonds | | G.O. Tax Increment | |
| | Principal | Interest | Principal | Interest |
| 2026 | \$ 355,000 | \$ 70,488 | \$ 410,000 | \$ 251,300 |
| 2027 | 365,000 | 61,313 | 680,000 | 224,050 |
| 2028 | 370,000 | 52,963 | 715,000 | 189,175 |
| 2029 | 380,000 | 45,463 | 750,000 | 152,550 |
| 2030 | 390,000 | 37,763 | 790,000 | 118,000 |
| 2031 to 2035 | 925,000 | 116,050 | 2,555,000 | 155,900 |
| 2036 to 2040 | 405,000 | 11,206 | - | - |
| Total | <u>\$ 3,190,000</u> | <u>\$ 395,246</u> | <u>\$ 5,900,000</u> | <u>\$ 1,090,975</u> |

| Years Ending December 31, | Governmental Activities | | | |
|---------------------------|-------------------------|-------------------|-------------------|------------------|
| | G.O. Refunding Bonds | | Lease Liabilities | |
| | Principal | Interest | Principal | Interest |
| 2026 | \$ 1,360,000 | \$ 191,588 | \$ 98,762 | \$ 6,079 |
| 2027 | 1,390,000 | 153,769 | 88,063 | 3,136 |
| 2028 | 1,495,000 | 111,675 | 45,594 | 1,164 |
| 2029 | 1,460,000 | 67,350 | 14,641 | 191 |
| 2030 | 1,515,000 | 22,725 | 587 | 1 |
| 2031 to 2035 | - | - | - | - |
| Total | <u>\$ 7,220,000</u> | <u>\$ 547,107</u> | <u>\$ 247,647</u> | <u>\$ 10,571</u> |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 7 LONG-TERM DEBT (CONTINUED)

C. Changes in Long-Term Liabilities (Continued)

Minimum principal and interest payments required to retire long-term liabilities (Continued):

| Years Ending December 31, | Governmental Activities | | Business-Type Activities | |
|---------------------------|-----------------------------|---------------------|-----------------------------------|-----------------|
| | Total Government Activities | | PFA - Notes from Direct Borrowing | |
| | Principal | Interest | Principal | Interest |
| 2026 | \$ 2,223,762 | \$ 519,455 | \$ 43,000 | \$ 2,928 |
| 2027 | 2,523,063 | 442,268 | 44,000 | 2,216 |
| 2028 | 2,625,594 | 354,977 | 45,000 | 1,489 |
| 2029 | 2,604,641 | 265,554 | 45,000 | 744 |
| 2030 | 2,695,587 | 178,489 | - | - |
| 2031 to 2035 | 3,480,000 | 271,950 | - | - |
| 2036 to 2040 | 7,872,647 | 568,884 | - | - |
| Total | <u>\$ 24,025,294</u> | <u>\$ 2,601,577</u> | <u>\$ 177,000</u> | <u>\$ 7,377</u> |

NOTE 8 FUND BALANCE DETAIL

Fund equity balances are classified as follows to reflect the limitations and restrictions of the respective funds:

| | General Fund | EDA | Capital Equipment Fund | Pavement Management and Improvements Fund | Developer Escrow Fund | Landscaping Escrow Fund | Other Governmental Funds | Total |
|------------------------------|---------------------|---------------------|------------------------|---|-----------------------|-------------------------|--------------------------|----------------------|
| Nonspendable | | | | | | | | |
| Inventory | \$ 40,979 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 40,979 |
| Prepaid Items | 89,127 | - | - | - | - | - | - | 89,127 |
| Total Nonspendable | <u>130,106</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>130,106</u> |
| Restricted | | | | | | | | |
| Debt Service | - | - | - | - | - | - | 3,744,291 | 3,744,291 |
| Police Forfeitures | - | - | - | - | - | - | 13,174 | 13,174 |
| TIF Districts | - | - | - | - | - | - | 531,960 | 531,960 |
| Park Dedication | - | - | - | - | - | - | 2,854,470 | 2,854,470 |
| Total Restricted | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>7,143,895</u> | <u>7,143,895</u> |
| Committed | | | | | | | | |
| Cable Fund | - | - | - | - | - | - | 149,280 | 149,280 |
| Gambling | - | - | - | - | - | - | 13,074 | 13,074 |
| Local Affordable Housing Aid | - | - | - | - | - | - | 73,197 | 73,197 |
| Fire Public Safety | - | - | - | - | - | - | 57,860 | 57,860 |
| Police Public Safety | - | - | - | - | - | - | 86,944 | 86,944 |
| Park Development | - | - | - | - | - | - | 175,721 | 175,721 |
| Total Committed | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>556,076</u> | <u>556,076</u> |
| Assigned | | | | | | | | |
| Park Trails | - | - | - | - | - | - | 3,164,054 | 3,164,054 |
| Capital Projects | - | - | - | 3,727,724 | 47,005 | - | 6,543,945 | 10,318,674 |
| Total Assigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,727,724</u> | <u>47,005</u> | <u>-</u> | <u>9,707,999</u> | <u>13,482,728</u> |
| Unassigned | <u>3,199,907</u> | <u>(203,051)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(498,065)</u> | <u>2,498,791</u> |
| Total Fund Balance | <u>\$ 3,330,013</u> | <u>\$ (203,051)</u> | <u>\$ -</u> | <u>\$ 3,727,724</u> | <u>\$ 47,005</u> | <u>\$ -</u> | <u>\$ 16,909,905</u> | <u>\$ 23,811,596</u> |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 9 RISK MANAGEMENT

The City purchases commercial insurance coverage through the League of Minnesota Cities Insurance Trust (LMCIT) with other cities in the state which is a public entity risk pool currently operating as a common risk management and insurance program. The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, however, retains the risk for the deductible portion of its insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

The City's workers' compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after loss experience is known. The amount of premium adjustment for 2025 was estimated to be immaterial based on workers' compensation rates and salaries for the year.

At December 31, 2025, there were no other claims liabilities reported in the fund based on the requirements of GASB Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated.

NOTE 10 PENSION PLANS

Public Employees' Retirement Association (PERA)

A. Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by PERA. PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes* Chapters 353, 353D, 353E, 353G, and 356. *Minnesota Statutes* Chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in noncertified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

A. Plan Description (Continued)

Public Employees Police and Fire Plan

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes § 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the City's governing body. The resolution must state that the position meets plan requirements.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is vested, they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employees Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

B. Benefits Provided (Continued)

General Employees Plan Benefits (Continued)

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2025 annual increase was 1.25%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50% vested after five years of service and 100% vested after ten years. After five years, vesting increase by 10% each full year of service until members are 100% vested after ten years. Police and Fire Plan members receive 3% of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417% each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a prorated increase.

C. Contributions

Minnesota Statutes Chapter 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2025 and the City was required to contribute 7.5% for General Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2025 were \$162,203. The City's contributions were equal to the required contributions as set by state statute.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

C. Contributions (Continued)

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.8% of their annual covered salary in fiscal year 2025 and the City was required to contribute 17.7% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2025 were \$351,564. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2025, the City reported a liability of \$773,080 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$18,649.

| | | |
|--|----|---------|
| City's Proportionate Share of the Net Pension Liability | \$ | 773,080 |
| State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City | | 18,649 |
| Total | \$ | 791,729 |

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0233% at the end of the measurement period and 0.0215% for the beginning of the period.

For the year ended December 31, 2025, the City recognized pension expense of \$77,677 for its proportionate share of General Employees Plan's pension expense. Included in the amount, the City recognized \$2,861 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

At December 31, 2025, the City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources, related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences Between Expected and Actual | | |
| Economic Experience | \$ 73,658 | \$ - |
| Changes in Actuarial Assumptions | 18,627 | 177,883 |
| Net Difference Between Projected and Actual | | |
| Investment Earnings | - | 307,616 |
| Changes in Proportion | 177,340 | 2,017 |
| Contributions Paid to PERA Subsequent to the Measurement Date | <u>81,102</u> | <u>-</u> |
| Total | <u><u>\$ 350,727</u></u> | <u><u>\$ 487,516</u></u> |

The \$81,102 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ending December 31,</u> | <u>Pension Expense Amount</u> |
|-------------------------------------|---------------------------------------|
| 2026 | \$ (13,512) |
| 2027 | (70,251) |
| 2028 | (79,176) |
| 2029 | <u>(54,952)</u> |
| Total | <u><u>\$ (217,891)</u></u> |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

D. Pension Costs (Continued)

Police and Fire Fund Pension Costs

At December 31, 2025, the City reported a liability of \$1,321,176 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.1128% at the end of the measurement period and 0.0944% for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2025. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state aid was paid on October 1, 2024. The direct state aid payment will increase by \$17.7 million which was paid on October 1, 2025. Thereafter, by October 1 of each year, the state will pay \$26.7 million to the Police and Fire Fund until the fund is 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis). The \$9 million in supplemental state aid will continue until the fund and the State Patrol Plan (administered by the Minnesota State Retirement System) are 100% funded for three consecutive years (on an actuarial value of assets basis). The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$45,798.

| | |
|--|----------------------------|
| City's Proportionate Share of the Net Pension Liability | \$ 1,321,176 |
| State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City | <u>45,798</u> |
| Total | <u><u>\$ 1,366,974</u></u> |

For the year ended December 31, 2025, the City recognized pension expense of \$466,757 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized \$22,160 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

D. Pension Costs (Continued)

Police and Fire Fund Pension Costs (Continued)

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City also recognized \$30,107 for the year ended December 31, 2025, as revenue and an offsetting reduction of the net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2025, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences Between Expected and Actual | | |
| Economic Experience | \$ 610,425 | \$ - |
| Changes in Actuarial Assumptions | 1,001,875 | 1,655,378 |
| Net Difference Between Projected and Actual | | |
| Investment Earnings | - | 589,659 |
| Changes in Proportion | 515,737 | 3,246 |
| Contributions Paid to PERA Subsequent to the Measurement Date | 175,782 | - |
| Total | <u>\$ 2,303,819</u> | <u>\$ 2,248,283</u> |

The \$175,782 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ending December 31,</u> | <u>Expense Amount</u> |
|-------------------------------------|---------------------------|
| 2026 | \$ 435,846 |
| 2027 | (164,057) |
| 2028 | (526,247) |
| 2029 | 46,800 |
| 2030 | 87,412 |
| Total | <u>\$ (120,246)</u> |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

E. Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------|----------------------|--|
| Domestic Equity | 33.5 % | 5.10 % |
| International Equity | 16.5 | 5.30 |
| Fixed Income | 25.0 | 0.75 |
| Private Markets | 25.0 | 5.90 |
| Total | <u>100.0 %</u> | |

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2025, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7%. The 7% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7% is within that range.

- Inflation is assumed to be 2.25% for the General Employees Plan and Police & Fire Plan.
- Benefit increases after retirement are assumed to be 1.50% for the General Employees Plan, and 1% for the Police & Fire Plan.
-

Salary growth assumptions in the General Employees Plan range in annual increments from 11.5% after one year of service to 3% after 27 years of service. In the Police & Fire Plan, salary growth assumptions range in annual increments from 10.75% after one year of service to 3% after 23 years of service.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

F. Actuarial Methods and Assumptions (Continued)

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police & Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police & Fire Plan was reviewed in 2024. The assumption changes were adopted by the board and became effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

General Employees Fund

Changes in Actuarial Assumptions

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75% , beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

F. Actuarial Methods and Assumptions (Continued)

Police and Fire Fund

Changes in Assumptions

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued use of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026 benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the \$9 million annual state aid contribution changed from the earlier of July 1, 2048 or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional \$9 million annual state aid contribution changed from the earlier of July 1, 20248 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional \$17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (PERA) (Continued)

G. Discount Rate

The discount rate used to measure the total pension liability in 2025 was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members and employers will be made at rates set in *Minnesota Statutes*. Based on these assumptions, the fiduciary net positions of the General Employees and Police and Fire Plans were projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

| | 1% Decrease in Discount Rate (6.0%) | Current Discount Rate (7.0%) | 1% Increase in Discount Rate (8.0%) |
|--|---|------------------------------------|---|
| City's Proportionate Share of the General Employees Fund Net Pension Liability | \$ 1,877,689 | \$ 773,080 | \$ (123,007) |
| City's Proportionate Share of the Police and Fire Fund Net Pension Liability | \$ 3,461,760 | \$ 1,321,176 | \$ (436,582) |

I. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Pension Plan - Volunteer Firefighter’s Relief Association

A. Plan Description

The Dayton Firefighter’s Relief Association is the administrator of a single employer defined benefit pension plan established to provide benefits for members of the Dayton Fire Department per *Minnesota State Statutes*.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Dayton Firefighter’s Association, 12260 South Diamond Lake Road, Dayton, MN 55327 or by calling 612-251-5935 or 763-242-7001.

B. Benefits Provided

Volunteer firefighters of the City are members of the Dayton Firefighter’s Relief Association. Full retirement benefits are payable to members who have reached age 50 and have completed 20 years of service for lump sum service pension. Partial benefits are payable to members who have reached 50 and have completed 5 years of service. Disability benefits and widow and children’s survivor benefits are also payable to members, or their beneficiaries based upon requirements set forth in the bylaws. These benefit provisions and all other requirements are consistent with enabling state statutes.

C. Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

| | |
|---|--|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | - |
| Inactive Employees Entitled To But Not Yet Receiving Benefits | 15 |
| Active Employees | 28 |
| Total | <hr style="border-top: 1px solid black;"/> <hr style="border-top: 1px solid black;"/> 43 |

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)

D. Contributions

Minnesota Statutes Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aids are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year, less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers: therefore, there are no payroll expenditures (i.e., there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure and on behalf payment of \$98,608 made by the State of Minnesota for the Relief Association.

E. Net Pension Liability

The City's net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024.

Actuarial Assumptions

The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.5% |
| Investment Rate of Return | 3.75% Net of Pensions Plan Investment Expense, Including Inflation |

The value of death benefits is similar to the value of the retirement pension. Mortality rates for active members, retirees, and disabilitants were based on Pub-2010 Public Safety Employee Mortality tables with projected mortality improvements based on scale MP-2021.

The value of death benefits is similar to the value of the retirement pension. Because of low retirement ages, the plan assumes no pre-retirement mortality. Post-retirement mortality does not apply as the benefit structure and form of payment do not reflect lifetime benefits.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)

E. Net Pension Liability (Continued)

The long-term return on assets has been set based on the plan's target investment allocation along with long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized in the table below.

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------------|----------------------|--|
| Cash | 100 % | 1.19 % |
| Real Estate and Alternatives | - | 3.98 |
| Fixed Income | - | 2.70 |
| International Equity | - | 4.95 |
| Domestic Equity | - | 4.60 |
| Total | <u>100 %</u> | |

Discount Rate

The discount rate used to measure the total pension liability was 3.75%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)

F. Changes in the Net Pension Liability

| | Increase (Decrease) | | |
|--|-------------------------------|-----------------------------------|-----------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (a) - (b) |
| Balances at December 31, 2024 | \$ 347,475 | \$ 582,732 | \$ (235,257) |
| Changes for the Year | | | |
| Service Cost | 34,176 | - | 34,176 |
| Interest | 24,478 | - | 24,478 |
| Difference Between Expected and Actual Experience | (39,809) | - | (39,809) |
| Changes of Assumptions | 60,699 | - | 60,699 |
| State and Municipal Contributions | - | 98,608 | (98,608) |
| Net Investment Income | - | 22,988 | (22,988) |
| Benefit Payments, Including Refunds of Member Contributions | (10,146) | (10,146) | - |
| Administrative Expense | - | (253) | 253 |
| Net Changes | <u>69,398</u> | <u>111,197</u> | <u>(41,799)</u> |
| Balances at December 31, 2025 | <u>\$ 416,873</u> | <u>\$ 693,929</u> | <u>\$ (277,056)</u> |

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 3.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75%) or 1-percentage-point higher (4.75%) than the current rate:

| | 1% Decrease in Discount Rate (2.75%) | Current Discount Rate (3.75%) | 1% Increase in Discount Rate (4.75%) |
|--------------------------------------|--|-------------------------------------|--|
| City's Net Pension Liability (Asset) | <u>\$ (254,159)</u> | <u>\$ (277,056)</u> | <u>\$ (298,579)</u> |

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued relief association financial report.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 10 PENSION PLANS (CONTINUED)

Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)

G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2025, the City recognized pension expense of \$5,240. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Outflows of Resources | Inflows of Resources |
|--|--------------------------|-------------------------|
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | \$ 7,628 | \$ 125,586 |
| Change of Assumptions | 57,859 | 9,930 |
| Difference Between Expected and Actual Liability | 12,936 | - |
| Contributions Paid to Relief Subsequent to the Measurement Date | 122,611 | - |
| Total | \$ 201,034 | \$ 135,516 |

The \$122,611 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as shown in the following table:

| Year Ending December 31, | Pension Expense Amount |
|-----------------------------|------------------------------|
| 2026 | \$ (7,988) |
| 2027 | 859 |
| 2028 | (23,458) |
| 2029 | (13,171) |
| 2030 | (9,726) |
| Thereafter | (3,609) |
| Total | \$ (57,093) |

NOTE 11 INCREMENT FINANCING

The City has entered into three Tax Increment Financing agreements which meet the criteria for disclosure under *Governmental Accounting Standards Board Statement No. 77 Tax Abatement Disclosures*. The City's authority to enter into these agreements comes from *Minnesota Statutes* § 469. The City entered into these agreements for the purpose of economic development.

**CITY OF DAYTON
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 11 INCREMENT FINANCING (CONTINUED)

Under each agreement, the City and developer agree on an amount of development costs to be reimbursed to the developer by the City through tax revenues from the additional taxable value of the property generated by the development (tax increment). A “pay-as-you-go” note is established for this amount, on which the City makes payments for a fixed period of time with available tax increment revenue after deducting for certain administrative costs.

During the year ended December 31, 2025, the City generated \$2,049,699 in tax increment revenue and made \$1,143,144 in payments to developers.

NOTE 12 COMMITMENTS AND CONTINGENCIES

At December 31, 2025, the City had outstanding construction contract commitments totaling \$1,394,446.

NOTE 13 CHANGE WITHIN FINANCIAL REPORTING ENTITY

During the year ended December 31, 2025, changes to or within the financial reporting entity resulted in adjustments to and restatement of beginning net position and fund net position, as follows:

| | Reporting Units Affected by Adjustments to and Restatements of Beginning Balances | | | |
|--|--|------------|---|--------------------------------|
| | Funds | | | |
| | Capital Equipment Fund (401) | EDA (225) | Pavement Management and Improvements Fund (414) | Other Governmental Funds |
| December 31, 2025, as Previously Reported | \$ (665,084) | \$ - | \$ - | \$ 19,364,678 |
| Change from Major to Nonmajor | 665,084 | 676,056 | 2,658,972 | (4,000,112) |
| December 31, 2025, as Restated | \$ - | \$ 676,056 | \$ 2,658,972 | \$ 15,364,566 |

NOTE 14 CONTINGENCIES

The City of Dayton is involved in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City of Dayton’s legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City of Dayton.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DAYTON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

| | Original and Final Budget | Actual Amounts | Variance with Final Budget - Over (Under) |
|---|------------------------------|-------------------|---|
| REVENUES | | | |
| Property Taxes | \$ 6,481,700 | \$ 6,398,662 | \$ (83,038) |
| Licenses and Permits | 900,600 | 680,332 | (220,268) |
| Intergovernmental | 527,500 | 661,387 | 133,887 |
| Charges for Services | 437,700 | 428,706 | (8,994) |
| Fines and Forfeitures | 100,000 | 29,546 | (70,454) |
| Miscellaneous | | | |
| Investment Income | 80,000 | 116,672 | 36,672 |
| Contributions and Donations | 3,000 | 65,410 | 62,410 |
| Other | 66,000 | 133,177 | 67,177 |
| Total Revenues | 8,596,500 | 8,513,892 | (82,608) |
| EXPENDITURES | | | |
| Current | | | |
| General Government | 1,379,210 | 1,285,422 | (93,788) |
| Public Safety | 4,848,000 | 5,005,512 | 157,512 |
| Public Works | 1,543,840 | 1,568,486 | 24,646 |
| Parks and Recreation | 688,150 | 568,056 | (120,094) |
| Capital Outlay | | | |
| General Government | 25,300 | 14,892 | (10,408) |
| Public Safety | 42,000 | 18,970 | (23,030) |
| Public Works | 40,000 | 77,550 | 37,550 |
| Parks and Recreation | 30,000 | 19,495 | (10,505) |
| Total Expenditures | 8,596,500 | 8,558,383 | (38,117) |
| Excess of Revenues Over (Under) Expenditures | - | (44,491) | (44,491) |
| OTHER FINANCING SOURCES (USES) | | | |
| Proceeds from Sale of Capital Assets | - | 2,392 | 2,392 |
| Transfers In | - | 156,369 | 156,369 |
| Total Other Financing Sources (Uses) | - | 158,761 | 158,761 |
| Net Change in Fund Balance | \$ - | 114,270 | \$ 114,270 |
| FUND BALANCE | | | |
| Beginning of Year | | 3,215,743 | |
| End of Year | | \$ 3,330,013 | |

See Notes to Required Supplementary Information.

**CITY OF DAYTON
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY –
GENERAL EMPLOYEES RETIREMENT FUND
LAST TEN YEARS**

| For Fiscal Year Ended June 30, | City's Proportionate Share (Percentage) of the Net Pension Liability (Asset) | City's Proportionate Share (Amount) of the Net Pension Liability (Asset) | State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City | City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City | City's Covered Payroll | City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--------------------------------|--|--|--|---|------------------------|--|--|
| 2016 | 0.0097 % | \$ 787,592 | \$ 10,258 | \$ 797,850 | \$ 599,760 | 131.3 % | 68.91 % |
| 2017 | 0.0099 | 632,009 | 7,914 | 639,923 | 635,107 | 99.5 | 75.90 |
| 2018 | 0.0111 | 615,782 | 20,262 | 636,044 | 746,387 | 82.5 | 79.53 |
| 2019 | 0.0125 | 691,097 | 21,499 | 712,596 | 887,280 | 77.9 | 80.23 |
| 2020 | 0.0149 | 893,323 | 27,620 | 920,943 | 1,063,773 | 84.0 | 79.06 |
| 2021 | 0.0161 | 687,542 | 21,007 | 708,549 | 1,159,987 | 59.3 | 87.00 |
| 2022 | 0.0185 | 1,465,206 | 43,085 | 1,508,291 | 1,387,253 | 105.6 | 76.67 |
| 2023 | 0.0184 | 1,028,907 | 28,353 | 1,057,260 | 1,462,347 | 70.4 | 83.10 |
| 2024 | 0.0215 | 794,060 | 20,533 | 814,593 | 1,819,080 | 43.7 | 89.08 |
| 2025 | 0.0233 | 773,080 | 18,649 | 791,729 | 2,339,215 | 33.0 | 90.78 |

**CITY OF DAYTON
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY –
PUBLIC EMPLOYEES POLICE AND FIRE RETIREMENT FUND
LAST TEN YEARS**

| For Fiscal Year Ended June 30, | City's Proportionate Share (Percentage) of the Net Pension Liability (Asset) | City's Proportionate Share (Amount) of the Net Pension Liability (Asset) | State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City | City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City | City's Covered Payroll | City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--------------------------------|--|--|--|---|------------------------|--|--|
| 2016 | 0.0530 % | \$ 2,126,982 | \$ - | \$ 2,126,982 | \$ 512,105 | 415.3 % | 63.88 % |
| 2017 | 0.0510 | 683,971 | - | 683,971 | 527,062 | 129.8 | 85.43 |
| 2018 | 0.0553 | 584,464 | - | 584,464 | 583,309 | 100.2 | 88.84 |
| 2019 | 0.0608 | 639,069 | - | 639,069 | 627,475 | 101.8 | 89.26 |
| 2020 | 0.0661 | 865,320 | 20,539 | 885,859 | 730,339 | 118.5 | 87.19 |
| 2021 | 0.0650 | 495,881 | 22,549 | 518,430 | 768,011 | 64.6 | 93.66 |
| 2022 | 0.0690 | 3,002,607 | 131,144 | 3,133,751 | 837,746 | 358.4 | 70.53 |
| 2023 | 0.0840 | 1,450,571 | 58,441 | 1,509,012 | 1,103,610 | 131.4 | 86.47 |
| 2024 | 0.0944 | 1,241,329 | 47,319 | 1,288,648 | 1,306,554 | 95.0 | 90.17 |
| 2025 | 0.1128 | 1,321,176 | 45,798 | 1,366,974 | 1,794,117 | 73.6 | 91.78 |

See Notes to Required Supplementary Information.

**CITY OF DAYTON
SCHEDULE OF CITY'S CONTRIBUTIONS –
GENERAL EMPLOYEES RETIREMENT FUND
LAST TEN YEARS**

| Fiscal Year Ended December 31, | Statutorily Required Contribution | Contributions in Relation to the Statutorily Required Contributions | Contribution Deficiency (Excess) | City's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|--------------------------------------|---|---|--|------------------------------|---|
| 2016 | \$ 39,581 | \$ 39,581 | \$ - | \$ 527,747 | 7.5 % |
| 2017 | 42,931 | 42,931 | - | 572,413 | 7.5 |
| 2018 | 64,295 | 64,295 | - | 857,267 | 7.5 |
| 2019 | 68,749 | 68,749 | - | 916,653 | 7.5 |
| 2020 | 74,222 | 74,222 | - | 989,627 | 7.5 |
| 2021 | 96,084 | 96,084 | - | 1,281,120 | 7.5 |
| 2022 | 102,944 | 102,944 | - | 1,372,587 | 7.5 |
| 2023 | 132,479 | 132,479 | - | 1,766,387 | 7.5 |
| 2024 | 133,943 | 133,943 | - | 1,785,907 | 7.5 |
| 2025 | 162,203 | 162,203 | - | 2,162,707 | 7.5 |

**CITY OF DAYTON
SCHEDULE OF CITY'S CONTRIBUTIONS –
PUBLIC EMPLOYEES POLICE AND FIRE RETIREMENT FUND
LAST TEN YEARS**

| Fiscal Year Ended December 31, | Statutorily Required Contribution | Contributions in Relation to the Statutorily Required Contributions | Contribution Deficiency (Excess) | City's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|--------------------------------------|---|---|--|------------------------------|---|
| 2016 | \$ 87,135 | \$ 87,135 | \$ - | \$ 537,870 | 16.20 % |
| 2017 | 96,777 | 96,777 | - | 597,389 | 16.20 |
| 2018 | 94,135 | 94,135 | - | 581,080 | 16.20 |
| 2019 | 122,829 | 122,829 | - | 724,655 | 16.95 |
| 2020 | 133,288 | 133,288 | - | 753,040 | 17.70 |
| 2021 | 146,769 | 146,769 | - | 829,203 | 17.70 |
| 2022 | 167,983 | 167,983 | - | 949,056 | 17.70 |
| 2023 | 204,067 | 204,067 | - | 1,152,921 | 17.70 |
| 2024 | 202,605 | 202,605 | - | 1,144,661 | 17.70 |
| 2025 | 351,564 | 351,564 | - | 1,986,237 | 17.70 |

See Notes to Required Supplementary Information.

**CITY OF DAYTON
SCHEDULE OF CITY CONTRIBUTIONS AND NONEMPLOYER CONTRIBUTING ENTITIES –
FIRE RELIEF ASSOCIATION**

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Employer | | | | | | | | | | |
| Statutorily Determined Contribution (SDC) * | \$ 31,212 | \$ 38,803 | \$ 39,363 | \$ 41,288 | \$ 45,076 | \$ 49,410 | \$ 53,787 | \$ 60,025 | \$ 84,782 | \$ 108,145 |
| Contribution in Relation to the SDC | <u>(31,212)</u> | <u>(38,803)</u> | <u>(39,363)</u> | <u>(41,288)</u> | <u>(45,076)</u> | <u>(49,410)</u> | <u>(53,787)</u> | <u>(60,025)</u> | <u>(84,782)</u> | <u>(108,145)</u> |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

* SDC is 2% of Fire Aid from the State of Minnesota

**CITY OF DAYTON
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
FIRE RELIEF ASSOCIATION**

| | Measurement Date | | | | | | | | | |
|--|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Total Pension Liability (TPL) | | | | | | | | | | |
| Service Cost | \$ 18,648 | \$ 20,406 | \$ 17,214 | \$ 18,045 | \$ 27,258 | \$ 35,374 | \$ 33,064 | \$ 33,808 | \$ 33,342 | \$ 34,176 |
| Interest | 37,818 | 38,745 | 33,453 | 29,994 | 28,109 | 29,874 | 23,105 | 22,619 | 21,207 | 24,478 |
| Differenced Between Expected and Actual Experience | - | (28,111) | - | 35,292 | - | (112,314) | - | (55,060) | - | (39,809) |
| Changes of Assumptions | - | (42,311) | 3,224 | 1,750 | - | 7,593 | - | (14,571) | - | 60,699 |
| Changes of Benefit Terms | - | - | - | 86,955 | 134,449 | - | - | - | - | - |
| Benefit Payments, Including Refunds of Member Contributions | - | (87,913) | (46,000) | (132,958) | (252,359) | (84,688) | (23,880) | (106,867) | - | (10,146) |
| Net Change in Total Pension Liability | 56,466 | (99,184) | 7,891 | 39,078 | (62,543) | (124,161) | 32,289 | (120,071) | 54,549 | 69,398 |
| Beginning of Year | 563,161 | 619,627 | 520,443 | 528,334 | 567,412 | 504,869 | 380,708 | 412,997 | 292,926 | 347,475 |
| End of Year | <u>\$ 619,627</u> | <u>\$ 520,443</u> | <u>\$ 528,334</u> | <u>\$ 567,412</u> | <u>\$ 504,869</u> | <u>\$ 380,708</u> | <u>\$ 412,997</u> | <u>\$ 292,926</u> | <u>\$ 347,475</u> | <u>\$ 416,873</u> |
| Plan Fiduciary Net Pension (FNP) | | | | | | | | | | |
| Contributions - Employer | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Contributions - Non-Employer | 30,529 | 33,212 | 48,403 | 56,363 | 60,288 | 78,897 | 74,889 | 66,648 | 110,940 | 98,608 |
| Net Investment Income | 1,754 | 36,637 | 71,389 | (14,020) | 81,278 | 58,746 | 69,181 | (73,867) | 77,945 | 22,988 |
| Other Additions | - | - | - | - | 200 | - | - | - | - | - |
| Benefit Payments, Including Refunds of Member Contributions | - | (87,913) | (46,000) | (132,958) | (252,359) | (84,688) | (23,880) | (106,867) | - | (10,146) |
| Administrative Expense | (6,035) | (8,365) | (10,986) | (10,118) | (8,234) | (9,914) | (9,429) | (12,835) | (13,846) | (253) |
| Net Change in Plan Fiduciary Net Position | 26,248 | (26,429) | 62,806 | (100,733) | (118,827) | 43,041 | 110,761 | (126,921) | 175,039 | 111,197 |
| Beginning of Year | 537,747 | 563,995 | 537,566 | 600,372 | 499,639 | 380,812 | 423,853 | 534,614 | 407,693 | 582,732 |
| End of Year | <u>\$ 563,995</u> | <u>\$ 537,566</u> | <u>\$ 600,372</u> | <u>\$ 499,639</u> | <u>\$ 380,812</u> | <u>\$ 423,853</u> | <u>\$ 534,614</u> | <u>\$ 407,693</u> | <u>\$ 582,732</u> | <u>\$ 693,929</u> |
| Net Pension Liability (NPL) | <u>\$ 55,632</u> | <u>\$ (17,123)</u> | <u>\$ (72,038)</u> | <u>\$ 67,773</u> | <u>\$ 124,057</u> | <u>\$ (43,145)</u> | <u>\$ (121,617)</u> | <u>\$ (114,767)</u> | <u>\$ (235,257)</u> | <u>\$ (277,056)</u> |
| Plan Fiduciary Net Position as a Percentage of the Total | 91.02 % | 103.29 % | 113.63 % | 88.06 % | 75.43 % | 111.33 % | 129.45 % | 139.18 % | 167.70 % | 166.46 % |
| Net Pension Liability as a Percentage of Covered Payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

See Notes to Required Supplementary Information.

**CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

General Employees Fund

2025 Changes

Changes in Actuarial Assumptions

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%

Changes in Plan Provisions

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75% , beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

2024 Changes

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data. Changes in Plan Provisions.
- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

General Employees Fund (Continued)

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.5% to 7.0%. Changes in Plan Provisions.
- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, noncompounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from scale MP-2020 to scale MP-2021. Changes in Plan Provisions.
- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The mortality improvement scale was changed from scale MP-2019 to scale MP-2020. Changes in Plan Provisions.
- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

General Employees Fund (Continued)

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.0%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and 0.0% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018. Changes in Plan Provisions.
- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

General Employees Fund (Continued)

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Annual increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; This does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- The CSA loads were changed from 0.8% for active members and 60% for vested and nonvested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for nonvested deferred member liability.
- The assumed annual increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The State's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025

General Employees Fund (Continued)

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

Police and Fire Fund

2025 Changes

Changes in Actuarial Assumptions

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued use of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026 benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the \$9 million annual state aid contribution changed from the earlier of July 1, 2048 or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).

CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025

Police and Fire Fund (Continued)

2025 Changes (Continued)

Changes in Plan Provisions (Continued)

- The threshold to end the additional \$9 million annual state aid contribution changed from the earlier of July 1, 2024 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional \$17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

2024 Changes

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions since the previous valuation.

Changes in Plan Provisions

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90% funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90% funded status for one year.
- The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048, if earlier).

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption was changed from 6.5% to 7.0%.
- The single discount rate changed from 5.4% to 7.0%. Changes in Plan Provisions
- Additional one-time direct state aid contribution of 19.4 million will be contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- A one-time, noncompounding benefit increase of 3.0% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

**CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

Police and Fire Fund (Continued)

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.
- The single discount rate was changed from 6.5% to 5.4%. Changes in Plan Provisions.
- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The inflation assumption was changed from 2.5% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.0%.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020, experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020, experience study. The changes resulted in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes resulted in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates resulted in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025

Police and Fire Fund (Continued)

2020 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2018 to MP-2019.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2016 to MP-2017.

Changes in Plan Provisions

- Annual increases were changed to 1.00% for all years, with no trigger.
- An end date of July 1, 2048, was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100% funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019, and 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019, and 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

Police and Fire Fund (Continued)

2017 Changes

Changes in Actuarial Assumptions

- Assumed salary increases were changed as recommended in the June 30, 2016, experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The CSA load was 30% for vested and nonvested deferred members. The CSA has been changed to 33% for vested members and 2% for nonvested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65% to 60%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed annual benefit increase rate was changed from 1% for all years to 1% per year through 2064 and 2.5% thereafter.
- The single discount rate was changed from 5.6% per annum to 7.5% per annum.

Changes in Plan Provisions.

- There have been no changes since the prior valuation.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- The single discount rate changed from 7.90% to 5.60%.
- The assumed future salary increases, payroll growth, and inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**CITY OF DAYTON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025**

Dayton Fire Relief Association

2024 Changes

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions from the previous valuation.

2023 Changes

Changes in Actuarial Assumptions

- The expected investment return and discount rate increased from 5.75% to 6.50%.
- The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2020, Minnesota PERA Police & Fire Plan actuarial valuation to the rates used in the July 1, 2022, Minnesota PERA Police & Fire Plan actuarial valuation.
- The inflation assumption increased from 2.25% to 2.50%.

2022 Changes

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions from the previous valuation.

2021 Changes

Changes in Actuarial Assumptions

- The expected investment return and discount rate decreased from 6.00% to 5.75%.
- The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2018, Minnesota PERA Police & Fire Plan actuarial valuation to the rates used in the July 1, 2020, Minnesota PERA Police & Fire Plan actuarial valuation.
- The inflation assumption decreased from 2.50% to 2.25%

2020 Changes

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions from the previous valuation.

2019 Changes

Changes in Actuarial Assumptions

- The expected investment return and discount rate decreased from 6.25% to 6.00%.
- The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2016, Minnesota PERA Police & Fire Plan actuarial valuation to the rates used in the July 1, 2018, Minnesota PERA Police & Fire Plan actuarial valuation.

Changes in Plan Provisions

- The lump sum benefit amount increased from \$2,000 to \$2,500.

SUPPLEMENTARY INFORMATION

CITY OF DAYTON
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

| | <u>Original and Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget - Over (Under)</u> |
|-------------------------------|--------------------------------------|---------------------------|--|
| REVENUES | | | |
| Property Taxes | \$ 6,481,700 | \$ 6,398,662 | \$ (83,038) |
| Licenses and Permits | 900,600 | 680,332 | (220,268) |
| Intergovernmental | | | |
| Market Value Homestead Credit | 8,500 | 9,397 | 897 |
| PERA Aid | - | 40,255 | 40,255 |
| Fire Aid | 115,000 | 122,611 | 7,611 |
| Police Aid | 153,000 | 172,461 | 19,461 |
| Federal Grants | 10,000 | 30,845 | 20,845 |
| Other Grants and Aids | 241,000 | 285,818 | 44,818 |
| Total Intergovernmental | <u>527,500</u> | <u>661,387</u> | <u>133,887</u> |
| Charges for Services | | | |
| General Government | 424,500 | 408,581 | (15,919) |
| Public Safety | 1,000 | 2,480 | 1,480 |
| Public Works | 12,000 | 15,886 | 3,886 |
| Parks and Recreation | 200 | 1,759 | 1,559 |
| Total Charges for Services | <u>437,700</u> | <u>428,706</u> | <u>(8,994)</u> |
| Fines and Forfeitures | 100,000 | 29,546 | (70,454) |
| Miscellaneous | | | |
| Investment Income | 80,000 | 116,672 | 36,672 |
| Contributions and Donations | 3,000 | 65,410 | 62,410 |
| Other | 66,000 | 133,177 | 67,177 |
| Total Miscellaneous | <u>149,000</u> | <u>315,259</u> | <u>166,259</u> |
| Total Revenues | <u>8,596,500</u> | <u>8,513,892</u> | <u>(82,608)</u> |
| EXPENDITURES | | | |
| General Government | | | |
| Mayor and Council | 71,920 | 62,854 | (9,066) |
| Administrative and Finance | 651,910 | 637,511 | (14,399) |
| Other General Government | 655,380 | 585,057 | (70,323) |
| Capital Outlay | 25,300 | 14,892 | (10,408) |
| Total General Government | <u>1,404,510</u> | <u>1,300,314</u> | <u>(104,196)</u> |

CITY OF DAYTON
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

| | <u>Original and Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget - Over (Under)</u> |
|---|--------------------------------------|---------------------------|--|
| EXPENDITURES (CONTINUED) | | | |
| Public Safety | | | |
| Police | | | |
| Current | \$ 3,225,010 | \$ 3,316,713 | \$ 91,703 |
| Capital Outlay | 37,000 | 18,970 | (18,030) |
| Total Police | <u>3,262,010</u> | <u>3,335,683</u> | <u>73,673</u> |
| Fire | | | |
| Current | 996,060 | 969,354 | (26,706) |
| Capital Outlay | 5,000 | - | (5,000) |
| Total Fire | <u>1,001,060</u> | <u>969,354</u> | <u>(31,706)</u> |
| Other Public Safety | | | |
| Current | 626,930 | 719,445 | 92,515 |
| Total Public Safety | <u>4,890,000</u> | <u>5,024,482</u> | <u>134,482</u> |
| Public Works | | | |
| Streets and Highways | | | |
| Street Maintenance and Storm Sewers | 1,221,340 | 1,194,155 | (27,185) |
| Street Lighting | 76,000 | 98,506 | 22,506 |
| Capital Outlay | 40,000 | 77,550 | 37,550 |
| Total Streets and Highways | <u>1,337,340</u> | <u>1,370,211</u> | <u>32,871</u> |
| Sanitation | | | |
| Recycling | 246,500 | 275,825 | 29,325 |
| Total Public Works | <u>1,583,840</u> | <u>1,646,036</u> | <u>62,196</u> |
| Parks and Recreation | | | |
| Current | 688,150 | 568,056 | (120,094) |
| Capital Outlay | 30,000 | 19,495 | (10,505) |
| Total Parks and Recreation | <u>718,150</u> | <u>587,551</u> | <u>(130,599)</u> |
| Total Expenditures | <u>8,596,500</u> | <u>8,558,383</u> | <u>(38,117)</u> |
| Excess of Revenues Over (Under) Expenditures | - | (44,491) | (44,491) |
| OTHER FINANCING SOURCES (USES) | | | |
| Proceeds from Sale of Capital Asset | - | 2,392 | 2,392 |
| Transfers In | - | 156,369 | 156,369 |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>158,761</u> | <u>158,761</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>114,270</u> | <u>\$ 114,270</u> |
| FUND BALANCE | | | |
| Beginning of Year | | <u>3,215,743</u> | |
| End of Year | | <u>\$ 3,330,013</u> | |

**CITY OF DAYTON
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

| | Special Revenue | | | | | | Debt Service | | |
|---|---------------------|-------------|----------------------------|------------------|--|---------------------------------|-----------------------------------|---------------------------|----------------------------------|
| | Cable Fund (226) | EDA (225) | Police Forfeiture (235) | Gambling (227) | Local Affordable Housing Aid (228) | Fire Public Safety Aid (236) | Police Public Safety Aid (237) | 2016A G.O. Bonds (355) | 2023A CRG TIF Bond Fund (379) |
| ASSETS | | | | | | | | | |
| Cash and Investments | \$ 138,154 | \$ - | \$ 13,174 | \$ 13,074 | \$ 73,197 | \$ 65,064 | \$ 86,944 | \$ 174,040 | \$ 308,812 |
| Accounts Receivable | 11,126 | - | - | - | - | - | - | - | - |
| Interest Receivable | - | - | - | - | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - | - | - | - | 4,484 |
| Special Assessments Receivable | | | | | | | | | |
| Current | - | - | - | - | - | - | - | - | - |
| Delinquent | - | - | - | - | - | - | - | - | - |
| Deferred | - | - | - | - | - | - | - | - | - |
| Due from Other Funds | - | - | - | - | - | - | - | - | - |
| Total Assets | <u>\$ 149,280</u> | <u>\$ -</u> | <u>\$ 13,174</u> | <u>\$ 13,074</u> | <u>\$ 73,197</u> | <u>\$ 65,064</u> | <u>\$ 86,944</u> | <u>\$ 174,040</u> | <u>\$ 313,296</u> |
| LIABILITIES | | | | | | | | | |
| Accounts and Contracts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,204 | \$ - | \$ - | \$ - |
| Due to Other Funds | - | - | - | - | - | - | - | - | - |
| Due to Other Governments | - | - | - | - | - | - | - | - | 2,007 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>7,204</u> | <u>-</u> | <u>-</u> | <u>2,007</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | |
| Unavailable Revenue - Special Assessments | - | - | - | - | - | - | - | - | - |
| FUND BALANCES | | | | | | | | | |
| Restricted | - | - | 13,174 | - | - | - | - | 174,040 | 311,289 |
| Committed | 149,280 | - | - | 13,074 | 73,197 | 57,860 | 86,944 | - | - |
| Assigned | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - |
| Total Fund Balances | <u>149,280</u> | <u>-</u> | <u>13,174</u> | <u>13,074</u> | <u>73,197</u> | <u>57,860</u> | <u>86,944</u> | <u>174,040</u> | <u>311,289</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 149,280</u> | <u>\$ -</u> | <u>\$ 13,174</u> | <u>\$ 13,074</u> | <u>\$ 73,197</u> | <u>\$ 65,064</u> | <u>\$ 86,944</u> | <u>\$ 174,040</u> | <u>\$ 313,296</u> |

**CITY OF DAYTON
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025**

| | Debt Service | | | Capital Projects | | | | | |
|--|--|---|--|-----------------------------------|------------------------------------|-------------------------------|--|---|---------------------|
| | 2014A and 2015A G.O. Improvement Bond (342) | 2020A G.O. Improvement Bond (378) | 2009A G.O. Improvement Bond and 2010A Improvement Notes (348) | Park Development Fund (401) | Capital Equipment Fund (404) | Park Dedication Fund (405) | 2022 TIF Street Improvements (459) | Pavement Management and Improvements Fund (414) | Stormwater (415) |
| ASSETS | | | | | | | | | |
| Cash and Investments | \$ 2,810,917 | \$ 59,232 | \$ 386,385 | \$ - | \$ 175,721 | \$ 2,921,713 | \$ 235,994 | \$ - | \$ 2,763,513 |
| Accounts Receivable | - | - | - | - | - | - | - | - | - |
| Interest Receivable | - | - | - | - | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - | - | - | - | - |
| Special Assessments Receivable | | | | | | | | | |
| Current | 2,032 | 396 | - | - | - | - | - | - | - |
| Delinquent | 6,477 | 5 | 5 | - | - | - | - | - | - |
| Deferred | 592,576 | 894,983 | 250,433 | - | - | - | - | - | - |
| Due from Other Funds | - | - | - | - | - | - | - | - | 465,065 |
| Total Assets | <u>\$ 3,412,002</u> | <u>\$ 954,616</u> | <u>\$ 636,823</u> | <u>\$ -</u> | <u>\$ 175,721</u> | <u>\$ 2,921,713</u> | <u>\$ 235,994</u> | <u>\$ -</u> | <u>\$ 3,228,578</u> |
| LIABILITIES | | | | | | | | | |
| Accounts and Contracts Payable | \$ - | \$ - | \$ - | \$ 30,000 | \$ - | \$ 67,243 | \$ - | \$ - | \$ 2,810 |
| Due to Other Funds | - | - | - | 406,158 | - | - | - | - | - |
| Due to Other Governments | - | - | - | - | - | - | - | - | - |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>436,158</u> | <u>-</u> | <u>67,243</u> | <u>-</u> | <u>-</u> | <u>2,810</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | |
| Unavailable Revenue - Special Assessments | 599,053 | 894,988 | 250,438 | - | - | - | - | - | - |
| FUND BALANCES | | | | | | | | | |
| Restricted | 2,812,949 | 59,628 | 386,385 | - | - | 2,854,470 | - | - | - |
| Committed | - | - | - | - | 175,721 | - | - | - | - |
| Assigned | - | - | - | - | - | - | 235,994 | - | 3,225,768 |
| Unassigned | - | - | - | (436,158) | - | - | - | - | - |
| Total Fund Balances | <u>2,812,949</u> | <u>59,628</u> | <u>386,385</u> | <u>(436,158)</u> | <u>175,721</u> | <u>2,854,470</u> | <u>235,994</u> | <u>-</u> | <u>3,225,768</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 3,412,002</u> | <u>\$ 954,616</u> | <u>\$ 636,823</u> | <u>\$ -</u> | <u>\$ 175,721</u> | <u>\$ 2,921,713</u> | <u>\$ 235,994</u> | <u>\$ -</u> | <u>\$ 3,228,578</u> |

**CITY OF DAYTON
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025**

Capital Projects

| | Capital Facilities Fund (410) | Temporary Financing Fund (409) | Park Capital Equipment (406) | TIF No. 14 - Liberty Fund (438) | TIF No. 16 Sand Companies (435) | TIF No. 15 French Lake Industrial Park (477) | TIF No. 17 - Graco (436) | Park Trail Development (408) |
|--|-------------------------------------|--------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|---|-----------------------------|------------------------------------|
| ASSETS | | | | | | | | |
| Cash and Investments | \$ 717,715 | \$ 2,073,548 | \$ - | \$ 175,273 | \$ 18,723 | \$ 233,549 | \$ 135,983 | \$ 3,194,008 |
| Accounts Receivable | - | - | - | - | - | - | - | - |
| Interest Receivable | 1,000 | - | - | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - | - | - | - |
| Special Assessments Receivable | | | | | | | | |
| Current | - | - | - | - | - | - | - | - |
| Delinquent | - | - | - | - | - | - | - | - |
| Deferred | - | - | - | - | - | - | - | - |
| Due from Other Funds | 300,000 | - | - | - | - | - | - | - |
| Total Assets | <u>\$ 1,018,715</u> | <u>\$ 2,073,548</u> | <u>\$ -</u> | <u>\$ 175,273</u> | <u>\$ 18,723</u> | <u>\$ 233,549</u> | <u>\$ 135,983</u> | <u>\$ 3,194,008</u> |
| LIABILITIES | | | | | | | | |
| Accounts and Contracts Payable | \$ 10,080 | \$ - | \$ - | \$ 763 | \$ 7,682 | \$ 69,441 | \$ - | \$ 29,954 |
| Due to Other Funds | - | - | 58,907 | - | - | - | - | - |
| Due to Other Governments | - | - | - | - | 608 | 942 | 1,643 | - |
| Total Liabilities | <u>10,080</u> | <u>-</u> | <u>58,907</u> | <u>763</u> | <u>8,290</u> | <u>70,383</u> | <u>1,643</u> | <u>29,954</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable Revenue - Special Assessments | - | - | - | - | - | - | - | - |
| FUND BALANCES | | | | | | | | |
| Restricted | - | - | - | 174,510 | 10,433 | 163,166 | 134,340 | - |
| Committed | - | - | - | - | - | - | - | - |
| Assigned | 1,008,635 | 2,073,548 | - | - | - | - | - | 3,164,054 |
| Unassigned | - | - | (58,907) | - | - | - | - | - |
| Total Fund Balances | <u>1,008,635</u> | <u>2,073,548</u> | <u>(58,907)</u> | <u>174,510</u> | <u>10,433</u> | <u>163,166</u> | <u>134,340</u> | <u>3,164,054</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 1,018,715</u> | <u>\$ 2,073,548</u> | <u>\$ -</u> | <u>\$ 175,273</u> | <u>\$ 18,723</u> | <u>\$ 233,549</u> | <u>\$ 135,983</u> | <u>\$ 3,194,008</u> |

**CITY OF DAYTON
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025**

Capital Projects

| | City Wide Transportation Project (485) | ROW Escrow Fund (421) | TIF 20 Graco 2 Fund (430) | Dayton Parkway Interchange (480) | Total Other Governmental Funds |
|--|--|--------------------------|------------------------------|--|--------------------------------------|
| ASSETS | | | | | |
| Cash and Investments | \$ - | \$ (3,000) | \$ 50,963 | \$ - | \$ 16,822,696 |
| Accounts Receivable | - | - | - | - | 11,126 |
| Interest Receivable | - | - | - | - | 1,000 |
| Due from Other Governments | - | - | - | - | 4,484 |
| Special Assessments Receivable | | | | | |
| Current | - | - | - | - | 2,428 |
| Delinquent | - | - | - | - | 6,487 |
| Deferred | - | - | - | - | 1,737,992 |
| Due from Other Funds | - | - | - | - | 765,065 |
| Total Assets | <u>\$ -</u> | <u>\$ (3,000)</u> | <u>\$ 50,963</u> | <u>\$ -</u> | <u>\$ 19,351,278</u> |
| LIABILITIES | | | | | |
| Accounts and Contracts Payable | \$ - | \$ - | \$ - | \$ - | \$ 225,177 |
| Due to Other Funds | - | - | - | - | 465,065 |
| Due to Other Governments | - | - | 1,452 | - | 6,652 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>1,452</u> | <u>-</u> | <u>696,894</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue - Special Assessments | - | - | - | - | 1,744,479 |
| FUND BALANCES | | | | | |
| Restricted | - | - | 49,511 | - | 7,143,895 |
| Committed | - | - | - | - | 556,076 |
| Assigned | - | - | - | - | 9,707,999 |
| Unassigned | - | (3,000) | - | - | (498,065) |
| Total Fund Balances | <u>-</u> | <u>(3,000)</u> | <u>49,511</u> | <u>-</u> | <u>16,909,905</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ -</u> | <u>\$ (3,000)</u> | <u>\$ 50,963</u> | <u>\$ -</u> | <u>\$ 19,351,278</u> |

**CITY OF DAYTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025**

| | Special Revenue | | | | | | Debt Service | |
|--|---------------------|-------------|-------------------------------|------------------|--|------------------------------------|--------------------------------------|---------------------------|
| | Cable Fund (226) | EDA (225) | Police Forfeiture (235) | Gambling (227) | Local Affordable Housing Aid (228) | Fire Public Safety Aid (236) | Police Public Safety Aid (237) | 2016A G.O. Bonds (355) |
| REVENUES | | | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 210,000 | \$ - |
| Tax Increments | - | - | - | - | - | - | - | 750,171 |
| Special Assessments | - | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | 73,197 | - | - | - |
| Charges for Services | 47,983 | - | - | - | - | - | - | - |
| Fines and Forfeitures | - | - | 429 | - | - | - | - | - |
| Miscellaneous | | | | | | | | |
| Investment Income | 8,110 | - | - | - | - | - | 1,861 | 1,353 |
| Contributions and Donations | - | - | - | 9,056 | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total Revenues | 56,093 | - | 429 | 9,056 | 73,197 | - | 211,861 | 751,524 |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| General Government | 28,207 | - | - | - | - | - | - | 805 |
| Parks and Recreation | - | - | - | - | - | - | - | - |
| Economic Development | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | |
| Principal | - | - | - | - | - | - | 155,000 | 50,000 |
| Interest and Other Charges | - | - | - | - | - | - | 52,688 | 265,282 |
| Capital Outlay | | | | | | | | |
| General Government | 63,795 | - | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | 20,711 | 668 | - |
| Public Works | - | - | - | - | - | - | - | - |
| Parks and Recreation | - | - | - | - | - | - | - | - |
| Total Expenditures | 92,002 | - | - | - | - | 20,711 | 668 | 316,087 |
| Excess of Revenues Over (Under) Expenditures | (35,909) | - | 429 | 9,056 | 73,197 | (20,711) | (668) | 435,437 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Proceeds from Sale of Capital Asset | - | - | - | - | - | - | - | - |
| Lease Issuance | - | - | - | - | - | - | - | - |
| Transfers In | - | - | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - | - | - | - | - |
| Net Change in Fund Balances | (35,909) | - | 429 | 9,056 | 73,197 | (20,711) | (668) | 435,437 |
| FUND BALANCES | | | | | | | | |
| Beginning of Year | 185,189 | 676,056 | 12,745 | 4,018 | - | 78,571 | 87,612 | 169,867 |
| Changes to or within Financial Reporting Entity - See Note 13 | - | (676,056) | - | - | - | - | - | - |
| Fund Balances - Beginning, As Adjusted | 185,189 | - | 12,745 | 4,018 | - | 78,571 | 87,612 | 169,867 |
| End of Year | \$ 149,280 | \$ - | \$ 13,174 | \$ 13,074 | \$ 73,197 | \$ 57,860 | \$ 86,944 | \$ 174,040 |
| | | | | | | | \$ 174,040 | \$ 311,289 |

CITY OF DAYTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025

| | Debt Service | | | Capital Projects | | | | | |
|--|--|---|--|------------------------------------|-----------------------------------|-------------------------------|--|---|--------------------------|
| | 2014A and 2015A G.O. Improvement Bond (342) | 2020A G.O. Improvement Bond (378) | 2009A G.O. Improvement Bond and 2010A Improvement Notes (348) | Capital Equipment Fund (401) | Park Development Fund (404) | Park Dedication Fund (405) | 2022 TIF Street Improvements (459) | Pavement Management and Improvements Fund (414) | Stormwater Fund (415) |
| REVENUES | | | | | | | | | |
| Property Taxes | | | | \$ 1,020,000 | | | | | |
| Tax Increments | \$ - | \$ - | \$ - | | | | | | |
| Franchise Fees | - | - | - | - | - | - | - | - | - |
| Special Assessments | 289,854 | 63,604 | 81,093 | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - | - | - |
| Charges for Services | - | - | - | - | - | 1,134,834 | - | - | 891,276 |
| Fines and Forfeitures | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | - |
| Investment Income | 67,555 | 1,167 | 14,854 | - | 9,087 | 167,204 | 11,744 | - | 151,595 |
| Contributions and Donations | - | - | - | - | 25,476 | - | - | - | - |
| Other | - | - | - | - | - | 5,283 | - | - | - |
| Total Revenues | <u>357,409</u> | <u>64,771</u> | <u>95,947</u> | <u>1,020,000</u> | <u>34,563</u> | <u>1,307,321</u> | <u>11,744</u> | <u>-</u> | <u>1,042,871</u> |
| EXPENDITURES | | | | | | | | | |
| Current | | | | | | | | | |
| General Government | | | | | | | | | |
| Public Works | - | 4,225 | - | - | - | 414 | - | - | - |
| Parks and Recreation | - | - | - | - | - | 93,824 | - | - | - |
| Economic Development | - | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | | |
| Principal | 1,315,000 | 190,000 | - | 95,389 | - | - | - | - | - |
| Interest and Other Charges | 231,506 | 27,775 | - | 8,657 | - | - | - | - | - |
| Capital Outlay | | | | | | | | | |
| General Government | - | - | - | - | - | - | - | - | - |
| Public Safety | - | - | - | 317,628 | - | - | - | - | - |
| Public Works | - | - | - | 389,965 | - | - | 10,118 | - | 106,142 |
| Parks and Recreation | - | - | - | 136,887 | 25,816 | 1,524,990 | - | - | - |
| Economic Development | - | - | - | - | - | - | - | - | - |
| Total Expenditures | <u>1,546,506</u> | <u>222,000</u> | <u>-</u> | <u>948,526</u> | <u>25,816</u> | <u>1,619,228</u> | <u>10,118</u> | <u>-</u> | <u>106,142</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(1,189,097)</u> | <u>(157,229)</u> | <u>95,947</u> | <u>71,474</u> | <u>8,747</u> | <u>(311,907)</u> | <u>1,626</u> | <u>-</u> | <u>936,729</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Proceeds from Sale of Capital Asset | - | - | - | 25,000 | - | - | - | - | - |
| Proceeds from Sale of Lease Issuance | - | - | - | 132,452 | - | - | - | - | - |
| Transfers In | 1,190,700 | - | - | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - | - | - | (255,450) |
| Total Other Financing Sources (Uses) | <u>1,190,700</u> | <u>-</u> | <u>-</u> | <u>157,452</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(255,450)</u> |
| Net Change in Fund Balances | 1,603 | (157,229) | 95,947 | 228,926 | 8,747 | (311,907) | 1,626 | - | 681,279 |
| FUND BALANCES | | | | | | | | | |
| Beginning of Year | 2,811,346 | 216,857 | 290,438 | - | 166,974 | 3,166,377 | 234,368 | 2,658,972 | 2,544,489 |
| Changes to or within Financial Reporting Entity - See Note 13 | - | - | - | (665,084) | - | - | - | (2,658,972) | - |
| Fund Balances - Beginning, As Adjusted | <u>2,811,346</u> | <u>216,857</u> | <u>290,438</u> | <u>(665,084)</u> | <u>166,974</u> | <u>3,166,377</u> | <u>234,368</u> | <u>-</u> | <u>2,544,489</u> |
| End of Year | <u>\$ 2,812,949</u> | <u>\$ 59,628</u> | <u>\$ 386,385</u> | <u>\$ (436,158)</u> | <u>\$ 175,721</u> | <u>\$ 2,854,470</u> | <u>\$ 235,994</u> | <u>\$ -</u> | <u>\$ 3,225,768</u> |

**CITY OF DAYTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025**

Capital Projects

| | Capital Facilities Fund (410) | Temporary Financing Fund (409) | Park Capital Equipment (406) | TIF No. 14 - Liberty Fund (438) | TIF No. 16 Sand Companies (435) | TIF No. 15 French Lake Industrial Park (477) | TIF No. 17 - Graco (436) | Park Trail Development (408) |
|--|-------------------------------------|--------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|---|-----------------------------|------------------------------------|
| REVENUES | | | | | | | | |
| Property Taxes | \$ 220,000 | \$ - | \$ 45,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Tax Increments | - | - | - | - | 17,070 | 183,681 | 603,328 | - |
| Franchise Fees | - | - | - | - | - | - | - | - |
| Special Assessments | 3,005 | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - | 604,454 |
| Charges for Services | - | - | - | - | - | - | - | - |
| Fines and Forfeitures | - | - | - | - | - | - | - | - |
| Miscellaneous | 45,381 | 108,425 | - | 8,550 | 549 | 7,275 | 5,991 | 153,005 |
| Investment Income | - | - | - | - | - | - | - | - |
| Contributions and Donations | - | - | - | - | - | - | - | - |
| Other | 11,275 | - | - | - | - | - | - | 64,749 |
| Total Revenues | 279,661 | 108,425 | 45,000 | 8,550 | 17,619 | 190,956 | 609,319 | 822,208 |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| General Government | - | - | - | - | - | - | - | - |
| Public Works | - | - | - | - | - | - | - | - |
| Parks and Recreation | - | - | - | 2,342 | 16,261 | 139,923 | 543,893 | - |
| Economic Development | - | - | - | - | - | - | - | - |
| Debt Service | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | 608 | 942 | 1,643 | - |
| Interest and Other Charges | - | - | - | - | - | - | - | - |
| Capital Outlay | | | | | | | | |
| General Government | 135,406 | - | - | - | - | - | - | - |
| Public Safety | 133,362 | - | - | - | - | - | - | - |
| Public Works | - | - | - | - | - | - | - | 483,717 |
| Parks and Recreation | - | - | - | - | - | - | - | - |
| Economic Development | 268,768 | - | - | 2,342 | 16,869 | 140,865 | 545,536 | 483,717 |
| Total Expenditures | 268,768 | - | - | 2,342 | 16,869 | 140,865 | 545,536 | 483,717 |
| Excess of Revenues Over (Under) Expenditures | 10,893 | 108,425 | 45,000 | 6,208 | 750 | 50,091 | 63,783 | 338,491 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Proceeds from Sale of Capital Asset | - | - | - | - | - | - | - | - |
| Proceeds from Sale of Lease Issuance | - | - | - | - | - | - | - | - |
| Transfers In | - | (156,369) | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | - | (156,369) | - | - | - | - | - | - |
| Net Change in Fund Balances | 10,893 | (47,944) | 45,000 | 6,208 | 750 | 50,091 | 63,783 | 338,491 |
| FUND BALANCES | | | | | | | | |
| Beginning of Year | 997,742 | 2,121,492 | (103,907) | 168,302 | 9,683 | 113,075 | 70,557 | 2,825,563 |
| Changes to or within Financial Reporting Entity - See Note 13 | - | - | - | - | - | - | - | - |
| Fund Balances - Beginning, As Adjusted | 997,742 | 2,121,492 | (103,907) | 168,302 | 9,683 | 113,075 | 70,557 | 2,825,563 |
| End of Year | \$ 1,008,635 | \$ 2,073,548 | \$ (58,907) | \$ 174,510 | \$ 10,433 | \$ 163,166 | \$ 134,340 | \$ 3,164,054 |

**CITY OF DAYTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025**

| Capital Projects | | | | | |
|--|--|--------------------------|------------------------------|---|--------------------------------------|
| REVENUES | City Wide Transportation Project (485) | ROW Escrow Fund (421) | TIF 20 Graco 2 Fund (430) | Dayton Parkway Interchange (480) | Total Other Governmental Funds |
| Property Taxes | | | | | |
| Tax Increments | | | | | |
| Franchise Fees | \$ - | \$ - | \$ - | \$ - | \$ 1,495,000 |
| Special Assessments | - | - | 495,449 | - | 2,049,699 |
| Intergovernmental | - | - | - | - | 434,551 |
| Charges for Services | 12,946 | - | - | - | 89,148 |
| Fines and Forfeitures | - | - | - | - | 2,678,547 |
| Miscellaneous | - | - | - | - | 429 |
| Investment Income | - | - | - | - | - |
| Contributions and Donations | - | - | 5,547 | - | 769,253 |
| Other | - | - | - | - | 34,532 |
| Total Revenues | <u>12,946</u> | <u>-</u> | <u>500,996</u> | <u>-</u> | <u>7,632,466</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | | | | | |
| Public Works | - | - | - | - | 33,651 |
| Parks and Recreation | - | - | - | - | 93,824 |
| Economic Development | - | - | 448,419 | - | 1,150,838 |
| Debt Service | | | | | |
| Principal | - | - | - | - | 1,805,389 |
| Interest and Other Charges | - | - | 1,452 | - | 590,553 |
| Capital Outlay | | | | | |
| General Government | | | | | |
| Public Safety | - | - | - | - | 63,795 |
| Public Works | - | - | - | - | 474,413 |
| Parks and Recreation | - | - | - | - | 639,587 |
| Economic Development | - | - | - | - | 2,171,410 |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>449,871</u> | <u>-</u> | <u>7,023,460</u> |
| Excess of Revenues Over (Under) Expenditures | <u>12,946</u> | <u>-</u> | <u>51,125</u> | <u>-</u> | <u>609,006</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Proceeds from Sale of Capital Asset | - | - | - | - | 25,000 |
| Proceeds from Sale of Lease Issuance | - | - | - | - | 132,452 |
| Transfers In | - | - | - | - | 1,034,331 |
| Transfers Out | - | - | - | - | (255,450) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>936,333</u> |
| Net Change in Fund Balances | 12,946 | - | 51,125 | - | 1,545,339 |
| FUND BALANCES | | | | | |
| Beginning of Year | (12,946) | (3,000) | (1,614) | - | 19,364,678 |
| Changes to or within Financial Reporting Entity - See Note 13 | - | - | - | - | (4,000,112) |
| Fund Balances - Beginning, As Adjusted | <u>(12,946)</u> | <u>(3,000)</u> | <u>(1,614)</u> | <u>-</u> | <u>15,364,566</u> |
| End of Year | <u>\$ -</u> | <u>\$ (3,000)</u> | <u>\$ 49,511</u> | <u>\$ -</u> | <u>\$ 16,909,905</u> |



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Payments to be approved at City Council Meeting June 09, 2026

| | <u>Totals</u> |
|--|-------------------------|
| Claims Roster 06-09-2026 | \$ 513,969.11 |
| Prepaid 05-21-2026 EB | \$ 121,808.50 |
| | <hr/> |
| Total Payments: | \$ 635,777.61 |
| Payroll 05-21-2026 Bi-Weekly 11 | \$ 91,401.53 |

Check # sequence to be approved by City Council from meeting date of 6/09/2026:

Checks # 080892-080943

06/03/2026 INVOICE REGISTER REPORT FOR CITY OF DAYTON MN
 EXP CHECK RUN DATES 06/09/2026 - 06/09/2026
 BOTH JOURNALIZED AND UNJOURNALIZED
 BOTH OPEN AND PAID

| Inv Num Inv Ref# | Vendor Description GL Distribution | Inv Date Entered By | Due Date | Inv Amt | Status | Jrnalized Post Date |
|---------------------|---|------------------------|------------|---------|--------|------------------------|
| | A-1 OUTDOOR POWER INC OTHER EQUIPMENT 101-43100-50580 OTHER EQUIPMENT | 06/03/2026 CHOYT | 06/09/2026 | 352.69 | Open | N 05/28/2026 |
| | A-1 OUTDOOR POWER INC PARKS; SPEEDFEED 400 HEAD 101-45200-50220 PARKS; SPEEDFEED 400 HEAD | 06/03/2026 CHOYT | 06/09/2026 | 73.98 | Open | N 05/19/2026 |
| | ALEX AIR APPARATUS 2 LLC FD; SUPPLIES 101-42260-50200 FD; SUPPLIES | 06/01/2026 CHOYT | 06/09/2026 | 986.08 | Open | N 05/19/2026 |
| | ASPEN EQUIPMENT UNIFORM; NEEDHAM 101-42120-50217 UNIFORM; NEEDHAM | 06/01/2026 CHOYT | 06/09/2026 | 300.25 | Open | N 05/22/2026 |
| | ASPEN MILLS FD; UNIFORM K ASTRUP 101-42260-50217 FD; UNIFORM K ASTRUP 101-42260-50217 FD; UNIFORM ALLOWANCE K ASTRUP | 05/26/2026 CHOYT | 06/09/2026 | 92.35 | Open | N 05/19/2026 |
| | ASPEN MILLS FD; UNIFORM S HICKS 101-42260-50217 FD; UNIFORM S HICKS | 06/01/2026 CHOYT | 06/09/2026 | 405.58 | Open | N 05/22/2026 |

| | | | | | | |
|--|--|------------|------------|-----------|------|------------|
| ASPEN MILLS | | 06/02/2026 | 06/09/2026 | 33.85 | Open | N |
| FD; UNIFORM BELT | | CHOYT | | | | 05/29/2026 |
| 101-42260-50217 | FD; UNIFORM BELT | | | 33.85 | | |
| ----- | | | | | | |
| BANK FEE-ADJ | | 04/30/2026 | 04/30/2026 | 50.00 | Open | N |
| SCANNER/CASH MGMT FEES | | DBRUNETTE | | | | 04/30/2026 |
| 101-41500-50309 | BANK FEES; SCANNER | | | 25.00 | | |
| 101-41500-50309 | BANK FEES; CASH MGMT | | | 25.00 | | |
| ----- | | | | | | |
| BANK FEE-ADJ | | 04/29/2026 | 06/09/2026 | 25.00 | Paid | Y |
| STOP PAYMENT CHRG CK 80793 | | DBRUNETTE | | | | 04/29/2026 |
| 101-41500-50309 | STOP PAYMENT CHRG CK 80793 | | | 25.00 | | |
| ----- | | | | | | |
| BEAUDRY | | 05/26/2026 | 06/09/2026 | 2,663.85 | Open | N |
| PW; ULS #2 DYED DIESEL B20-561.40 | | CHOYT | | | | 05/20/2026 |
| 101-43100-50212 | PW; ULS #2 DYED DIESEL B20-561.40 | | | 2,663.85 | | |
| ----- | | | | | | |
| BEAUDRY | | 05/26/2026 | 06/09/2026 | 2,133.65 | Open | N |
| PW; UNLEADED 87 -552.90 | | CHOYT | | | | 05/26/2026 |
| 101-43100-50212 | PW; UNLEADED 87 -552.90 | | | 2,133.65 | | |
| ----- | | | | | | |
| BEAUDRY | | 06/01/2026 | 06/09/2026 | 851.80 | Open | N |
| PW; ULS #2 DYED DIESEL 200.00 | | CHOYT | | | | 05/26/2026 |
| 101-43100-50212 | PW; ULS #2 DYED DIESEL 200.00 | | | 851.80 | | |
| ----- | | | | | | |
| BEAUDRY | | 06/01/2026 | 06/09/2026 | 2,131.23 | Open | N |
| PW; UNLEADED 87 -592.5 | | CHOYT | | | | 05/26/2026 |
| 101-43100-50212 | PW; UNLEADED 87 -592.5 | | | 2,131.23 | | |
| ----- | | | | | | |
| BLACK & VEATCH | | 06/03/2026 | 06/09/2026 | 19,175.09 | Open | N |
| WELL 4 & 5 FILTERATION DET DES; APR 2026 | | CHOYT | | | | 05/20/2026 |
| 601-00000-16500 | WELL 4 & 5 FILTERATION DET DES; APR 2026 | | | 19,175.09 | | |
| ----- | | | | | | |

| | | | | | |
|---|---------------------------------------|------------|----------|------|------------|
| BROKEA INC | 06/03/2026 | 06/09/2026 | 234.14 | Open | N |
| FD; PRESCRIPTION GLASSES WENDLANDT | CHOYT | | | | 06/03/2026 |
| 101-42260-50217 | FD; PRESCRIPTION GLASSES WENDLANDT | | 234.14 | | |
| C. VISION PRODUCTION | 05/27/2026 | 06/09/2026 | 2,550.00 | Open | N |
| VIDEO TECH; MAY 2026 | CHOYT | | | | 05/27/2026 |
| 226-41900-50430 | VIDEO TECH; MAY 2026 | | 2,550.00 | | |
| CARSON,CLELLAND & SCHREDER | 06/02/2026 | 06/09/2026 | 2,400.00 | Open | N |
| CRIMINAL PROSECUTION; MAY 2026 | CHOYT | | | | 05/26/2026 |
| 101-41640-50305 | CRIMINAL PROSECUTION; MAY 2026 | | 2,400.00 | | |
| CEMSTONE PRODUCTS COMPANY | 06/03/2026 | 06/09/2026 | 841.50 | Open | N |
| PARKS; IMPROVEMENTS BATTING CAGES | CHOYT | | | | 05/11/2026 |
| 101-45200-50530 | PARKS; IMPROVEMENTS OTHER THAN BLDGS | | 841.50 | | |
| CENTURYLINK | 05/26/2026 | 06/09/2026 | 216.30 | Open | N |
| PW; 763 323-0975 WELLHOUSE 2 LANDLINE/SCA | CHOYT | | | | 05/13/2026 |
| 601-49400-50321 | PW; 763 323-0023 WATER SYSTEM SCADA | | 108.15 | | |
| 602-49400-50321 | PW; 763 323-0975 WELLHOUSE 2 LANDLINE | | 108.15 | | |
| CENTURYLINK | 05/26/2026 | 06/09/2026 | 49.69 | Open | N |
| PW; 763 428-7345 MAY-JUN 2026 | CHOYT | | | | 05/21/2026 |
| 101-41810-50321 | PW; 763 428-7345 | | 49.69 | | |
| CINTAS | 05/26/2026 | 06/09/2026 | 155.10 | Open | N |
| PW; UNIFORMS | CHOYT | | | | 05/21/2026 |
| 101-43100-50217 | PW; UNIFORMS | | 155.10 | | |
| CINTAS | 06/01/2026 | 06/09/2026 | 16.67 | Open | N |
| PW; FIRST AID CABINET RESTOCK | CHOYT | | | | 05/27/2026 |
| 101-41810-50308 | PW; FIRST AID CABINET RESTOCK | | 16.67 | | |

| | | | | | | |
|--|-------------------------------------|------------|------------|----------|------|------------|
| CINTAS | | 06/01/2026 | 06/09/2026 | 198.36 | Open | N |
| PW; EYEWASH SERVICE AGREEMENT | | CHOYT | | | | 05/31/2026 |
| 101-41810-50308 | PW; EYEWASH SERVICE AGREEMENT | | | 198.36 | | |
| <hr/> | | | | | | |
| CINTAS | | 06/01/2026 | 06/09/2026 | 153.10 | Open | N |
| PW; UNIFORMS | | CHOYT | | | | 05/29/2026 |
| 101-43100-50217 | PW; UNIFORMS | | | 153.10 | | |
| <hr/> | | | | | | |
| CITY OF MONTICELLO | | 06/01/2026 | 06/09/2026 | 222.00 | Open | N |
| PD; ANIMAL CONTROL | | CHOYT | | | | 05/15/2026 |
| 101-42140-50308 | PD; ANIMAL CONTROL | | | 222.00 | | |
| <hr/> | | | | | | |
| CITY OF SAINT PAUL | | 06/03/2026 | 06/09/2026 | 522.12 | Open | N |
| STREET MAINT-REPAIR ASPHALT MIX | | CHOYT | | | | 05/06/2026 |
| 101-43100-50224 | STREET MAINT-REPAIR ASPHALT MIX | | | 522.12 | | |
| <hr/> | | | | | | |
| CONNEXUS ENERGY | | 05/26/2026 | 06/09/2026 | 30.92 | Open | N |
| 399445-332040 15199 116TH AVE N-IRR APR-MA | | CHOYT | | | | 05/18/2026 |
| 101-45200-50381 | 399445-332040 15199 116TH AVE N-IRR | | | 30.92 | | |
| <hr/> | | | | | | |
| CONNEXUS ENERGY | | 05/26/2026 | 06/09/2026 | 7,104.39 | Open | N |
| ELECTRIC SERVICES; APR-MAY 2026 | | CHOYT | | | | 05/21/2026 |
| 101-43100-50230 | 172514- ST LIGHTS | | | 42.78 | | |
| 101-43100-50230 | 172516- ST LIGHTS | | | 2,742.72 | | |
| 101-43100-50230 | 172802- ST LIGHTS | | | 71.43 | | |
| 101-43100-50230 | 172803- ST LIGHTS | | | 280.76 | | |
| 101-42130-50381 | 173098- SIREN | | | 21.40 | | |
| 602-49400-50381 | 178838- 141ST OUTBUILDING | | | 36.52 | | |
| 601-49400-50381 | 299049- WELL#2 | | | 1,446.21 | | |
| 602-49400-50381 | 299195- ROSEWOOD LIFT STATION | | | 62.86 | | |
| 601-49400-50381 | 299380- WATER TOWER | | | 159.29 | | |
| 602-49400-50381 | 303882- PINEVIEW LIFT STATION | | | 46.97 | | |

| | | | | | | |
|---|--|------------|------------|-----------|------|------------|
| 602-49400-50381 | 307062- HACKBERRY LIFT STATION | | | 106.98 | | |
| 101-42130-50381 | 309045- 11671 E FRENCH SIREN | | | 17.40 | | |
| 101-43100-50230 | 317271- 12600 129TH ST LIGHTS | | | 74.00 | | |
| 101-43100-50230 | 324905-14503 KINGSVIEW ST LIGHTS | | | 1,897.07 | | |
| 101-43100-50230 | 325071- 13699 PINEVIEW LANE ST LIGHTS | | | 28.50 | | |
| 101-43100-50230 | 331681-14462 ANNAPOLIS LN ST LIGHTS | | | 30.13 | | |
| 101-43100-50230 | 331682-11510 PINERIDGE WAY ST LIGHTS | | | 39.37 | | |
| <hr/> | | | | | | |
| COORDINATED BUSINESS SYSTEMS | | 06/01/2026 | 06/09/2026 | 134.59 | Open | N |
| ENGINEER PRINTER-KYOCERA COPIER APR-MAY : CHOYT | | | | | | 05/22/2026 |
| 101-41810-50308 | ENGINEER PRINTER-KYOCERA COPIER | | | 134.59 | | |
| <hr/> | | | | | | |
| CORE & MAIN | | 06/03/2026 | 06/09/2026 | 6,783.28 | Open | N |
| PW; METERS | | CHOYT | | | | 05/28/2026 |
| 601-49400-50259 | PW; METERS | | | 6,783.28 | | |
| <hr/> | | | | | | |
| CORNERSTONE | | 06/03/2026 | 06/09/2026 | 2,047.36 | Open | N |
| REPAIR/MAINT 2008 FORD F550 | | CHOYT | | | | 02/23/2026 |
| 101-43100-50220 | REPAIR/MAINT 2008 FORD F550 | | | 2,047.36 | | |
| <hr/> | | | | | | |
| CORNERSTONE | | 06/03/2026 | 06/09/2026 | 3,761.36 | Open | N |
| PW; REPAIR/2012 F-250 | | CHOYT | | | | 05/21/2026 |
| 101-43100-50220 | REPAIR/2012 F-250 | | | 3,761.36 | | |
| <hr/> | | | | | | |
| COUNTRY SIDE SERVICES OF | | 06/03/2026 | 06/09/2026 | 14,613.57 | Open | N |
| PW; 2026 TRUCK PLOW | | CHOYT | | | | 05/18/2026 |
| 401-43100-50580 | PW; 2026 TRUCK PLOW | | | 14,613.57 | | |
| <hr/> | | | | | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 16016 116TH AVE LANDSCAPE ESCROW RELEASE | | CHOYT | | | | 06/03/2026 |
| 420-00000-22100 | 16016 116TH AVE LANDSCAPE ESCROW RELEASE | | | 3,000.00 | | |
| <hr/> | | | | | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |

| | | | | | | |
|--|--|------------|------------|----------|------|------------|
| 16012 116TH AVE LANDSCAPE ESCROW RELEASI CHOYT | | | | | | 06/03/2026 |
| 420-00000-22100 | 16012 116TH AVE LANDSCAPE ESCROW RELEASE | | | 3,000.00 | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 15912 116TH AVE LANDSCAPE ESCROW RELEASI CHOYT | | | | | | 06/03/2026 |
| 420-00000-22100 | 15912 116TH AVE LANDSCAPE ESCROW RELEASE | | | 3,000.00 | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 15920 116TH AVE LANDSCAPE ESCROW RELEASI CHOYT | | | | | | 06/03/2026 |
| 420-00000-22100 | 15920 116TH AVE LANDSCAPE ESCROW RELEASE | | | 3,000.00 | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11612 WESTON LN N LANDSCAPE ESCROW RELE CHOYT | | | | | | 06/03/2026 |
| 420-00000-22100 | 11612 WESTON LN N LANDSCAPE ESCROW RELEA | | | 3,000.00 | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11628 WESTON LN N LANDSCAPE ESCROW RELE CHOYT | | | | | | 06/03/2026 |
| 420-00000-22100 | 11628 WESTON LN N LANDSCAPE ESCROW RELEA | | | 3,000.00 | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11636 WESTON LN N LANDSCAPE ESCROW RELE CHOYT | | | | | | 06/03/2026 |
| 420-00000-22100 | 11636 WESTON LN N LANDSCAPE ESCROW RELEA | | | 3,000.00 | | |
| DAVID WEEKLEY HOMES | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11640 WESTON LN N LANDSCAPE ESCROW RELE CHOYT | | | | | | 06/03/2026 |
| 420-00000-22100 | 11640 WESTON LN N LANDSCAPE ESCROW RELEA | | | 3,000.00 | | |
| ECM PUBLISHERS, INC | | 05/27/2026 | 06/09/2026 | 52.50 | Open | N |
| PHN; JUNE 4 GARAGE SIZE | CHOYT | | | | | 05/21/2026 |
| 101-41110-50352 | PHN; JUNE 4 GARAGE SIZE | | | 52.50 | | |
| ECM PUBLISHERS, INC | | 05/27/2026 | 06/09/2026 | 78.75 | Open | N |
| LEGAL NOTICES/FILING FEE PROJ #6203 | CHOYT | | | | | 05/21/2026 |

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|--|-------------------------------------|------------|------------|----------|------|------------|
| 411-43100-50351-6203 | LEGAL NOTICES/FILING FEE PROJ #6203 | | | 78.75 | | |
| ELM CREEK WATERSHED | | 06/02/2026 | 06/09/2026 | 1,380.00 | Open | N |
| RQST PLAN REVIEW-DAYTON SW INFRASTRUCTU | CHOYT | | | | | 05/28/2026 |
| 415-41900-50300 | RQST PLAN REVIEW & APPROVAL | | | 1,380.00 | | |
| EMBEDDED SYSTEMS INC | | 06/02/2026 | 06/09/2026 | 1,798.92 | Open | N |
| PD; CONTRACT SERVICES/SIREN JUL-DEC 2026 | CHOYT | | | | | 06/01/2026 |
| 101-42130-50308 | PD; CONTRACT SERVICES/SIREN JUL-DEC | | | 1,798.92 | | |
| FES, INC. DBA | | 06/01/2026 | 06/09/2026 | 276.42 | Open | N |
| UNIFORM REPAIR | CHOYT | | | | | 05/27/2026 |
| 101-42260-50217 | UNIFORM REPAIR | | | 276.42 | | |
| FORCE AMERICA DISTRIBUTING LLC | | 05/26/2026 | 06/09/2026 | 340.00 | Open | N |
| PW; 5MB FLAT DATA PLAN- APR 2026 | CHOYT | | | | | 05/21/2026 |
| 101-43100-50210 | PW; 5MB FLAT DATA PLAN- APR 2026 | | | 340.00 | | |
| FULLY PROMOTED-MAPLE GROVE | | 06/02/2026 | 06/09/2026 | 475.00 | Open | N |
| PD; TRUCKER CAP | CHOYT | | | | | 04/07/2026 |
| 101-42120-50580 | PD; TRUCKER CAP | | | 475.00 | | |
| FULLY PROMOTED-MAPLE GROVE | | 06/03/2026 | 06/09/2026 | 96.86 | Open | N |
| PW; GENERAL UNIFORM | CHOYT | | | | | 05/26/2026 |
| 101-43100-50217 | PW; UNIFORM | | | 96.86 | | |
| GEARGRID | | 05/27/2026 | 06/09/2026 | 1,290.00 | Open | N |
| FD; SUPPLIES | CHOYT | | | | | 04/30/2026 |
| 101-42260-50200 | FD; SUPPLIES | | | 1,290.00 | | |
| GRAINGER, INC | | 06/03/2026 | 06/09/2026 | 654.60 | Open | N |
| WH #2 REPAIR | CHOYT | | | | | 05/05/2026 |
| 601-49400-50220 | WH #2 REPAIR | | | 654.60 | | |

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|--|---|------------|----------|------|-----------------|
| GUIDANCEPOINT TECHNOLOGIES IT; PROFESSIONAL SRVS-SURFACE BLANK 101-41820-50300 | 05/26/2026 CHOYT IT; PROFESSIONAL SRVS | 06/09/2026 | 138.75 | Open | N 05/20/2026 |
| | | | 138.75 | | |
| GUIDANCEPOINT TECHNOLOGIES OFFICE 365 -1 YR PD X 3 101-41820-50205 | 06/03/2026 CHOYT OFFICE 365 -1 YR PD X 3 | 06/09/2026 | 240.00 | Open | N 06/03/2026 |
| | | | 240.00 | | |
| HASSAN SAND & GRAVEL, INC PW; RECYCLED CLASS 5 -53.50 101-43100-50224 | 06/03/2026 CHOYT PW; RECYCLED CLASS 5 -53.50 | 06/09/2026 | 909.50 | Open | N 05/20/2026 |
| | | | 909.50 | | |
| HASSAN SAND & GRAVEL, INC PARKS; FILL SAND SCREENED 101-43100-50224 | 06/03/2026 CHOYT PARKS; FILL SAND SCREENED | 06/09/2026 | 406.72 | Open | N 05/12/2026 |
| | | | 406.72 | | |
| HASSAN SAND & GRAVEL, INC CREME/BUFF LIMESTONE- 24.58 101-43100-50224 | 06/03/2026 CHOYT CREME/BUFF LIMESTONE- 24.58 | 06/09/2026 | 994.26 | Open | N 05/07/2026 |
| | | | 994.26 | | |
| HAUGO GEOTECHNICAL WATER TOWER BORINGS 601-49400-50300 | 06/03/2026 CHOYT WATER TOWER BORINGS | 06/09/2026 | 4,415.00 | Open | N 05/20/2026 |
| | | | 4,415.00 | | |
| JANE RAMUNNO SPRING PLANTING EDA POTS REIMBURSEMENT 225-41710-50210 | 06/02/2026 CHOYT SPRING PLANTING EDA POTS REIMBURSEMENT | 06/09/2026 | 634.86 | Open | N 06/02/2026 |
| | | | 634.86 | | |
| JESSICA HARTFIEL THURSTON EMBEDDED SOCIAL WORKER-MAY 2026 101-42120-50300 | 06/02/2026 CHOYT EMBEDDED SOCIAL WORKER-MAY 2026 | 06/09/2026 | 2,334.00 | Open | N 05/31/2026 |
| | | | 2,334.00 | | |

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|--|--|------------|-------------|------|------------|
| KELLY THELEN | 06/01/2026 | 06/09/2026 | 133.34 | Open | N |
| MILEAGE REIMBURSEMENT APR-MAY 2026 | CHOYT | | | | 06/01/2026 |
| 101-41420-50331 | MILEAGE 4.22.2026 | | 18.71 | | |
| 101-41420-50331 | MILEAGE; 5.4-5.8.2026 | | 114.63 | | |
| ----- | | | | | |
| KNIFE RIVER CORP-NORTH CENTRAL | 06/03/2026 | 06/09/2026 | 261,764.90 | Open | N |
| PAY APP 1; 2026 DAYTON MILL & OVERLAY | CHOYT | | | | 06/03/2026 |
| 414-41900-50530 | PAY APP 1; 2026 DAYTON MILL & OVERLAY | | 275,542.00 | | |
| 414-00000-20600 | RETAINAGE PAYABLE | | (13,777.10) | | |
| ----- | | | | | |
| LEVANDER, GILLEN & MILLER, P.A. | 06/02/2026 | 06/09/2026 | 10,159.50 | Open | N |
| LEGAL FEES APR-MAY 2026 | CHOYT | | | | 05/29/2026 |
| 411-43100-50304-6204 | LEGAL FEES PROJ 6204 | | 721.50 | | |
| 411-43100-50304-6098 | LEGAL FEES PROJ 6098 | | 97.50 | | |
| 101-41640-50304 | LEGAL FEES-GENERAL APR-MAY | | 9,340.50 | | |
| ----- | | | | | |
| LYNDE & MCLEOD INC | 06/03/2026 | 06/09/2026 | 5,394.24 | Open | N |
| YARD WASTE SITE ACTIVITY; APR 2026 | CHOYT | | | | 05/01/2026 |
| 101-41650-50387 | YARD WASTE BRUSH REMOVAL | | 4,712.00 | | |
| 101-41650-50387 | YARD WASTE GRASS & LEAVES | | 899.00 | | |
| 101-41650-50387 | YARD WASTE COMPOST REBATE | | (216.76) | | |
| ----- | | | | | |
| LYNDE & MCLEOD INC | 06/03/2026 | 06/09/2026 | 442.36 | Open | N |
| YARD WASTE SITE RENTAL-JUN | CHOYT | | | | 05/04/2026 |
| 101-41650-50387 | YARD WASTE SITE RENTAL-JUN | | 442.36 | | |
| ----- | | | | | |
| M/I HOMES OF MPLS | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11270 NIAGARA LN N LANDSCAPE ESCROW RELE | CHOYT | | | | 06/03/2026 |
| 420-00000-22100 | 11270 NIAGARA LN N LANDSCAPE ESCROW REL | | 3,000.00 | | |
| ----- | | | | | |
| M/I HOMES OF MPLS | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11250 NIAGARA LN N LANDSCAPE ESCROW RELE | CHOYT | | | | 06/03/2026 |
| 420-00000-22100 | 11250 NIAGARA LN N LANDSCAPE ESCROW RELE | | 3,000.00 | | |
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|--|--|------------|----------|------|------------|
| M/I HOMES OF MPLS | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11280 NIAGARA LN N LANDSCAPE ESCROW RELE CHOYT | | | | | 06/03/2026 |
| 420-00000-22100 | 11280 NIAGARA LN N LANDSCAPE ESCROW RELE | | 3,000.00 | | |
| ----- | | | | | |
| M/I HOMES OF MPLS | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11230 NIAGARA LN N LANDSCAPE ESCROW RELE CHOYT | | | | | 06/03/2026 |
| 420-00000-22100 | 11230 NIAGARA LN N LANDSCAPE ESCROW RELE | | 3,000.00 | | |
| ----- | | | | | |
| M/I HOMES OF MPLS | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11240 NIAGARA LN N LANDSCAPE ESCROW RELE CHOYT | | | | | 06/03/2026 |
| 420-00000-22100 | 11240 NIAGARA LN N LANDSCAPE ESCROW RELE | | 3,000.00 | | |
| ----- | | | | | |
| MACQUEEN EMERGENCY GROUP | 06/02/2026 | 06/09/2026 | 9,729.86 | Open | N |
| 2026 COLORADO IN HOUSE BUILD UNIT 2614 CHOYT | | | | | 05/26/2026 |
| 401-42120-50580 | 2026 COLORADO IN HOUSE BUILD UNIT 2614 | | 9,729.86 | | |
| ----- | | | | | |
| MACQUEEN EMERGENCY GROUP | 06/03/2026 | 06/09/2026 | 96.34 | Open | N |
| PW; REPAIR SUPPLIES CHOYT | | | | | 04/24/2026 |
| 101-43100-50220 | PW; REPAIR SUPPLIES | | 96.34 | | |
| ----- | | | | | |
| MENARDS - ELK RIVER | 06/03/2026 | 06/09/2026 | 140.10 | Open | N |
| PW; SUPPLIES CHOYT | | | | | 05/20/2026 |
| 101-43100-50210 | PW; SUPPLIES | | 140.10 | | |
| ----- | | | | | |
| MENARDS - MAPLE GROVE | 06/03/2026 | 06/09/2026 | 30.10 | Open | N |
| PW; SUPPLIES CHOYT | | | | | 05/08/2026 |
| 101-43100-50210 | PW; SUPPLIES | | 30.10 | | |
| ----- | | | | | |
| MENARDS - MAPLE GROVE | 06/03/2026 | 06/09/2026 | 344.01 | Open | N |
| PW; SUPPLIES CHOYT | | | | | 05/22/2026 |
| 101-43100-50210 | PW; SUPPLIES | | 344.01 | | |
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|--|--|---------------------|------------|-----------|------|-----------------|
| MENARDS - MAPLE GROVE PW; SUPPLIES 101-43100-50210 | PW; SUPPLIES | 06/03/2026 CHOYT | 06/09/2026 | 304.16 | Open | N 05/20/2026 |
| | | | | 304.16 | | |
| MENARDS - MAPLE GROVE PW; SUPPLIES 101-43100-50210 | PW; SUPPLIES | 06/03/2026 CHOYT | 06/09/2026 | 398.60 | Open | N 05/28/2026 |
| | | | | 398.60 | | |
| MENARDS - MAPLE GROVE PW; SUPPLIES 101-43100-50210 | PW; SUPPLIES | 06/03/2026 CHOYT | 06/09/2026 | 132.25 | Open | N 06/01/2026 |
| | | | | 132.25 | | |
| METRO WEST INSPECTION 240.10 BLDG INSPECTIONS; APR 2026 101-41660-50300 | 240.10 BLDG INSPECTIONS; APR 2026 | 06/03/2026 CHOYT | 06/09/2026 | 19,208.00 | Open | N 04/30/2026 |
| | | | | 19,208.00 | | |
| MICHELLE CLAWSON-STOKES DAC RENTAL DEPOSIT REFUND: 05-22-05.24.202 101-00000-21716 | DAC RENTAL DEPOSIT REFUND: 05-22-05.24 | 05/26/2026 CHOYT | 06/09/2026 | 1,200.00 | Open | N 05/22/2026 |
| | | | | 1,200.00 | | |
| MIDWAY FORD PW; 2026 FORD F350 401-43100-50580 | PW; 2026 FORD F350 | 06/03/2026 CHOYT | 06/09/2026 | 58,628.38 | Open | N 05/07/2026 |
| | | | | 58,628.38 | | |
| MINNESOTA EQUIPMENT PARKS; REPAIR/MAINT 101-45200-50220 | PARKS; REPAIR/MAINT | 06/03/2026 CHOYT | 06/09/2026 | 1,811.76 | Open | N 05/13/2026 |
| | | | | 1,811.76 | | |
| MN DEPT OF PUBLIC SAFETY 14 MN100 CLUB LICENSE PLATES-FIRE 101-42260-50200 | 14 MN100 CLUB LICENSE PLATES-FIRE | 05/26/2026 CHOYT | 06/09/2026 | 42.00 | Open | N 05/22/2026 |
| | | | | 42.00 | | |
| MN DEPT OF REVENUE | | 04/14/2026 | 06/09/2026 | 3,520.00 | Paid | Y |

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|---|--|------------|------------|----------|------|------------|
| MARCH S/U TAX | | DBRUNETTE | | | | 04/14/2026 |
| 101-00000-20300 | Sales Tax Payable | | | 123.00 | | |
| 601-00000-20300 | Sales Tax Payable | | | 3,397.00 | | |
| <hr/> | | | | | | |
| MUTUAL OF OMAHA | | 06/02/2026 | 06/09/2026 | 1,142.02 | Open | N |
| G000CL6X: STD/LTD PREMIUM JUN 2026 | | CHOYT | | | | 06/01/2026 |
| 101-00000-21705 | G000CL6X: STD/LTD PREMIUM | | | 1,142.02 | | |
| <hr/> | | | | | | |
| NORTH MEMORIAL HEALTH CARE | | 06/02/2026 | 06/09/2026 | 110.00 | Open | N |
| PD; EMR REFRESHER | | CHOYT | | | | 05/29/2026 |
| 101-42120-50208 | PROFESSIONAL DEVELOPMENT-EMR | | | 110.00 | | |
| <hr/> | | | | | | |
| OMANN BROTHERS INC | | 06/03/2026 | 06/09/2026 | 596.26 | Open | N |
| PW; PAVING SUPPLIES MV4 MIX | | CHOYT | | | | 05/19/2026 |
| 101-43100-50224 | PW; PAVING SUPPLIES MV4 MIX | | | 596.26 | | |
| <hr/> | | | | | | |
| OP5 BRAYBURN | | 06/03/2026 | 06/09/2026 | 3,000.00 | Open | N |
| 11629 WESTON LN N LANDSCAPE ESCROW RELE | | CHOYT | | | | 06/03/2026 |
| 420-00000-22100 | 11629 WESTON LN N LANDSCAPE ESCROW RELEA | | | 3,000.00 | | |
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| SITE ONE LANDSCAPE SUPPLY | | 06/03/2026 | 06/09/2026 | 632.11 | Open | N |
| PW; SUPPLIES | | CHOYT | | | | 05/19/2026 |
| 101-45200-50220 | PW; SUPPLIES | | | 632.11 | | |
| <hr/> | | | | | | |
| SITE ONE LANDSCAPE SUPPLY | | 06/03/2026 | 06/09/2026 | 564.75 | Open | N |
| PW; REPAIR | | CHOYT | | | | 05/12/2026 |
| 101-45200-50220 | PW; REPAIR | | | 564.75 | | |
| <hr/> | | | | | | |
| STREICHERS, INC | | 06/02/2026 | 06/09/2026 | 143.97 | Open | N |
| PD; OTHER EQUIPMENT | | CHOYT | | | | 05/28/2026 |
| 101-42120-50580 | PD; OTHER EQUIPMENT | | | 143.97 | | |
| <hr/> | | | | | | |
| STREICHERS, INC | | 06/02/2026 | 06/09/2026 | 329.98 | Open | N |

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|--|-----------------------------------|------------|------------|----------|------|------------|
| PD; OTHER EQUIPMENT | | CHOYT | | | | 05/28/2026 |
| 101-42120-50580 | OTHER EQUIPMENT | | | 329.98 | | |
| ----- | | | | | | |
| T MOBILE | | 06/01/2026 | 06/09/2026 | 1,759.78 | Open | N |
| CH/PW CELL SVC APR-MAY 2026 | | CHOYT | | | | 05/20/2026 |
| 101-43100-50321 | PW; CELL SVC | | | 1,309.79 | | |
| 601-49400-50321 | PW; CELL SVC | | | 54.07 | | |
| 602-49400-50321 | PW; CELL SVC | | | 54.08 | | |
| 101-41910-50321 | AC; CELL SVC | | | 112.65 | | |
| 101-41710-50321 | PLANNING; CELL SVC | | | 84.59 | | |
| 101-41310-50320 | CH;ADMINISTRATOR CELL SVC | | | 40.45 | | |
| 101-41420-50320 | CH; CLERK CELL SVC | | | 40.45 | | |
| 101-41500-50320 | CH; HOT SPOT | | | 63.70 | | |
| ----- | | | | | | |
| T MOBILE | | 06/01/2026 | 06/09/2026 | 1,355.78 | Open | N |
| PD; 990673330 CELL SVC APR-MAY 2026 | | CHOYT | | | | 05/20/2026 |
| 101-42120-50320 | PD; 990673330 CELL SVC | | | 1,355.78 | | |
| ----- | | | | | | |
| TASC | | 05/26/2026 | 06/09/2026 | 39.59 | Open | N |
| COBRA ADMIN FEE; JUL 2026 | | CHOYT | | | | 05/17/2026 |
| 101-41810-50205 | COBRA ADMIN FEE; JUL 2026 | | | 39.59 | | |
| ----- | | | | | | |
| TASC | | 05/26/2026 | 06/09/2026 | 184.20 | Open | N |
| COBRA ADMIN FEE; JUL-SEPT 2026 | | CHOYT | | | | 05/19/2026 |
| 101-41810-50205 | COBRA ADMIN FEE; JUL-SEPT 2026 | | | 184.20 | | |
| ----- | | | | | | |
| THE STANDARD | | 06/02/2026 | 06/09/2026 | 306.85 | Open | N |
| #00 173153 LIFE INS-DAYTON MN | | CHOYT | | | | 06/02/2026 |
| 101-00000-21711 | INSURANCE-STANDARD | | | 306.85 | | |
| ----- | | | | | | |
| TOSHIBA BUSINESS SYSTEMS | | 06/03/2026 | 06/09/2026 | 109.79 | Open | N |
| CH; ESTUDIO 4525 BACK PRINTER 1837 BW/265€ | | CHOYT | | | | 05/31/2026 |
| 101-41820-50308 | CH; ESTUDIO 4525 BACK PRINTER MAY | | | 109.79 | | |
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|--|---|------------|--------|------|------------|
| TOSHIBA BUSINESS SYSTEMS | 06/03/2026 | 06/09/2026 | 12.48 | Open | N |
| PD; ESTUDIO 3518- 2547 BW MAR-MAY 2026 | CHOYT | | | | 05/31/2026 |
| 101-42120-50308 | PD; ESTUDIO 3518- 2547/BW | | 12.48 | | |
| <hr/> | | | | | |
| TOSHIBA BUSINESS SYSTEMS | 06/03/2026 | 06/09/2026 | 14.45 | Open | N |
| FD; ESTUDIO BW 2000 MAY-JUN 287 CLR MAY | CHOYT | | | | 06/01/2026 |
| 101-42260-50200 | FD; ESTUDIO BW 2000 MAY-JUN 287 CLR MAY | | 14.45 | | |
| <hr/> | | | | | |
| TRANSPORT GRAPHICS | 06/03/2026 | 06/09/2026 | 418.39 | Open | N |
| PD; GRAPHICS/SUPPLIES | CHOYT | | | | 03/05/2026 |
| 401-42120-50580 | PD; GRAPHICS/SUPPLIES | | 418.39 | | |
| <hr/> | | | | | |
| VEIT & COMPANY INC. | 06/03/2026 | 06/09/2026 | 429.00 | Open | N |
| RENTALS (GENERAL) ROLL OFF 5/19 | CHOYT | | | | 05/24/2026 |
| 101-43100-50410 | RENTALS (GENERAL) ROLL OFF 5/19 | | 429.00 | | |
| <hr/> | | | | | |
| WESTSIDE WHOLESALE, INC | 06/03/2026 | 06/09/2026 | 817.32 | Open | N |
| PW; REPAIR/MAINT. TIRES | CHOYT | | | | 05/28/2026 |
| 101-43100-50220 | PW; REPAIR/MAINT. | | 817.32 | | |
| <hr/> | | | | | |
| WRIGHT COUNTY FINANCE AND TAXPAYER | 05/26/2026 | 06/09/2026 | 375.00 | Open | N |
| 24 TAXABLE PARCELS/1 PERSONAL PROPERTY | CHOYT | | | | 05/19/2026 |
| 101-41610-50300 | 24 TAXABLE PARCELS/1 PERSONAL PROPERTY | | 375.00 | | |
| <hr/> | | | | | |
| XCEL ENERGY | 05/26/2026 | 06/09/2026 | 46.85 | Open | N |
| 51-0012400696-3;RUSH CR; APR-MAY 2026 | CHOYT | | | | 05/20/2026 |
| 101-45200-50381 | 51-0012400696-3;RUSH CR; APR-MAY | | 46.85 | | |
| <hr/> | | | | | |
| XCEL ENERGY | 05/26/2026 | 06/09/2026 | 184.24 | Open | N |
| 51-4585810-2 LAWNDAL/51-4585810-2 S DIA LI | CHOYT | | | | 04/30/2026 |
| 101-43100-50381 | 51-4585810-2 S DIA LK; APR 2026 | | 59.19 | | |
| 602-49400-50381 | 51-4585810-2 PRO LGT | | 11.20 | | |

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|--|-------------------------------------|------------|------------|-------------|------|------------|
| 602-49400-50381 | 51-4585810-2 LAWNDALE | | | 113.85 | | |
| XCEL ENERGY | | 06/03/2026 | 06/09/2026 | 352.19 | Open | N |
| 51-8556975-3;17780 TERRITORIAL/S.L. MAY 2026 | CHOYT | | | | | 05/30/2026 |
| 101-43100-50230 | 51-8556975-3;17780 TERRITORIAL/S.L. | | | 352.19 | | |
| XCEL ENERGY | | 06/03/2026 | 06/09/2026 | 64.03 | Open | N |
| 51-9348440-7 TROY ST LGT; MAY 2026 | CHOYT | | | | | 05/30/2026 |
| 101-43100-50230 | 51-9348440-7 TROY ST LGT; MAY 2026 | | | 64.03 | | |
| XCEL ENERGY | | 06/03/2026 | 06/09/2026 | 80.74 | Open | N |
| 51-8932050-3 CR81; MAY 2026 | CHOYT | | | | | 05/31/2026 |
| 101-43100-50230 | 51-8932050-3 CR81; MAY 2026 | | | 80.74 | | |
| ZIEGLER INC | | 06/03/2026 | 06/09/2026 | 593.45 | Open | N |
| PW; REPAIR/MAINT | CHOYT | | | | | 05/29/2026 |
| 101-43100-50220 | PW; REPAIR/MAINT | | | 593.45 | | |
| # of Invoices: | 109 # Due: 107 | Totals: | | 513,969.11 | | |
| # of Credit Memos: | 0 # Due: 0 | Totals: | | 0.00 | | |
| Net of Invoices and Credit Memos: | | | | 513,969.11 | | |
| * 2 Net Invoices have Credits Totalling: | | | | (13,993.86) | | |
| --- TOTALS BY FUND --- | | | | | | |
| 101 - GENERAL FUND | | | | 84,618.10 | | |
| 225 - EDA | | | | 634.86 | | |
| 226 - CABLE | | | | 2,550.00 | | |
| 401 - CAPITAL EQUIPMENT | | | | 83,390.20 | | |
| 411 - DEVELOPER ESCROWS | | | | 897.75 | | |
| 414 - PAVEMENT MANAGEMENT AND IMPROVEMENTS | | | | 261,764.90 | | |
| 415 - STORMWATER | | | | 1,380.00 | | |
| 420 - LANDSCAPE ESCROWS | | | | 42,000.00 | | |
| 601 - WATER FUND | | | | 36,192.69 | | |

602 - SEWER FUND

540.61

--- TOTALS BY DEPT/ACTIVITY ---

| | |
|----------------------------------|------------|
| 00000 - | 53,566.86 |
| 41110 - Council | 52.50 |
| 41310 - Administration | 40.45 |
| 41420 - City Clerk | 173.79 |
| 41500 - Finance | 138.70 |
| 41610 - Assessing Services | 375.00 |
| 41640 - Legal Services | 11,740.50 |
| 41650 - Recycling Services | 5,836.60 |
| 41660 - Inspection Service | 19,208.00 |
| 41710 - Plannning & Economic Dev | 719.45 |
| 41810 - Central Services | 623.10 |
| 41820 - Information Technology | 488.54 |
| 41900 - General Govt | 279,472.00 |
| 41910 - Activity Center | 112.65 |
| 42120 - Patrol and Investigate | 15,209.71 |
| 42130 - Emergency Mgmt | 1,837.72 |
| 42140 - Animal Control | 222.00 |
| 42260 - Fire Suppression | 3,374.87 |
| 43100 - Public Works | 102,613.59 |
| 45200 - Parks | 4,001.87 |
| 49400 - Utilities | 14,161.21 |

ITEM:

Historic Village Sewer & Water Utility Plans

PREPARED BY:

Jason Quisberg, Engineering

POLICY DECISION / ACTION TO BE CONSIDERED:

Adopt (Draft) Historic Village Sewer & Water Utility Plans

BACKGROUND:

The available capacity for development/re-development in the Historic Village area has been questioned over recent years. A high-level estimation was done previously, which helped to give some level of comfort as to what might be available, but there was not a high level of confidence in the projections.

To help improve confidence, a more thorough analysis of the sewer and water systems was completed such that potential constraints could be identified should development/re-development be considered. The analysis assumed that development would occur in alignment with the Historic Village Framework Plan previously accepted by Council as a vision for the area.

A memo was prepared summarizing the analysis findings for each the sewer and water systems. These memos are attached for review. Highlights from the memos will be shared during the Council Work Session or Regular Meeting.

Please ask questions before the meeting so that we can have answers ready and use meeting time efficiently.

Requested actions:

- Review the draft Historic Village Sewer & Water Utility Plans (memos)
- Ask questions and provide feedback regarding the plans
 - In advance of the meeting is highly encouraged
- Adopt the memos

Next steps: These plans are intended for guidance when development/re-development is considered in the Historic Village Area.

RECOMMENDATION:

Adopt Historic Village Sewer & Water Utility Plans

ATTACHMENT(S):

Draft memo: Historic Village Utility Plan – Sewer
Draft memo: Historic Village Utility Plan – Water



To: Mr. Zach Doud, City Administrator From: Mark Schroeher, PE
City of Dayton
Project/File: 193807502 Date: May 5, 2026

Reference: Historic Village Utility Plan – Sanitary Sewer

This memo presents the results of a capacity analysis performed for the existing sanitary infrastructure in the Historic Village of Dayton. The purpose of this analysis is to determine if the existing system has adequate capacity to serve northwest Dayton based on the Historic Village Framework Plan (Appendix A, dated August 2023) or identify where modifications may be required to meet the future planning needs. The analysis also included modifying the Historic Village Framework Plan in the southeast to see how the system would perform under higher density uses.

The existing sanitary system consists of three separate networks of 8-inch gravity sewer. Two networks (West of Crow River and Southeast Area) are each served by lift stations that pump into the Downtown gravity sewer network. The area west of the Crow River is served by the Dayton Avenue Lift Station which pumps into a 4-inch forcemain under the Crow River. The Southeast Area is served by the CSAH 12 Lift Station which pumps into a 4-inch forcemain along Shadyview Lane. The Downtown gravity sewer system flows to a single lift station at the DNR Public Water Access Site on the west side of downtown, which pumps into a 6-inch forcemain to the Otsego Wastewater Treatment Plant (WWTP).

Future development to the southeast of the current sanitary system would be served by network of gravity sewer connected to a new lift station that pumps into the existing southeast area gravity sewer at node 19 (subdistrict N) in Historic Village Subdistrict Map (see Appendix C)

1 Assumptions

The following information and documents were used as the basis of the analysis:

- Historic Village Framework Plan, dated August 2023 (Appendix A)
 - Note: the 2040 Comprehensive Sewer Plan assumes the Historic Village area is mostly mixed use, which is categorized as a high density residential use in the plan. The Framework plan assumes a mix of low density, medium density, commercial, and recreational/public uses.
- Pump nameplate information provided by the City, along with available pump curves provided by the manufacturer
- Record plans for the Utility and Street Improvements projects from Bonestroo Rosene Anderlik & Associates, dated January 2002

Reference: Historic Village Utility Plan – Sanitary Sewer

The following assumptions were made for the analysis:

- Average Day Flow per land use type is as follows (from the 2040 Comprehensive Sanitary Sewer Plan update)

| Land Use Type | Gal/Acre/Day |
|--|--------------|
| Estate | 27 |
| Low Density/Single Family Residential | 675 |
| Medium Density/Medium Family Residential | 1,200 |
| High Density/High Density Residential | 2,100 |
| Commercial/Industrial/Institutional/Historic Buildings | 1,200 |
| Recreational/Public/Open Space | 800 |

- Five (5) feet per second maximum design velocity for existing forcemain pipe
- Land use type in accordance with Appendix B
- Sewer subdistricts in accordance with Appendix C

2 Existing Sanitary Sewer System Evaluation

The sewer system layout for the Northwest Dayton is shown in Appendix C. This map shows the main sanitary sewer subdistricts, existing and proposed gravity sanitary sewers, and existing and proposed lift stations and forcemains. Wastewater from this area of the City is ultimately treated at the Otsego WWTP.

The northwest sanitary sewer system generally drains to the Otsego WWTP and consists of three separate networks, as follows:

- Two networks (West of Crow River and Southeast Area) are each served by lift stations that pump into the Downtown gravity sewer network.
- The area west of the Crow River is served by the Dayton Avenue Lift Station which pumps into a 4-inch forcemain under the Crow River.
- The southeast area is served by the CSAH 12 Lift Station which pumps into a 4-inch forcemain along Shadyview Lane.
- The Downtown gravity sewer system flows to a single lift station at the DNR Public Water Access Site on the west side of downtown, which pumps into a 6-inch forcemain to the Otsego WWTP.
- All existing gravity sewer lines in this area are 8-inch

The modeling of the sanitary sewer system was based on a variety of parameters, such as: future land use, standard wastewater generation rates, and existing system layout. Subdistricts were then determined based on drainage areas to main sewer lines. The land use areas, flow projections, and ultimate pipe design are presented in appendices A to D.

Reference: Historic Village Utility Plan – Sanitary Sewer

The existing and proposed pipe systems were evaluated and broken up into design segments. Each end of a design segment has a node assigned to it. The nodes were designated for the following reasons:

1. Flow from a sewer subdistrict entering the pipe network.
2. Significant grade change.
3. Change in pipe size.
4. Two or more lines connect.

Each sewer subdistrict contains at least one collection point where the sewer subdistrict's wastewater is defined as entering the pipe network. Upstream of that collection point, a lateral network of gravity lines may provide service to smaller areas, as applicable.

There are three existing lift stations, and one potential future lift station located in the northwest. Capacity information on these lift stations is provided in Table 1. The values in **bold** indicate the assumed capacities of each lift station.

Table 1 – Lift Station Capacity Data

| Lift Station | Subdistrict | Node | Forcemain Capacity (GPM) ¹ | Pump Capacity (Calculated) (GPM) | Pump Capacity (Record Plan) (GPM) | Land Use Plan Design Flow (GPM) | Land Use Plan Design Flow (GPM) Alternate |
|------------------------------|-------------|------|---------------------------------------|----------------------------------|-----------------------------------|---------------------------------|---|
| DNR Public Water Access Site | A | 1 | 453 (6-inch) | 260 | 200 | 335 | 448 |
| CSAH 12 | J | 10 | 161 (4-inch) | 100 | 110 | 153 | 269 |
| Dayton Ave | F | 17 | 161 (4-inch) | 100 | 86 | 55 | 56 |
| Future | N | 19 | 161 (4-inch) | N/A | N/A | 83 | 198 |

Table Notes:

1. Forcemain capacities are estimated based on actual forcemain internal diameter with a velocity of 5 fps. 4-inch HDPE pipe is assumed to be 3.63-inches internal diameter and 6-inch PVC pipe is assumed to be 6.09-inches internal diameter.

The existing capacity, head, horsepower, motor speed, and electrical service based on the record drawing information is provided in Table 2

Table 2 – Existing Lift Station Pump Data

| Lift Station | Ex Pump Capacity (GPM) | Pump Head (TDH) | Motor Horsepower (HP) | Motor Speed (RPM) | Electrical Service |
|------------------------------|------------------------|-----------------|-----------------------|-------------------|--------------------|
| DNR Public Water Access Site | 200 | 100 | 15 | 1750 | 460V, 3P, 60 Hz |
| CSAH 12 | 100 | 51 | 5 | 1750 | 120V, 1P, 60 Hz |
| Dayton Ave | 86 | 35 | 3 | 1750 | 120V, 1P, 60 Hz |

Reference: Historic Village Utility Plan – Sanitary Sewer

An evaluation of system design flows and capacities is provided in Appendix G. This appendix provides a comparison of capacity versus Historic Village Framework Plan/Land Use Plan design flow for each reach of the sewer system, see Appendix B Historic Village Land Use Map, Figure 1. This evaluation shows three locations where future capacity may be limited for the design flow:

1. Node 10 (CSAH 12 Lift Station) – pump capacity is the limiting factor (153 GPM flow rate versus 100 GPM pumping rate). A larger pump system may be required to provide adequate capacity for future land use.
2. Node 2 to 1 – 8-inch gravity pipe does not provide sufficient capacity (335 GPM flow rate versus 332 GPM capacity). A 10-inch diameter pipe may be required to provide adequate capacity for future land use.
3. Node 1 (DNR Landing Lift Station) – pump capacity is the limiting factor (335 GPM flow rate versus 200 GPM pumping rate). A larger pump system may be required to provide adequate capacity for future land use.

An alternate evaluation of system design flows and capacities is provided in Appendix G-Alternate. This appendix provides a comparison of capacity versus a modified version of the Historic Village Framework Plan design flow for each reach of the sewer system. The modification assumes high-density residential in the eastern half of subcatchment N in place of single family/low-density residential, as noted in Appendix B Historic Village Land Use Map – Alternate, Figure 1A. The change in land use shows four locations where capacity may be limited for the design flow:

1. Node 10 (CSAH 12 Lift Station) – pump capacity and forcemain size are both limiting factors (269 GPM flow rate versus 100 GPM pumping rate and 161 GPM forcemain capacity). A larger pump system and larger forcemain may be required to provide adequate capacity for future land use.
2. Node 2 to 1 – 8-inch gravity pipe does not provide sufficient capacity (448 GPM flow rate versus 332 GPM capacity). A 10-inch diameter pipe may be required to provide adequate capacity for future land use.
3. Node 1 (DNR Landing Lift Station) – pump capacity is the limiting factor (448 GPM flow rate versus 200 GPM pumping rate), while the forcemain capacity is near the limit (448 GPM flow rate versus 453 GPM capacity). A larger pump may be required to provide adequate capacity for future land use.
4. Node 19 (Future Lift Station) – forcemain size is the limiting factor (198 GPM flow rate versus 161 GPM forcemain capacity). A 6-inch diameter forcemain may be required to provide adequate capacity for future land use.

The existing forcemain from the DNR Landing Lift Station to the Otsego WWTP is approximately 6,750 lineal feet. In the event higher flow uses are proposed than what was assumed, a more detailed analysis

Reference: Historic Village Utility Plan – Sanitary Sewer

should be conducted as replacement of this pipe may not be a cost-effective solution. Limiting the high flow uses to maintain use of the existing forcemain is recommended.

3 Conclusions

Each component of the existing gravity and forcemain systems, including pipe size and pump capacity, were considered in the analysis. The analysis shows that the lift station pumps and piping and the last segment of the gravity system prior to discharge into the DNR Public Water Access Site lift station are potential limiting factors. The improvements required and general costs to upgrade are as follows:

1. Node 10 (CSAH 12 Lift Station) – Replace with duplex 155 gpm pumps at approximately \$115,000 to \$150,000.
2. Node 2 to 1 – Replace 8-inch gravity pipe with 10-inch gravity pipe at approximately \$250,000 to \$400,000. Note: this is very close to capacity and may be sufficient to leave as-is, however, if there is an opportunity to replace this segment during a road reconstruction project, it should be considered.
3. Node 1 (DNR Landing Lift Station) – Replace with duplex 335 gpm pumps at approximately \$170,000 to \$210,000.

The costs listed above and below are general estimated costs and may not include all components necessary for replacement. The condition of the existing structures, pumps, piping, valves, and accessories are unknown but may require replacement due to their age.

Table 3 – Proposed Lift Station Pump Requirements

| Lift Station | Ex Pump Capacity (GPM) | Ex Pump Head (TDH) | Ex Motor Horsepower (HP) | Proposed Capacity (GPM) | Proposed Pump Head (TDH) | Proposed Motor Horsepower (HP) |
|------------------------------|------------------------|--------------------|--------------------------|-------------------------|--------------------------|--------------------------------|
| DNR Public Water Access Site | 200 | 100 | 15 | 335 | 116 | 25 |
| CSAH 12 | 100 | 51 | 5 | 155 | 63 | 7.5 |

For the alternate evaluation, the analysis shows that the lift station pumps, forcemain pipe size, and the last segment of the gravity system prior to discharge into the DNR Public Water Access Site lift station are the limiting factors. The improvements required and general costs to upgrade are as follows:

1. Node 10 (CSAH 12 Lift Station) – Replace with duplex 269 gpm pumps at approximately \$150,000-\$180,000. Note: The cycles per hour at critical flow would be well above the typical recommended range which will wear out the pumps at a quicker rate and cause more maintenance to the pumps. Replacement of the structure or a new adjacent storage tank is recommended (cost for a storage tank is approximately \$125,000 to \$225,000). The existing forcemain pipe velocity at this flow

Reference: Historic Village Utility Plan – Sanitary Sewer

(approximately 7 fps) is above the recommended velocity of 5 fps which causes excessive pressure and wear on the forcemain pipe and will reduce the forcemains useful life. Replacement of the forcemain pipe (approximately 800 lineal feet) may be warranted and would be approximately \$200,000 to \$300,000. Further investigation is needed if the area development follows the alternate land use.

2. Node 2 to 1 – Replace 8-inch gravity pipe with 10-inch gravity pipe at approximately \$250,000 to \$400,000.
3. Node 1 (DNR Landing Lift Station) – Replace with duplex 448 gpm pumps at approximately \$220,000 to \$275,000. Note: The cycles per hour at critical flow would be above the typical recommended range which may wear out the pumps at a quicker rate and cause more maintenance on the pumps. If actual conditions warrant, upsizing the structure or adding a new adjacent storage tank could be considered to reduce the wear on the pumps (cost for a storage tank is approximately \$200,000 to \$300,000). The existing forcemain pipe velocity is slightly above the recommended velocity of 5 fps which causes excessive pressure and wear on the forcemain pipe and will reduce the forcemains useful life, however, replacing 6,750 lineal feet of pipe with a larger pipe may not be a cost-effective solution.

Table 4 – Proposed Alternate Evaluation Lift Station Pump Requirements

| Lift Station | Ex Pump Capacity (GPM) | Ex Pump Head (TDH) | Ex Motor Horsepower (HP) | Proposed Capacity (GPM) | Proposed Pump Head (TDH) | Proposed Motor Horsepower (HP) |
|------------------------------|------------------------|--------------------|--------------------------|-------------------------|--------------------------|--------------------------------|
| DNR Public Water Access Site | 200 | 100 | 15 | 448 | 153 | 35 |
| CSAH 12 | 100 | 51 | 5 | 269 | 105 | 15 |

This analysis takes the conservative approach to determining the capacity of the current system. With further investigation and additional information (including drawdown testing and/or transducer data to verify existing flows; considering synchronization of pumps between lift stations to maximize system efficiency during peak flow periods), it is possible that refinements could be made to the analysis that may result in an increase

- Attachments:
- Appendix A – Historic Village Framework
 - Appendix B – Land Use Map
 - Appendix B – Alternate – Land Use Map
 - Appendix C – Subdistrict Map
 - Appendix D – Sewer System Areas
 - Appendix E – Sewer System Design Average Flows
 - Appendix F – Sewer System Design Peak Flows
 - Appendix G – Ultimate System Pipe Design
 - Appendix G – Alternate – Ultimate System Pipe Design

c.



Appendix A Historic Village Framework

ROBINSON STREET
STREETSCAPE ELEMENTS
TREES
LIGHTING
SIDEWALKS
PARALLEL PARKING







LOOP TRAIL

PEDESTRIAN WALKWAY

GATEWAY MONUMENT

BAXTER AVENUE
STREETSCAPE ELEMENTS
TREES
LIGHTING
SIDEWALKS
45 DEGREE PARKING

REGIONAL TRAIL CONNECTION

-  SINGLE FAMILY RESIDENTIAL
-  MEDIUM FAMILY RESIDENTIAL
-  COMMERCIAL
-  INSTITUTIONAL
-  HISTORIC BUILDINGS
-  OPEN SPACE

MEDIUM DENSITY HOUSING
TOWNHOMES TYPICAL

VILLAGE SQUARE

HISTORIC VILLAGE REDEVELOPMENT

HISTORIC MCNEIL PARK

PRESERVE VILLAGE CHARACTER WITH STREET GRID & NEW DEVELOPMENT

RIVER OVERLOOK

POTENTIAL PUBLIC PARK

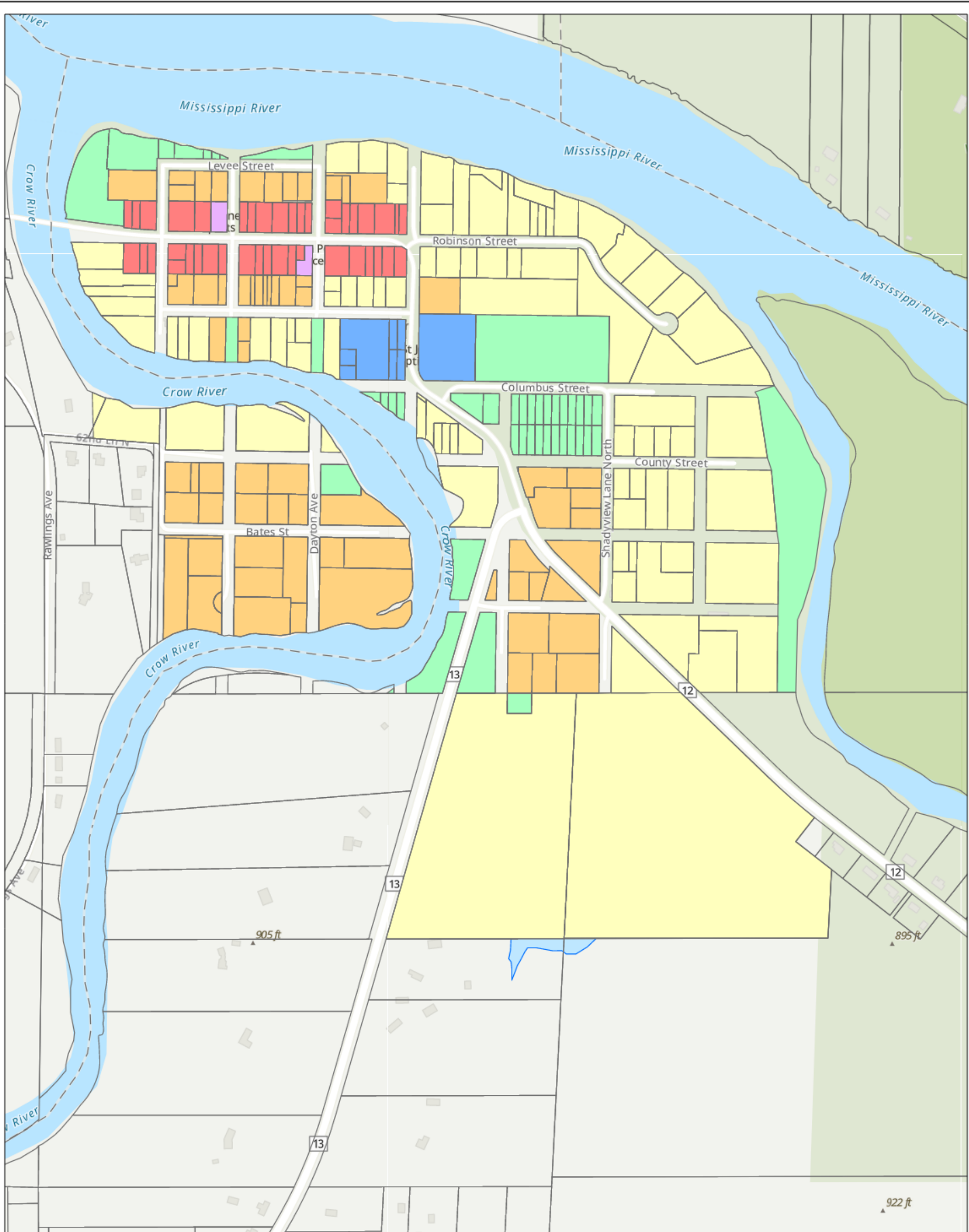


HISTORIC VILLAGE FRAMEWORK PLAN

CITY OF DAYTON 2040 PLAN



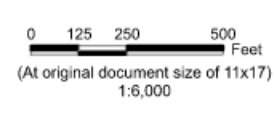
Appendix B Land Use Map



Legend

Dayton 2040 Framework Plan Land Use

- Single Family Residential
- Medium Family Residential
- Commercial
- Institutional
- Historic Buildings
- Open Space



Project Location
Dayton, Hennepin Co., MN

Prepared by DME on 2025-10-21

Client/Project
City of Dayton
Historic Village Land Use

193807502

Figure No.
1

Title
Historic Village Land Use Map

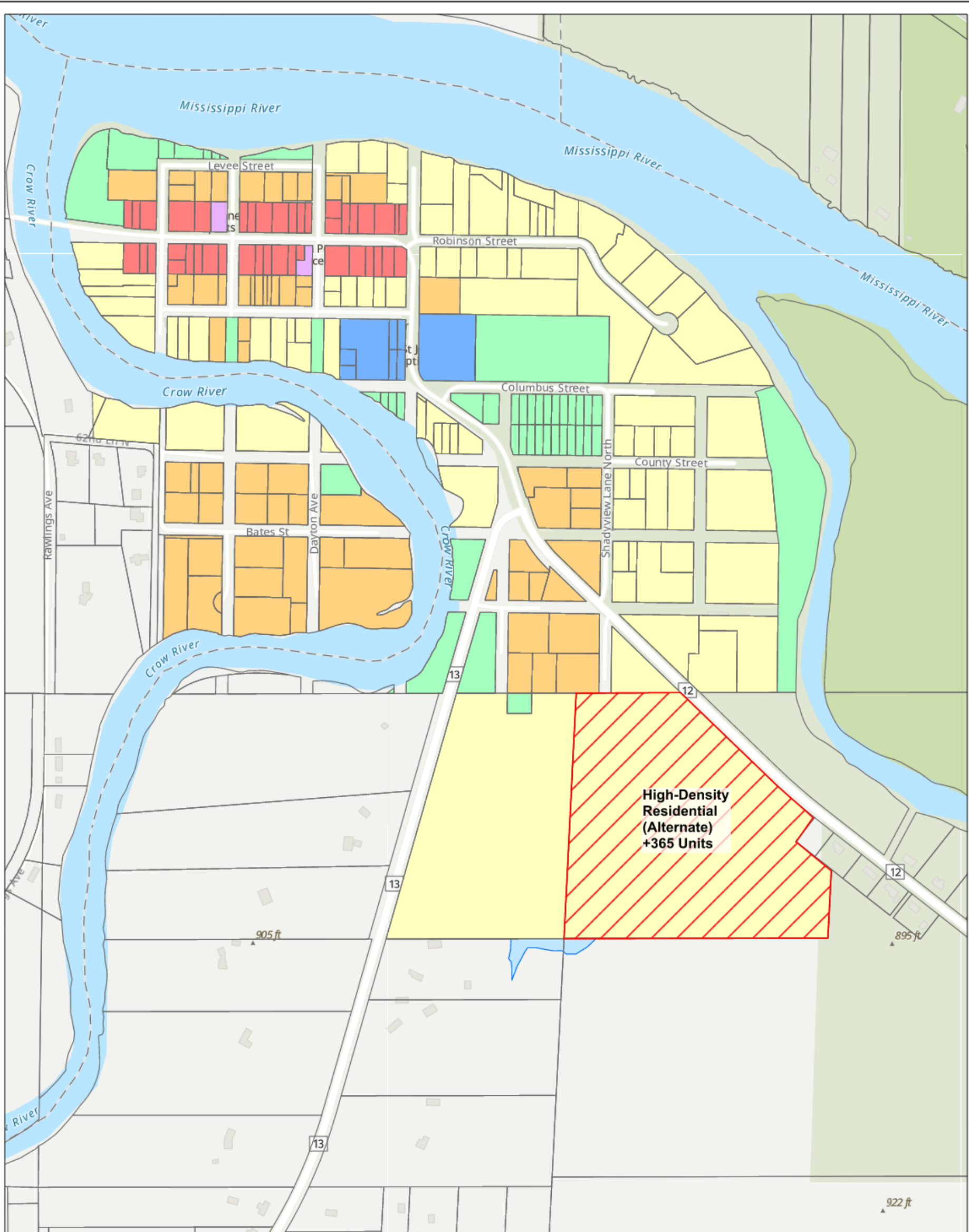
Notes

1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
3. Background: Hennepin County Parcels, Land Use, World Topographic Map

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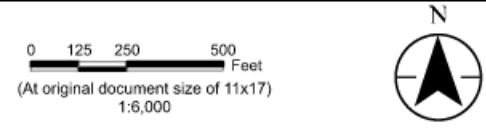
Appendix B Alternate - Land Use Map



Legend

Dayton 2040 Framework Plan Land Use

- Single Family Residential
- Medium Family Residential
- Commercial
- Institutional
- Historic Buildings
- Open Space



Project Location
Dayton, Hennepin Co., MN

Prepared by DME on 2025-10-21

Client/Project
City of Dayton
Historic Village Land Use

193807502

Figure No.
1A

Title
Historic Village Land Use Map - Alternate

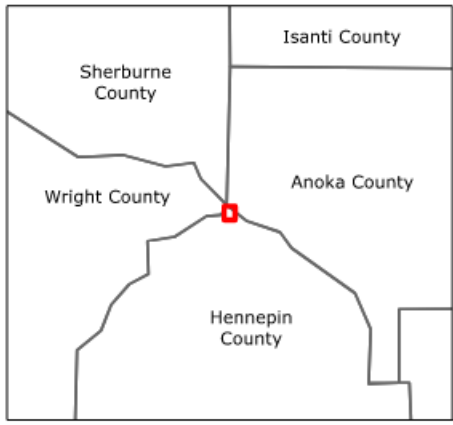
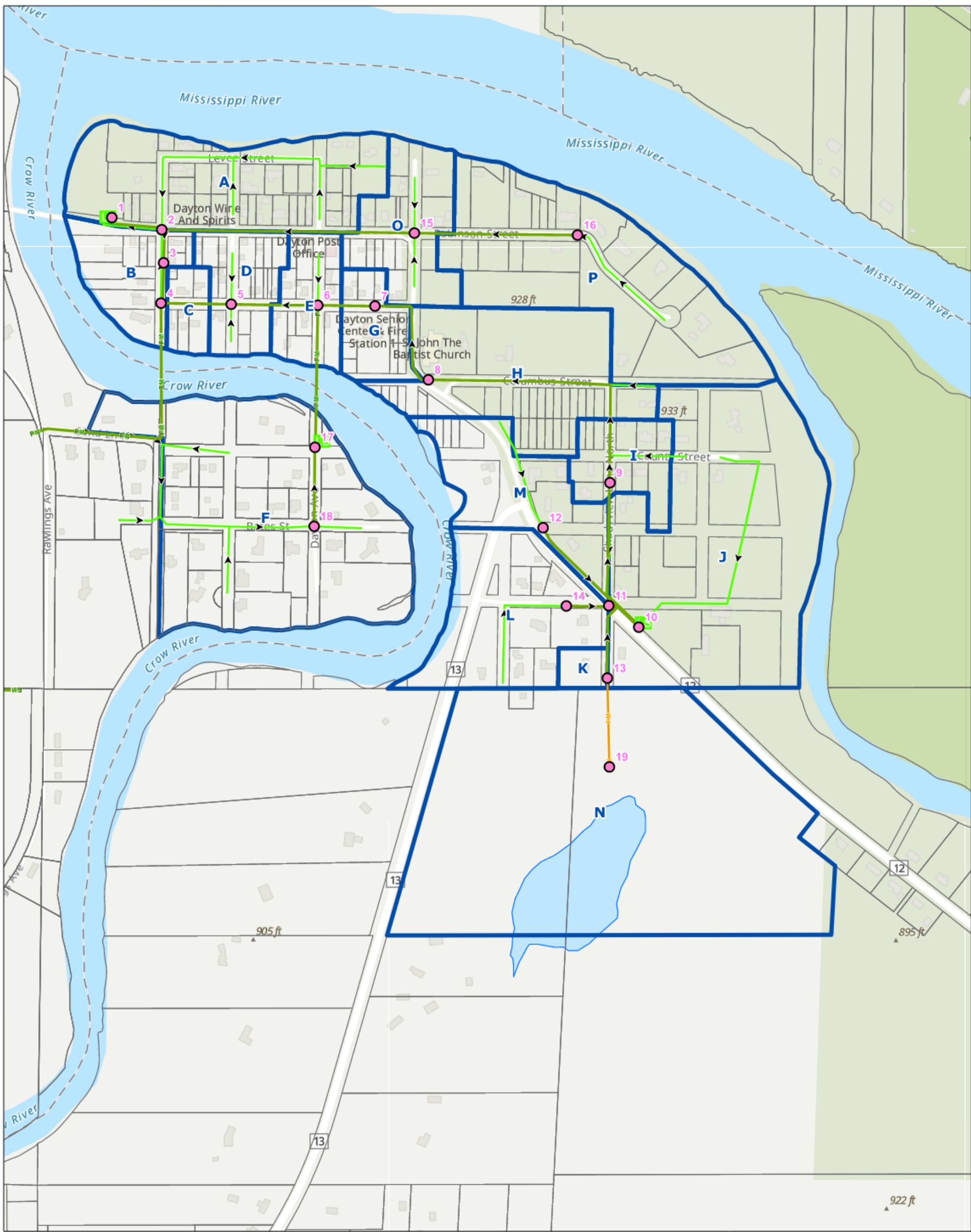
Notes

1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
3. Background: Hennepin County Parcels, Land Use, World Topographic Map

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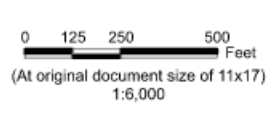
Appendix C Subdistrict Map



- Legend**
- Subdistrict
 - Existing Lift Station
 - Existing Gravity Sanitary Sewer
 - Existing Trunk Sanitary Sewer
 - Proposed Forcemain
 - Existing Forcemain
 - Parcels

Notes

1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
3. Background: Hennepin County Parcels, Land Use, World Topographic Map



Project Location: Dayton, Hennepin Co., MN
Prepared by DME on 2025-10-21

Client/Project: City of Dayton
Historic Village Land Use

Figure No.: 2

Title: **Historic Village Subdistrict Map**

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Disclaimer: This document has been prepared based on information provided by others as cited in the Notes section. Stantec has not verified the accuracy and/or completeness of this information and shall not be responsible for any errors or omissions which may be incorporated herein as a result. Stantec assumes no responsibility for data supplied in electronic format, and the recipient accepts full responsibility for verifying the accuracy and completeness of the data.



Appendix D Sewer System Areas

APPENDIX D - SEWER SYSTEM AREAS

| Subdistrict | Undevelopable (acres) | Estate (10+ acres) (acres) | Medium | | High Density Residential (acres) | Comm/Ind. (acres) | Recreational/ Public (acres) | Total Area (acres) |
|------------------------------------|--------------------------|-------------------------------|---------------------------------------|-----------------------------------|--|----------------------|---------------------------------|-----------------------|
| | | | Low Density Residential (acres) | Density Residential (acres) | | | | |
| Historical Village District | | | | | | | | |
| A | 6.9 | 0.0 | 0.9 | 2.5 | 0.0 | 2.6 | 0.4 | 13.2 |
| B | 4.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 5.2 |
| C | 1.0 | 0.0 | 0.3 | 0.7 | 0.0 | 0.0 | 0.0 | 2.0 |
| D | 0.3 | 0.0 | 0.4 | 1.5 | 0.0 | 1.4 | 0.2 | 3.9 |
| E | 0.2 | 0.0 | 1.8 | 0.6 | 0.0 | 0.7 | 0.4 | 3.6 |
| F | 5.3 | 0.0 | 3.3 | 14.3 | 0.0 | 0.0 | 0.5 | 23.4 |
| G | 0.2 | 0.0 | 0.8 | 0.0 | 0.0 | 2.1 | 0.0 | 3.1 |
| H | 0.3 | 0.0 | 1.0 | 0.0 | 0.0 | 2.1 | 8.4 | 11.9 |
| I | 0.0 | 0.0 | 2.3 | 0.7 | 0.0 | 0.0 | 0.4 | 3.4 |
| J | 6.5 | 0.0 | 16.9 | 0.0 | 0.0 | 0.0 | 1.0 | 24.4 |
| K | 0.0 | 0.0 | 0.0 | 0.9 | 0.0 | 0.0 | 0.0 | 0.9 |
| L | 0.6 | 0.0 | 0.0 | 4.7 | 0.0 | 0.0 | 2.8 | 8.2 |
| M | 1.3 | 0.0 | 1.4 | 2.7 | 0.0 | 0.0 | 0.0 | 5.4 |
| N | 5.8 | 0.0 | 43.6 | 0.0 | 0.0 | 0.0 | 0.3 | 49.7 |
| O | 0.1 | 0.0 | 2.7 | 0.8 | 0.0 | 1.9 | 0.0 | 5.5 |
| P | 0.8 | 0.0 | 18.2 | 0.0 | 0.0 | 0.0 | 0.0 | 19.1 |
| Subtotal | 33.9 | 0.0 | 93.6 | 29.4 | 0.0 | 11.4 | 14.5 | 182.7 |



Appendix E Sewer System Design Average Flows

APPENDIX E - SEWER SYSTEM DESIGN AVERAGE FLOWS

| Subdistrict | Estate (MGD) | Low Density Residential (MGD) | Medium Density Residential (MGD) | High Density Residential (MGD) | Comm/Ind. (MGD) | Rec/Public (MDG) | Total Flow (MGD) |
|--------------------|-------------------------|--|---|---|----------------------------|-----------------------------|-----------------------------|
|--------------------|-------------------------|--|---|---|----------------------------|-----------------------------|-----------------------------|

| Historical Village District | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| A | 0.000 | 0.001 | 0.003 | 0.000 | 0.003 | 0.000 | 0.007 |
| B | 0.000 | 0.000 | 0.000 | 0.000 | 0.001 | 0.000 | 0.001 |
| C | 0.000 | 0.000 | 0.001 | 0.000 | 0.000 | 0.000 | 0.001 |
| D | 0.000 | 0.000 | 0.002 | 0.000 | 0.002 | 0.000 | 0.004 |
| E | 0.000 | 0.001 | 0.001 | 0.000 | 0.001 | 0.000 | 0.003 |
| F | 0.000 | 0.002 | 0.017 | 0.000 | 0.000 | 0.000 | 0.020 |
| G | 0.000 | 0.001 | 0.000 | 0.000 | 0.003 | 0.000 | 0.003 |
| H | 0.000 | 0.001 | 0.000 | 0.000 | 0.003 | 0.007 | 0.010 |
| I | 0.000 | 0.002 | 0.001 | 0.000 | 0.000 | 0.000 | 0.003 |
| J | 0.000 | 0.011 | 0.000 | 0.000 | 0.000 | 0.001 | 0.012 |
| K | 0.000 | 0.000 | 0.001 | 0.000 | 0.000 | 0.000 | 0.001 |
| L | 0.000 | 0.000 | 0.006 | 0.000 | 0.000 | 0.002 | 0.008 |
| M | 0.000 | 0.001 | 0.003 | 0.000 | 0.000 | 0.000 | 0.004 |
| N | 0.000 | 0.029 | 0.000 | 0.000 | 0.000 | 0.000 | 0.030 |
| O | 0.000 | 0.002 | 0.001 | 0.000 | 0.002 | 0.000 | 0.005 |
| P | 0.000 | 0.012 | 0.000 | 0.000 | 0.000 | 0.000 | 0.012 |
| Subtotal | 0.000 | 0.063 | 0.035 | 0.000 | 0.014 | 0.012 | 0.124 |

| | | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total | 0.000 | 0.063 | 0.035 | 0.000 | 0.014 | 0.012 | 0.124 |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|



Appendix F Sewer System Design Peak Flows

APPENDIX F - SEWER SYSTEM DESIGN PEAK FLOWS (MGD)

| From Point | To Point | Subdistrict Added | Average Flow Added | Total Average Flow | PFF | Design Flow |
|-------------------|-----------------|--------------------------|---------------------------|---------------------------|------------|--------------------|
|-------------------|-----------------|--------------------------|---------------------------|---------------------------|------------|--------------------|

| Historic Village District | | | | | | |
|----------------------------------|------------------|---|-------|-------|------|------|
| 19 | 13 | N | 0.030 | 0.030 | 4.00 | 0.12 |
| 18 | 17 | F | 0.020 | 0.020 | 4.00 | 0.08 |
| 16 | 15 | P | 0.01 | 0.012 | 4.00 | 0.05 |
| 15 | 2 | O | 0.01 | 0.017 | 4.00 | 0.07 |
| 14 | 11 | L | 0.01 | 0.008 | 4.00 | 0.03 |
| 13 | 11 | K | 0.00 | 0.031 | 4.00 | 0.12 |
| 12 | 11 | M | 0.00 | 0.004 | 4.00 | 0.02 |
| 11 | 10 | | | 0.043 | 4.00 | 0.17 |
| 10 | 9 | J | 0.01 | 0.055 | 4.00 | 0.22 |
| 9 | 8 | I | 0.00 | 0.058 | 4.00 | 0.23 |
| 8 | 7 | H | 0.01 | 0.068 | 4.00 | 0.27 |
| 7 | 6 | G | 0.00 | 0.071 | 4.00 | 0.28 |
| 17 | 6 | | | 0.020 | 4.00 | 0.08 |
| 6 | 5 | E | 0.00 | 0.094 | 4.00 | 0.38 |
| 5 | 4 | D | 0.00 | 0.098 | 4.00 | 0.39 |
| 4 | 3 | C | 0.00 | 0.099 | 4.00 | 0.39 |
| 3 | 2 | B | 0.00 | 0.099 | 4.00 | 0.40 |
| 2 | 1 | A | 0.01 | 0.124 | 3.90 | 0.48 |
| 1 | DCI ¹ | | | 0.124 | 3.90 | 0.48 |

¹Intercommunity connection to the Otsego Treatment Facility



Appendix G Ultimate System Pipe Design

APPENDIX G - ULTIMATE SYSTEM PIPE DESIGN

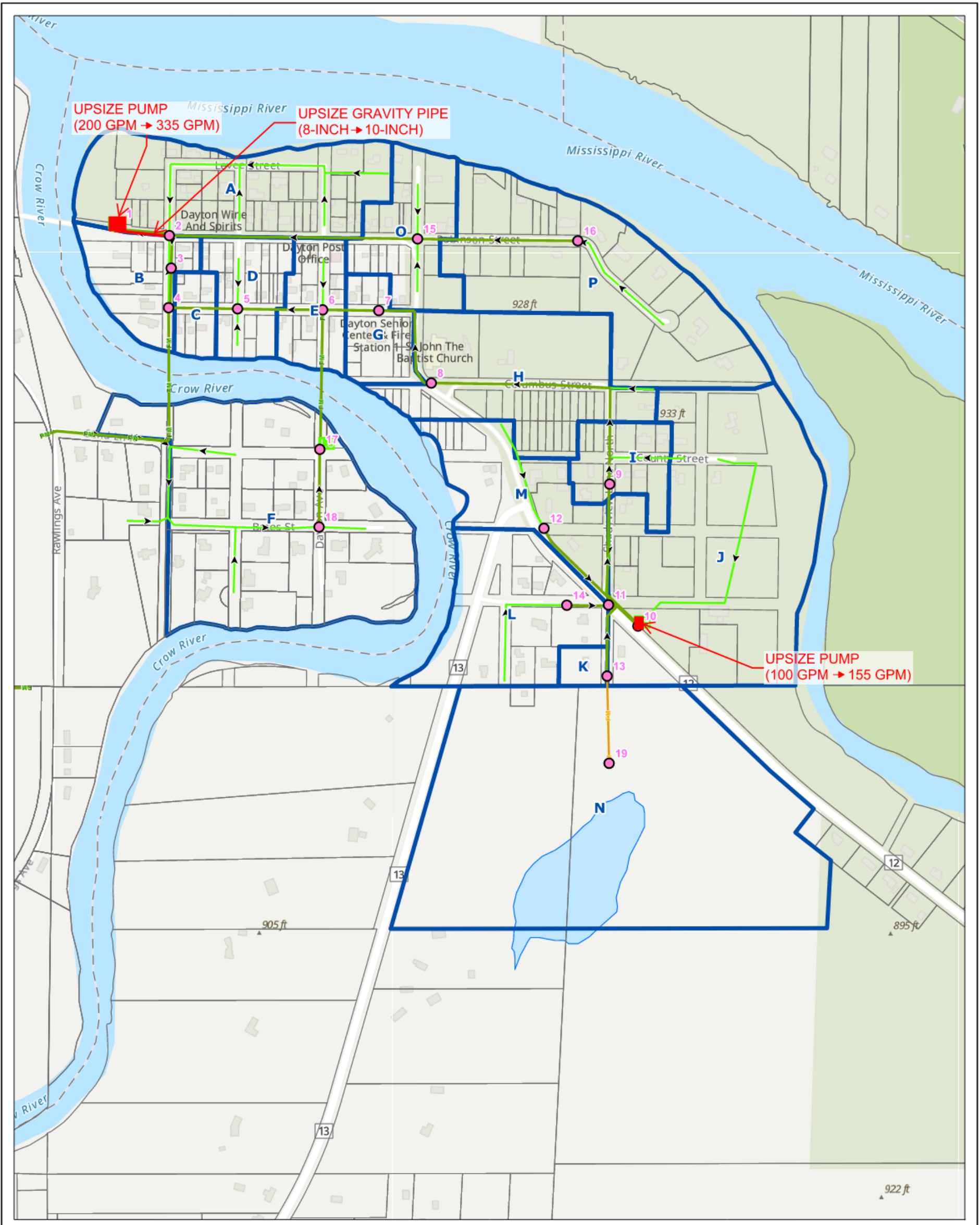
| From Point | To Point | Design Flow (MGD) | Exist./ Prop. | Pipe Size (in) | Pipe Material | Length (ft) | Upstream Invert Elev. (ft) | Downstream Invert Elev. (ft) | Avg Slope (%) | Upstream Rim Elev. (ft) | Depth of Cut (ft) | CAPACITY | | | | Capac./ Design Flow | |
|----------------------------------|------------------|-------------------|---------------|----------------|---------------|-------------|----------------------------|------------------------------|---------------|-------------------------|-------------------|--|-------|----------------|-------|---------------------|----------------|
| | | | | | | | | | | | | Inlet Control | | Outlet Control | | | Capacity (MGD) |
| | | | | | | | | | | | | (cfs) | (MGD) | (cfs) | (MGD) | | |
| Historic Village District | | | | | | | | | | | | | | | | | |
| 19 | 13 | 0.12 | Prop. FM | 4 | HDPE | 500 | 868.00 | 881.34 | N/A | 878 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.23 | 1.95 |
| 18 | 17 | 0.08 | Exist. | 8 | PVC | 354 | 850.64 | 848.93 | 0.48 | 876 | 25 | 1.0 | 0.65 | 0.8 | 0.54 | 0.54 | 6.86 |
| 16 | 15 | 0.05 | Exist. | 8 | PVC | 800 | 855.29 | 852.18 | 0.39 | 872 | 17 | 1.0 | 0.65 | 0.8 | 0.49 | 0.49 | 9.91 |
| 15 | 2 | 0.07 | Exist. | 8 | PVC | 1,240 | 852.18 | 844.20 | 0.64 | 878 | 26 | 1.0 | 0.65 | 1.0 | 0.63 | 0.63 | 9.01 |
| 14 | 11 | 0.03 | Exist. | 8 | PVC | 255 | 880.95 | 879.78 | 0.46 | 989 | 108 | 1.0 | 0.65 | 0.8 | 0.53 | 0.53 | 16.75 |
| 13 | 11 | 0.12 | Exist. | 8 | PVC | 345 | 881.34 | 879.78 | 0.45 | 896 | 14 | 1.0 | 0.65 | 0.8 | 0.53 | 0.53 | 4.27 |
| 12 | 11 | 0.02 | Exist. | 8 | PVC | 652 | 893.28 | 884.97 | 1.27 | 909 | 16 | 1.0 | 0.65 | 1.4 | 0.88 | 0.65 | 39.26 |
| 11 | 10 | 0.17 | Exist. | 8 | PVC | 144 | 879.78 | 879.06 | 0.50 | 895 | 15 | 1.0 | 0.65 | 0.9 | 0.55 | 0.55 | 3.23 |
| 10 | 9 | 0.22 | Ex. FM | 4 | HDPE | 853 | 882.63 | 915.40 | N/A | 889 | 7 | Assumed a pumping rate of 5 feet per second ² | | | | 0.14 | 0.65 |
| 9 | 8 | 0.23 | Exist. | 8 | PVC | 1,407 | 915.40 | 897.34 | 1.28 | 926 | 11 | 1.0 | 0.65 | 1.4 | 0.89 | 0.65 | 2.82 |
| 8 | 7 | 0.27 | Exist. | 8 | PVC | 533 | 897.34 | 868.47 | 5.42 | 908 | 11 | 1.0 | 0.65 | 2.8 | 1.82 | 0.65 | 2.40 |
| 7 | 6 | 0.28 | Exist. | 8 | PVC | 280 | 868.47 | 860.22 | 2.95 | 882 | 14 | 1.0 | 0.65 | 2.1 | 1.34 | 0.65 | 2.30 |
| 17 | 6 | 0.08 | Ex. FM | 4 | HDPE | 730 | 853.62 | 869.00 | N/A | 862 | 9 | Assumed a pumping rate of 5 feet per second ³ | | | | 0.12 | 1.56 |
| 6 | 5 | 0.38 | Exist. | 8 | PVC | 425 | 860.22 | 847.43 | 3.01 | 876 | 16 | 1.0 | 0.65 | 2.1 | 1.36 | 0.65 | 1.74 |
| 5 | 4 | 0.39 | Exist. | 8 | PVC | 347 | 847.43 | 843.72 | 1.07 | 859 | 12 | 1.0 | 0.65 | 1.3 | 0.81 | 0.65 | 1.67 |
| 4 | 3 | 0.39 | Exist. | 8 | PVC | 151 | 843.72 | 841.17 | 1.69 | 856 | 13 | 1.0 | 0.65 | 1.6 | 1.02 | 0.65 | 1.65 |
| 3 | 2 | 0.40 | Exist. | 8 | PVC | 215 | 841.17 | 837.69 | 1.62 | 857 | 16 | 1.0 | 0.65 | 1.5 | 1.00 | 0.65 | 1.64 |
| 2 | 1 | 0.48 | Exist. | 8 | PVC | 345 | 837.69 | 836.40 | 0.37 | 856 | 19 | 1.0 | 0.65 | 0.7 | 0.48 | 0.48 | 0.99 |
| 1 | DCJ ¹ | 0.48 | Ex. FM | 6 | PVC | 6,840 | 846.66 | 883.50 | N/A | 859 | 13 | Assumed a pumping rate of 5 feet per second ³ | | | | 0.29 | 0.60 |

Cells highlighted in yellow identify potential future capacity deficiencies. Further monitoring and analysis should be completed as development continues in the area.

¹Dayton connection to Otsego Wastewater Treatment Plant

²Capacity determined from pump curve

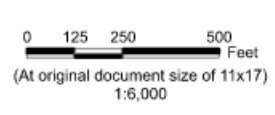
³Capacity determined from lift station record plans.



- Legend**
- Subdistrict
 - LS Existing Lift Station
 - Existing Gravity Sanitary Sewer
 - Existing Trunk Sanitary Sewer
 - Proposed Forcemain
 - Existing Forcemain
 - Parcels

Notes

1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
3. Background: Hennepin County Parcels, Land Use, World Topographic Map



Project Location: Dayton, Hennepin Co., MN
 Prepared by DME on 2025-10-21

Client/Project: City of Dayton
 Historic Village Land Use

Figure No.: **2**

Historic Village Subdistrict Map Deficiencies

U:\193807502\03_data\gis\proj\historic_village\land_use.aprx Revised: 2025-10-21 By: dmerickson



Appendix G Alternate - Ultimate System Pipe Design

APPENDIX G - ALTERNATE - ULTIMATE SYSTEM PIPE DESIGN

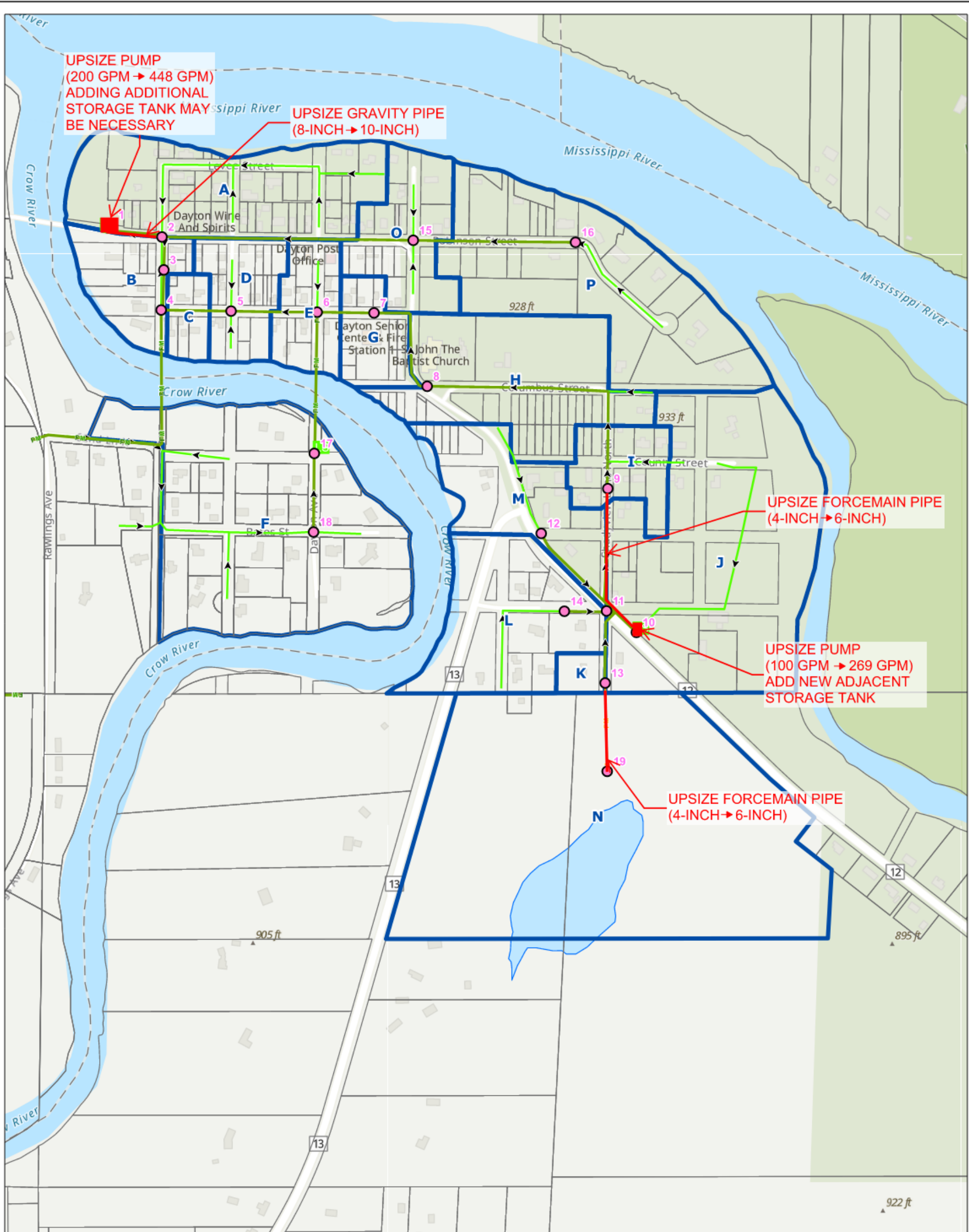
| From Point | To Point | Design Flow (MGD) | Exist./ Prop. | Pipe Size (in) | Pipe Material | Length (ft) | Upstream Invert Elev. (ft) | Downstream Invert Elev. (ft) | Avg Slope (%) | Upstream Rim Elev. (ft) | Depth of Cut (ft) | CAPACITY | | | | Capac./ Design Flow | |
|----------------------------------|------------------|-------------------|---------------|----------------|---------------|-------------|----------------------------|------------------------------|---------------|-------------------------|-------------------|--|-------|----------------|-------|---------------------|----------------|
| | | | | | | | | | | | | Inlet Control | | Outlet Control | | | Capacity (MGD) |
| | | | | | | | | | | | | (cfs) | (MGD) | (cfs) | (MGD) | | |
| Historic Village District | | | | | | | | | | | | | | | | | |
| 19 | 13 | 0.29 | Prop. FM | 4 | HDPE | 500 | 868.00 | 881.34 | N/A | 878 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.23 | 0.81 |
| 18 | 17 | 0.08 | Exist. | 8 | PVC | 354 | 850.64 | 848.93 | 0.48 | 876 | 25 | 1.0 | 0.65 | 0.8 | 0.54 | 0.54 | 6.86 |
| 16 | 15 | 0.05 | Exist. | 8 | PVC | 800 | 855.29 | 852.18 | 0.39 | 872 | 17 | 1.0 | 0.65 | 0.8 | 0.49 | 0.49 | 9.91 |
| 15 | 2 | 0.07 | Exist. | 8 | PVC | 1,240 | 852.18 | 844.20 | 0.64 | 878 | 26 | 1.0 | 0.65 | 1.0 | 0.63 | 0.63 | 9.01 |
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| 13 | 11 | 0.29 | Exist. | 8 | PVC | 345 | 881.34 | 879.78 | 0.45 | 896 | 14 | 1.0 | 0.65 | 0.8 | 0.53 | 0.53 | 1.82 |
| 12 | 11 | 0.02 | Exist. | 8 | PVC | 652 | 893.28 | 884.97 | 1.27 | 909 | 16 | 1.0 | 0.65 | 1.4 | 0.88 | 0.65 | 39.26 |
| 11 | 10 | 0.34 | Exist. | 8 | PVC | 144 | 879.78 | 879.06 | 0.50 | 895 | 15 | 1.0 | 0.65 | 0.9 | 0.55 | 0.55 | 1.64 |
| 10 | 9 | 0.39 | Ex. FM | 4 | HDPE | 853 | 882.63 | 915.40 | N/A | 889 | 7 | Assumed a pumping rate of 5 feet per second ² | | | | 0.14 | 0.37 |
| 9 | 8 | 0.40 | Exist. | 8 | PVC | 1,407 | 915.40 | 897.34 | 1.28 | 926 | 11 | 1.0 | 0.65 | 1.4 | 0.89 | 0.65 | 1.64 |
| 8 | 7 | 0.44 | Exist. | 8 | PVC | 533 | 897.34 | 868.47 | 5.42 | 908 | 11 | 1.0 | 0.65 | 2.8 | 1.82 | 0.65 | 1.49 |
| 7 | 6 | 0.45 | Exist. | 8 | PVC | 280 | 868.47 | 860.22 | 2.95 | 882 | 14 | 1.0 | 0.65 | 2.1 | 1.34 | 0.65 | 1.45 |
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| 6 | 5 | 0.53 | Exist. | 8 | PVC | 425 | 860.22 | 847.43 | 3.01 | 876 | 16 | 1.0 | 0.65 | 2.1 | 1.36 | 0.65 | 1.24 |
| 5 | 4 | 0.54 | Exist. | 8 | PVC | 347 | 847.43 | 843.72 | 1.07 | 859 | 12 | 1.0 | 0.65 | 1.3 | 0.81 | 0.65 | 1.20 |
| 4 | 3 | 0.55 | Exist. | 8 | PVC | 151 | 843.72 | 841.17 | 1.69 | 856 | 13 | 1.0 | 0.65 | 1.6 | 1.02 | 0.65 | 1.19 |
| 3 | 2 | 0.55 | Exist. | 8 | PVC | 215 | 841.17 | 837.69 | 1.62 | 857 | 16 | 1.0 | 0.65 | 1.5 | 1.00 | 0.65 | 1.19 |
| 2 | 1 | 0.64 | Exist. | 8 | PVC | 345 | 837.69 | 836.40 | 0.37 | 856 | 19 | 1.0 | 0.65 | 0.7 | 0.48 | 0.48 | 0.74 |
| 1 | DCJ ¹ | 0.64 | Ex. FM | 6 | PVC | 6,840 | 846.66 | 883.50 | N/A | 859 | 13 | Assumed a pumping rate of 5 feet per second ³ | | | | 0.29 | 0.45 |

Cells highlighted in yellow identify potential future capacity deficiencies. Further monitoring and analysis should be completed as development continues in the area.

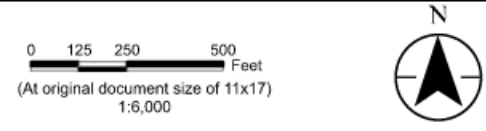
¹Dayton connection to Otsego Wastewater Treatment Plant

²Capacity determined from pump curve

³Capacity determined from lift station record plans.



- Legend**
- Subdistrict
 - LS Existing Lift Station
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 - Existing Forcemain
 - Parcels



Project Location: Dayton, Hennepin Co., MN
 Prepared by DME on 2025-10-21

Client/Project: City of Dayton, Historic Village Land Use
 193807502

Figure No. 2
 Title

Historic Village Subdistrict Map - Alternate Deficiencies

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County, MN, City of Dayton 2049 Plan, ESRI
 3. Background: Hennepin County Parcels, Land Use, World Topographic Map

U:\193807502\03_data\gis\proj\Historic_Village_Land_Use.aprx Revised: 2025-10-21 By: dmenickson



To: Mr. Zach Doud, City Administrator
City of Dayton

From: Camila Bejarano, EIT
Louis Sigtermans, PE
Minneapolis

Project/File: 193807502

Date: January 27, 2025

Reference: Historic Village Utility Plan – Water

This memo summarizes the evaluation of the existing water system and the projected water demands associated with the future redevelopment of the Historic Village service area in the City of Dayton. The purpose of this analysis is to identify potential improvements to the City's water infrastructure, including trunk water main capacity, water storage needs, and other system modifications, necessary to support long-term growth in accordance with the Historic Village Framework Plan.

Although redevelopment of the Historic Village will occur gradually over time, planning for the “ultimate” or full build-out scenario provides the City with a basis for long-term capital planning. Water demands projected under full build-out conditions allow for strategic sizing of future water system components—including transmission mains and storage facilities—even though the exact timing and pace of development remain uncertain.

1 Existing Water System

1.1 Existing Water Supply and Storage

The Historic Village service area is supplied by two municipal groundwater wells, Well No. 1 and Well No. 3, both completed in the Tunnel City–Wonewoc aquifer. These wells pump to a hydropneumatic tank located within the service area. The water supply and storage configuration reflects the relatively small size of the Historic Village system and the historic development patterns in this portion of the City.

Water Supply Wells

Table 1 summarizes key construction and operational characteristics of Well Nos. 1 and 3.

Reference: Historic Village Utility Plan – Water

Table 1. Historic Village Water Supply Wells

| Source | Unique ID | Year Const. | Pump Type | Well Depth (ft) | Casing Depth (ft) | Casing Dia. (in) | Operational Capacity (gpm) |
|--------|-----------|-------------|-----------------------------|-----------------|-------------------|------------------|----------------------------|
| Well 1 | 611054 | 2001 | Submersible | 390 | 190 | 16 | 150 ¹ |
| Well 3 | 843384 | 2019 | Line shaft vertical turbine | 384 | 205 | 12 | 150 ¹ |

1. Operational capacities reflect current setpoints for pumping to the hydropneumatic tank. Installed pump ratings are higher, at approximately 300 gpm for Well No. 1 and 600 gpm for Well No. 3. Both wells are equipped with variable frequency drives (VFDs).

Hydropneumatic Tank

The Historic Village is served by a 3,750-gallon hydropneumatic tank, which provides limited operational storage. The tank is not intended to provide fire flow storage and is too small to offer meaningful capacity for firefighting purposes. Instead, the tank serves primarily to:

- Maintain system pressures under normal operating conditions
- Reduce short-cycling of well pumps
- Provide a small buffer for managing pump start/stop sequences
- Assist in stabilizing system pressures during low-demand periods

The hydropneumatic tank does not provide effective emergency or fire storage, and available fire flow capacity in the Historic Village is currently dependent on well pumping capacity.

1.2 Existing Water Demands

Historical well pumping records and residential and non-residential billing data from 2017 through 2024 were evaluated to establish a baseline understanding of typical water demands prior to the conceptual redevelopment of the Historic Village area.

Water use in the Historic Village service area has remained relatively stable over the past eight years. This trend is consistent with the limited growth and development that has occurred in this portion of the City during the period of record.

Table 2 summarizes historical residential use, irrigation use, total water delivered, and total water pumped for the Historic Village service area, along with calculated average day and maximum day demands.

Reference: Historic Village Utility Plan – Water

Table 2. Historical Water Demands for Historic Village Service Area

| Year | Residential Water Use (MG) | Irrigation Water Use ¹ (MG) | Total Water Delivered (MG) | Total Water Pumped (MG) | UFW (%) | Avg Day Demand (MGD) | Max Day Demand (MGD) | Max/Avg Ratio |
|-------------------|----------------------------|--|----------------------------|-------------------------|------------|----------------------|----------------------|---------------|
| 2017 | 6.62 | 0.0 | 6.62 | 7.73 | 14.4% | 0.021 | 0.046 | 2.17 |
| 2018 | 7.16 | 0.0 | 7.16 | 8.04 | 10.9% | 0.022 | 0.045 | 2.04 |
| 2019 | 6.67 | 0.59 | 7.27 | 8.22 | 11.6% | 0.023 | 0.042 | 1.87 |
| 2020 | 7.23 | 1.22 | 8.45 | 9.42 | 10.2% | 0.026 | 0.056 | 2.17 |
| 2021 | 6.50 | 1.01 | 7.51 | 8.97 | 16.3% | 0.025 | 0.055 | 2.24 |
| 2022 | 6.56 | 1.15 | 7.72 | 9.58 | 19.4% | 0.026 | 0.069 | 2.63 |
| 2023 ² | 6.56 | 1.34 | 7.90 | 9.47 | 16.6% | 0.026 | 0.067 | 2.58 |
| 2024 | 7.08 | 0.53 | 7.61 | 7.43 | -2.5% | 0.020 | 0.061 | 3.00 |
| Avg | 6.80 | 0.97 | 7.53 | 8.61 | 12% | 0.024 | 0.055 | 2.34 |
| Max | 7.23 | 1.34 | 8.45 | 9.58 | 19% | 0.026 | 0.069 | 3.00 |

1. Irrigation data for McNeil Ballfield.
2. Well No. 1 pumpage for 2023 was corrected to exclude volumes bled to sanitary sewer during pressure tank repairs. Estimated bled volume was 4,400,000 gallons (Oct 28 – Nov 17).

For establishing design criteria for projected demands, a maximum day to average day ratio of 3.0 was selected based on the maximum observed peaking factor from the record period of 2017-2024. Although the odds of repeating the worst-case peaking factor in any given year are low, it is reasonable and proper planning to expect that the highest peaking factor will be repeated in a future year.

The peak hour demand is the maximum hour of water demand which occurs on the maximum day. Peak hour demands typically occur in the morning or evening when residential and irrigation water use increases. Peak hour ratios typically range from 1.4 to 2.0 times the maximum day demand. A higher percentage of industrial or commercial water use decreases the peak, since industrial usage does not fluctuate significantly from hour to hour. An industry standard time of day demand curve from the American Water Works Association suggests a peak hour ratio of 1.6. In lieu of basing the peak hour ratio on hourly pumping and water storage data recorded during a maximum day, it is recommended that a design peak hour ratio of 1.6 be used for projected demands.

These baseline values provide the foundation for estimating future ultimate water demands under the redevelopment scenarios described later in this memorandum.

2 Future Land Use and Water Demands

Future water demands were projected using the land use designations identified in the Historic Village Framework Plan (August 2023) and the latest Water Comprehensive Plan (December 2025). These

Reference: Historic Village Utility Plan – Water

projections represent ultimate build-out conditions, which provide a long-range basis for sizing trunk water mains, evaluating available fire flow capacity, and identifying future supply and storage needs.

Water demands were estimated by applying per-acre demand factors to each land use category. These factors reflect typical average day demand (ADD), maximum day demand (MDD), and peak hour demand (PHD) water use patterns. Developable acreage was calculated by removing areas that are not suitable for development, including wetlands, steep slopes, right-of-way (ROW), and open water.

Assumptions Used:

- Land use categories and developable acres are based on the Historic Village Framework Plan, dated August 2023, and are illustrated in Figure 1.
 - Note: the 2040 Future Land Use Map assumes the Historic Village area is mostly mixed use, which is categorized as a high density residential use in the plan. The Framework plan assumes a mix of low density, medium density, commercial, and recreational/public uses.
- Average day water demand factors are applied on a per-acre basis according to land use category. The following maximum peaking factors are then used:
 - A Maximum Day to Average Day peaking factor of 3.0 is used, based on the highest observed peaking factor from 2017 through 2024.
 - A design Peak Hour ratio of 1.6 is applied to the MDD, based on the AWWA standard time-of-day demand curve. This is also consistent with the City’s 2025 Comprehensive Water Plan.

Table 3 shows the developable acres for the ultimate Historic Village service area. Developable acreage excludes ROW, wetlands, steep slopes, and open water. This table also summarizes the average day demand rates from the Water Comprehensive Plan for each applicable future land use type.

Table 3. Developable Acres by Future Land Use and Average Day Demand Factors

| Future Land Use | Acres | Avg Day Demands (gal/acre/day) |
|----------------------------------|---------------|---------------------------------------|
| Low Density Residential (LDR) | 84.5 | 750 |
| Medium Density Residential (MDR) | 29.1 | 1,350 |
| Commercial | 6.7 | 1,500 |
| Industrial | 0.5 | 1,500 |
| Public/Institutional | 4.2 | 1,000 |
| Park/Open Space | 14.4 | 1,000 |
| Total | 139.33 | |

Reference: Historic Village Utility Plan – Water

Using the land use assumptions, developable acreages, and demand factors described above, total projected water demands were calculated for the Historic Village at full redevelopment based on the Framework Plan. These projections represent long-term planning values and support evaluation of trunk main capacity, fire flow capability, and future supply and storage requirements. Table 4 represents the projected ultimate water demands for the Historic Village.

Table 4. Projected Ultimate Water Demands – Historic Village Framework Plan

| Average Daily Demand | Maximum Daily Demand¹ | Peak Hour Demand² |
|-----------------------------|---|-------------------------------------|
| 0.13 MGD (92 gpm) | 0.40 MGD (275 gpm) | 0.63 MGD (440 gpm) |

¹ Maximum day demand design factor equal to 3.0.

² Peak hour demand design factor equal to 1.6.

These projected demands were incorporated into the City’s hydraulic model to evaluate system performance under ultimate development conditions. The demand projections reflect long-term planning values and do not represent a specific timeline for improvements.

2.1 Water Infrastructure Improvements

2.1.1 Water Supply Recommendations

Future water supply recommendations for the Historic Village service area are based on the projected ultimate MDD. The projected ultimate MDD for the Historic Village service area is 0.40 MGD, equivalent to approximately 275 gpm.

Firm capacity is defined as the maximum water supply available with the largest single supply source out of service. Under existing operating conditions, both Well No. 1 and Well No. 3 are limited to operational pumping setpoints of approximately 150 gpm. Under a firm capacity condition with one well out of service, the existing firm capacity of the system is therefore 150 gpm. This available firm capacity is insufficient to meet the projected ultimate MDD of 275 gpm.

However, both wells are equipped with variable frequency drives and have higher installed pump ratings than current operational setpoints. Installed pump ratings are approximately 300 gpm for Well No. 1 and 600 gpm for Well No. 3. If well pumping rates were increased to the full rated capacities of the installed pumps, the firm capacity of the system would increase to approximately 300 gpm, assuming the larger well is out of service. Under this increased pumping scenario, the system would be capable of meeting the projected ultimate MDD

2.1.1.1 Future Additional Development Considerations

The Future Framework Plan incorporates two large parcels located on the south side of the Historic Village service area. For planning purposes, this parcel was assumed to be guided for development as low-density residential (LDR), and the projected ultimate MDD reflects this land use assumption.

Reference: Historic Village Utility Plan – Water

An alternative development scenario was also evaluated to assess the ability of the water system to support higher-density development within this parcel. Under this alternative scenario, up to approximately 4 acres of high-density residential (HDR) development could be accommodated within the Historic Village service area. Development beyond this level of HDR would exceed available firm capacity and would necessitate water supply system improvements (such as drilling an additional well or increasing the capacity of Well No. 1).

2.1.2 Water Storage Recommendations

The City's 2025 Comprehensive Water Plan evaluated storage needs for each pressure zone using several industry-accepted methods, including fire/emergency storage, operational storage, and equalizing (peak hour) storage. For the Historic Village service area, the Comprehensive Plan determined that storage requirements are driven primarily by fire flow and operational needs, due to the small size of the service area and the absence of existing elevated storage.

The Comprehensive Water Plan recommended a total storage of 0.25 MG for the Historic Village service area. The existing effective storage capacity in this area is 0 MG, as the system currently relies solely on a 3,750-gallon hydropneumatic tank, which does not provide effective storage for fire protection.

2.1.2.1 Storage Methodology and Assumptions

Fire storage requirements were evaluated assuming a required fire flow of 1,500 gallons per minute (gpm) for a duration of 3 hours, consistent with planning-level fire protection criteria for residential development. Storage requirements were evaluated under firm capacity conditions, accounting for the ability of available wells to contribute to fire flow during an event.

Two firm supply scenarios were considered:

- 300 gpm firm supply, assuming Well No. 1 is available to provide up to 300 gpm during a fire event.
- 600 gpm firm supply, assuming Well No. 3 is available to provide up to 600 gpm during a fire event.

Under each scenario, the remaining fire flow demand must be supplied from storage. In addition to fire storage, equalizing storage must be provided. Equalizing storage was evaluated using two methodologies:

1. 20 percent of Maximum Day Demand (MDD), an industry standard rule-of-thumb.
2. Average Day Demand (ADD), consistent with Recommended Standards for Water Works.

The projected ultimate demands used for this evaluation include an MDD of 0.40 MGD and an ADD of 0.13 MGD. The resulting storage recommendations are summarized in Table 5.

Reference: Historic Village Utility Plan – Water

Table 5. Water Storage Recommendations

| Methodology | Recommended Storage Capacity with 300 gpm Firm Supply | Recommended Storage Capacity with 600 gpm Firm Supply |
|------------------------------|---|---|
| 20% of MDD plus fire storage | 0.30 MG | 0.24 MG |
| ADD plus fire storage | 0.35 MG | 0.29 MG |

The storage volumes presented above represent planning-level requirements at ultimate build-out. However, consideration must also be given to operational concerns associated with oversizing storage facilities during interim conditions. Oversized storage tanks can experience challenges during winter operation, including increased risk of freezing, water quality degradation due to excessive detention times, and inefficient system operation under low-demand conditions. These concerns are particularly relevant for the Historic Village service area, where demands are expected to remain relatively low until full build-out of the Future Framework Plan is achieved.

Considering projected demands, fire protection requirements, interim operating conditions, and long-term system flexibility, a 0.25 MG storage tank is recommended for the Historic Village service area. The recommended tank should be constructed with a High Water Level (HWL) of 1,060 feet MSL, consistent with the HWL of the existing Northeast Water Tower, to maintain compatible system pressures and operational consistency once the two systems are merged, as described in the 2025 Comprehensive Water Plan.

2.1.3 Recommended Watermain Improvements

Figure 2 illustrates future water system map for the Historic Village area. Recommended watermain improvements within the Historic Village service area are intended to improve system reliability, hydraulic performance, and water quality while supporting planned development identified in the Future Framework Plan. The proposed improvements focus on strengthening connectivity between supply, storage, and distribution infrastructure, reducing dead-end conditions, and ensuring compliance with fire flow requirements.

A 12-inch watermain is assumed along Shadyview Lane (north) to connect the well supply to the proposed storage tower. However, alternative routes could be chosen for this 12-inch trunk based on constructability and cost. This transmission main will provide a reliable, high-capacity connection between supply and storage facilities, improve operational flexibility, and support future increases in pumping rates under firm capacity conditions.

Several distribution system looping improvements are recommended to improve redundancy and circulation within the Historic Village service area, including:

- A 6-inch watermain loop connecting 62nd Lane/County Street NE and Dayton Avenue

Reference: Historic Village Utility Plan – Water

- A 6-inch watermain loop connecting Robinson Street and Columbus Street
- A 6-inch watermain loop connecting County Street and Dayton River Road

Looping of these mains will improve available fire flows, reduce dead-end conditions, improve water quality through increased circulation, enhance pressure stability, and allow water to be supplied from multiple directions during maintenance or emergency conditions.

8-inch watermain is sufficient to supply water to the two parcels located on the south side of the Historic Village service area, consistent with the Future Framework Plan. This main is sized to support anticipated low-density residential development while maintaining flexibility for alternative land use scenarios evaluated as part of this study. It is recommended to provide stubs for future looping of this local water main back to future 12-inch trunk mains that are planned along Brockton Lane and Dayton River Road, as shown in the Comprehensive Water Plan.

Hydraulic modeling indicates that a few remaining 6-inch dead-end watermain stubs within the Historic Village service area do not meet the recommended available fire flow of 1,500 gpm. The remaining stubs are not easily looped. Most utilities, as water systems age, implement a water main replacement program to eliminate older, smaller diameter water mains which typically cannot provide adequate fire flow. Over time, upsizing of 6-inch water main to 8-inch water main could occur in conjunction with future street reconstruction projects.

2.2 Hydraulic Modeling

2.2.1 Level of Service Criteria

Table 6 summarizes the criteria used for all modeling evaluations.

Table 6. Level of Service Criteria

| Parameter | Value | Demand Condition |
|----------------------------------|------------------|------------------|
| Minimum Pressure (psi) | 35 / 30 | PHD / MDD + FF |
| Maximum Pressure (psi) | 80 | Static |
| Maximum Velocity (ft/s) | 5 / 12 | PHD / MDD + FF |
| Available Fire Flow (gpm) | 1,500 | MDD |
| Maximum Headloss Gradient | | |
| Pipe Diameter ≤ 8-inch | 10 ft / 1,000 ft | PHD |
| Pipe Diameter 8 < D < 16-inch | 5 ft / 1,000 ft | PHD |

Note: PHD = Peak hour demand; MDD = Maximum day demand; FF = Fire flow.

2.2.2 Distribution System Service Pressure, Headloss and Velocity

A hydraulic analysis of the proposed distribution system was conducted using the City's existing WaterCAD hydraulic model. The existing average day water system pressures were calculated with a total distribution

Reference: Historic Village Utility Plan – Water

system demand of 0.13 MGD applied to the model nodes, with Well Nos. 1 and 3 offline, and the proposed future Historic Village water tower set to 5 feet below the HWL.

Average day water system pressures are illustrated in Figure 3. Modeled pressures throughout the Historic Village service area generally range between 50 and 90 psi for nearly all customers. Localized areas along Levee Street, Robinson Street, and Dayton Street exhibit pressures exceeding 80 psi, which is primarily attributable to lower ground surface elevations in these locations.

System pressures were also evaluated under peak hour demand conditions, using the same boundary conditions applied in the maximum day demand scenario described below. Peak hour water system pressures are illustrated in Figure 4. Modeling results indicate that pressures during peak hour demand conditions remain generally consistent with average day results. No locations within the Historic Village service area experience pressures below 35 psi under any modeled demand condition.

Water main velocities and headloss gradients were reviewed to assess overall distribution system performance and identify potential capacity limitations. Velocities greater than 5 feet per second (ft/s) and headlosses of 5-10 ft per 1,000 ft or greater during peak demands (acceptable headloss gradient depending on pipe diameter as indicated in Table 6) may contribute to low pressures and reduced fire flows. Modeling results indicate that no water mains within the Historic Village service area exceed recommended level-of-service criteria for velocity or headloss gradient during peak hour demand conditions.

2.2.3 Distribution System Available Fire Flow

The updated hydraulic model was used to evaluate available fire flow within the Historic Village service area while maintaining a minimum residual pressure of 20 psi in the distribution system. Fire flow results are illustrated in Figure 5. Fire flow evaluations were conducted under existing maximum day demand conditions with a design demand of 0.40 MGD, with Well No. 1 operating at 300 gpm, Well No. 3 offline, and the proposed future Historic Village tower set to 8 feet below the HWL.

Modeled fire flow availability within the Historic Village service area ranges from approximately 1,000 gpm to 4,400 gpm. Of the 53 modeled nodes within the Historic Village service area, 46 nodes meet or exceed the recommended fire flow requirement of 1,500 gpm. The lowest available fire flows occur at 6-inch diameter water main dead ends, where available fire flow is limited by the lack of system looping and reduced pipe capacity.

With the recommended additional watermain looping as discussed in Section 2.1.3, fire flows meet or exceed 1,500 gpm along nearly all remaining watermain segments, indicating that the primary distribution infrastructure, with the proposed modifications, is largely capable of meeting fire protection requirements. For the remaining areas with insufficient fire flow, upsizing of older, existing 6-inch watermain would be required to improve fire flow. Most utilities, as water systems age, implement a water main replacement program. Over time, upsizing of 6-inch water main to 8-inch water main could occur in conjunction with future street reconstruction projects.

Reference: Historic Village Utility Plan – Water

3 Construction Cost Estimates

To support redevelopment as outlined by the Historic Village Framework Plan, additional water transmission pipes and storage will be required. Budget costs were compiled for future planning purposes for the recommend improvements. The estimated costs for the proposed future trunk water mains and water storage improvements are detailed in Table 7. Costs are shown in 2026 dollars. Contingency, administration, legal, and engineering costs are included; however, land acquisition costs and roadway improvements are not included.

Table 7. Water Storage Recommendations

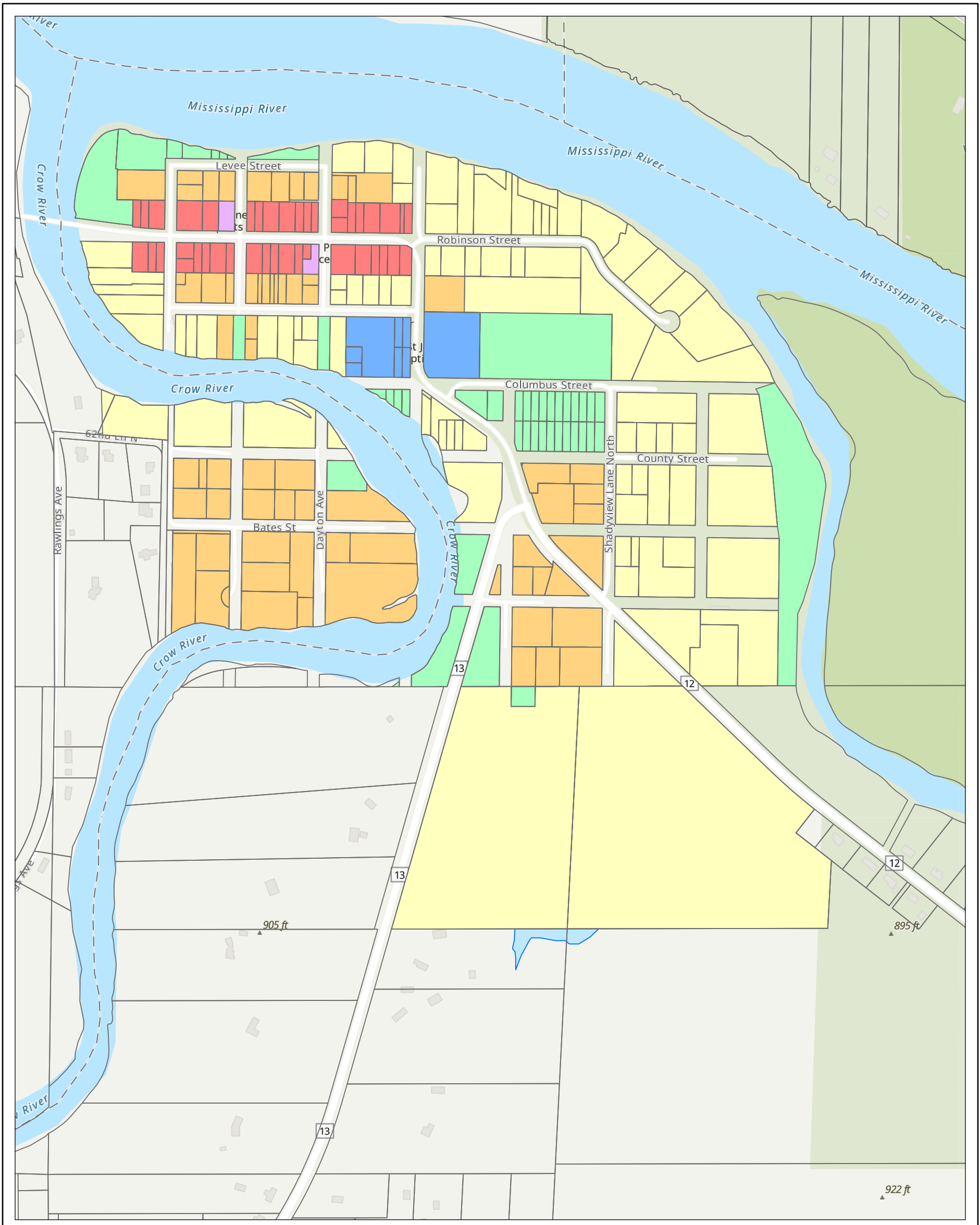
| System Component | Total Length | Cost |
|-------------------------------------|---|-------------------------------------|
| 12-inch Trunk Main | 1,500 feet | Cost included in Water Storage Cost |
| 0.25 MG Elevated Water Storage Tank | N/A | \$3,800,000 |
| 6-inch Local Water Main Looping | 2,000 feet | \$160,000 ¹ |
| 8-inch Local Water Main | Approx. 2,500 feet; TBD by Developer | Paid for by parcel developer(s) |

¹ Potential for cost sharing with developer(s).

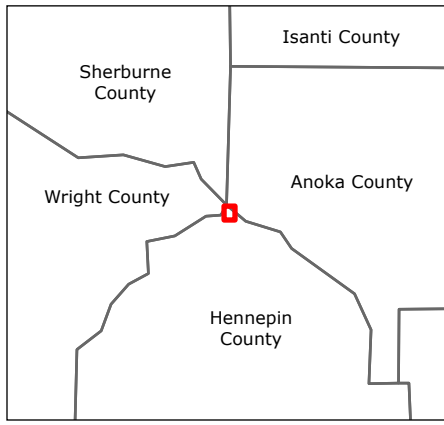
- Attachments: Figure 1 – Framework Plan Land Use Map
Figure 2 – Future Water System Map
Figure 3 – Average Day Pressure Map
Figure 4 – Peak Hour Pressure Map
Figure 5 – Maximum Day Fire Flow Availability Map



Figure 1 Framework Plan Land Use Map

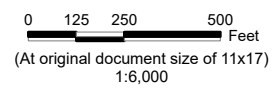


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- Legend**
Dayton 2040 Framework Plan Land Use
- Single Family Residential
 - Medium Family Residential
 - Commercial
 - Institutional
 - Historic Buildings
 - Open Space

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
 3. Background: Hennepin County Parcels, Land Use, World Topographic Map



Project Location Dayton, Hennepin Co., MN Prepared by DME on 2025-12-11

Client/Project City of Dayton
 Dayton Historic Village Utility Plan 193807502

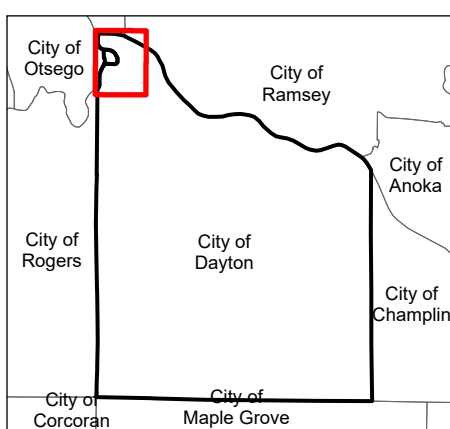
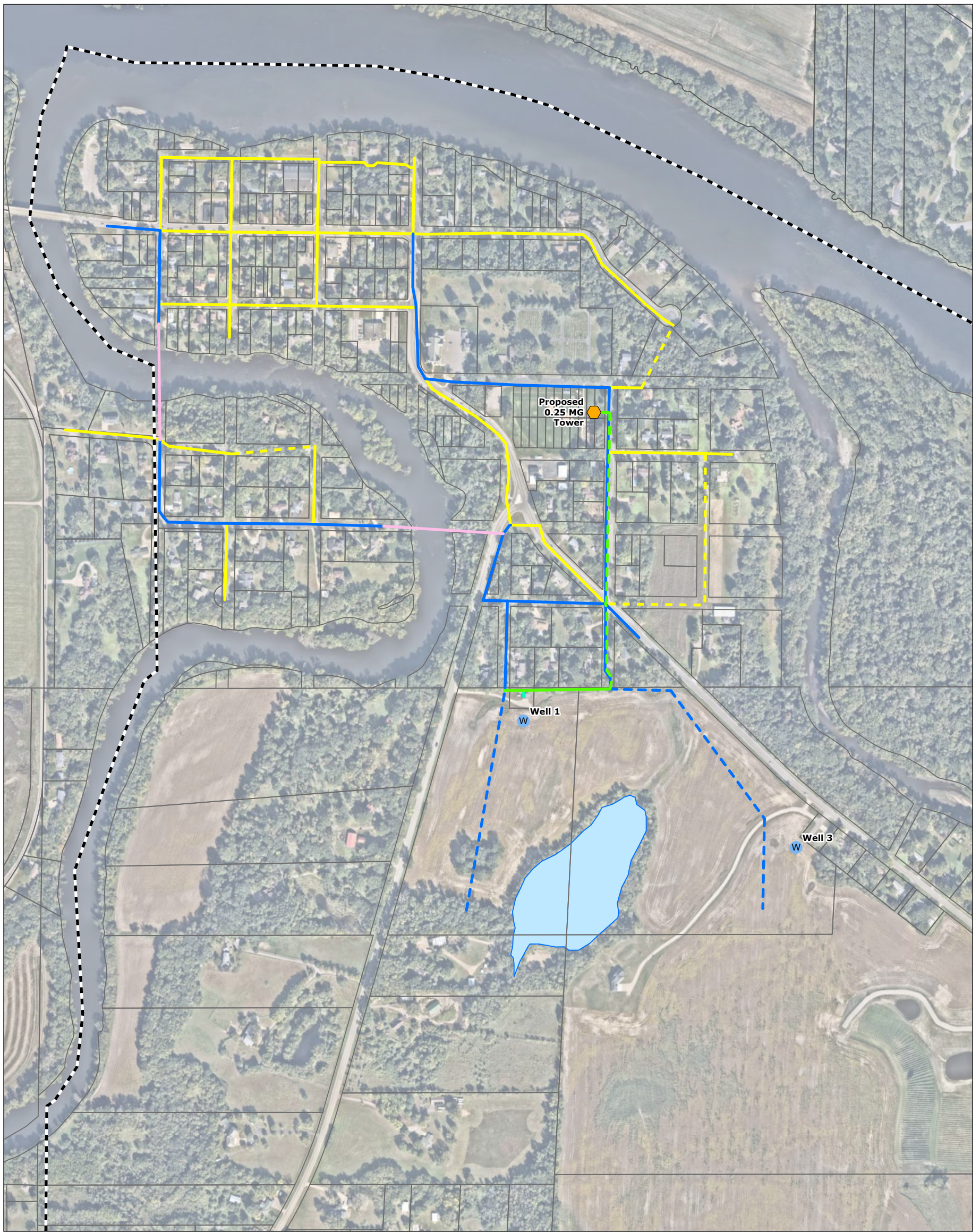
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1

Framework Plan Land Use Map

Disclaimer: This document has been prepared based on information provided by others as cited in the Notes section. Stantec has not verified the accuracy and/or completeness of this information and shall not be responsible for any errors or omissions which may be incorporated herein as a result. Stantec assumes no responsibility for data supplied in electronic format, and the recipient accepts full responsibility for verifying the accuracy and completeness of the data.

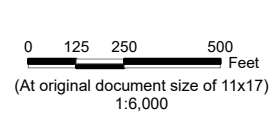


Figure 2 Future Water System Map



- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - Supply Well
 - Future Tower
 - Future Water Main Diameter**
 - 6 Inch
 - 8 Inch
 - 12 Inch
 - Existing Water Main Diameter**
 - 6 Inch
 - 8 Inch
 - 8.7 Inch (HDPE)
 - 10 Inch
 - 12 Inch

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
 3. Background: Hennepin County Parcels, Land Use, Nearmap 2025 Imagery



Project Location
Dayton, Hennepin Co., MN

Prepared by DME on 2026-01-23

Client/Project
City of Dayton
Dayton Historic Village Utility Plan

Figure No.
2

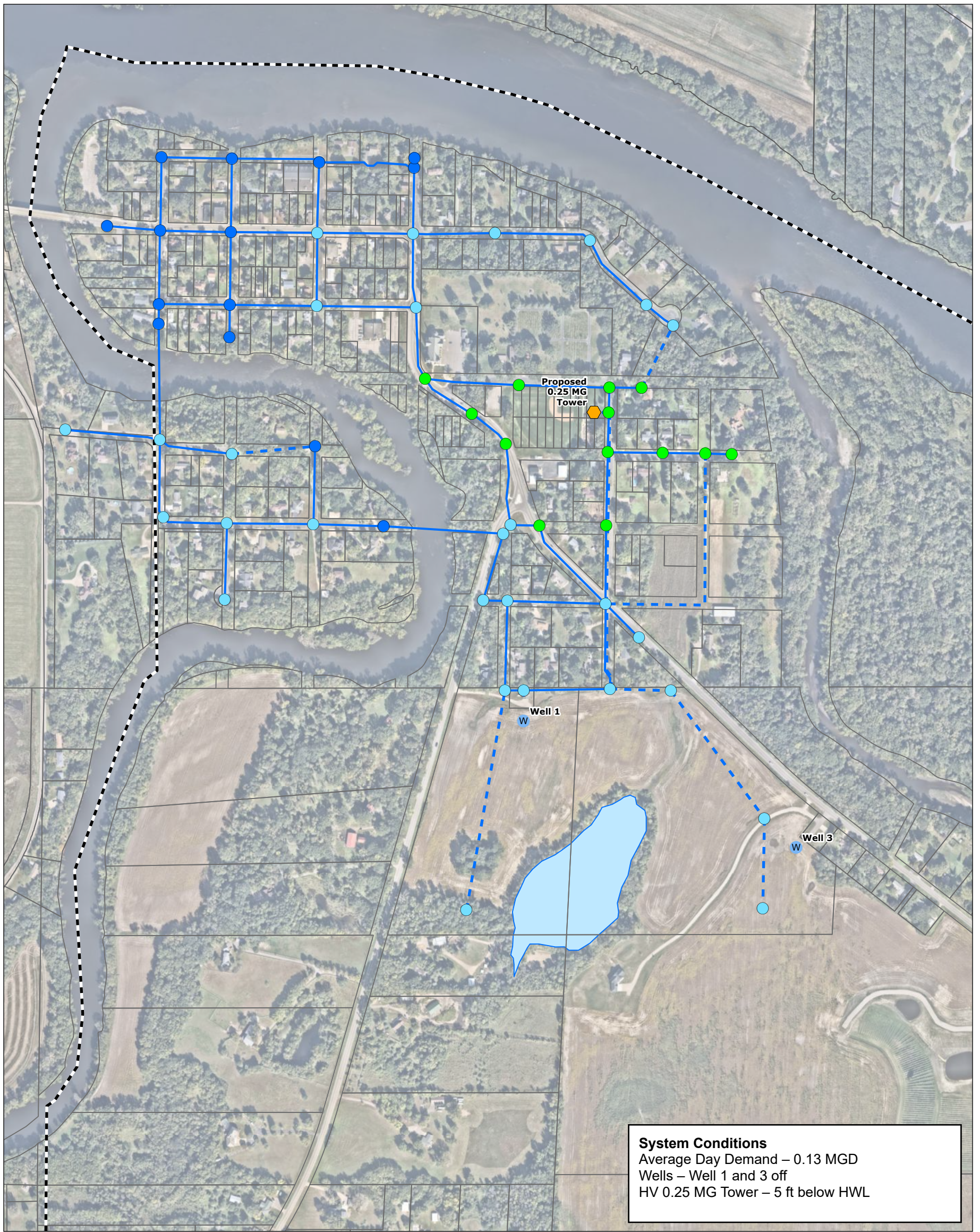
Title
Future Water System Map

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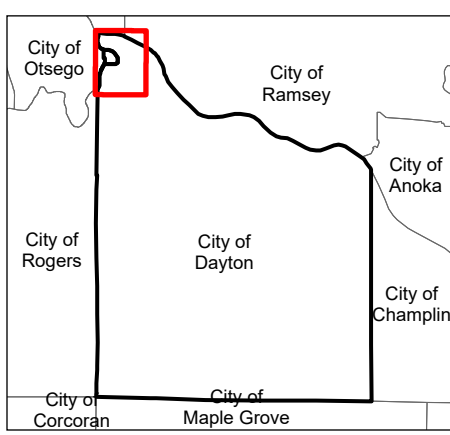
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Figure 3 Average Day Pressure Map

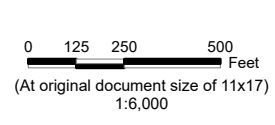


System Conditions
 Average Day Demand – 0.13 MGD
 Wells – Well 1 and 3 off
 HV 0.25 MG Tower – 5 ft below HWL



- Legend**
- City Boundary
 - Parcels
- Water System Facility**
- Supply Well
 - Future Tower
 - Future Water Main
 - Existing Water Main
- Pressure**
- < 35 PSI
 - 35-50 PSI
 - 50-65 PSI
 - 65-80 PSI
 - 80-95 PSI
 - > 95 PSI

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
 3. Background: Hennepin County Parcels, Land Use, Nearmaps 2025 Imagery



Project Location
 Dayton, Hennepin Co., MN

Prepared by DME on 2026-01-26

Client/Project
 City of Dayton
 Dayton Historic Village Utility Plan

193807502

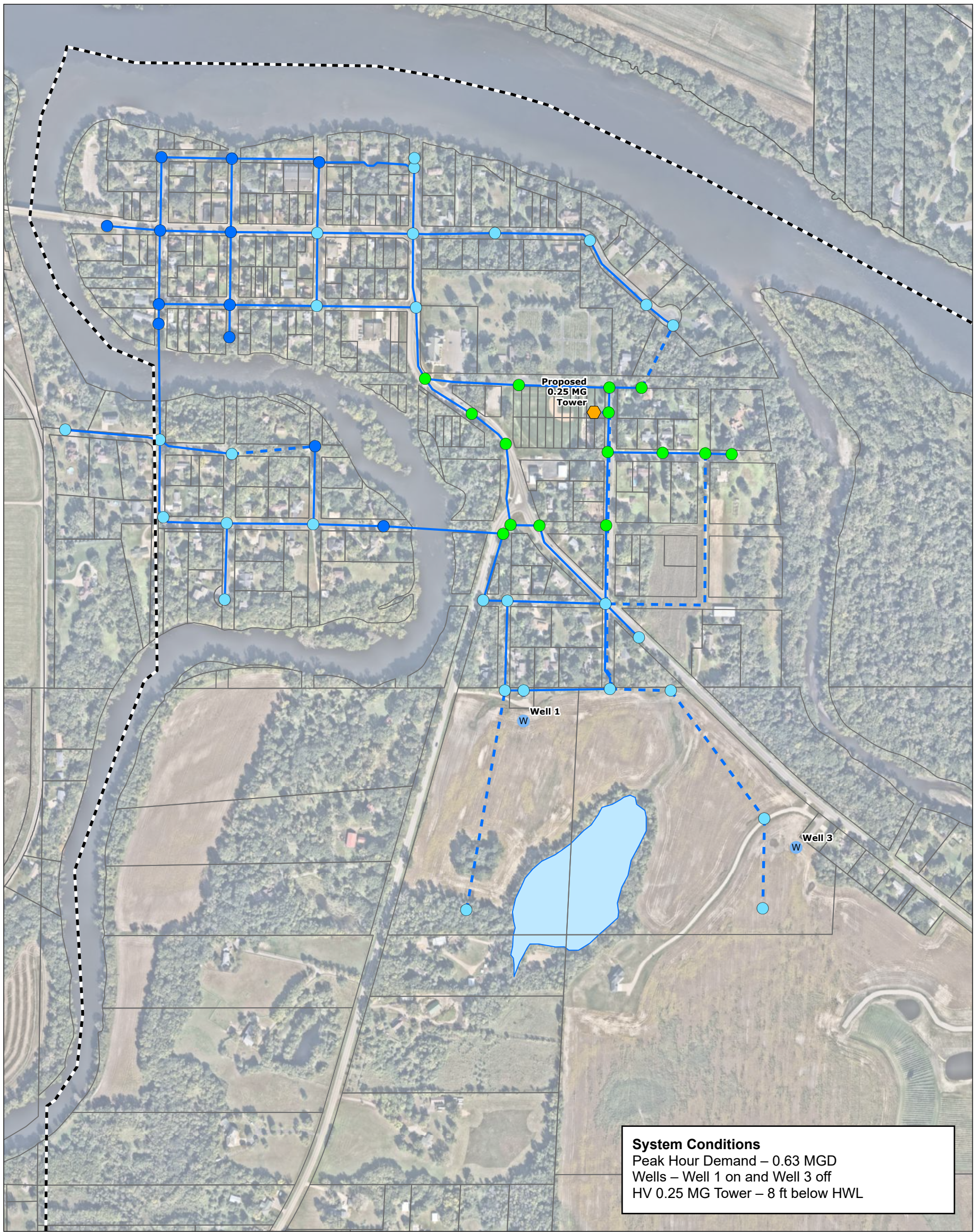
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Title
Average Day Pressure Map

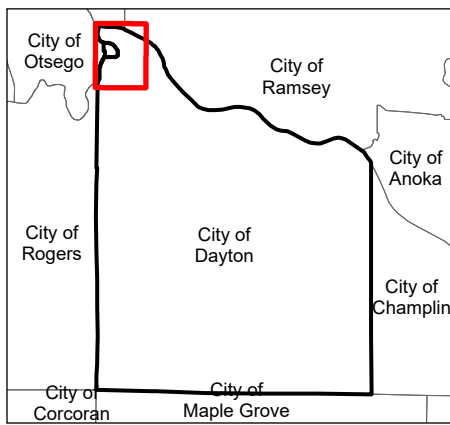
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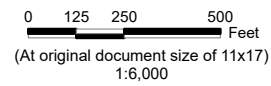
Figure 4 Peak Hour Pressure Map



System Conditions
 Peak Hour Demand – 0.63 MGD
 Wells – Well 1 on and Well 3 off
 HV 0.25 MG Tower – 8 ft below HWL



- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - W Supply Well
 - ◆ Future Tower
 - Future Water Main
 - Existing Water Main
 - Pressure**
 - < 35 PSI
 - 35-50 PSI
 - 50-65 PSI
 - 65-80 PSI
 - 80-95 PSI
 - > 95 PSI



Project Location Dayton, Hennepin Co., MN *Prepared by DME on 2026-01-26*

Client/Project City of Dayton Dayton Historic Village Utility Plan 193807502

Figure No.

4

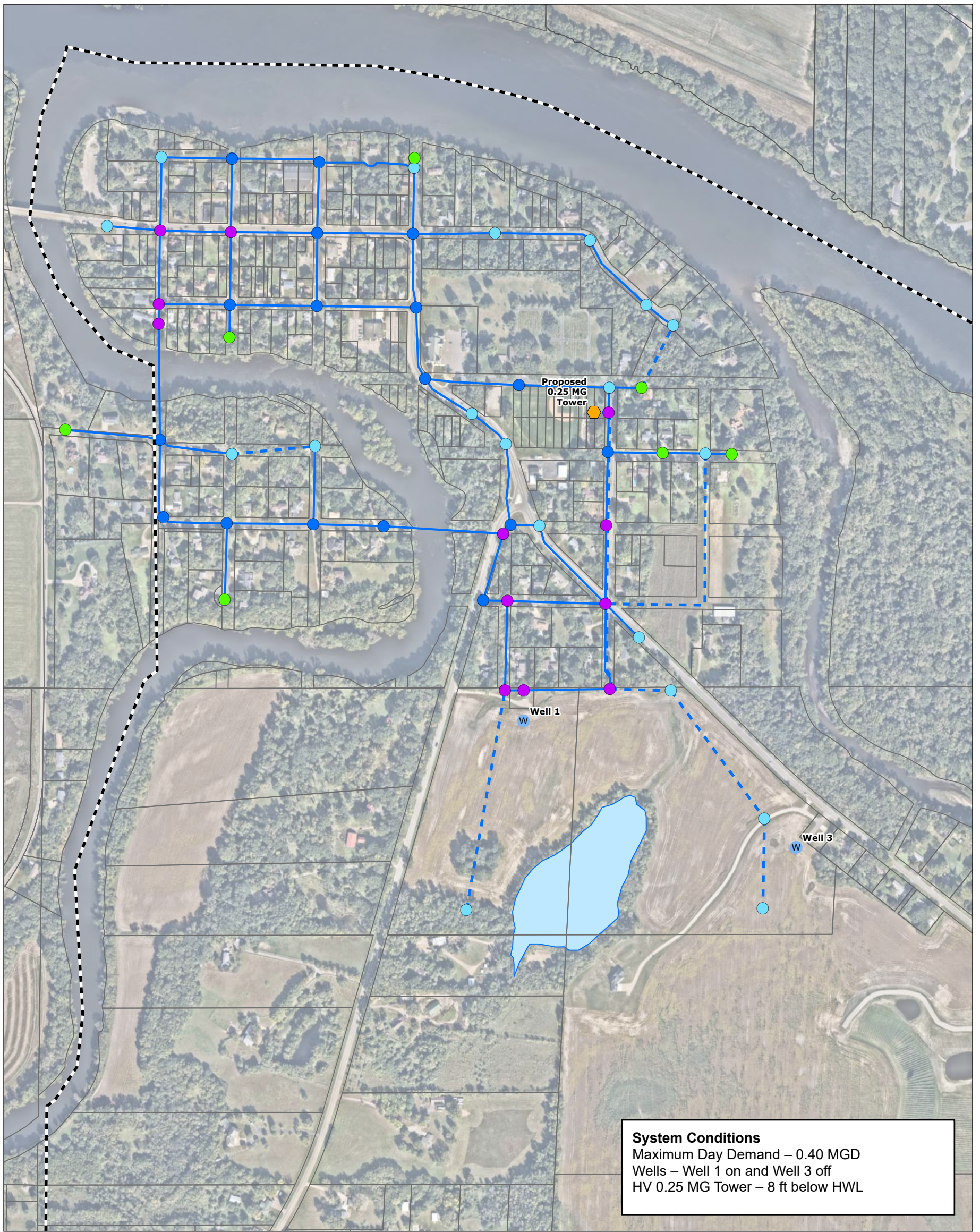
Title

Peak Hour Pressure Map

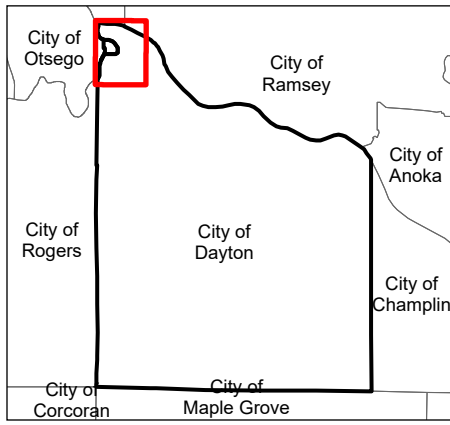
Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
 3. Background: Hennepin County Parcels, Land Use, Nearmap 2025 Imagery



Figure 5 Maximum Day Fire Flow Availability Map

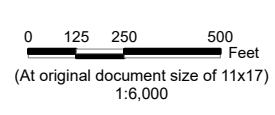


System Conditions
 Maximum Day Demand – 0.40 MGD
 Wells – Well 1 on and Well 3 off
 HV 0.25 MG Tower – 8 ft below HWL



- Legend**
- City Boundary
 - Parcels
- Water System Facility**
- Supply Well
 - Future Tower
 - Future Water Main
 - Existing Water Main
- Available Fire Flow**
- <500 GPM
 - 500 - 1,000 GPM
 - 1,000 - 1,500 GPM
 - 1,500 - 2,500 GPM
 - 2,500 - 3,500 GPM
 - >3,500 GPM

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County, MN, City of Dayton 2040 Plan, ESRI
 3. Background: Hennepin County Parcels, Land Use, Nearmap 2025 Imagery



Project Location
 Dayton, Hennepin Co., MN

Prepared by DME on 2026-01-26

Client/Project
 City of Dayton
 Dayton Historic Village Utility Plan

193807502

Figure No.
5

Title
Maximum Day Fire Flow Availability Map

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ITEM:

Sewer & Water Comprehensive Plans

PREPARED BY:

Jason Quisberg, Engineering

POLICY DECISION / ACTION TO BE CONSIDERED:

Adopt (Draft) Sewer and Water Comprehensive Plans

BACKGROUND:

Dayton has been utilizing comprehensive sewer and water plans last updated in 2005 and 2007 respectively, to guide development. Typically, these types of plans are updated in general alignment with the overall city comprehensive plan, which is updated every ten years.

With the amount of development activity in Dayton, it is important that the utility plans for the city are maintained such they are, at least, as current as the overall city comprehensive plan. To prepare these important components in the city's guidance of development, City Council authorized the sewer and water system plans to be updated.

Existing system components have been incorporated into the plans, and ultimate system needs have been projected, based on the latest land use planning map available. The new plans will help not only with proposed developments as they come in, but also for long term planning and infrastructure budgeting.

The updated sewer and water comprehensive plans are attached for review. Highlights from the plan will be shared during the Council Work Session or Regular Meeting.

Please ask questions before the meeting so that we can have answers ready and use meeting time efficiently – there is a lot of information to cover.

Requested actions:

- Review the draft Comprehensive Sewer & Water Plans (attached)
- Ask questions and provide feedback regarding the plans
 - In advance of the meeting is highly encouraged
- Accept the Plans

Next steps: These plans will be updated again as the overall City Comprehensive Plan is prepared. Once the Future Land Use plan is determined, the ultimate sewer and water system layouts and be adjusted, as needed, to accommodate the projected demands.

It should be noted that this effort was intentionally completed ahead of the (upcoming) overall city comprehensive plan. It may sound inefficient to update plans when additional updates will be needed in the near future. However, having these plans in an updated draft form accomplishes two things:

1. It helps inform the development of the city wide comprehensive plan – by identifying potential limitations, etc., and
2. It allows these sections of the overall plan to be finalized efficiently, as the framework is now in place, and only minor adjustments are needed for alignment between the final land and projections.

RECOMMENDATION:

Adopt Comprehensive Sewer & Water Plans

ATTACHMENT(S):

Draft Sewer Comprehensive Plan
Draft Water Comprehensive Plan



COMPREHENSIVE SEWER PLAN



Prepared for:
City of Dayton, MN

Prepared by:
Stantec Consulting Services Inc.

Project No. 193806077

September 23, 2025

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Executive Summary

The Dayton Comprehensive Sewer Plan (CSP) describes in detail the City's current sanitary sewer system. It has been prepared in accordance with the requirements of the Metropolitan Council, as outlined in its Local Planning Handbook and 2040 Water Resources Policy Plan. The report is based on the land use and population data provided in Dayton's Comprehensive Plan Update.

The plan is organized as follows:

Section 1 discusses the role of the CSP and its content requirements and provides background information on the community.

Section 2 presents forecasts of population, households, employment, and sewer flows.

Section 3 presents design criteria used to plan and design the sewer system.

Section 4 describes the existing system, including intercommunity flows and individual sewage treatment systems.

Section 5 presents policies for addressing excess infiltration and inflow in the system.

Section 6 discusses cost estimates and financing of the system.



COMPREHENSIVE SEWER PLAN

Introduction
September 23, 2025

1.0 INTRODUCTION

1.1 REGULATORY FRAMEWORK

The Metropolitan Land Planning Act (amended 1995) requires local governments to prepare comprehensive plans and submit them to the Metropolitan Council to determine their consistency with metropolitan system plans. The local comprehensive plan is to include a wastewater plan element covering the collection and disposal of wastewater generated by the community. Similarly, the Metropolitan Sewer Act requires local governments to submit a Comprehensive Sewer Plan (CSP) which describes the current and future service needs required from the Metropolitan Council.

The Metropolitan Council's 2040 Water Resources Policy Plan (2040 WRPP) lays out requirements for the wastewater plan element of the comprehensive plan as well as the Comprehensive Sewer Plan. For simplicity, the Metropolitan Council has combined the required elements of both plans into a single set of criteria, contained in the 2040 WRPP.

This 2025 Dayton CSP addresses the criteria of the 2040 WRPP. It provides growth projections, design parameters for the existing sanitary sewer system, proposed improvements to or expansion of the system, and strategies for addressing excessive infiltration and inflow in the system.

1.2 PHYSICAL SETTING

The City of Dayton is a suburb of the Twin Cities and is located at the confluence of the Crow and Mississippi Rivers and is shared between Hennepin and Wright County. The City spans approximately 30 square miles and is located along the I-94 corridor. Dayton is bordered by Maple Grove to the south, Hassan Township, Rogers and Otsego to the west, Ramsey to the north, and Anoka and Champlin to the east.

Dayton remains a largely rural area, but as the Metropolitan Area continues to grow, the City has experienced increased suburban type development. In the past several years, Dayton has experienced an increase in sewer, residential development. The City continues to serve as a suburban bedroom community for an increasing number of residents. Due to its size, it is likely that rural characteristics will persist through 2040 and after as urban utility services slowly extend to the center of the City.

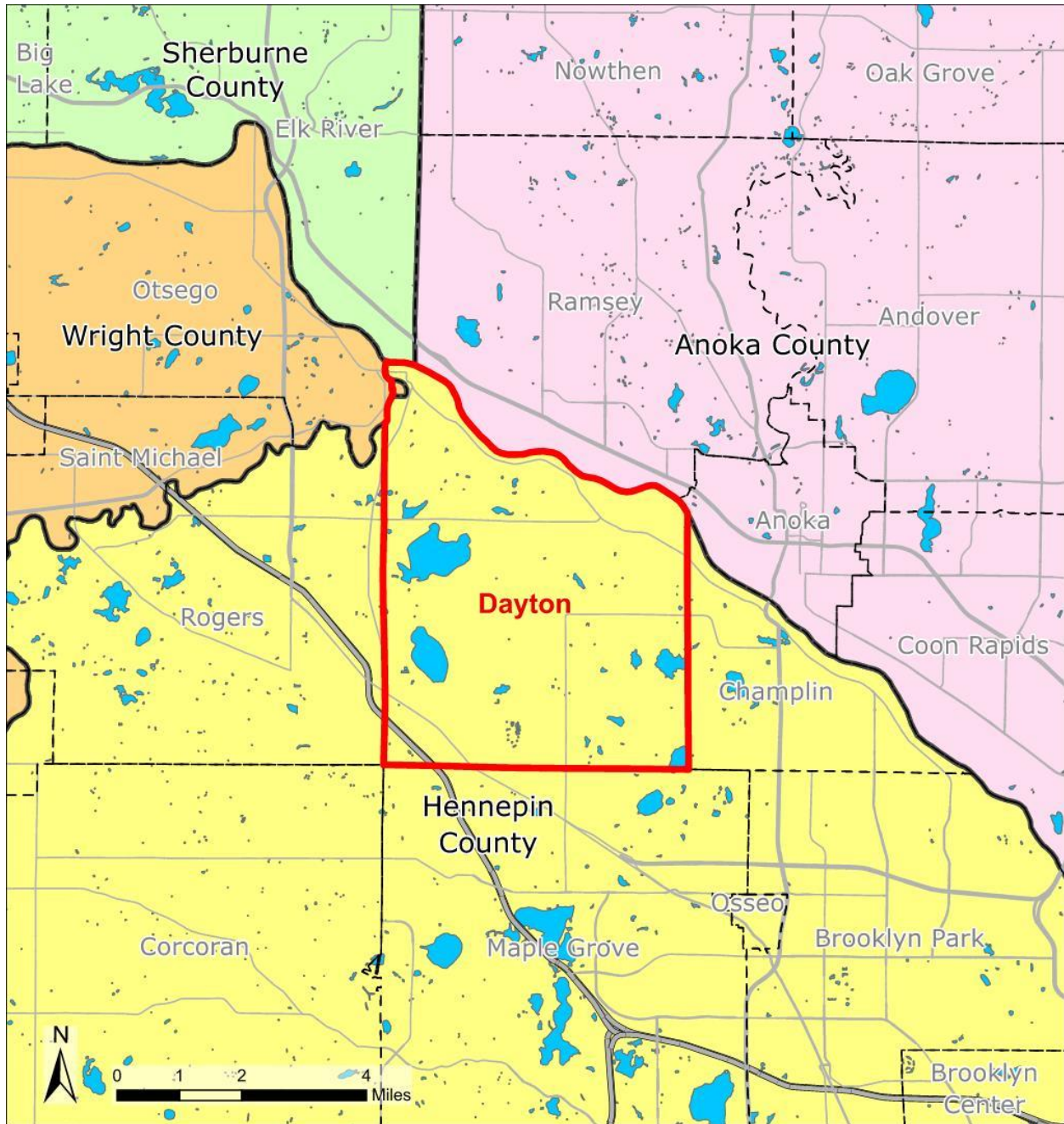
The Metropolitan Council has designated Dayton as an Emerging Suburban Edge community, or a community that is experiencing a slow shift from rural qualities to more development. Emerging Suburban Edge communities offer connections to urban amenities and proximity to open spaces that characterizes a rural lifestyle. A large portion of Dayton is a part of the Elm Creek Park Reserve and will be preserved as open space indefinitely.



COMPREHENSIVE SEWER PLAN

Introduction
September 23, 2025

Figure 1-1 - Location Map



COMPREHENSIVE SEWER PLAN

Forecasts
September 23, 2025

2.0 FORECASTS

Tables 2-1 and 2-2 present the Metropolitan Council's projections of population, households, and employees for the City of Dayton from the 2040 Water Resources Policy Plan.

Table 2-1 – Growth Projections – Metropolitan Council

| Year | Population | Households | Employment |
|------|------------|------------|------------|
| 2020 | 5,900 | 2,200 | 2,000 |
| 2030 | 7,900 | 3,200 | 2,490 |
| 2040 | 10,400 | 4,400 | 3,000 |

Table 2-2 – Sewered Growth Projections – Metropolitan Council

| Year | Population | Households | Employment |
|------|------------|------------|------------|
| 2020 | 3,500 | 1,300 | 1,400 |
| 2030 | 7,000 | 2,900 | 2,100 |
| 2040 | 9,300 | 3,900 | 2,600 |

The City of Dayton uses the Metropolitan Council's projections as the basis for its overall sewer planning efforts. The facilities described in this report are designed to serve the City under conditions of future development as identified in the City's Comprehensive Plan. Table 2-3 provides a breakdown of projections by Metropolitan Council metershed.



COMPREHENSIVE SEWER PLAN

Forecasts
September 23, 2025

Table 2-3 – Growth Projections by Metershed

| Year | Metershed | Population | Households | Employment |
|------|--------------|---------------|--------------|--------------|
| 2020 | M306 | 2,121 | 791 | 719 |
| | M305 | 3,672 | 1,369 | 1,245 |
| | M230 | 50 | 19 | 17 |
| | Otsego | 57 | 21 | 19 |
| | Total | 5,900 | 2,200 | 2,000 |
| 2030 | M306 | 2,840 | 1,150 | 895 |
| | M305 | 4,917 | 1,992 | 1,550 |
| | M230 | 67 | 27 | 21 |
| | Otsego | 76 | 31 | 24 |
| | Total | 7,900 | 3,200 | 2,490 |
| 2040 | M306 | 3,739 | 1,582 | 1,079 |
| | M305 | 6,473 | 2,739 | 1,867 |
| | M230 | 88 | 37 | 25 |
| | Otsego | 100 | 42 | 29 |
| | Total | 10,400 | 4,400 | 3,000 |

Table 2-4 presents projected wastewater flows for the City of Dayton, as provided by the Metropolitan Council in its 2040 Water Resources Policy Plan. It is assumed that Metropolitan Council projections pertain to Dayton only and do not include flows entering the interceptors from outside City limits.

Table 2-4 – Average Wastewater Flow Projections – Metropolitan Council

| Year | Dayton Projected Average Flow (MGD) |
|------|-------------------------------------|
| 2020 | 0.17 |
| 2030 | 0.39 |
| 2040 | 0.53 |

The flow projections presented in the appendices are developed from the land use in Appendix A, which is based on the City’s 2040 land use plan (included in Appendix H). It should be noted that the total average daily flow of Appendix B exceeds the projected 2040 flow of Table 2-4, largely due to conservative application of the flow model concerning the capacity and design of City trunk lines. The unit flow rates used in the modeling correspond to typical maximum values for a land use category; they are listed in Table 3-1. The conservative approach to estimating flows allows the City to remain flexible in planning future development, providing sewer capacity for localized development of higher intensity use, and protecting against potential backups.



COMPREHENSIVE SEWER PLAN

Sanitary Sewer Design Criteria
September 23, 2025

3.0 SANITARY SEWER DESIGN CRITERIA

3.1 LAND USE

The land use identified in Dayton’s 2040 Comprehensive Plan (see Appendix H) is the land use that served as the basis for the development of the sanitary sewer flow projections and analysis of the trunk system. Using the future land use plan, the area of each land use was determined for each sewer subdistrict. Detailed descriptions of the various land uses are found in the City of Dayton Comprehensive Plan. Areas of each land use by sewer subdistrict are presented in Appendix A.

3.2 ESTIMATED AVERAGE WASTEWATER FLOWS

Municipal wastewater is made up of a mixture of domestic wastewater, commercial and industrial wastes, groundwater infiltration, and surface water inflows. With proper design and construction, groundwater infiltration and surface water inflows, or infiltration/inflow (I/I), can be minimized. The flows due to I/I are accounted for in the analysis and design of the trunk sewer system. The anticipated average wastewater flows from the various sewer subdistricts were determined by applying unit flow rates to each of the land use categories. The “system design” unit flow rates are presented in Table 3-1. The average wastewater flows for each sewer subdistrict are presented in Appendix B.

For all land uses, unit rates/acre were used to generate average flow projections. The units per acre assumptions and population densities for the residential land uses were based on information from the City Planning staff. The estimated flows are in accordance with standard engineering practice in accordance with our experience in Dayton as well as other communities in the Twin Cities area and are generally considered conservative.

Table 3-1 – System Design Wastewater Unit Flow Rates

| Land Use Type | Gal/Acre/Day |
|-----------------------|--------------|
| Estate | 27 |
| Low Density | 675 |
| Medium Density | 1,200 |
| High Density | 2,100 |
| Commercial/Industrial | 1,200 |
| Recreational/Public | 800 |

3.3 PEAK FLOW FACTORS

The sanitary sewer system must be capable of handling the anticipated peak wastewater flow rate including any I/I. The design peak flow rate is expressed as a variable ratio to the average flow rate. Curves used to describe this ratio, called the Peak Flow Factor (PFF), indicate a decreasing ratio of peak flow to average flow with increasing average flow.

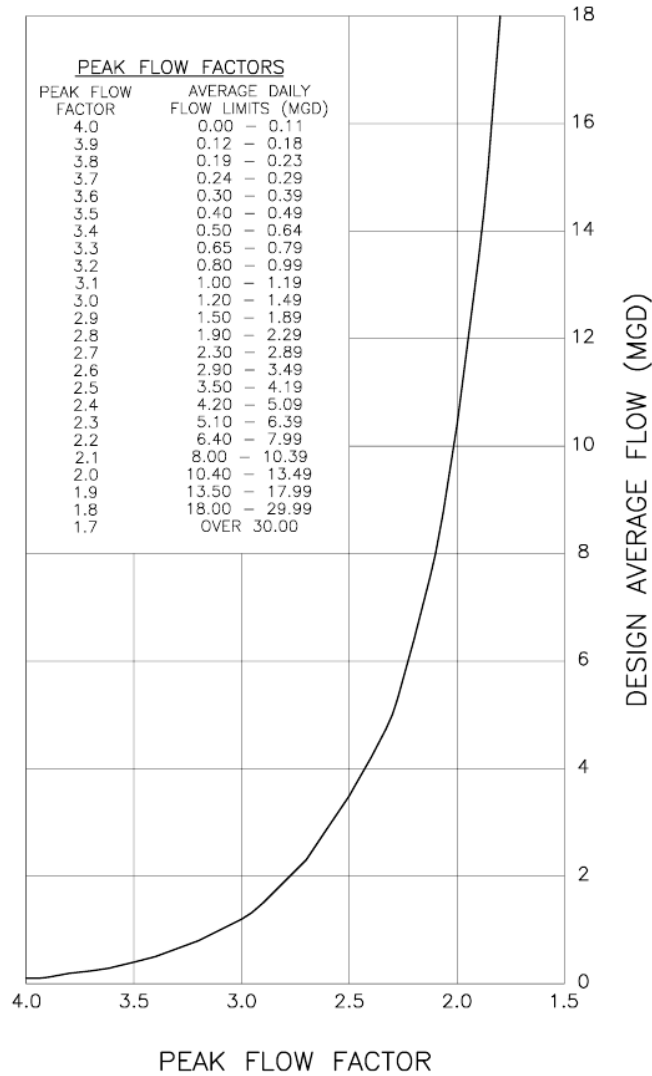


COMPREHENSIVE SEWER PLAN

Sanitary Sewer Design Criteria
September 23, 2025

The PFF values applied in this study are shown in Figure 3-1 as a curve and in tabular form. These values are generally conservative and widely used throughout the state for municipal planning. They include a standard allowance for I/I, which is typical of new sanitary sewer construction as well as properly operating existing sewers. The design flows for each sewer subdistrict are presented in Appendix C.

Figure 3-1 - Peak Flow Factors



COMPREHENSIVE SEWER PLAN

Sanitary Sewer Trunk System
September 23, 2025

4.0 SANITARY SEWER TRUNK SYSTEM

4.1 EXISTING TRUNK SANITARY SEWER SYSTEM EVALUATION

The trunk sewer system layout for the City of Dayton is presented on Map 1, Trunk Sanitary Sewer System (Appendix H). This map shows the main sanitary sewer subdistricts, existing and proposed trunk sanitary sewers, existing Metropolitan Council Interceptors and meters, and existing and proposed lift stations and forcemains. With the exception of the historic village/northwest district, wastewater from the City is ultimately treated at the MCES Metropolitan Wastewater Treatment Plant.

The trunk sanitary sewer system generally drains to three MCES meter stations, M305, M306, and M230, and the Otsego WWTP, as follows:

- The northerly portion of the City, the Northern Sewer District, discharges at Meter M306 to the CAB Interceptor.
- The western and southwestern portion of the City, the Western Sewer District, discharges at Meter M305 to the Elm Creek Interceptor.
- The southeastern portion of the City, the Southeastern Sewer District, discharges to Meter M230 in Champlin and then to the CAB Interceptor
- The far northwestern corner of the City discharges to a lift station that pumps wastewater to the Otsego WWTP.

The modeling of the sanitary sewer system was based on a variety of parameters, such as: land use, population density, standard wastewater generation rates, and existing system layout. Trunk sewer lines were defined based on the connection points to the MCES interceptor. Sewer districts and subdistricts were then determined based on drainage areas to each trunk sewer.

The existing and proposed pipe systems were evaluated and broken up into design segments. Each end of a design segment has a node assigned to it. The nodes were designated for the following reasons:

1. Flow from a sewer subdistrict entering the pipe network.
2. Significant grade change.
3. Change in pipe size.
4. Two or more trunks connect.

Each sewer subdistrict contains at least one collection point where the sewer subdistrict's wastewater is defined to enter the pipe network. Upstream of that collection point, a lateral network of 8-inch gravity lines provides service.

An evaluation of trunk system design flows and capacities is provided in Appendix D. This appendix provides a comparison of capacity versus 2040 design flow for each reach of the trunk sewer system.



COMPREHENSIVE SEWER PLAN

Sanitary Sewer Trunk System
September 23, 2025

There may be deficient capacity in the system in certain segments. Further monitoring and analysis should be completed as development continues in the area.

There are several lift stations located in the City. Information on these lift stations is provided in Table 4-1.

Table 4-1 – Lift Station Data

| Lift Station | Subdistrict | Node | Capacity, gpm ¹ | Current Design Flow, gpm ² | 2040 Design Flow, gpm |
|-----------------------------|-------------|------|----------------------------|---------------------------------------|-----------------------|
| Robinson St/ Boat Launch | NW-A | 1 | 200 | N/A | 284 |
| Dayton Ave | NW-B | 3 | 86 | N/A | 133 |
| Dayton River Rd/CSAH 12 | NW-C | 5 | 100 | N/A | 67 |
| Granstrom Cir | N-D | N/A | 194 | N/A | 194 |
| Cloquet St | N-N | N/A | 194 | 73 ³ | 73 ³ |
| W French Lake Rd | W-B | 8 | 784 | N/A | 1826 ⁴ |
| Territorial Rd ⁵ | W-B | 2a | 21 | N/A | N/A |
| Diamond Lake Trl | W-H | 9 | 784 | N/A | 1284 ⁶ |
| Lawndale Ln ⁷ | W-J | 16 | 305 | N/A | 358 |
| Hackberry Ln | SE-A | 1 | 194 | N/A | 160 |

Table Notes:

1. Capacities (except for the Robinson St, Dayton Ave, and Dayton River Road Lift Stations) are estimated based on forcemain pipe size with a velocity of 5 fps. Capacity of Robinson St LS and Dayton Ave LS are based on Record Plan information. Capacity of Dayton River Rd LS is based on pump curve calculations.
2. Design flows are unknown.
3. Lift station serves approximately 97 homes within the larger subdistrict N-N at an assumed rate of 270 gallons per day flow with a PFF of 4.0.
4. Lift station is known to be undersized (for ultimate 2040 design flows) and will be upgraded with an additional pipe or replaced with larger forcemain when necessary.
5. Lift station serves a Rogers commercial/industrial area between Interstate 94, County Road 81 and County Road 101. Capacity is assumed to meet current and future design flow. This lift station is owned and operated by the City of Rogers. This lift station will be removed when gravity sewer is made available in the future.
6. Lift station will be replaced with a larger system when development continues to the north.
7. Existing forcemain pipe is 5-inch HPDE and connects to Rogers. Proposed forcemain pipe is 6-inch PVC and is proposed to connect to node 15 in Subdistrict W-I.

4.2 INTERCOMMUNITY FLOWS

There are several intercommunity flows into and out of the Dayton system, as shown on Map 1:



COMPREHENSIVE SEWER PLAN

Sanitary Sewer Trunk System
September 23, 2025

- Subdistricts NW-A, NW-B, and NW-C discharge into the Otsego system
- Subdistrict W-J currently discharges into the Rogers system. At a future time, this flow will be diverted south into the Dayton system for the Western District.
- Subdistrict SW-A discharges into the Rogers system
- Subdistricts SE-A and SE-B discharge into the Champlin system
- A portion of Rogers discharges at Subdistrict W-B into the Dayton system for the Western District
- A portion of Maple Grove discharges at Subdistrict W-P into the Dayton system for the Western District

Intercommunity service agreements with Champlin, Otsego, Rogers, and Maple Grove are provided in Appendix I. Currently, the City of Dayton collects usage data from the lift station to reimburse the City of Rogers. For Otsego, the City of Dayton receives a bill from Otsego once per year from their meter and tracks the City's usage. The fee is a combination of fixed operating expenses and variable operating expenses as outlined in the intercommunity service agreement. SE District Dayton users are billed directly from Champlin. If an account is delinquent, Dayton collects the money from assessment through property taxes and reimburses the City of Champlin. The Maple Grove interconnection agreement is for Maple Grove residents within the Rush Creek Service Area connected into the Dayton sewer system. Maple Grove pays a connection charge for each connection made, plus treatment costs as outlined in the intercommunity service agreement on an annual basis.

4.3 INDIVIDUAL SEWAGE TREATMENT SYSTEMS (ISTS)

Chapter 51 of the Dayton City Code (Appendix G) allows existing buildings adjacent to a sewer main with a working ISTS to continue to use their private septic system. However, at such time as the ISTS fails and there is no alternative for repair or replacement, then the building must be connected to the City sewer system, at which point the existing septic system will be pumped and filled.

The City has approximately 845 individual septic systems in operation. These are shown in Figure 4-1. This number is in decline as municipal sewer is brought near to developable land. However, there will likely continue to be septic systems in the following zoning districts until sewer is made available:

- A-1, A-2, and S-A, the City's Agricultural Districts (Agriculture, Special Homestead, and Agricultural Preserve). These districts require new lots to meet the 1 per 40 density. However, legal non-conforming agricultural lots are in existing and range drastically in size.
- R-2 and R-E Districts. R-2 is a larger lot residential district requiring 90,000-square foot minimum lot sizes, while R-E is the Rural Estate District requiring 5-acre minimum lot sizes.



COMPREHENSIVE SEWER PLAN

Sanitary Sewer Trunk System
September 23, 2025

4.4 PUBLICLY AND PRIVATELY OWNED WASTEWATER TREATMENT PLANTS

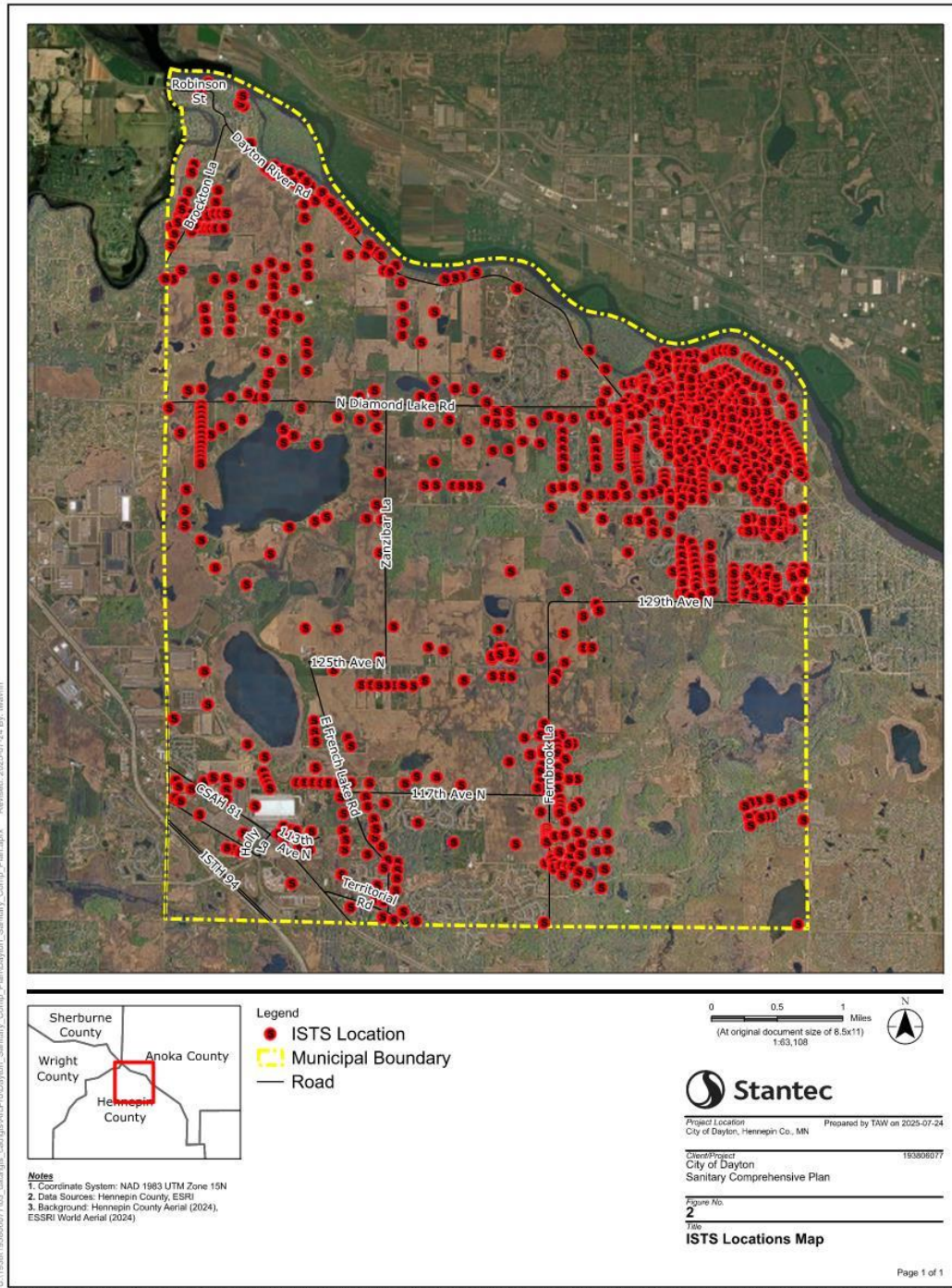
There are no public wastewater treatment plants located within the City of Dayton. One private community subsurface sewage treatment system is located within the City; the private septic serves 11 homes in the Stonehearth Ridge residential development.



COMPREHENSIVE SEWER PLAN

Sanitary Sewer Trunk System
September 23, 2025

Figure 4-1 – ISTS Locations



Disclaimer: This document has been prepared based on information provided by others as cited in the Notes section. Stantec has not verified the accuracy and/or completeness of this information and shall not be responsible for any errors or omissions which may be incorporated herein as a result. Stantec assumes no responsibility for data supplied in electronic format, and the recipient accepts full responsibility for verifying the accuracy and completeness of the data.



COMPREHENSIVE SEWER PLAN

Infiltration and Inflow (I/I)
September 23, 2025

5.0 INFILTRATION AND INFLOW (I/I)

5.1 GENERAL

The Metropolitan Council instituted an Inflow and Infiltration (I/I) Surcharge Program (IISP) in 2006. The fundamental policy statement summarizing this program is that the Metropolitan Council “will not provide additional capacity within its interceptor system to serve excessive inflow and infiltration.” The Council establishes inflow and infiltration thresholds for each of the communities that connect to its system. Communities that exceed the thresholds are required to eliminate the excess flow within a reasonable timeframe or pay a surcharge fee.

5.1.1 SOURCES AND EXTENT OF I/I

Potential sources of I/I in Dayton's sewer system could include:

- Non-compliant residential sump pump connections to the sanitary sewer
- Leaky pipes and structures under groundwater or flooded conditions
- Service line leaks
- Inflow from floor drains of flooded structures

No pre-1970 services exist. The first city collection system was constructed in 2000. The City currently has approximately 338 pre-1970s homes (approximately 181 using SSTS) and 2,822 post-1970s homes (approximately 625 using SSTS) making up the housing stock. Other than the recent investigations noted below (in the implementation section), no other private services have been evaluated for I/I susceptibility and repair. All municipal sewer lines were constructed post 2000s. Approximately 7 SSTS are older than 1970, none of the systems are older than 1967 according to available data. Approximately 500 of the private SSTS are newer than 1970. Service lines are typically replaced when a new SSTS is installed, or when a home is connected to municipal sewer. Unfortunately, the City has knowledge of nearly 300 SSTS that we have no data on date of install. That being said, the City has no knowledge of I/I issues in areas where existing SSTS are utilized.

The EPA Guide for Estimating Infiltration and Inflow (June 2014) was used to estimate the proportion of I/I contribution in the City's wastewater system. Monthly flow data were obtained from Metropolitan Council Environmental Services for each connection point to MCES. The West Sewer District connects to the Elm Creek Interceptor, while the North Sewer District connects to the Dayton-Champlin Interceptor.

Due to the rapidly developing nature of Dayton (and thus incrementally increasing sewer flows), 2016 to 2021 monthly data were used. For this six-year period, monthly average flows were calculated from March to November of each year (representative of a wet portion of the year) and December to February of each year (representative of a dry portion of the year).



COMPREHENSIVE SEWER PLAN

Infiltration and Inflow (I/I)
September 23, 2025

For the West Sewer District, it was determined that the wet monthly average flow (March-November) was 3.76 MG, and that the dry monthly average flow (December-February) was 3.31 MG. Thus, on average, I/I contributed roughly 0.45 MG monthly (roughly 14% of base flows). The yearly peak I/I flow, expressed as a percentage of that year's base flow, was observed in March 2019. The peak monthly flow that year was 5.58 MG, which was roughly 59% above base flow for that year.

For the North Sewer District, it was determined that the wet monthly average flow (March-November) was 4.10 MG, and that the dry monthly average flow (December-February) was 4.04 MG. Thus, on average, I/I contributed roughly 0.06 MG monthly (roughly 1% of base flows). The yearly peak I/I flow, expressed as a percentage of that year's base flow, was observed in March 2019. The peak monthly flow that year was 5.10 MG, which was roughly 16% above base flow for that year.

5.1.2 GOALS, POLICIES, AND STRATEGIES TO ADDRESS I/I

The City's primary goals regarding I/I are to:

- Preserve capacity in the local and regional system
- Minimize I/I in the system
- Prevent excessive I/I, backups, and overflows

The City has adopted wastewater ordinances that address limiting I/I through current accepted engineering practices; prohibiting the connection of foundation drains, sump pumps, and roof leaders to the sanitary sewer system; and requiring disconnection of existing foundation drains, sump pumps, and roof leaders. These prohibitions are described in Chapter 51 of the Dayton City Code (Appendix G). The City will continue to utilize Chapter 51 as needed to solve for any new instances of I/I. Chapter 51 does not permit any cross connection of roof, groundwater, drain tiles, pools, SSTS, etc. to the municipal wastewater system unless otherwise provided by any exceptions outlined in Chapter 51.

The City also uses modern materials and standards in new construction to prevent I/I. The City's ongoing strategy includes a study that identifies I/I sources within the West Sewer District, and to develop an action plan to remove I/I where feasible.

5.1.3 I/I IMPLEMENTATION PLAN

Indication of the presence of I/I has been identified, by monitoring of Met Council Lift Station M305 (West); note that there has not been previous indication of measurable I/I from at Station M306 (Northeast).

An I/I study was completed by the City to explore unusual amounts of discharge into the West Sewer District collection system. Based on the study, the City has been able to determine that the issues stem from an older system, private system, servicing a mobile home park, which was recently converted to the municipal system in the southwest part of the City located north of County Road 81, west of Troy Lane, east of Brockton Lane, and south of 124th Avenue. The City is currently working with property owners through redevelopment applications to solve existing I/I issues and will condition approvals for



COMPREHENSIVE SEWER PLAN

Infiltration and Inflow (I/I)
September 23, 2025

redevelopment on solving I/I issues. The City will continue to study I/I issues as funding is available, measure the instances of I/I, and develop a schedule of improvements or action steps to adequately solve the issues.

Expenditures related to I/I have been limited to system inspections/evaluations by staff (not currently tracked). The I/I study was conducted at a cost of \$30,000. The City's wastewater/sanitary sewer charges (connection and area charges and usage fees) per the City Fee Schedule will be utilized to fund not only the study and future studies, but also the mitigation recommended by the studies. It is expected that an amount similar to this may be realized on an annual basis in continued efforts to identify, and resolve, sources of I/I in Dayton's collection system.

Through continued system inspections of the municipal collection system, the City will continue to identify and address inflow and infiltration (I/I) sources as part of its ongoing annual maintenance program.



COMPREHENSIVE SEWER PLAN

Cost Estimates and Financing
September 23, 2025

6.0 COST ESTIMATES AND FINANCING

6.1 COST ESTIMATES

The City of Dayton is a developing community, with new trunk sewers proposed. The sewer system improvements largely involve new trunk sewer lines and lift stations. These improvements are coordinated with development as it occurs. Therefore no timeline for expenditures has been identified. See Appendices E and F for ultimate trunk system and lift station cost estimates.

6.2 FINANCING

The current policy of the City of Dayton is to finance sanitary sewer system upgrades and replacements through Sewer Area Charges, connection fees, user fees, and the City's Sanitary Sewer Fund.



COMPREHENSIVE SEWER PLAN

Appendix A Sewer System Areas
September 23, 2025

Appendix A SEWER SYSTEM AREAS



APPENDIX A - SEWER SYSTEM AREAS

| Subdistrict | Undevelopable (acres) | Estate (10+ acres) (acres) | Medium Density Residential | | | Comm/Ind. (acres) | Recreational/ Public (acres) | Total Area (acres) |
|---------------------------|--------------------------|-------------------------------|---------------------------------------|-----------------------------------|--|----------------------|---------------------------------|-----------------------|
| | | | Low Density Residential (acres) | Density Residential (acres) | High Density Residential (acres) | | | |
| North District (N) | | | | | | | | |
| N-A | 40.3 | 0.0 | 162.0 | 0.0 | 0.0 | 0.0 | 3.9 | 206.2 |
| N-B | 35.1 | 0.0 | 121.3 | 0.0 | 35.0 | 0.0 | 3.5 | 194.9 |
| N-C | 97.5 | 0.0 | 108.4 | 0.0 | 0.0 | 0.0 | 0.1 | 206.0 |
| N-D | 103.9 | 0.0 | 210.8 | 0.0 | 0.0 | 0.0 | 0.0 | 314.8 |
| N-E | 42.9 | 0.0 | 175.2 | 0.0 | 0.0 | 0.0 | 38.3 | 256.4 |
| N-F | 69.7 | 0.0 | 89.8 | 0.0 | 0.0 | 0.0 | 3.8 | 163.2 |
| N-G | 116.8 | 0.0 | 68.9 | 0.0 | 0.0 | 0.0 | 0.0 | 185.7 |
| N-H | 27.8 | 0.0 | 123.7 | 0.0 | 0.0 | 0.0 | 0.2 | 151.8 |
| N-I | 35.0 | 0.5 | 98.0 | 0.0 | 0.0 | 0.0 | 0.3 | 133.8 |
| N-J | 71.1 | 95.5 | 191.1 | 0.0 | 0.0 | 0.0 | 0.0 | 357.8 |
| N-K | 25.2 | 0.0 | 83.7 | 30.8 | 0.0 | 0.0 | 0.0 | 139.7 |
| N-L | 36.1 | 0.0 | 46.0 | 74.1 | 0.0 | 0.0 | 0.0 | 156.2 |
| N-M | 65.2 | 0.0 | 267.2 | 0.0 | 0.0 | 0.0 | 17.1 | 349.5 |
| N-N | 210.5 | 3.1 | 212.4 | 39.1 | 0.0 | 0.0 | 0.0 | 465.2 |
| N-O | 77.3 | 0.0 | 0.0 | 90.4 | 0.0 | 0.0 | 0.0 | 167.7 |
| N-P | 151.7 | 0.0 | 244.0 | 0.0 | 0.0 | 0.0 | 0.0 | 395.7 |
| N-Q | 74.6 | 99.0 | 231.9 | 0.0 | 0.0 | 0.0 | 0.8 | 406.3 |
| N-R | 36.9 | 0.0 | 165.4 | 38.4 | 0.0 | 3.3 | 0.0 | 244.0 |
| N-S | 92.0 | 0.0 | 37.8 | 78.1 | 0.0 | 0.0 | 0.0 | 207.8 |
| N-T | 67.0 | 0.0 | 232.4 | 0.0 | 0.0 | 0.0 | 0.0 | 299.4 |
| Subtotal | 1,476.5 | 198.2 | 2,870.0 | 350.8 | 35.0 | 3.3 | 68.2 | 5,002.1 |

APPENDIX A - SEWER SYSTEM AREAS

| Subdistrict | Undevelopable (acres) | Estate (10+ acres) (acres) | Low Density | Medium | High Density | Comm/Ind. (acres) | Recreational/ Public (acres) | Total Area (acres) |
|--------------------------|--------------------------|-------------------------------|------------------------|-----------------------------------|------------------------|----------------------|---------------------------------|-----------------------|
| | | | Residential (acres) | Density Residential (acres) | Residential (acres) | | | |
| West District (W) | | | | | | | | |
| W-A | 76.0 | 0.0 | 4.2 | 0.0 | 0.0 | 113.9 | 4.4 | 198.5 |
| W-B | 132.7 | 0.0 | 0.0 | 41.8 | 0.0 | 320.8 | 0.5 | 495.8 |
| W-C | 23.8 | 0.0 | 0.0 | 0.0 | 0.0 | 89.8 | 10.3 | 123.8 |
| W-D | 76.8 | 0.0 | 14.2 | 0.0 | 0.0 | 82.0 | 0.2 | 173.3 |
| W-E | 95.7 | 0.0 | 150.4 | 146.8 | 0.0 | 5.0 | 0.0 | 397.9 |
| W-F | 15.8 | 0.0 | 0.0 | 33.6 | 94.6 | 0.0 | 0.0 | 144.0 |
| W-G | 93.6 | 0.0 | 128.2 | 0.0 | 0.0 | 0.0 | 11.5 | 233.2 |
| W-H | 258.5 | 0.1 | 147.4 | 0.0 | 0.0 | 0.0 | 16.3 | 422.2 |
| W-I | 122.8 | 25.3 | 322.3 | 0.0 | 0.0 | 0.0 | 0.0 | 470.4 |
| W-J | 18.8 | 0.0 | 70.9 | 0.0 | 0.0 | 0.0 | 0.0 | 89.7 |
| W-K | 24.6 | 0.0 | 84.6 | 0.0 | 0.0 | 3.0 | 0.0 | 112.2 |
| W-N | 62.6 | 0.0 | 91.7 | 19.7 | 23.4 | 40.7 | 0.0 | 238.0 |
| W-O | 38.3 | 0.0 | 0.0 | 66.6 | 27.8 | 0.0 | 15.0 | 147.7 |
| W-P | 93.2 | 0.0 | 122.8 | 0.0 | 0.9 | 0.0 | 15.6 | 232.6 |
| W-Q | 15.7 | 0.0 | 183.2 | 0.0 | 3.3 | 0.9 | 15.3 | 218.3 |
| W-R | 29.7 | 0.0 | 13.4 | 131.3 | 0.0 | 1.8 | 12.2 | 188.4 |
| W-S | 43.8 | 0.0 | 219.7 | 67.7 | 0.0 | 0.0 | 0.0 | 331.2 |
| W-T | 62.9 | 0.0 | 149.6 | 22.2 | 0.0 | 0.0 | 0.0 | 234.7 |
| W-U | 36.2 | 0.0 | 220.7 | 0.0 | 0.0 | 0.0 | 0.0 | 256.9 |
| W-V | 12.8 | 0.0 | 42.4 | 0.0 | 107.1 | 10.2 | 0.0 | 172.5 |
| W-W | 22.8 | 0.0 | 195.8 | 0.0 | 0.0 | 0.0 | 0.0 | 218.6 |
| W-X | 13.3 | 0.0 | 113.7 | 0.0 | 0.0 | 0.0 | 5.7 | 132.7 |
| W-X1 | 7.5 | 0.0 | 29.4 | 0.0 | 0.0 | 0.0 | 0.0 | 36.9 |
| W-Y | 62.1 | 0.0 | 207.0 | 33.7 | 0.0 | 5.1 | 0.0 | 307.9 |
| W-Z | 27.8 | 0.0 | 12.3 | 7.2 | 0.0 | 64.7 | 0.0 | 111.9 |
| W-AA | 92.3 | 0.0 | 116.3 | 0.0 | 0.0 | 0.0 | 28.8 | 237.4 |
| W-BB | 27.3 | 0.0 | 63.2 | 0.0 | 115.1 | 22.1 | 0.0 | 227.7 |
| W-CC | 29.2 | 0.0 | 12.2 | 0.0 | 12.0 | 2.7 | 0.0 | 56.1 |
| Diamond Lake | 426.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 5.7 | 432.5 |
| French Lake | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 329.7 | 330.0 |
| Subtotal | 2,043.7 | 25.4 | 2,715.5 | 570.7 | 384.1 | 762.5 | 471.1 | 6,973.1 |

APPENDIX A - SEWER SYSTEM AREAS

| Subdistrict | Undevelopable (acres) | Estate (10+ acres) (acres) | Low Density | Medium | High Density | Comm/Ind. (acres) | Recreational/ Public (acres) | Total Area (acres) |
|--------------------------------|--------------------------|-------------------------------|------------------------|-----------------------------------|------------------------|----------------------|---------------------------------|-----------------------|
| | | | Residential (acres) | Density Residential (acres) | Residential (acres) | | | |
| Southeast District (SE) | | | | | | | | |
| SE-A | 13.8 | 0.0 | 84.1 | 0.0 | 0.0 | 0.0 | 0.2 | 98.1 |
| SE-B | 0.1 | 0.0 | 3.5 | 0.0 | 0.0 | 0.0 | 0.0 | 3.5 |
| Elm Creek | 1,599.7 | 0.0 | 0.9 | 0.0 | 0.0 | 0.0 | 1,627.1 | 3,227.7 |
| Subtotal | 1,613.6 | 0.0 | 88.4 | 0.0 | 0.0 | 0.0 | 1,627.3 | 3,329.4 |
| Northwest District (NW) | | | | | | | | |
| NW-A | 70.5 | 0.0 | 0.0 | 0.0 | 13.3 | 0.0 | 0.0 | 83.8 |
| NW-B | 39.8 | 0.0 | 0.0 | 0.0 | 18.6 | 0.0 | 0.0 | 58.5 |
| NW-C | 37.0 | 0.0 | 0.0 | 0.0 | 9.0 | 0.0 | 0.0 | 46.1 |
| Subtotal | 147.3 | 0.0 | 0.0 | 0.0 | 41.0 | 0.0 | 0.0 | 188.3 |
| Southwest District (SW) | | | | | | | | |
| SW-A | 86.8 | 0.0 | 0.0 | 0.0 | 104.4 | 0.0 | 0.0 | 191.2 |
| Subtotal | 86.8 | 0.0 | 0.0 | 0.0 | 104.4 | 0.0 | 0.0 | 191.2 |
| Total | 5,368.0 | 223.6 | 5,674.0 | 921.5 | 564.4 | 765.9 | 2,166.6 | 15,684.0 |

COMPREHENSIVE SEWER PLAN

Appendix B Sewer System Design Average Flows
September 23, 2025

Appendix B SEWER SYSTEM DESIGN AVERAGE FLOWS



APPENDIX B - SEWER SYSTEM DESIGN AVERAGE FLOWS

| Subdistrict | Estate (MGD) | Low Density Residential (MGD) | Medium Density Residential (MGD) | High Density Residential (MGD) | Comm/Ind. (MGD) | Rec/Public (MDG) | Total Flow (MGD) |
|---------------------------|-------------------------|--|---|---|----------------------------|-----------------------------|-----------------------------|
| North District (N) | | | | | | | |
| N-A | 0.000 | 0.109 | 0.000 | 0.000 | 0.000 | 0.003 | 0.112 |
| N-B | 0.000 | 0.082 | 0.000 | 0.073 | 0.000 | 0.003 | 0.158 |
| N-C | 0.000 | 0.073 | 0.000 | 0.000 | 0.000 | 0.000 | 0.073 |
| N-D | 0.000 | 0.142 | 0.000 | 0.000 | 0.000 | 0.000 | 0.142 |
| N-E | 0.000 | 0.118 | 0.000 | 0.000 | 0.000 | 0.031 | 0.149 |
| N-F | 0.000 | 0.061 | 0.000 | 0.000 | 0.000 | 0.003 | 0.064 |
| N-G | 0.000 | 0.046 | 0.000 | 0.000 | 0.000 | 0.000 | 0.046 |
| N-H | 0.000 | 0.084 | 0.000 | 0.000 | 0.000 | 0.000 | 0.084 |
| N-I | 0.000 | 0.066 | 0.000 | 0.000 | 0.000 | 0.000 | 0.066 |
| N-J | 0.003 | 0.129 | 0.000 | 0.000 | 0.000 | 0.000 | 0.132 |
| N-K | 0.000 | 0.056 | 0.037 | 0.000 | 0.000 | 0.000 | 0.093 |
| N-L | 0.000 | 0.031 | 0.089 | 0.000 | 0.000 | 0.000 | 0.120 |
| N-M | 0.000 | 0.180 | 0.000 | 0.000 | 0.000 | 0.014 | 0.194 |
| N-N | 0.000 | 0.143 | 0.047 | 0.000 | 0.000 | 0.000 | 0.190 |
| N-O | 0.000 | 0.000 | 0.109 | 0.000 | 0.000 | 0.000 | 0.109 |
| N-P | 0.000 | 0.165 | 0.000 | 0.000 | 0.000 | 0.000 | 0.165 |
| N-Q | 0.003 | 0.157 | 0.000 | 0.000 | 0.000 | 0.001 | 0.160 |
| N-R | 0.000 | 0.112 | 0.046 | 0.000 | 0.004 | 0.000 | 0.162 |
| N-S | 0.000 | 0.026 | 0.094 | 0.000 | 0.000 | 0.000 | 0.119 |
| N-T | 0.000 | 0.157 | 0.000 | 0.000 | 0.000 | 0.000 | 0.157 |
| Subtotal | 0.005 | 1.937 | 0.421 | 0.073 | 0.004 | 0.055 | 2.496 |

APPENDIX B - SEWER SYSTEM DESIGN AVERAGE FLOWS

| Subdistrict | Estate (MGD) | Low Density Residential (MGD) | Medium Density Residential (MGD) | High Density Residential (MGD) | Comm/Ind. (MGD) | Rec/Public (MDG) | Total Flow (MGD) |
|--------------------|-------------------------|--|---|---|----------------------------|-----------------------------|-----------------------------|
|--------------------|-------------------------|--|---|---|----------------------------|-----------------------------|-----------------------------|

| West District (W) | | | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| W-A | 0.000 | 0.003 | 0.000 | 0.000 | 0.137 | 0.004 | 0.143 |
| W-B | 0.000 | 0.000 | 0.050 | 0.000 | 0.385 | 0.000 | 0.436 |
| W-C | 0.000 | 0.000 | 0.000 | 0.000 | 0.108 | 0.008 | 0.116 |
| W-D | 0.000 | 0.010 | 0.000 | 0.000 | 0.098 | 0.000 | 0.108 |
| W-E | 0.000 | 0.102 | 0.176 | 0.000 | 0.006 | 0.000 | 0.284 |
| W-F | 0.000 | 0.000 | 0.040 | 0.199 | 0.000 | 0.000 | 0.239 |
| W-G | 0.000 | 0.087 | 0.000 | 0.000 | 0.000 | 0.009 | 0.096 |
| W-H | 0.000 | 0.099 | 0.000 | 0.000 | 0.000 | 0.013 | 0.112 |
| W-I | 0.001 | 0.218 | 0.000 | 0.000 | 0.000 | 0.000 | 0.218 |
| W-J | 0.000 | 0.048 | 0.000 | 0.000 | 0.000 | 0.000 | 0.048 |
| W-K | 0.000 | 0.057 | 0.000 | 0.000 | 0.004 | 0.000 | 0.061 |
| W-N | 0.000 | 0.062 | 0.024 | 0.049 | 0.049 | 0.000 | 0.183 |
| W-O | 0.000 | 0.000 | 0.080 | 0.058 | 0.000 | 0.012 | 0.150 |
| W-P | 0.000 | 0.083 | 0.000 | 0.002 | 0.000 | 0.013 | 0.097 |
| W-Q | 0.000 | 0.124 | 0.000 | 0.007 | 0.001 | 0.012 | 0.144 |
| W-R | 0.000 | 0.009 | 0.158 | 0.000 | 0.002 | 0.010 | 0.179 |
| W-S | 0.000 | 0.148 | 0.081 | 0.000 | 0.000 | 0.000 | 0.230 |
| W-T | 0.000 | 0.101 | 0.027 | 0.000 | 0.000 | 0.000 | 0.128 |
| W-U | 0.000 | 0.149 | 0.000 | 0.000 | 0.000 | 0.000 | 0.149 |
| W-V | 0.000 | 0.029 | 0.000 | 0.225 | 0.012 | 0.000 | 0.266 |
| W-W | 0.000 | 0.132 | 0.000 | 0.000 | 0.000 | 0.000 | 0.132 |
| W-X | 0.000 | 0.077 | 0.000 | 0.000 | 0.000 | 0.005 | 0.081 |
| W-X1 | 0.000 | 0.020 | 0.000 | 0.000 | 0.000 | 0.000 | 0.020 |
| W-Y | 0.000 | 0.140 | 0.040 | 0.000 | 0.006 | 0.000 | 0.186 |
| W-Z | 0.000 | 0.008 | 0.009 | 0.000 | 0.078 | 0.000 | 0.094 |
| W-AA | 0.000 | 0.079 | 0.000 | 0.000 | 0.000 | 0.023 | 0.102 |
| W-BB | 0.000 | 0.043 | 0.000 | 0.242 | 0.027 | 0.000 | 0.311 |
| W-CC | 0.000 | 0.008 | 0.000 | 0.025 | 0.003 | 0.000 | 0.037 |
| Diamond Lake | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.005 | 0.005 |
| French Lake | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.264 | 0.264 |
| Subtotal | 0.001 | 1.833 | 0.685 | 0.807 | 0.915 | 0.377 | 4.617 |

APPENDIX B - SEWER SYSTEM DESIGN AVERAGE FLOWS

| Subdistrict | Estate (MGD) | Low Density Residential (MGD) | Medium Density Residential (MGD) | High Density Residential (MGD) | Comm/Ind. (MGD) | Rec/Public (MDG) | Total Flow (MGD) |
|--------------------------------|-------------------------|--|---|---|----------------------------|-----------------------------|-----------------------------|
| Southeast District (SE) | | | | | | | |
| SE-A | 0.000 | 0.057 | 0.000 | 0.000 | 0.000 | 0.000 | 0.057 |
| SE-B | 0.000 | 0.002 | 0.000 | 0.000 | 0.000 | 0.000 | 0.002 |
| Subtotal | 0.000 | 0.059 | 0.000 | 0.000 | 0.000 | 0.000 | 0.059 |
| Northwest District (NW) | | | | | | | |
| NW-A | 0.000 | 0.000 | 0.000 | 0.028 | 0.000 | 0.000 | 0.028 |
| NW-B | 0.000 | 0.000 | 0.000 | 0.039 | 0.000 | 0.000 | 0.039 |
| NW-C | 0.000 | 0.000 | 0.000 | 0.019 | 0.000 | 0.000 | 0.019 |
| Subtotal | 0.000 | 0.000 | 0.000 | 0.086 | 0.000 | 0.000 | 0.086 |
| Southwest District (SW) | | | | | | | |
| SW-A | 0.000 | 0.000 | 0.000 | 0.219 | 0.000 | 0.000 | 0.219 |
| Subtotal | 0.000 | 0.000 | 0.000 | 0.219 | 0.000 | 0.000 | 0.219 |
| Total | 0.006 | 3.829 | 1.106 | 1.185 | 0.919 | 0.432 | 7.477 |

COMPREHENSIVE SEWER PLAN

Appendix C Sewer System Design PEAK Flows
September 23, 2025

Appendix C SEWER SYSTEM DESIGN PEAK FLOWS



APPENDIX C - SEWER SYSTEM DESIGN PEAK FLOWS (MGD)

| From Point | To Point | Subdistrict Added | Average Flow Added | Total Average Flow | PFF | Design Flow |
|-------------------|-----------------|--------------------------|---------------------------|---------------------------|------------|--------------------|
|-------------------|-----------------|--------------------------|---------------------------|---------------------------|------------|--------------------|

| North District (N) | | | | | | |
|---------------------------|------------------|-----|------|------|------|------|
| 25A | 25 | N-T | 0.16 | 0.16 | 3.90 | 0.61 |
| 25 | 24 | | | 0.16 | 3.90 | 0.61 |
| 24 | 19 | N-P | 0.16 | 0.32 | 3.60 | 1.16 |
| 23 | 19 | N-S | 0.12 | 0.12 | 4.00 | 0.48 |
| 22 | 21 | N-R | 0.16 | 0.16 | 3.90 | 0.63 |
| 21 | 20 | N-Q | 0.16 | 0.32 | 3.60 | 1.16 |
| 20 | 19 | | | 0.32 | 3.60 | 1.16 |
| 19 | 15 | | | 0.76 | 3.30 | 2.52 |
| 15 | 14 | N-O | 0.11 | 0.87 | 3.20 | 2.79 |
| 14 | 13 | N-N | 0.19 | 1.06 | 3.10 | 3.29 |
| 18 | 13 | N-M | 0.19 | 0.19 | 3.80 | 0.74 |
| 17 | 16 | N-L | 0.12 | 0.12 | 4.00 | 0.48 |
| 16 | 13 | N-K | 0.09 | 0.21 | 3.80 | 0.81 |
| 13 | 12 | N-J | 0.13 | 1.60 | 2.90 | 4.64 |
| 12 | 9 | N-I | 0.07 | 1.67 | 2.90 | 4.83 |
| 11 | 10 | N-G | 0.05 | 0.05 | 4.00 | 0.19 |
| 10 | 9 | N-F | 0.06 | 0.11 | 4.00 | 0.44 |
| 9 | 7 | | | 1.78 | 2.90 | 5.15 |
| 8 | 7 | N-H | 0.08 | 0.08 | 4.00 | 0.33 |
| 7 | 6 | N-E | 0.15 | 2.01 | 2.80 | 5.63 |
| 5 | 6A | N-D | 0.14 | 0.14 | 3.90 | 0.56 |
| 6A | 6 | | | 0.14 | 3.90 | 0.56 |
| 6 | 3 | | | 2.15 | 2.80 | 6.02 |
| 3B | 3A | N-C | 0.07 | 0.07 | 4.00 | 0.29 |
| 3A | 3 | | | 0.07 | 4.00 | 0.29 |
| 3 | 2 | N-B | 0.16 | 2.38 | 2.70 | 6.43 |
| 2 | 1 | N-A | 0.11 | 2.50 | 2.70 | 6.74 |
| 1 | DCI ¹ | | | 2.50 | 2.70 | 6.74 |

¹Dayton connection to MCES Dayton-Champlin Interceptor

APPENDIX C - SEWER SYSTEM DESIGN FLOWS (MGD)

| From Point | To Point | Subdistrict Added | Average Flow Added | Total Average Flow | PFF | Design Flow |
|------------|----------|-------------------|--------------------|--------------------|-----|-------------|
|------------|----------|-------------------|--------------------|--------------------|-----|-------------|

| West District (W) | | | | | | |
|-------------------|------------------|------------------|------|------|------|-------|
| 37A | 37 | W-X1 | 0.02 | 0.02 | 4.00 | 0.08 |
| 37 | 36 | W-X | 0.08 | 0.10 | 4.00 | 0.40 |
| 36 | 34 | W-Y | 0.19 | 0.29 | 3.70 | 1.06 |
| 35 | 34 | W-W | 0.13 | 0.13 | 3.90 | 0.52 |
| 34 | 31 | | | 0.42 | 3.50 | 1.47 |
| 33 | 32 | W-V | 0.27 | 0.27 | 3.70 | 0.98 |
| 32 | 31 | W-U | 0.15 | 0.41 | 3.50 | 1.45 |
| 31 | 28 | | | 0.83 | 3.20 | 2.67 |
| 28 | 27 | W-S | 0.23 | 1.06 | 3.10 | 3.30 |
| 30 | 29 | W-T | 0.13 | 0.13 | 3.90 | 0.50 |
| 29 | 27 | | | 0.13 | 3.90 | 0.50 |
| 27 | 24 | | | 1.19 | 3.10 | 3.69 |
| 26 | 25 | W-R | 0.18 | 0.18 | 3.90 | 0.70 |
| 25 | 24 | | | 0.18 | 3.90 | 0.70 |
| 24 | 24A | W-Q | 0.14 | 1.51 | 2.90 | 4.39 |
| 24A | 20 | | | 1.51 | 2.90 | 4.39 |
| 11 | 12 | W-G | 0.10 | 0.10 | 4.00 | 0.38 |
| 10 | 12 | W-F | 0.24 | 0.24 | 3.80 | 0.91 |
| 12 | 22 | W-E | 0.28 | 0.62 | 3.40 | 2.10 |
| 22 | 21 | W-BB | 0.31 | 0.93 | 3.20 | 2.97 |
| 21 | 20 | W-AA | 0.10 | 1.03 | 3.10 | 3.20 |
| 20 | 1A | W-P | 0.10 | 2.64 | 2.70 | 7.13 |
| 5 | 5A | W-O | 0.15 | 0.15 | 3.90 | 0.59 |
| 5B | 5A | W-CC | 0.04 | 0.04 | 4.00 | 0.15 |
| 5A | 6 | W-Z | 0.09 | 0.28 | 3.70 | 1.04 |
| 6 | 1A | W-N | 0.18 | 0.46 | 3.50 | 1.63 |
| 1A | 1 | | | 3.11 | 2.60 | 8.08 |
| 17 | 16 | W-K ² | 0.06 | 0.06 | 4.00 | 0.24 |
| 16 | 15 | W-J | 0.05 | 0.11 | 4.00 | 0.43 |
| 15 | 14 | W-I | 0.22 | 0.33 | 3.60 | 1.18 |
| 14 | 13 | | | 0.33 | 3.60 | 1.18 |
| 13 | 9 | W-H | 0.11 | 0.44 | 3.50 | 1.54 |
| 9 | 9A | | | 0.44 | 3.50 | 1.54 |
| 9A | 8 | W-D | 0.11 | 0.55 | 3.40 | 1.86 |
| 8 | 8A | W-C | 0.12 | 0.66 | 3.30 | 2.19 |
| 8A | 7A | | | 0.66 | 3.30 | 2.19 |
| 7 | 7A | W-B | 0.44 | 0.44 | 3.50 | 1.52 |
| 7A | 4 | | | 1.10 | 3.10 | 3.41 |
| 4 | 2B | | | 1.10 | 3.10 | 3.41 |
| 2A | 2B | Rogers | 0.01 | 0.01 | 4.00 | 0.03 |
| 2B | 2 | | | 1.11 | 3.10 | 3.43 |
| 2 | 1 | W-A | 0.14 | 1.25 | 3.00 | 3.75 |
| 1 | ECI ¹ | | | 4.36 | 2.40 | 10.45 |

¹Dayton connection to MCES Elm Creek Interceptor

²Interim Intercommunity connection to Rogers

APPENDIX C - SEWER SYSTEM DESIGN FLOWS (MGD)

| From Point | To Point | Subdistrict Added | Average Flow Added | Total Average Flow | PFF | Design Flow |
|-------------------|-----------------|--------------------------|---------------------------|---------------------------|------------|--------------------|
|-------------------|-----------------|--------------------------|---------------------------|---------------------------|------------|--------------------|

| Southeast District (SE) | | | | | | |
|--------------------------------|-----------------|------|------|------|------|------|
| 1 | 2 | SE-A | 0.06 | 0.06 | 4.00 | 0.23 |
| 2 | C1 ¹ | | | 0.06 | 4.00 | 0.23 |
| 3 | C2 ¹ | SE-B | 0.00 | 0.00 | 4.00 | 0.01 |

| Northwest District (NW) | | | | | | |
|--------------------------------|------------------|------|------|------|------|------|
| 5 | 4 | NW-C | 0.02 | 0.02 | 4.00 | 0.08 |
| 4 | 2 | | | 0.02 | 4.00 | 0.08 |
| 3 | 2 | NW-B | 0.04 | 0.04 | 4.00 | 0.16 |
| 2 | 1 | NW-A | 0.03 | 0.09 | 4.00 | 0.34 |
| 1 | OTF ² | | | 0.09 | 4.00 | 0.34 |

| Southwest District (SW) | | | | | | |
|--------------------------------|------------------|------|------|------|------|------|
| 1 | ECI ³ | SW-A | 0.22 | 0.22 | 3.80 | 0.83 |

¹Intercommunity connection to Champlin

²Intercommunity connection to the Otsego Treatment Facility

³Connection to MCES Elm Creek Interceptor in Maple Grove

COMPREHENSIVE SEWER PLAN

Appendix D Ultimate System Pipe Design
September 23, 2025

Appendix D **ULTIMATE SYSTEM PIPE DESIGN**



APPENDIX D - ULTIMATE SYSTEM PIPE DESIGN

| From Point | To Point | Design Flow (MGD) | Exist./ Prop. | Pipe Size (in) | Pipe Material | Length (ft) | Upstream Invert Elev. (ft) | Downstream Invert Elev. (ft) | Avg Slope (%) | Upstream Rim Elev. (ft) | Depth of Cut (ft) | CAPACITY | | | | | Capac./ Design Flow |
|---------------------------|------------------|-------------------|---------------------|----------------|---------------|-------------|----------------------------|------------------------------|---------------|-------------------------|-------------------|---|-------|----------------|-------|----------------|---------------------|
| | | | | | | | | | | | | Inlet Control | | Outlet Control | | Capacity (MGD) | |
| | | | | | | | | | | | | (cfs) | (MGD) | (cfs) | (MGD) | | |
| North District (N) | | | | | | | | | | | | | | | | | |
| 25A | 25 | 0.61 | Prop. | 10 | PVC | 2,250 | 896.00 | 846.00 | 2.22 | 906 | 10 | 1.8 | 1.14 | 3.3 | 2.11 | 1.14 | 1.86 |
| 25 | 24 | 0.61 | Prop FM | 6 | PVC | 2,350 | 840.00 | 890.00 | N/A | 856 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.63 | 1.04 |
| 24 | 19 | 1.16 | Prop. | 12 | PVC | 2,000 | 890.00 | 846.00 | 2.20 | 900 | 10 | 2.8 | 1.80 | 5.3 | 3.42 | 1.80 | 1.55 |
| 23 | 19 | 0.48 | Prop. | 8 | PVC | 5,350 | 910.00 | 846.00 | 1.20 | 920 | 10 | 1.0 | 0.65 | 1.3 | 0.86 | 0.65 | 1.37 |
| 22 | 21 | 0.63 | Prop. | 10 | PVC | 4,550 | 912.00 | 882.00 | 0.66 | 922 | 10 | 1.8 | 1.14 | 1.8 | 1.15 | 1.14 | 1.81 |
| 21 | 20 | 1.16 | Prop. | 12 | PVC | 3,300 | 882.00 | 852.00 | 0.91 | 892 | 10 | 2.8 | 1.80 | 3.4 | 2.20 | 1.80 | 1.55 |
| 20 | 19 | 1.16 | Prop. | 12 | PVC | 1,650 | 852.00 | 846.00 | 0.36 | 862 | 10 | 2.8 | 1.80 | 2.2 | 1.39 | 1.39 | 1.20 |
| 19 | 15 | 2.52 | Prop FM | 12 | PVC | 7,550 | 846.00 | 908.00 | N/A | 862 | 10 | Assumed a pumping rate of 5 feet per second | | | | 2.54 | 1.01 |
| 15 | 14 | 2.79 | Prop. | 18 | PVC | 2,700 | 908.00 | 883.76 | 0.90 | 918 | 10 | 7.7 | 4.95 | 10.0 | 6.44 | 4.95 | 1.78 |
| 14 | 13 | 3.29 | Exist. | 21 | PVC | 6,273 | 860.59 | 849.33 | 0.18 | 884 | 23 | 11.3 | 7.28 | 6.7 | 4.35 | 4.35 | 1.32 |
| 18 | 13 | 0.74 | Prop. | 10 | PVC | 7,250 | 918.00 | 850.00 | 0.94 | 928 | 10 | 1.8 | 1.14 | 2.1 | 1.37 | 1.14 | 1.55 |
| 17 | 16 | 0.48 | Prop. | 8 | PVC | 2,750 | 896.00 | 884.44 | 0.42 | 906 | 10 | 1.0 | 0.65 | 0.8 | 0.51 | 0.51 | 1.06 |
| 16 | 13 | 0.81 | Exist. | 15 | PVC | 5,316 | 883.32 | 855.10 | 0.53 | 927 | 43 | 4.9 | 3.14 | 4.7 | 3.05 | 3.05 | 3.76 |
| 13 | 12 | 4.64 | Exist. ¹ | 24 | PVC | 3,127 | 849.33 | 847.04 | 0.07 | 870 | 20 | 15.7 | 10.17 | 6.1 | 3.96 | 3.96 | 0.85 |
| 12 | 9 | 4.83 | Exist. ¹ | 24 | PVC | 973 | 847.04 | 846.10 | 0.10 | 863 | 16 | 15.7 | 10.17 | 7.0 | 4.55 | 4.55 | 0.94 |
| 11 | 10 | 0.19 | Prop FM | 4 | PVC | 2,600 | 854.00 | 857.13 | N/A | 864 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.28 | 1.52 |
| 10 | 9 | 0.44 | Exist. | 10 | PVC | 3,484 | 857.13 | 846.60 | 0.30 | 869 | 12 | 1.8 | 1.14 | 1.2 | 0.78 | 0.78 | 1.77 |
| 9 | 7 | 5.15 | Exist. | 27 | PVC | 1,322 | 846.01 | 844.94 | 0.08 | 860 | 14 | 21.1 | 13.65 | 8.8 | 5.70 | 5.70 | 1.11 |
| 8 | 7 | 0.33 | Exist. | 8 | PVC | 1,437 | 852.46 | 845.95 | 0.45 | 864 | 12 | 1.0 | 0.65 | 0.8 | 0.53 | 0.53 | 1.57 |
| 7 | 6 | 5.63 | Exist. ¹ | 27 | PVC | 3,470 | 844.94 | 842.32 | 0.08 | 858 | 13 | 21.1 | 13.65 | 8.5 | 5.51 | 5.51 | 0.98 |
| 5 | 6A | 0.56 | Prop. | 10 | PVC | 3,300 | 886.00 | 852.69 | 1.01 | 896 | 10 | 1.8 | 1.14 | 2.2 | 1.42 | 1.14 | 2.05 |
| 6A | 6 | 0.56 | Exist. | 10 | PVC | 2,172 | 853.01 | 843.32 | 0.45 | 868 | 15 | 1.8 | 1.14 | 1.5 | 0.95 | 0.95 | 1.71 |
| 6 | 3 | 6.02 | Exist. ¹ | 27 | PVC | 1,760 | 842.32 | 841.67 | 0.04 | 868 | 25 | 21.1 | 13.65 | 6.0 | 3.85 | 3.85 | 0.64 |
| 3B | 3A | 0.29 | Prop FM | 4 | PVC | 1,600 | 840.00 | 847.37 | N/A | 850 | 10 | Assumed a pumping rate of 6 feet per second | | | | 0.34 | 1.15 |
| 3A | 3 | 0.29 | Exist. | 12 | PVC | 2,145 | 847.37 | 841.67 | 0.27 | 861 | 13 | 2.8 | 1.80 | 1.8 | 1.19 | 1.19 | 4.06 |
| 3 | 2 | 6.43 | Exist. ¹ | 27 | PVC | 2,867 | 841.67 | 839.33 | 0.08 | 860 | 18 | 21.1 | 13.65 | 8.9 | 5.73 | 5.73 | 0.89 |
| 2 | 1 | 6.74 | Exist. ¹ | 30 | PVC | 2,676 | 839.33 | 838.07 | 0.05 | 867 | 28 | 27.5 | 17.77 | 8.9 | 5.76 | 5.76 | 0.86 |
| 1 | DCI ² | 6.74 | Exist. | 33 | PVC | 49 | 838.07 | 837.64 | 0.88 | 861 | 22 | 34.9 | 22.55 | 49.64 | 32.07 | 22.55 | 3.35 |

Cells highlighted in yellow identify potential future capacity deficiencies. Further monitoring and analysis should be completed as development continues in the area.

¹Due to model limitations the capacity deficiencies identified are believed to be misrepresented. A more detailed analysis should be completed as development occurs.

²Dayton connection to MCES Dayton-Champlin Interceptor

APPENDIX D - ULTIMATE SYSTEM PIPE DESIGN

| From Point | To Point | Design Flow (MGD) | Exist./ Prop. | Pipe Size (in) | Pipe Material | Length (ft) | Upstream Invert Elev. (ft) | Downstream Invert Elev. (ft) | Avg Slope (%) | Upstream Rim Elev. (ft) | Depth of Cut (ft) | CAPACITY | | | | Capac./ Design Flow | |
|--------------------------|------------------|-------------------|------------------------|----------------|---------------|-------------|----------------------------|------------------------------|---------------|-------------------------|-------------------|---|-------|----------------|-------|---------------------|----------------|
| | | | | | | | | | | | | Inlet Control | | Outlet Control | | | Capacity (MGD) |
| | | | | | | | | | | | | (cfs) | (MGD) | (cfs) | (MGD) | | |
| West District (W) | | | | | | | | | | | | | | | | | |
| 37A | 37 | 0.08 | Prop. FM | 4 | PVC | 1,350 | 890.00 | 912.00 | N/A | 900 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.28 | 3.55 |
| 37 | 36 | 0.40 | Prop. | 8 | PVC | 2,350 | 890.00 | 880.00 | 0.43 | 900 | 10 | 1.0 | 0.65 | 0.8 | 0.51 | 0.51 | 1.26 |
| 36 | 34 | 1.06 | Prop. | 12 | PVC | 2,600 | 880.00 | 869.00 | 0.42 | 908 | 28 | 2.8 | 1.80 | 2.3 | 1.50 | 1.50 | 1.41 |
| 35 | 34 | 0.52 | Prop. | 8 | PVC | 2,150 | 898.00 | 869.00 | 1.35 | 908 | 10 | 1.0 | 0.65 | 1.4 | 0.91 | 0.65 | 1.27 |
| 34 | 31 | 1.47 | Prop. | 15 | PVC | 2,450 | 869.00 | 860.00 | 0.37 | 888 | 19 | 4.9 | 3.14 | 3.9 | 2.53 | 2.53 | 1.73 |
| 33 | 32 | 0.98 | Prop. | 10 | PVC | 2,650 | 934.00 | 886.00 | 1.81 | 944 | 10 | 1.8 | 1.14 | 3.0 | 1.91 | 1.14 | 1.16 |
| 32 | 31 | 1.45 | Prop. | 12 | PVC | 3,200 | 886.00 | 860.00 | 0.81 | 896 | 10 | 2.8 | 1.80 | 3.2 | 2.08 | 1.80 | 1.24 |
| 31 | 28 | 2.67 | Prop. | 18 | PVC | 1,100 | 860.00 | 856.00 | 0.36 | 888 | 28 | 7.7 | 4.95 | 6.3 | 4.10 | 4.10 | 1.54 |
| 28 | 27 | 3.30 | Prop. | 18 | PVC | 1,500 | 856.00 | 850.00 | 0.40 | 874 | 18 | 7.7 | 4.95 | 6.7 | 4.30 | 5.70 | 1.73 |
| 30 | 29 | 0.50 | Prop. | 10 | PVC | 1,800 | 876.00 | 866.00 | 0.56 | 886 | 10 | 1.8 | 1.14 | 1.6 | 1.06 | 1.06 | 2.12 |
| 29 | 27 | 0.50 | Prop. | 10 | PVC | 1,250 | 866.00 | 850.00 | 1.28 | 876 | 10 | 1.8 | 1.14 | 2.5 | 1.60 | 1.14 | 2.29 |
| 27 | 24 | 3.69 | Prop FM | 16 | PVC | 4,450 | 850.00 | 918.00 | N/A | 874 | 10 | Assumed a pumping rate of 5 feet per second | | | | 4.51 | 1.22 |
| 26 | 25 | 0.70 | Prop. | 10 | PVC | 1,650 | 886.00 | 864.00 | 1.33 | 896 | 10 | 1.8 | 1.14 | 2.5 | 1.64 | 1.14 | 1.64 |
| 25 | 24 | 0.70 | Prop FM | 8 | PVC | 2,950 | 864.00 | 918.00 | N/A | 874 | 10 | Assumed a pumping rate of 5 feet per second | | | | 1.13 | 1.62 |
| 24 | 24A | 4.39 | Prop. | 20 | PVC | 1,000 | 918.00 | 901.66 | 1.63 | 928 | 10 | 7.7 | 4.95 | 17.8 | 11.51 | 4.95 | 1.13 |
| 24A | 20 | 4.39 | Exist. ¹ | 20 | PVC | 5,507 | 901.66 | 891.19 | 0.19 | 924 | 23 | 7.7 | 4.95 | 6.1 | 3.93 | 3.93 | 0.89 |
| 11 | 12 | 0.38 | Prop. | 8 | PVC | 6,500 | 896.00 | 870.00 | 0.40 | 906 | 10 | 1.0 | 0.65 | 0.8 | 0.49 | 0.49 | 1.29 |
| 10 | 12 | 0.91 | Prop. | 10 | PVC | 3,100 | 904.00 | 870.00 | 1.10 | 914 | 10 | 1.8 | 1.14 | 2.3 | 1.49 | 1.14 | 1.26 |
| 12 | 22 | 2.10 | Prop FM | 12 | PVC | 6,200 | 870.00 | 956.00 | N/A | 906 | 10 | Assumed a pumping rate of 5 feet per second | | | | 2.54 | 1.21 |
| 22 | 21 | 2.97 | Prop. | 18 | PVC | 2,750 | 956.00 | 901.57 | 1.98 | 966 | 10 | 7.7 | 4.95 | 14.8 | 9.57 | 4.95 | 1.67 |
| 21 | 20 | 3.20 | Exist. | 20 | PVC | 8,145 | 901.65 | 891.19 | 0.13 | 921 | 19 | 7.7 | 4.95 | 5.0 | 3.23 | 3.23 | 1.01 |
| 20 | 1A | 7.13 | Exist. | 30 | PVC | 4,530 | 891.50 | 886.78 | 0.10 | 919 | 28 | 27.5 | 17.77 | 13.3 | 8.57 | 8.57 | 1.20 |
| 5 | 5A | 0.59 | Prop FM | 6 | PVC | 2,600 | 895.00 | 922.00 | N/A | 905 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.63 | 1.08 |
| 5B | 5A | 0.15 | Prop FM | 4 | PVC | 550 | 908.00 | 922.00 | N/A | 918 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.28 | 1.93 |
| 5A | 6 | 1.04 | Prop. | 12 | PVC | 1,550 | 923.00 | 919.00 | 0.26 | 932 | 9 | 2.8 | 1.80 | 1.8 | 1.17 | 1.17 | 1.13 |
| 6 | 1A | 1.63 | Exist. ¹ | 12 | PVC | 1,698 | 912.48 | 907.50 | 0.29 | 932 | 19 | 2.8 | 1.80 | 1.9 | 1.25 | 1.25 | 0.77 |
| 1A | 1 | 8.08 | Exist. | 30 | PVC | 707 | 886.78 | 885.24 | 0.22 | 931 | 45 | 27.5 | 17.77 | 19.2 | 12.39 | 12.39 | 1.53 |
| 17 | 16 | 0.24 | Prop. | 8 | PVC | 3,300 | 902.00 | 888.00 | 0.42 | 912 | 10 | 1.0 | 0.65 | 0.8 | 0.51 | 0.51 | 2.10 |
| 16 | 15 | 0.43 | Prop FM ³ | 6 | PVC | 3,900 | 888.00 | 894.00 | N/A | 908 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.63 | 1.46 |
| 15 | 14 | 1.18 | Prop. | 12 | PVC | 1,250 | 894.00 | 889.00 | 0.40 | 904 | 10 | 2.8 | 1.80 | 2.3 | 1.46 | 1.46 | 1.24 |
| 14 | 13 | 1.18 | Prop FM | 10 | PVC | 5,050 | 889.00 | 912.00 | N/A | 910 | 10 | Assumed a pumping rate of 5 feet per second | | | | 1.76 | 1.50 |
| 13 | 9 | 1.54 | Prop. | 18 | PVC | 4,800 | 912.00 | 900.89 | 0.23 | 922 | 10 | 7.7 | 4.95 | 5.1 | 3.27 | 3.27 | 2.13 |
| 9 | 9A | 1.54 | Exist. FM ⁴ | 8 | PVC | 1,307 | 900.89 | 909.67 | N/A | 919 | 18 | Assumed a pumping rate of 7 feet per second | | | | 1.13 | 0.73 |
| 9A | 8 | 1.86 | Exist. | 18 | PVC | 5,443 | 909.67 | 899.90 | 0.18 | 922 | 12 | 7.7 | 4.95 | 4.5 | 2.88 | 2.88 | 1.55 |
| 8 | 8A | 2.19 | Exist. FM ⁵ | 8 | PVC | 1,600 | 901.00 | 920.00 | N/A | 916 | 15 | Assumed a pumping rate of 5 feet per second | | | | 1.13 | 0.51 |
| 8A | 7A | 2.19 | Exist. | 24 | PVC | 1,654 | 923.91 | 922.08 | 0.11 | 932 | 8 | 15.7 | 10.17 | 7.5 | 4.87 | 4.87 | 2.23 |
| 7 | 7A | 1.52 | Exist. ¹ | 10 | PVC | 2,535 | 930.02 | 922.85 | 0.28 | 940 | 10 | 1.8 | 1.14 | 1.2 | 0.75 | 0.75 | 0.49 |
| 7A | 4 | 3.41 | Exist. | 24 | PVC | 1,286 | 922.08 | 920.52 | 0.12 | 940 | 18 | 15.7 | 10.17 | 7.9 | 5.10 | 5.10 | 1.50 |
| 4 | 2B | 3.41 | Exist. | 24 | PVC | 1,232 | 920.52 | 919.19 | 0.11 | 944 | 24 | 15.7 | 10.17 | 7.4 | 4.81 | 4.81 | 1.41 |
| 2A | 2B | 0.03 | Exist. FM | 1.25 | PVC | 1,876 | 927.00 | 925.00 | N/A | 935 | 8 | Assumed a pumping rate of 5 feet per second | | | | 0.03 | 1.06 |
| 2B | 2 | 3.43 | Exist. | 24 | PVC | 2,268 | 919.53 | 916.32 | 0.14 | 935 | 15 | 15.7 | 10.17 | 8.5 | 5.51 | 5.51 | 1.61 |
| 2 | 1 | 3.75 | Exist. | 24 | PVC | 4,113 | 916.32 | 886.05 | 0.74 | 955 | 39 | 15.7 | 10.17 | 19.4 | 12.56 | 10.17 | 2.72 |
| 1 | ECI ² | 10.45 | Exist. | 36 | PVC | 558 | 885.24 | 882.96 | 0.41 | 916 | 31 | 43.4 | 28.02 | 42.72 | 27.60 | 27.60 | 2.64 |

Cells highlighted in yellow identify potential future capacity deficiencies. Further monitoring and analysis should be completed as development continues in the area.

¹Due to model limitations the capacity deficiencies identified are believed to be misrepresented. A more detailed analysis should be completed as development occurs.

²Dayton connection to MCES Elm Creek Interceptor

³Existing forcemain pipe is 5-inch HDPE and connects to Rogers system.

⁴Lift station will be replaced with a larger system when development continues to the north.

⁵Lift station is known to be undersized (for ultimate 2040 design flows) and will be upgraded with an additional pipe or replaced with larger forcemain when necessary

APPENDIX D - ULTIMATE SYSTEM PIPE DESIGN

| From Point | To Point | Design Flow (MGD) | Exist./ Prop. | Pipe Size (in) | Pipe Material | Length (ft) | Upstream Invert Elev. (ft) | Downstream Invert Elev. (ft) | Avg Slope (%) | Upstream Rim Elev. (ft) | Depth of Cut (ft) | CAPACITY | | | | Capac./ Design Flow |
|------------|----------|-------------------|---------------|----------------|---------------|-------------|----------------------------|------------------------------|---------------|-------------------------|-------------------|---------------------------|--|----------------------------|--|---------------------|
| | | | | | | | | | | | | Inlet Control (cfs) (MGD) | | Outlet Control (cfs) (MGD) | | |

Southeast District (SE)

| | | | | | | | | | | | | | | | | | |
|---|-----------------|------|----------|---|-----|-------|--------|--------|------|-----|-----|---|------|-----|------|-------------|-------|
| 1 | 2 | 0.23 | Exist FM | 4 | PVC | 608 | 891.43 | 858.83 | N/A | 890 | (1) | Assumed a pumping rate of 5 feet per second | | | | 0.28 | 1.24 |
| 2 | C1 ² | 0.23 | Exist. | 8 | PVC | 1,296 | 891.11 | 885.80 | 0.40 | 904 | 13 | 1.0 | 0.65 | 0.8 | 0.49 | 0.49 | 2.17 |
| 3 | C2 ² | 0.01 | Prop FM | 4 | PVC | 1100 | 888.00 | 910.00 | N/A | 898 | 10 | Assumed a pumping rate of 5 feet per second | | | | 0.28 | 30.07 |

Northwest District (NW)

| | | | | | | | | | | | | | | | | | |
|---|------------------|-------|-----------------------|---|------|-------|--------|--------|------|---------|----|---|------|-----|------|-------------|-------------|
| 5 | 4 | 0.08 | Exist FM | 4 | HDPE | 800 | 882.25 | 915.40 | N/A | 889 | 7 | Assumed a pumping rate of 5 feet per second | | | | 0.14 | 1.89 |
| 4 | 2 | 0.08 | Exist. | 8 | PVC | 1,775 | 915.40 | 860.22 | 3.11 | 926 | 11 | 1.0 | 0.65 | 2.1 | 1.38 | 0.65 | 8.59 |
| 3 | 2 | 0.16 | Exist FM ⁵ | 4 | HDPE | 799 | 869.00 | 853.62 | N/A | 877 | 8 | Assumed a pumping rate of 5 feet per second | | | | 0.12 | 0.79 |
| 2 | 1 | 0.34 | Exist. | 8 | PVC | 1,483 | 860.22 | 836.40 | 1.61 | 876 | 16 | 1.0 | 0.65 | 1.5 | 0.99 | 0.65 | 1.90 |
| 1 | OTF ³ | 0.344 | Exist FM ⁵ | 6 | PVC | 7413 | 884 | 836.40 | N/A | 892.500 | 9 | 1 PUMP @ 200 GPM = 200 GPM = 0.29 MGD | | | | 0.29 | 0.84 |

Southwest District (SW)

| | | | | | | | | | | | | | | | | | |
|---|------------------|------|--------|----|-----|------|--------|--------|------|-----|----|-----|--|--|--|-------------|------|
| 1 | ECI ⁴ | 0.83 | Exist. | 15 | PVC | 1140 | 895.35 | 889.91 | 0.59 | 921 | 26 | 4.9 | | | | 3.14 | 3.77 |
|---|------------------|------|--------|----|-----|------|--------|--------|------|-----|----|-----|--|--|--|-------------|------|

Cells highlighted in yellow identify potential future capacity deficiencies. Further monitoring and analysis should be completed as development continues in the area.

¹Due to model limitations the capacity deficiencies identified are believed to be misrepresented. A more detailed analysis should be completed as development occurs.

²Dayton connection to Champlin

³Dayton connection to Otsego

⁴Dayton connection to MCES Elm Creek Interceptor

⁵Land use assumes this District is Mixed Use. The Historic Village Framework Plan dated August 2023 assumes this area is a mix of low density residential, medium density residential, commercial/industrial, and recreation/open space. Ultimate land use will impact the capacities of the infrastructure in this area.

COMPREHENSIVE SEWER PLAN

Appendix E Ultimate Trunk System Cost Estimates
September 23, 2025

Appendix E **ULTIMATE TRUNK SYSTEM COST ESTIMATES**



APPENDIX E - ULTIMATE TRUNK SYSTEM COST ESTIMATES

| From Point | To Point | Prop. Pipe | Pipe Size (inches) | Pipe Length (feet) | Pipe Depth (feet) | Unit Cost (\$) | Jacking Cost (\$) | Total Cost (\$) |
|-------------------|-----------------|-------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------|
|-------------------|-----------------|-------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------|

| North District (N) | | | | | | | | |
|---------------------------|----|---------|----|-------|----|-----|------------|--------------|
| 25A | 25 | Prop. | 10 | 2,250 | 10 | 138 | \$ 136,000 | \$ 447,000 |
| 25 | 24 | Prop FM | 6 | 2,350 | 10 | 100 | \$ 80,000 | \$ 315,000 |
| 24 | 19 | Prop. | 12 | 2,000 | 10 | 155 | | \$ 310,000 |
| 23 | 19 | Prop. | 8 | 5,350 | 10 | 129 | | \$ 690,000 |
| 22 | 21 | Prop. | 10 | 4,550 | 10 | 138 | | \$ 628,000 |
| 21 | 20 | Prop. | 12 | 3,300 | 10 | 155 | | \$ 512,000 |
| 20 | 19 | Prop. | 12 | 1,650 | 10 | 155 | | \$ 256,000 |
| 19 | 15 | Prop FM | 12 | 7,550 | 10 | 140 | | \$ 1,057,000 |
| 15 | 14 | Prop. | 18 | 2,700 | 10 | 275 | | \$ 743,000 |
| 18 | 13 | Prop. | 10 | 7,250 | 10 | 138 | \$ 136,000 | \$ 1,137,000 |
| 17 | 16 | Prop. | 8 | 2,750 | 10 | 129 | | \$ 355,000 |
| 11 | 10 | Prop FM | 4 | 2,600 | 10 | 90 | | \$ 234,000 |
| 5 | 6A | Prop. | 10 | 3,300 | 10 | 138 | | \$ 455,000 |
| 3B | 3A | Prop FM | 4 | 1,600 | 10 | 90 | \$ 64,000 | \$ 208,000 |

| West District (W) | | | | | | | | |
|-------------------|-----|----------|----|-------|----|-----|---------|-----------|
| 37A | 37 | Prop. FM | 4 | 1,350 | 10 | 90 | | 122,000 |
| 37 | 36 | Prop. | 8 | 2,350 | 10 | 129 | | 303,000 |
| 36 | 34 | Prop. | 12 | 2,600 | 28 | 206 | | 536,000 |
| 35 | 34 | Prop. | 8 | 2,150 | 10 | 129 | 96,000 | 373,000 |
| 34 | 31 | Prop. | 15 | 2,450 | 19 | 232 | | 568,000 |
| 33 | 32 | Prop. | 10 | 2,650 | 10 | 138 | | 366,000 |
| 32 | 31 | Prop. | 12 | 3,200 | 10 | 155 | | 496,000 |
| 31 | 28 | Prop. | 18 | 1,100 | 28 | 318 | | 350,000 |
| 28 | 27 | Prop. | 18 | 1,500 | 18 | 275 | | 413,000 |
| 30 | 29 | Prop. | 10 | 1,800 | 10 | 138 | 136,000 | 384,000 |
| 29 | 27 | Prop. | 10 | 1,250 | 10 | 138 | | 173,000 |
| 27 | 24 | Prop FM | 16 | 4,450 | 10 | 170 | | 757,000 |
| 26 | 25 | Prop. | 10 | 1,650 | 10 | 138 | | 228,000 |
| 25 | 24 | Prop FM | 8 | 2,950 | 10 | 120 | 96,000 | 450,000 |
| 24 | 24A | Prop. | 20 | 1,000 | 10 | 284 | | 284,000 |
| 11 | 12 | Prop. | 8 | 6,500 | 10 | 129 | 96,000 | 935,000 |
| 10 | 12 | Prop. | 10 | 3,100 | 10 | 138 | | 428,000 |
| 12 | 22 | Prop FM | 12 | 6,200 | 10 | 140 | | 868,000 |
| 22 | 21 | Prop. | 18 | 2,750 | 10 | 275 | | 756,000 |
| 5 | 5A | Prop FM | 6 | 2,600 | 10 | 100 | | 260,000 |
| 5B | 5A | Prop FM | 4 | 550 | 10 | 90 | | 50,000 |
| 5A | 6 | Prop. | 12 | 1,550 | 9 | 138 | | 214,000 |
| 17 | 16 | Prop. | 8 | 3,300 | 10 | 129 | | 426,000 |
| 16 | 15 | Prop FM3 | 6 | 3,900 | 10 | 100 | | 390,000 |
| 15 | 14 | Prop. | 12 | 1,250 | 10 | 155 | | 194,000 |
| 14 | 13 | Prop FM | 10 | 5,050 | 10 | 135 | 96,000 | 778,000 |
| 13 | 9 | Prop. | 18 | 4,800 | 10 | 275 | 224,000 | 1,544,000 |

| Southeast District (SE) | | | | | | | | |
|-------------------------|-----------------|---------|---|-------|----|----|--|--------|
| 3 | C2 ¹ | Prop FM | 4 | 1,100 | 10 | 90 | | 99,000 |

| | |
|-------------------------------|---------------------|
| Total Trunk Sewer Cost | \$20,092,000 |
|-------------------------------|---------------------|

COMPREHENSIVE SEWER PLAN

Appendix F Lift Station Cost Estimates
September 23, 2025

Appendix F LIFT STATION COST ESTIMATES



APPENDIX F - LIFT STATION COST ESTIMATES

| From Point | Design Flow (MGD) | Upstream Invert Elev. (ft) | Downstream Invert Elev. (ft) | Static Head (ft) | Friction Head Loss (ft) | Total Dynamic Head (ft) | Horsepower (HP) | Total Cost (\$) | Comments |
|--------------------------------|-------------------|----------------------------|------------------------------|------------------|-------------------------|-------------------------|-----------------|-----------------|--|
| North District (N) | | | | | | | | | |
| 25 | 0.612 | 840.00 | 890.00 | 55 | 36 | 91 | 13.9 | \$490,000 | Duplex Submersible Lift Station |
| 19 | 2.516 | 846.00 | 908.00 | 76 | 54 | 130 | 41.0 | \$1,720,000 | Triplex submersible pump station in 12' diameter precast wet well with generator |
| 11 | 0.186 | 854.00 | 857.13 | 21 | 32 | 53 | 2.5 | \$450,000 | Duplex Submersible Lift Station |
| 3B | 0.293 | 840.00 | 847.37 | 21 | 45 | 66 | 4.9 | \$520,000 | Duplex Submersible Lift Station |
| West District (W) | | | | | | | | | |
| 37A | 0.079 | 890.00 | 912.00 | 33 | 3 | 36 | 1.1 | \$310,000 | Duplex submersible lift station |
| 27 | 3.694 | 850.00 | 918.00 | 94 | 16 | 110 | 51.0 | \$3,100,000 | Triplex/Quadplex submersible pump station in poured-in-place structure |
| 25 | 0.696 | 864.00 | 918.00 | 62 | 14 | 76 | 13.3 | \$650,000 | Duplex submersible lift station |
| 12 | 2.102 | 870.00 | 956.00 | 96 | 32 | 128 | 67.4 | \$1,550,000 | Duplex submersible lift station |
| 5 | 0.586 | 895.00 | 922.00 | 51 | 37 | 88 | 12.9 | \$490,000 | Duplex submersible lift station |
| 5B | 0.146 | 908.00 | 922.00 | 25 | 4 | 29 | 1.1 | \$380,000 | Duplex submersible lift station |
| 16 | 0.434 | 888.00 | 894.00 | 17 | 32 | 49 | 5.3 | \$450,000 | Duplex submersible lift station |
| 14 | 1.176 | 889.00 | 912.00 | 47 | 22 | 69 | 20.2 | \$790,000 | Duplex submersible in 10' diameter precast wet well. |
| Southeast District (SE) | | | | | | | | | |
| 3 | 0.009 | 888.00 | 910.00 | 26 | 6 | 32 | 0.9 | \$310,000 | Assume 80 gpm min capacity for 2 fps flushing velocity. |

| | |
|--------------------------------|---------------------|
| Total Lift Station Cost | \$11,210,000 |
|--------------------------------|---------------------|

COMPREHENSIVE SEWER PLAN

Appendix G Sanitary Sewer System Ordinance
September 23, 2025

Appendix G **SANITARY SEWER SYSTEM ORDINANCE**



CHAPTER 51: WASTEWATER; SANITARY SEWER SYSTEM

Section

Sanitary Sewer Discharges

- 51.01 Purpose
- 51.02 Discharge prohibited
- 51.03 Disconnection
- 51.04 Inspections
- 51.05 New construction
- 51.06 Winter discharge

Individual Sewage Treatment Systems

- 51.20 General provisions
- 51.21 Definitions
- 51.22 Standards incorporated by reference
- 51.23 Administration
- 51.24 Permitting
- 51.25 Construction inspections
- 51.26 Existing systems
- 51.27 Violations
- 51.28 Additional standards for health and environmental protection
- 51.29 More restrictive standards
- 51.30 Fees

Wastewater Treatment and Collection Facilities

- 51.40 Definitions
- 51.41 Control by authorized representative
- 51.42 Use of public sewers required
- 51.43 Private wastewater disposal
- 51.44 Building sewers and connections; design
- 51.45 Use of public wastewater treatment facilities
- 51.46 Prosecution for damages to the facility
- 51.47 Powers and authority of inspectors
- 51.48 Sewer service charge system
- 51.99 Penalty

SANITARY SEWER DISCHARGES

§ 51.01 PURPOSE.

The discharge of water from roof, surface, ground water sump pump, footing tile, swimming pool, natural precipitation or private sewage system into the city sewerage system results in flooding and overloading of the sewage system. When this water is discharged into the sanitary sewer system, it is treated at the Metropolitan Sewage Treatment Plant. This results in very large and needless expenditures. The City Council, therefore, finds it in the best interest of the city to prohibit such discharges and to impose surcharges estimating the burden placed on the system from unlawful discharge.

(Ord. 2009-07, passed 4-14-2009)

§ 51.02 DISCHARGE PROHIBITED.

Except as otherwise expressly authorized in this subchapter, no water from any roof, surface, ground water sump pump, footing tile, swimming pool, spa, hot tub, natural precipitation or private sewage system shall be discharged into the sanitary sewer system. Dwellings and other buildings and structures which require, because of infiltration of water into basements, crawl spaces and the like, a sump pump discharge system shall have a permanently installed discharge line which shall not at any time discharge water into the sanitary sewer system, except as provided herein. A permanent installation shall be one which provides for year-round discharge capability to the outside of the dwelling, building or structure. A direct connection to the public storm sewer or street in public right-of-way/easement shall be reviewed by the city and may require a permit. The water discharge shall be a free discharge. An air separation shall be provided before connecting to a public storm sewer.

(Ord. 2009-07, passed 4-14-2009) Penalty, see § 51.99

§ 51.03 DISCONNECTION.

Any person, firm or corporation having a roof surface, ground water sump pump, footing tile or swimming pool now connected and/or discharging into the sanitary sewer system shall disconnect or remove same. Any disconnects or openings in the sanitary sewer system shall be closed or repaired in an effective, workmanlike manner.

(Ord. 2009-07, passed 4-14-2009) Penalty, see § 51.99

§ 51.04 INSPECTIONS.

(A) Every person owning improved real estate that discharges into the city's sanitary sewer system shall allow an employee of the city or a designated representative of the city to inspect the buildings to confirm that there is no sump pump or other prohibited discharge into the sanitary sewer system. In lieu of having the city inspect his or her property, any person may furnish a certificate from a licensed plumber certifying that his or her property is in compliance with this subchapter.

Appendix D.3

(B) Each sump pump connection identified may be reinspected periodically for compliance with this subchapter.

(Ord. 2009-07, passed 4-14-2009) Penalty, see § 51.99

§ 51.05 NEW CONSTRUCTION.

All new dwellings with sumps for which a building permit is issued after 1-1-2009 shall be piped to the outside of the dwelling before a certificate of occupancy is issued.

(Ord. 2009-07, passed 4-14-2009) Penalty, see § 51.99

§ 51.06 WINTER DISCHARGE.

(A) The City Administrator is authorized to issue a permit to allow a property owner to discharge surface water into the sanitary sewer system.

(B) The permit shall authorize such discharge only from November 15 to March 15 and a property owner is required to meet at least one of the following criteria in order to obtain the permit:

(1) The freezing of the surface water discharge from the sump pump or footing drain is causing a dangerous condition, such as ice buildup or flooding, on either public or private property;

(2) The property owner has demonstrated that there is a danger that the sump pump or footing drain pipes will freeze up and result in either failure or damage to the sump pump unit or the footing drain and cause basement flooding; and/or

(3) The water being discharged from the sump pump or footing drain cannot be readily discharged into a storm drain or other acceptable drainage system.

(C) Following ten days' written notice and an opportunity to be heard, the City Administrator may require a property to discharge its sump pump into the sanitary sewer from November 15 to March 15 if surface water discharge is causing an icy condition on streets.

(Ord. 2009-07, passed 4-14-2009)

INDIVIDUAL SEWAGE TREATMENT SYSTEMS

§ 51.20 GENERAL PROVISIONS.

(A) Purpose. This subchapter is enacted to provide minimum standards for the regulation of subsurface sewage treatment systems (ISTS) including: their proper location, design and construction; their necessary modification and reconstruction; their operation, maintenance and repair for the purpose of protecting surface water and groundwater from contamination by human sewage and waterborne household and commercial wastes; the protection of the public's health and safety; and the elimination and prevention of the development of public nuisances, pursuant to the authority granted under M.S. Chs. 115 and 145A, as they may be amended from time to time,

and Minn. Rules Chs. 7080, 7081 and 7082, that may pertain to sewage and wastewater treatment. All sewage generated in unsewered areas of the county shall be treated and dispersed by an approved SSTS that is sited, designed, installed, operated and maintained in accordance with the provisions of this subchapter or by a system that has been permitted by the MPCA.

(B) Sewage discharge to ground surface or surface water. It is unlawful for any person to construct, maintain, or use any wastewater treatment system regulated under this subchapter that results in raw or partially treated wastewater seeping to the ground surface or flowing into any surface water. Any surface discharging system must be permitted by the MPCA under the National Pollutant Discharge Elimination System program.

(C) Objectives. The principal objectives of this subchapter are as follows:

- (1) The protection of the city's lakes, rivers and streams, wetlands, and groundwater essential to the promotion of public health, safety, welfare, socioeconomic growth and development of the city in perpetuity;
- (2) The regulation of proper ISTS construction, reconstruction, repair and maintenance to prevent the entry and migration of contaminants, thereby ensuring the non-degradation of surface water and groundwater;
- (3) The establishment of minimum standards for ISTS placement, design, construction, reconstruction, repair and maintenance to prevent contamination and, if contamination is discovered, the identification and control of its consequences and the abatement of its source and migration;
- (4) The appropriate utilization of privy vaults and other non-water carried ISTS; and
- (5) The prevention and control of water-borne disease, lake degradation, groundwater related hazards, and public nuisance conditions through technical assistance and education, plan reviews, inspections, ISTS surveys and complaint investigation.

(Ord. 2015-03, passed 2-25-2015) Penalty, see § 51.99

§ 51.21 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CITY. The City of Dayton Planning and Building Department and its designated agents who shall be a qualified employee or licensee.

ISTS. An individual sewage treatment system as defined in Minn. Rules 7080.1100, subp. 41.

MSTS. A Midsized Subsurface Sewage Treatment System as defined in Minn. Rules 7081.0020, subp.4.

OTHER ESTABLISHMENT. Any private or public structure, other than a dwelling, that generates sewage having characteristics other than residential-type waste or has an average waste flow greater than 2,000 gallons per day and discharges to an individual sewage treatment system.

OWNER. The fee owner(s) and, if applicable, the contract-for-deed purchaser. Ownership interests shall be determined by reference to the records of the county. The

owner of each lot served by an ISTS is responsible for the lawful operation and maintenance of each ISTS.

SSTS. Subsurface Sewage Treatment System as defined in Minn. Rules 7080.1100, subp. 82.

TYPE I SYSTEM. An ISTS designed according to Minn. Rules parts 7080.2200 to 7080.2240.

TYPE II SYSTEM. An ISTS designed according to Minn. Rules parts 7080.2250 to 7080.2290.

TYPE III SYSTEM. An ISTS designed according to Minn. Rules 7080.2300.

TYPE IV SYSTEM. An ISTS designed according to Minn. Rules 7080.2350.

TYPE V SYSTEM. An ISTS designed according to Minn. Rules 7080.2400.
(Ord. 2015-03, passed 2-25-2015)

§ 51.22 STANDARDS INCORPORATED BY REFERENCE.

This subchapter hereby incorporates by reference Minn. Rules Chs. 7080 and 7081, as they may be amended from time to time.

(Ord. 2015-03, passed 2-25-2015)

§ 51.23 ADMINISTRATION.

(A) Generally. The city shall have the following duties and responsibilities:

- (1) To review all applications for ISTS;
- (2) To issue all required permits;
- (3) To conduct construction inspections and to perform all necessary tests to determine its conformance with this subchapter;
- (4) To investigate complaints regarding ISTS;
- (5) To perform compliance inspections and to issue certificates of compliance or notices of noncompliance where appropriate;
- (6) To issue stop work orders and notices of violation pursuant to this subchapter;
- (7) To take complaints to the Municipal or County Attorney for violations of this subchapter;
- (8) To maintain proper records for ISTS including site evaluation records, design records including calculations and summaries for all system component sizings and as-builts, complaints on noncompliance, compliance inspections, site evaluations, applications and exhibits, variance requests, issued permits, certificates of compliance, and enforcement proceedings; and
- (9) To submit annual reports to the MPCA to demonstrate enforcement of this subchapter per Minn. Rules 7082.0040, Subpart 5, as it may be amended from time to time.

(B) Issuance of notices. Neither the issuance of permits, certificates of compliance nor notices of noncompliance as requested or issued shall be construed to represent a guarantee or warranty of the system's operation or effectiveness. Such certificates

signify that the system in question is or has been designed and installed in compliance or non-compliance with the provision of these standards and regulations.

(Ord. 2015-03, passed 2-25-2015)

§ 51.24 PERMITTING.

(A) Required permits. A permit from the city is required before any ISTS in city's jurisdiction is installed, replaced, abandoned, altered, repaired, rejuvenated or extended. Installation, replacement, alteration, repair or extension of an ISTS shall not begin prior to the receipt of a permit from the city for each specific installation, replacement, alteration, repair or extension pursuant to this subchapter. Such permits are not transferable as to person or place. Such permits shall expire 12 months after date of issuance. Upon request of an inspector, permits shall be provided by the permittee at the time of inspection.

(B) Permits not required. Permits shall not be required for the following activities:

- (1) Repair or replacement of pumps, floats or other electrical devices of the pump;
- (2) Repair or replacement of baffles in the septic tank;
- (3) Installation or repair of inspection pipes and manhole covers;
- (4) Repair or replacement of the line from the building to the septic tank; or
- (5) Repair or replacement of the line from the septic tank or pump chamber to the distribution box of lines.

(C) Permit application. All applications for an ISTS permit shall include the following information:

- (1) Name and address of property owner;
- (2) Property identification number;
- (3) Legal description of the property;
- (4) ISTS designer name, address, telephone number and state MPCA license number (or city qualified employee name and number);
- (5) ISTS installer name, address, telephone number and MPCA license number;
- (6) Site evaluation report on forms approved by the city;
- (7) System design with full information including applicable construction information on forms approved by the city;
- (8) The location of at least one designated additional soil treatment area that can support system as described in Minn. Rules parts 7080.2200 through 7080.2230, or site conditions described in Minn. Rules 7081.0270, subps. 3 through 7, on lots created after January 23, 1996;
- (9) A management plan as described in Minn. Rules 7082.0600 and this subchapter; and
- (10) Any other information requested pertinent to the process.

(D) Operating permit.

(1) An operating permit is required for all treatment systems installed under Minn. Rules 7080.2290 (holding tanks), Minn. Rules 7080.2350-2400 (Type IV & V Systems), and Minn. Rules Ch. 7081 (MSTS). Sewage shall not be discharged to a treatment system requiring an operating permit until the city certifies that the treatment system

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was installed in substantial conformance with the approved plans, receives the final record drawings of the SSTS, and a valid operating permit is issued to the owner.

(2) The operating permit shall be valid for 12 months and renewed by the expiration date. The city shall review all required monitoring data submitted from the previous year and the renewal application before approving any subsequent operating permits. An operating permit shall include:

(a) A detailed description of the operation, maintenance, and monitoring, reporting and compliance limits and boundaries necessary to ensure both continued system performance as designed and protection of public health and the environment for the life of the system;

(b) A requirement that the person responsible for monitoring notify the city when monitoring plan requirements are not met;

(c) A disclosure of the location and condition of the additional soil treatment and dispersal system;

(d) A stipulation of acceptable and prohibited discharges; and

(e) The signatures of the system designer and owner.

(E) Compliance monitoring.

(1) Performance monitoring of a SSTS shall be performed by a licensed inspection business or licensed service provider hired by the holder of the operating permit in accordance with the monitoring frequency and parameters stipulated in the permit.

(2) A monitoring report shall be prepared and certified by the licensed inspection business or licensed service provider. The report shall be submitted to the department on or before the compliance reporting date stipulated in the operating permit. The report shall contain a description of the maintenance and servicing activities performed since the last compliance monitoring report as described below:

(a) Owner name and address;

(b) Operating permit number;

(c) Average daily flow since last compliance monitoring report;

(d) Description of type of maintenance and date performed;

(e) Description of sample taken (if required), analytical laboratory used and results of analyses;

(f) Problems noted with the system and actions proposed or taken to correct them; and

(g) Name, signature, license and license number of the licensed professional who performed the work.

(F) License requirements. All design, installation, alteration, repair, maintenance, operation, pumping and inspection activities for SSTS located in the county must be completed by a business licensed by the state under Minn. Rules Ch. 7083, an appropriately certified qualified employee, or a person exempted under Minn. Rules 7083.0700, subps. 1(A), (C), (D), (F), (G), (H) and (I). Individuals exempt from a state SSTS license under Minn. Rules 7083.0700, subps. 1(A), (C), (D), (F), (G), (H) and (I), must follow all applicable local, state and federal requirements. Property owners that employ a business to perform this work must hire a business that is licensed in accordance with Minn. Rules Ch. 7083.

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(G) Application review and determination. If after consideration of the application for a permit, the city determines that the proposed work complies with provision of this subchapter, the city shall issue a written permit granting preliminary approval authorizing initiation of the work as proposed. If the city determines that the proposed work will not comply with the provisions of this subchapter, the city shall deny the permit application. The permit application may be revised or corrected and resubmitted to the city for reconsideration.

(H) Variances.

(1) Variances to wells and water supply lines require approval from the Minnesota Department of Health. The city may grant variances to the technical standards and criteria of Minn. Rules Ch. 7080 or this subchapter. However, the city is prohibited from granting variances to:

(a) Minn. Rules 7080.2150, Subp. 2;

(b) Minn. Rules 7081.0080, Subps. 2 to 5, however, variances may be granted to Minn. Rules 7081.0080, Subp. 4(0)(1), for the replacement of MSTs serving existing dwellings or other establishments; and

(c) Flow determinations under Minn. Rules 7081.0110, if the deviation reduces the average daily flow from more than 10,000 gallons to 10,000 gallons per day or less.

(2) All requests for a variance shall be requested in writing to the city on forms approved by the city.

(I) Periodically saturated soil disagreements.

(1) If a documented discrepancy arises on the depth of the periodically saturated soil between licensed businesses for SSTS design or compliance purposes, all disputing parties must follow the procedure outlined in this subsection.

(a) The disputing parties must meet at the disputed site in an attempt to resolve differences; and

(b) If the provision does not resolve the differences, then:

1. Obtain an opinion from a state licensed professional soil scientist who is a certified SSTS designer or inspector and who is independent of, and agreed upon by, both parties; and

2. If opinions rendered do not resolve the dispute, all initial and follow-up documents and information generated must be submitted to the city. The city shall take into consideration all information and opinions rendered and make a final judgment. The city shall render findings of fact, conclusions of law and findings setting forth the reasons for any final decisions it renders.

(2) If a documented discrepancy arises on the depth of the periodically saturated soil between an SSTS licensed business and the city for SSTS design or compliance purposes, all disputing parties shall follow the procedure outlined in this item.

(a) A representative of the city and the licensed business must meet at the disputed site in an attempt to resolve differences.

(b) If the provision does not resolve differences, then the SSTS licensed business may obtain an opinion from a state licensed professional soil scientist who is a certified SSTS designer or inspector and who is independent of, and agreed upon by, both parties.

(c) If still unresolved, the city shall take into consideration all information and opinions rendered and make a final judgment. The city shall render findings of fact, conclusions of law and findings setting forth the reasons for any final decisions they render.

(3) Upon resolution of a dispute, amendments to initial disputed documents containing the resolution shall be made and submitted to the city and all other parties involved.

(Ord. 2015-03, passed 2-25-2015)

§ 51.25 CONSTRUCTION INSPECTIONS.

(A) Requirements. Compliance inspections shall be conducted by the city anytime an ISTS is installed, replaced, altered, repaired or extended. The installation and construction of the ISTS shall be in accordance with the permit requirements and application design. If any ISTS component is covered before being inspected by the city, it shall be uncovered if so ordered by the city. Proposals to alter the permitted construction shall be reviewed and the proposed change accepted by the city prior to construction. Inspections shall be conducted at least once during the construction that is prior to covering of the ISTS to assure that the system has been constructed per the submitted and approved design.

(B) Inspector. Compliance inspections for construction, replacement, alteration or repair work on ISTS shall be conducted by the city.

(C) Request for inspection. It shall be the duty of the permittee to notify the city of the date and time the inspection is requested at least 24 hours (excluding weekend days and holidays) preceding the requested inspection time. If the permittee provides proper notice as described above and the city does not appear for an inspection within two hours after the time scheduled, the permittee may complete the installation and submit an as-built for the system.

(D) Access to premises and records. Upon the request of the city, the applicant, owner, permittee or any other person shall allow access at any reasonable time to the affected premises as well as any related records, for the purposes of regulating and enforcing this subchapter. If entry is refused, the city shall have recourse to the remedies provided by law to secure entry. No person shall hinder or otherwise interfere with the city in the performance of their duties and responsibilities pursuant to the enforcement of this subchapter. Refusal to allow reasonable access to the city shall be deemed a separate and distinct offense, whether or not any other specific violations are cited.

(E) Stop work orders. Whenever any ISTS work is being done contrary to the provisions of this subchapter, the city may order the work stopped by verbal or written notice served upon the installer or the owner of the land. All installation and construction shall cease and desist until subsequent authorization to proceed is received from the city.

(F) As-builts. As-builts shall be submitted to the city within five working days of completion of the work on the ISTS on forms provided or approved by the city. The as-built shall include photographs of the system prior to covering and a certified statement that the work was installed in accordance with submitted design and permit conditions

and that it was free from defects. If an as-built is not submitted, the city may require the uncovering of the system for inspection.

(G) Inspection reports. A certificate of compliance or notice of noncompliance shall be prepared by the city following an inspection or review of as-builts submitted in accordance with division (F) of this section. A certificate of compliance or notice of noncompliance shall include a signed statement by the inspector identifying the type of ISTS inspected and whether the system is in compliance with Minnesota Rules. A copy of the certificate of compliance or notice of noncompliance shall be provided to the property owner within 30 days of the compliance inspection and a copy kept on file with the city.

(1) Certificates of compliance issued by the city for new construction and replacement shall be valid for five years from the date of the compliance inspection or as-built certification unless the health authority or licensed inspector identifies the system as an imminent public health threat.

(2) Notices of violation may be issued with notices of noncompliance when the city determines that new construction, replacement or repairs are not in compliance with this subchapter.

(Ord. 2015-03, passed 2-25-2015)

§ 51.26 EXISTING SYSTEMS.

(A) Requirements. The city shall require a compliance inspection of an existing system whenever:

(1) In designated shoreland management or wellhead protection areas, an application for any type of building or land use permit is made;

(2) The city deems a compliance inspection necessary, including, but not limited to, upon receipt of information of a potential ISTS failure or imminent health threat;

(3) An additional bedroom on the property is requested. If a request for an additional bedroom is received between November 1 and April 30, the city may issue a building permit immediately with the contingent requirement that a compliance inspection of the existing ISTS shall be completed by the following June 1 and the applicant submits a certificate of compliance by the following September 30; or

(4) Any addition or remodel of a licensed food, beverage, or lodging establishment or any other establishment where the sewage treatment system's designed flow may be effected.

(B) Inspector. Only the city or licensed designer I or inspector, shall conduct an inspection when a compliance inspection is required for an existing ISTS.

(C) SSTS built before April 1, 1996. SSTS built before April 1, 1996, outside of areas designated as shoreland areas, wellhead protection areas, or SSTS providing sewage treatment for food, beverage, or lodging establishments must have at least two feet of vertical separation between the bottom of the dispersal system and seasonal saturation or bedrock. The vertical separation measurement shall be made outside the area of system influence in an area of similar soil.

(D) SSTS built after March 31, 1996. SSTS built after March 31, 1996, or SSTS located in a shoreland area, wellhead protection area, or serving a food, beverage, or

lodging establishment as defined under Minn. Rules 7080.1100, subp. 84, must have a three-foot vertical separation between the bottom soil infiltrative surface and the periodically saturated soil and/or bedrock. Unless otherwise determined by the city, existing systems that have no more than a 15% reduction to the minimum required 36-inch separation distance are considered compliant, (such as, a separation distance no less than 30.6 inches). This reduction is to account for settling of sand or soil, normal variation of separation distance measurements and interpretation of limiting layer characteristics. The vertical separation measurement shall be made outside the area of the system influence in an area of similar soil.

(E) Abandonment of existing systems. Whenever the use of a SSTS or any system component is discontinued as the result of a system repair, modification, replacement or decommissioning following connection to a municipal or private sanitary sewer, or condemnation or demolition of a building served by the system, further use of the system or any system component for any purpose is prohibited. Abandonment shall be completed in accordance with Minn. Rules 7080.2500.

(F) Inspection reports. A copy of the certificate of compliance or notice of noncompliance resulting from a compliance inspection shall be provided to the property owner and the city within 30 calendar days of inspection.

(G) Certificates of compliance issued by a licensed ISTS Inspector for an existing system shall be valid for three years from the date of the compliance inspection unless the city or licensed inspector identifies the system as an imminent public health threat.

(H) Notice. A notice of noncompliance shall be issued in the following circumstances and the conditions noted in violation of this subchapter shall be remedied as follows:

(1) An ISTS determined to be failing shall be upgraded, replaced or repaired in accord with Minnesota Rules Chs. 7080 or 7081, as they may be amended from time to time, within three years, or its use is discontinued. The city, at its discretion, may grant an extension of an additional two years.

(2) An ISTS posing an imminent threat to public health or safety shall be upgraded, replaced or repaired within ten months. The city will give consideration to weather conditions in determining compliance dates. If an ISTS is determined to be a public health nuisance by the city, the city may order the owner of the ISTS to cease use immediately and not allow use of the ISTS until it is corrected in accordance with the recommendations of the city.

(Ord. 2015-03, passed 2-25-2015) Penalty, see § 51.99

§ 51.27 VIOLATIONS.

(A) Cause to issue a notice of violation. Noncompliance with this subchapter by an applicant, permittee, installer or other person, as determined by the city, shall constitute a violation.

(B) Serving a notice of violation. The city shall serve, in person or by mail, a notice of violation upon any person determined to be not in compliance with this subchapter.

(C) Contents of a notice of violation. A notice of violation shall contain the following:

(1) A statement documenting the findings of fact determined through inspections, reinspection or investigation;

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- (2) A list of specific violation or violations of this subchapter;
 - (3) The specific requirements for correction or removal of the specified violation;
- and
- (4) A mandatory time schedule for correction, removal and compliance with this subchapter.

(D) Notification of MPCA. The city shall in accordance with state law notify the MPCA of any inspection, installation, design, construction, alteration or repair of an ISTS by a licensed person or any pumping by a licensed pumper performed in violation of the provisions of this subchapter.

(Ord. 2015-03, passed 2-25-2015)

§ 51.28 ADDITIONAL STANDARDS FOR HEALTH AND ENVIRONMENTAL PROTECTION.

(A) Siting of an ISTS. Notwithstanding any state or federal requirements, the separation distance from an ISTS to a Type 3, 4, 5 or 6 wetland shall be no less than 50 feet.

(1) SSTS in flood plains. No permit shall be issued for SSTS located in a floodway and wherever possible, located within any part of a floodplain should be avoided. If no option exists to locate a SSTS outside of a floodplain, location within the flood fringe is allowed if the requirements of Minn. Rules 7080.2270 and all relevant local requirements are met.

(2) Class V injection wells. All owners of new or replacement SSTS that are considered to be Class V injection wells as defined in C.F.R. Title 40, Part 144, are required to submit SSTS inventory information to the United States Environmental Protection Agency and the MPCA. Owners are also required to identify all Class V injection wells in property transfer disclosures.

(3) Holding tanks. Holding tanks may be used for the following applications only after it can be shown conclusively by the property owner that a SSTS permitted under this subchapter cannot be feasibly installed:

- (a) As a replacement for an existing failing SSTS;
- (b) For an SSTS that poses an imminent threat to public health or safety; or
- (c) For use with buildings with limited water use.

(4) Determination of hydraulic loading rate and SSTS sizing. Table IX from Minn. Rules 7080.2150, subp. 3(E), entitled Loading Rates for Determining Bottom Absorption Area for Trenches and Seepage Beds for Effluent Treatment Level C and Absorption Ratios for Determining Mound Absorption Areas Using Detail Soil Descriptions and Table IX from Minn. Rules 7080.2150, subp. 3(E), entitled Loading Rates for Determining Bottom Absorption Area for Trenches and Seepage Beds for Effluent Treatment Level C and Absorption Ratios for Determining Mound Absorption Areas Using Percolation Tests and herein adopted by reference shall both be used to size SSTS infiltration areas using the larger sizing factor of the two for SSTS design.

(B) Maintenance report. Licensed maintenance businesses must abide by the requirements described in Minn. Rules 7083.0770, subp. 2. All written reports required

by Minn. Rules 7083.0770, subp. 2, must be provided to the homeowner and the city within 30 days after any maintenance work is performed.

(C) Systems not operated under a management plan. For owners of SSTS that are not operated under a management plan or operating permit, the following shall apply:

(1) Maintenance, inspection and reporting.

(a) The owner of any individual sewage treatment system shall have the septic tank(s) properly pumped, cleaned and inspected on a regular basis, but in no case less than once every three years.

(b) A licensed pumper must be retained by the owner for pumping, cleaning, inspection, maintenance and repair.

(c) In the event a septic pumper fails to complete the maintenance report form and return it to the city as required herein, the city, pursuant to M.S. § 429.101, as it may be amended from time to time, the city shall provide written notice to the property owner. After providing a second written notice, the failure to submit documentation of pumping and inspection of a septic system shall be considered a violation of this subchapter and subject to the criminal penalties and/or civil remedies outlined in § 51.99 of this chapter. The city may provide for the property owner's septic system to be pumped, cleaned and evaluated and for all costs related hereto to be assessed against the property benefitted.

(2) Maintenance report form.

(a) Evaluation of the on-site sewage tank and system shall be made by a licensed inspector or pumper. A listing of licensed pumpers is available from the MPCA and will also be available from the city.

(b) The above-described system maintenance shall include, but not be limited to, pumping and cleaning of the septic tank, evaluation of the condition of the tank, baffles and system, and an examination of the drain field for evidence of system failure.

(c) For ISTS having inspection openings, the inspection should also include the following measurements:

1. The distance between sludge and the bottom of outlet baffles; and
2. The distance between scum and the bottom of outlet baffles.

(d) Where there is less than 12 inches between the sludge and the bottom of the outlet baffles, or where the scum line is found less than three inches above the bottom of the outlet baffles, this condition shall be noted on the inspection report.

(e) The owner shall require remedial activity to take place to correct deficiencies wherever found.

(3) Failing septic systems.

(a) Upon inspection, if the system is found to be failing or creating a health hazard, the owner of the property shall have the system pumped and repaired or replaced pursuant to a schedule as determined by the City Building Inspector. Section 51.23 of this subchapter regarding failing systems shall be followed.

(b) In the event the property owner fails to comply with the pumping schedule or have the system repaired or replaced, the failure to submit documentation of pumping, inspection, repair or replacement of a failing septic system shall be considered a violation of this subchapter and subject to the criminal penalties and/or civil remedies

outlined in § 51.99 of this chapter. The city, pursuant to M.S. § 429.101, as it may be amended from time to time, may provide for the property owner's septic system to be pumped and repaired or replaced and for all costs related thereto to be assessed against the property benefitted.

(4) Costs.

(a) Any on-site inspection or pumping conducted or contracted by the city shall be invoiced to the property owner in an amount established by resolution of the City Council.

(b) Pursuant to M.S. § 429.101, as it may be amended from time to time, the City Council hereby authorizes the city staff to certify any unpaid costs or charges imposed pursuant to this subchapter to the County Auditor for collections as other taxes.

(Ord. 2015-03, passed 2-25-2015)

§ 51.29 MORE RESTRICTIVE STANDARDS.

(A) Minn. Rules 7080.0130, subp. 3(A) is hereby modified requiring at least two septic tanks with a minimum capacity of 1,000 gallons each.

(B) Minn. Rules part 7080.0160, subp. 1(C), is hereby modified to require a minimum dosing tank of 1,000 gallons.

(C) Minn. Rules part 7080.0910 specifying alternative and experimental systems shall be utilized only on existing developed lots with existing septic systems which have failed. Systems designed or installed in a slope greater than 12% shall be considered experimental on any lot.

(D) All wastewaters discharged into the septic system shall be metered on all non-single family

(E) The pump for all new systems which have applied for a permit after the date of passage of this subchapter shall employ an audible alarm and warning light located inside of the principal structure to alert occupants of failure.

(Ord. 2015-03, passed 2-25-2015)

§ 51.30 FEES.

The city shall, from time to time, establish fees for activities undertaken by the city pursuant to this subchapter. Fees shall be due and payable at a time and in a manner to be determined by the city.

(Ord. 2015-03, passed 2-25-2015)

WASTEWATER TREATMENT AND COLLECTION FACILITIES

§ 51.40 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

ACT. The Federal Water Pollution Control Act, also referred to as the Clean Water Act, as amended, 33 U.S.C. §§ 1251 et seq.

BOD5 or BIOCHEMICAL OXYGEN DEMAND. The quantity of oxygen utilized in the biochemical oxidation of organic matter standard laboratory procedures in five days at 20°C and as expressed in terms of milligrams per liter (mg/l).

BUILDING DRAIN. The point of a building which conveys wastewater to the building sewer, beginning three feet outside the building wall.

CITY. The area within the corporate boundaries of the city; the City Council, its authorized representative, or the authorized representative of the sanitary sewer district.

DEBT SERVICE CHARGE. A charge to users of the wastewater treatment facility for the purpose of repaying capital costs.

INDUSTRIAL USER.

(1) Any entity as defined in the Standard Industrial Manual (latest edition) as categorized, that discharge wastewater to the public sewer:

- (a) Division A: Agriculture, Forestry and Fishing;
- (b) Division B: Mining;
- (c) Division D: Manufacturing;
- (d) Division E: Transportation, Communications, Electric, Gas and Sanitary Sewers; and
- (e) Division I: Services.

(2) Any user whose discharges, singly or by interaction with other wastes:

- (a) Contaminate the sludge of the wastewater treatment system;
- (b) Injure or interfere with the treatment process;
- (c) Create a public nuisance or hazard;
- (d) Have an adverse effect on the waters receiving wastewater treatment plant discharges;
- (e) Exceed NDSW limitations; and
- (f) Exceed normal residential unit volumes of wastewater.

INFILTRATION/INFLOW (I/I). Water other than wastewater that enters the sewer system from the ground or from surface runoff, as defined in Minnesota Rules.

MPCA. Minnesota Pollution Control Agency.

NATIONAL CATEGORICAL PRETREATMENT STANDARDS. Federal regulations establishing pretreatment standards for introduction of pollutants in publicly-owned wastewater treatment facilities. § 307(b) of the Act, being 33 U.S.C. § 1317(b).

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT. A permit issued by the MPCA setting limits on pollutants that a permittee may legally discharge pursuant to §§ 402 and 405 of the Act, being 33 U.S.C. §§ 1342 and 1345.

NATURAL OUTLET. Any outlet, including storm sewers and combined sewers, which flows into a body of surface water or ground water.

NORMAL DOMESTIC STRENGTH WASTE (NDSW). Wastewater that primarily introduced by residential users with BOD5 concentrations not greater than 300 mg/l and total suspended solids (TSS) concentrations not greater than 300 mg/l.

NON-RESIDENTIAL USER. A user of the treatment facility whose building is not used as a private residence and discharges NDSW.

OPERATION, MAINTENANCE AND REPLACEMENT COSTS (OM&R). Expenditures necessary to provide for the dependable, economical and efficient functioning of the treatment facility throughout its design life including operator training, and permit fees. Replacement refers to equipment replacement costs, not the cost of future replacement of the entire facility.

OWNER or USER. Non-residential user, residential user and industrial user.

RESIDENTIAL USER. A user of the treatment facility whose building is used primarily as a private residence and discharges NDSW.

SEWER. A pipe or conduit that carries wastewater or drainage water.

(1) **BUILDING SEWER.** The extension from the building drain to the public sewer or other place of disposal, also referred to as a service connection.

(2) **SANITARY SEWER.** A sewer designed to carry only liquid and water-carried wastes from residential, non-residential and industrial sources together with minor quantities of I/I.

(3) **STORM SEWER.** A sewer intended to carry unpolluted surface and subsurface water from any source.

SEWER SERVICE CHARGE. The total of the user charge and the debt service charge.

SLUDGE. A discharge of water or wastewater which in concentration or in quantity of flow exceeds for any period of duration longer than 15 minutes, more than five times the average 24-hour concentration of flows during normal operation.

STATE DISPOSAL SYSTEM (SDS) PERMIT. A permit issued by the MPCA pursuant to M.S. § 115.07, as it may be amended from time to time, for a disposal system as defined by M.S. § 115.01, Subd. 5, as it may be amended from time to time.

TOTAL SUSPENDED SOLIDS (TSS). The total suspended matter that either floats on the surface of, or is in suspension in water, wastewater or other liquids, and is removable by laboratory filtering as prescribed in Standard Methods for the Examination of Water and Wastewater (latest edition).

UNPOLLUTED WATER. Water of quality equal to or better than the effluent criteria in effect, or water that would not cause violation of receiving water quality standards. An example could be non-contact cooling water.

USER CHARGE. A charge to users of a treatment facility for the user's proportionate share of the cost of operation and maintenance, including replacement.

WASTEWATER. Liquid and water-carried wastes from residential, non-residential and industrial users, together with any ground water, surface water and storm water that may be present.

WASTEWATER TREATMENT FACILITIES or TREATMENT FACILITIES. The land, devices, facilities, structures, equipment and processes owned or used by the city for the purpose of the transmission, storage, treatment, recycling and reclamation of municipal wastewater, and the disposal of residues resulting from such treatment. (Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000)

§ 51.41 CONTROL BY AUTHORIZED REPRESENTATIVE.

The City Council shall appoint an authorized representative who shall have control and general supervision of all public sewers and service connections in the city, and shall be responsible for administering the provisions of this subchapter to ensure that a proper and efficient public sewer is maintained. The authorized representative may delegate responsibilities to designated representatives.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000)

§ 51.42 USE OF PUBLIC SEWERS REQUIRED.

(A) Owners of property directly adjacent to the sanitary sewer collection system, but with a working private septic system, shall be allowed to continue to use their private septic system. If however, at any time, the private septic system fails, as determined by the City Building Inspector or Zoning Administrator through an inspection and no reasonable option exists to repair it or replace it on a suitable on-site alternate septic site, the owners shall install a suitable service connection to the sanitary sewer system at their own expense.

(B) If a property owner chooses to continue to use a private septic system where city sanitary and water service is available, a water availability charge may be imposed.

(C) Any property that has been provided with service stubs and fails to make payment to the city for the installation of the service stubs and has not been assessed for the stub by the time the stubs are installed, shall be charged, pursuant to M.S. § 444.075, as it may be amended from time to time, a per stub amount and a monthly charge, as determined by the City Council, for the availability of said stubs. Any unpaid availability charges shall be certified with the taxes against the property.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000; Ord. 2008-09, passed 3-11-2008; Ord. 2008-12, passed 3-25-2008; Ord. 2015-04, passed 3-10-2015; Ord. 2017-05, passed 3-29-2017)

§ 51.43 PRIVATE WASTEWATER DISPOSAL.

(A) Where a public sewer is not available under the provisions of § 51.42 of this chapter, the building sewer shall be connected to a private wastewater disposal system complying with the provisions required by the city, the Minnesota Pollution Control Agency (MPCA) and all other regulatory agencies. The owner(s) shall obtain the appropriate permits for construction and operation of a private wastewater disposal system. Operation of the private wastewater disposal system is subject to approval by the city and all other appropriate regulatory agencies.

(B) The owner(s) shall operate and maintain the private wastewater disposal facilities in a sanitary manner at all times at no expense to the city.

(C) No statement contained in this section shall be construed to interfere with any additional requirements that may be imposed by the MPCA, the State Department of Health or other responsible federal, state or local agencies.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000)

§ 51.44 BUILDING SEWERS AND CONNECTIONS; DESIGN.

(A) (1) No person(s) shall make any alterations to the public sewer or any appurtenances thereof without first obtaining a written permit from the city. No private building drain shall extend beyond the limits of the building or property for which the permit has been given.

(2) Any new connection to the sanitary sewer system shall be prohibited unless sufficient capacity is available in all downstream facilities including, but not limited to, capacity for flow, BOD5 and TSS as determined by the authorized representative.

(3) Application for permit for public sewer service shall be made on printed forms, shall state the legal description and street and official house number of the premises and the nature of the improvement to be performed. The application for the written permit to connect to public sewer or alter connected service pipes shall be made jointly by the master plumber who will make the installation and by the owner of such premises or his or her authorized agent or by the occupant or person in possession of the premises. The permit shall issue to the owner and his or her master plumber applicant, and each applicant by such application shall subscribe to and be obligated to be bound by the city's applicable ordinances and rules and regulations.

(4) The applicant must pay all required permit fees and any other charges, which shall be set forth by resolution of the City Council.

(5) No person, except a master plumber duly licensed in the state or duly authorized employee of the city, is permitted to do any work on service pipes connected with public sewer.

(B) (1) A separate and independent building sewer shall be provided for each building. Old building sewers may be used to service new buildings only when they are found to meet all requirements of this subchapter.

(2) Whenever possible, the building sewer shall be brought to the building at an elevation below the basement floor. In all buildings in which any building drain is too low to permit gravity flow to the public sewer, wastewater shall be lifted by an approved means and discharged to the building sewer.

(C) The construction and connection of the building sewer to the public sewer shall conform to the requirements of the State Building and Plumbing Code, applicable rules and regulations of the city and the materials and procedural specifications set forth in the American Society of Testing Materials (ASTM) and the Water Pollution Control Federation (WPCF) Manual of Practice No.9. All such connections shall be made gas- and water-tight and verified by proper testing to prevent infiltration/ inflow.

(D) No unpolluted water sources shall be connected to the sanitary sewer.

(E) (1) No person, except authorized persons employed by the city or master plumber permittee bearing specific authority by written permit required herein, shall connect to public sewer.

(2) A master plumber permittee requesting a connection shall give notice at least eight business hours in advance of need. The master plumber permittee requesting must help uncover the main and locate the tap if requested by the city. The connection shall be made under the supervision of a designated representative.

(3) A bond shall be filed with the city by the master plumber permittee requesting the connection in the sum of \$10,000 conditioned upon the full, complete and

satisfactory completion of each connection undertaken by the master plumber permittee in the city. If the master plumber permittee is to do his or her own installation/excavation work, the said \$10,000 bond shall also bond such installation/excavation work as required herein

(4) Prior to the issuance of the permit to connect to public sewer and/or for sewer service, insurance coverage shall be obtained by the person requesting such permit protecting against damage to property or injury to death to person, which policy or policies shall indemnify and hold harmless the city and all of its officers and personnel against any claims, demands, damages, actions or causes of action arising out of or by reason of the doing of the work or activities related to or incident to the permits required herein and from any costs, disbursements or expenses of defending the same. The property damage insurance coverage shall be in the amount of \$200,000 or more, and the public liability insurance for injury or death to person shall be in the amount of \$1,000,000 aggregate for injury to each person. Proof of such insurance shall be filed with the city prior to the commencement of construction work and such policy shall provide that the city shall receive written notice at least ten days before any termination or modification of such insurance.

(5) Should the insurance coverage hereinbefore provided be inadequate in amount, then such person shall indemnify and hold harmless the city and all of its officers and personnel in like manner.

(6) If the master plumber permittee is to do his or her own installation/excavation work, the said insurance shall also insure such installation/excavation work required herein.

(F) (1) An appropriate installation/excavation license is required to install a service connection. Any person desiring a license shall apply in writing to the City Council, providing satisfactory evidence of the applicant's qualifications. If approved by the City Council, the license shall be issued by a designated representative upon the filing of a bond and insurance as hereinafter provided.

(2) At the time of granting such installation/excavation license, a bond must be filed with the city by the person receiving the license, unless such installation/excavation licensee is excused therefor under this subchapter, and said bond shall be in the sum of \$10,000 conditioned upon the full, complete and satisfactory completion of every installation/excavation undertaken in connection with the installation for which the licensee undertakes.

(3) Prior to the issuance of the installation/excavation license, insurance coverage shall be obtained by the person requesting such permit, unless such installation/excavation licensee is excused therefor under this subchapter, protecting against damage to property or injury to death to person, which policy or policies shall indemnify and hold harmless the city and all of its officers and personnel against any claims, demands, damages, actions or causes of action arising out of or by reason of the doing of the work or activities related to or incident to the license required herein and from any costs, disbursements or expenses of defending the same. The property damage insurance coverage shall be in the amount of \$200,000 or more, and the public liability insurance for injury or death to person shall be in the amount of \$1,000,000 aggregate for injury to each person. Proof of such insurance shall be filed with the city prior to the commencement of construction work and such policy shall provide that the

city shall receive written notice at least ten days before any termination or modification of such insurance.

(4) Should the insurance coverage hereinbefore provided be inadequate in amount, then such person shall indemnify and hold harmless the city and all of its officers and personnel in like manner.

(5) The cost of a license for installation/excavation shall be set forth by resolution of the City Council. All licenses shall expire on December 31 of the license year unless the license is suspended or revoked by the City Council for any reasonable cause.

(6) The City Council may suspend or revoke any license issued under this section for any of the following causes:

- (a) Giving false information in connection with the application for a license;
- (b) Incompetence of the licensee;
- (c) Willful violation of any provisions of this section or any rule or regulation pertaining to the making of service connections; and/or
- (d) Failure to adequately protect and indemnify the city and the user.

(G) The city shall maintain and repair or replace all sewer service connection lines within public rights-of-way or easements when rendered unserviceable through ordinary use. However, when replacement, repair or adjustment of any sewer service connection is rendered necessary by the act, neglect or carelessness of the owner or occupant of any premises, any expense caused by the city thereby shall be charged against and collected from the owner or occupant of the premises. Water and sewer service may be discontinued until the cause is corrected and the charge is collected.

(H) All sewer service connection lines within public rights-of way or easements shall remain the property of the city. All other sewer service connection line shall be the responsibility of the property owner.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000) Penalty, see § 51.99

§ 51.45 USE OF PUBLIC WASTEWATER TREATMENT FACILITIES.

(A) No unpolluted water or storm water shall be discharged to the sanitary sewer. Such water shall be discharged only to storm sewers or to natural outlets approved by the city and other regulatory agencies.

(B) No person(s) shall discharge any of the following substances to the public sewer:

(1) Liquids, solids, gases or other substances which singly or by interaction with others may cause fire or explosion;

(2) Solid or viscous substances which may cause obstruction to the flow in a sewer;

(3) Wastewater having a pH of less than 5.0 or greater than 9.5 or having any other corrosive or caustic property capable of causing damage or hazard; and/or

(4) Wastewater containing toxic pollutants, as defined in § 307(a) of the Water Pollution Control Act, being 33 U.S.C. § 1317(a) and M.S. § 115.01, Subd. 20, as it may be amended from time to time.

(C) Discharges of the following substances shall be limited to concentrations or quantities which will not harm the wastewater facility, streams, soils, vegetation, ground

water and will not otherwise create a hazard or nuisance. The authorized representative may set limitations lower than the prohibition limits outlined below. Consideration will be given to such factors as the quantity of waste in relation to flows and velocities, materials of construction, the city's NPDES and SDS permits, capacity of the treatment plant, degree of treatability of wastes and other pertinent factors:

- (1) Wastewater having a temperature greater than 150°F (65.6°C), or causing, individually or in combination with other wastewater, the influent at the treatment facilities to have a temperature exceeding 104°F (40°C), or having heat in amounts which will be detrimental to biological activity in the treatment facilities;
- (2) Wastewater containing fats, wax, grease or oils in excess of 100 mg/l or containing substances which may solidify or become viscous at temperatures between 32°F and 150°F (0°C and 65.6°C);
- (3) A discharge of water or wastewater which in concentration or in quantity of flow exceeds for any period of duration longer than 15 minutes, more than five times the average 24-hour concentration of flows during normal operation;
- (4) Food wastes not properly shredded to such a degree that all particles will be carried freely under normal flow conditions with no particle greater than one-half inch in any dimension;
- (5) Noxious or malodorous liquids, gases or solids;
- (6) Wastewater with objectionable color not removed in the treatment process;
- (7) Wastewater containing inert suspended solids in such quantities that would cause disruption to the wastewater treatment facilities;
- (8) Radioactive wastes or isotopes in concentrations that exceed limits established by applicable state and federal regulations;
- (9) Wastewaters with BOD5 or suspended solids levels that require additional treatment, except as may be permitted by specific written agreement with the city subject to division (K) below; and
- (10) Wastewater containing substances which cannot be treated to produce effluent quality required by the permit or causes a violation of any applicable local, state or federal regulation.

(D) (1) In the event of discharges to the public sewers which contain substances or possess characteristics prohibited in divisions (B) and (C) above or which, in the judgment of the authorized representative, may have deleterious effects to the treatment facility, receiving waters, soils, vegetation or which create a hazard or nuisance, the authorized representative may:

- (a) Refuse to accept the wastes;
 - (b) Require pretreatment to an acceptable condition for discharge to the public sewers, pursuant to § 307(b) of the Act, being 33 U.S.C. § 1317(b) and all addenda thereof;
 - (c) Require control over the quantities and rates of discharge; and
 - (d) Require payment to cover all the added costs of handling, treating and disposing of wastes not covered by existing taxes or sewer charges.
- (2) If the authorized representative permits the pretreatment or equalization of waste flows, the design, installation, maintenance and efficient operation of the facilities

and equipment shall be at the owner's expense and shall be subject to review and approval by the city pursuant to the requirements of the MPCA.

(E) No user shall increase the use of process water or in any manner attempt to dilute a discharge as a partial or complete substitute for adequate treatment to achieve compliance with the limitations contained in this section, the national categorical pretreatment standards and any state or local requirement.

(F) (1) Grease, oil and sand interceptors shall be provided at the owner's expense when, in the opinion of the authorized representative, they are necessary for the proper handling of liquid wastes containing floatable grease in excessive amounts, any flammable wastes, sand or other harmful ingredients. All interceptors shall be readily and easily accessible for cleaning and inspection. The owner shall be responsible for the maintenance of interceptors, including proper removal and disposal of the captured materials by appropriate means, and shall maintain a record of dates and means of disposal which are subject to review by the authorized representative.

(2) Any material removal and hauling must be performed by the owner's personnel or a currently licensed waste disposal firm and in compliance with all applicable laws and regulations.

(G) Where required by the authorized representative, industrial users shall install and maintain at their own expense a suitable structure or control manhole with such necessary meters and other testing equipment needed to facilitate observation, sampling and measurement of wastewater. The manhole will be safe and accessible at all times. The City Council may require submission of laboratory analyses to illustrate compliance with this subchapter and any special conditions for discharge established by the City Council or responsible regulatory agency. All measurements, tests and analyses to which reference is made in this subchapter shall be determined in accordance with the latest edition of Standard Methods for the Examination of Water and Wastewater, published by the American Public Health Association.

(H) (1) Where required by the authorized representative, user(s) shall provide protection from an accidental discharge of substances regulated by this subchapter. Where necessary, facilities to prevent accidental discharges of prohibited materials shall be provided and maintained at the owner's expense. Detailed plans and operating procedures of said facilities shall be submitted to the authorized representative for review and approval prior to construction of the facility. Approval of such plans and operating procedures shall not relieve the user from the responsibility of modifying the facility as necessary to meet the requirements of this subchapter.

(2) Users shall notify the authorized representative immediately if a sludge or accidental discharge of wastewater occurs in violation of this subchapter. Notification will allow measures to be taken to minimize damage to the treatment facilities. Notification will not relieve users of liability for any expense, loss or damage to the treatment facilities or for fines imposed on the city by any state or federal agency as a result of their actions.

(3) A notice shall be permanently posted on the user's bulletin board or other prominent place advising employees of the emergency notification procedure in the event of a sludge or accidental discharge.

(I) (1) No person shall permit any substance or matter which may form a deposit or obstruction of flow to be discharged into the public sewer. Whenever any service connection becomes clogged, obstructed, detrimental to the use of the public sewer or unfit for the purpose of drainage, the owner shall make repairs as directed by the authorized representative.

(2) Each day after three days that the owner neglects to make said repairs shall constitute a separate violation of this division (I). The authorized representative may then cause the work to be done and recover related expenses from the owner or agent by an action in the name of the city.

(J) In addition to penalties that may be imposed for violation of any provision of this section, the city may assess against the user the cost of repairing or restoring sewers and associated facilities damaged as a result of the discharge of prohibited wastes and may collect the assessment as an additional charge for the use of the public sewer system.

(K) No statement contained in this section shall prevent any special agreement or arrangement between the city and any industrial user. Industrial waste of unusual strength or character may be accepted by the facility for treatment, subject to adequate payment by the industrial user; providing that, national categorical pretreatment standards and the city's NPDES and SDS permit limitations are not violated.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000) Penalty, see § 51.99

§ 51.46 PROSECUTION FOR DAMAGES TO THE FACILITY.

No person(s) shall willfully or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance or equipment which is part of the wastewater treatment facilities. Any person violating this provision shall be subject to immediate arrest under the charge of a misdemeanor and shall reimburse the city for all costs.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000) Penalty, see § 51.99

§ 51.47 POWERS AND AUTHORITY OF INSPECTORS.

(A) Duly authorized employee(s) of the city, bearing proper credentials and identification, shall be permitted to enter all properties at all reasonable times for inspection, observations, measurement, sampling, testing, repair and maintenance in accordance with the provisions of this subchapter.

(B) Industrial users shall be required to provide information concerning industrial processes which have a direct bearing on the type and source of discharge to the collection system. An industry may withhold information considered confidential. However, the industry must establish that the information in question might result in an advantage to competitors and that the industrial process does not have deleterious results on the treatment process.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000)

§ 51.48 SEWER SERVICE CHARGE SYSTEM.

(A) (1) The city hereby establishes a sewer service charge system with fees being set by resolution. All revenue collected from users of the wastewater treatment facilities will be used for annual operation, maintenance, replacement and capital costs. Each user shall pay a proportionate share of operation, maintenance and replacement costs based on the users proportionate contribution to the total wastewater loading.

(2) The sewer service charge system shall set forth the projected operation, maintenance and replacement (“OM&R”) costs of all users which shall serve as the basis for the unit charges made to users of the system. The sewer service charge system may also set forth the assessment of additional charges and debt retirement costs which shall be an additional charge.

(3) The sewer service charge system adopted by resolution upon enactment of this subchapter shall be published in the local newspaper and shall be effective upon publication. Subsequent changes in the sewer service rates and charges shall be adopted by City Council resolution and published in the local paper.

(4) Revenues collected through the sewer service charge system shall be deposited in a separate fund known as the Sewer Service Fund.

(B) (1) The city hereby establishes a Sewer Service Fund as an income fund to receive all revenues generated by the sewer service charge system and all other income dedicated to the wastewater treatment facility.

(2) The Sewer Service Fund administered by a designated representative shall be separate and apart from all other accounts. Revenue received by the Sewer Service Fund shall be transferred to the following accounts established as income and expenditure accounts:

- (a) Operation and Maintenance;
- (b) Equipment Replacement; and
- (c) Debt Retirement for the collection and treatment facility.

(C) (1) A designated representative shall maintain a proper system of accounts and records suitable for determining the OM&R and debt retirement costs of the treatment facilities, and shall furnish the City Council with a report of such costs annually.

(2) At that time, the City Council shall determine whether sufficient revenue is being generated for the effective management of the facilities and debt retirement. The City Council will also determine whether the user charges are distributed proportionately. If necessary, the sewer service charge system shall be revised to ensure proportionality of user charges and sufficient funds.

(3) In accordance with state requirements, each user will be notified annually in conjunction with a regular billing of that portion of the sewer service charge attributable to OM&R.

(4) Sewer service charges shall be billed on a bi-monthly basis. Any bill not paid in full 30 days after the due date will be considered delinquent. At that time, the user will be notified regarding the delinquent bill and subsequent penalty. The penalty shall be computed as 1.5% of the original bill and shall be increased by the same percent for every quarter the bill is outstanding.

(D) Where required by the city, users shall install and maintain, at their own expense, meter(s) on their water supply to facilitate measurement of wastewater generated. All

users other than single-family residential users shall have meters installed for billing purposes. The meters shall be accessible to the city at all times.

(Ord. 2000-2, passed - -2000; Ord. 2000-8, passed - -2000)

§ 51.99 PENALTY.

(A) Any person violating any provision of this chapter for which no specific penalty is prescribed shall be subject to § 10.99 of this code of ordinances.

(B) (1) Criminal penalty.

(a) General. Any person who violates any of the provisions of §§ 51.20 through 51.29 of this chapter or who makes any false statement on a certificate of compliance shall be guilty of a misdemeanor, punishable by imprisonment or a fine or both as defined by law, except as noted below.

(b) First pumping and/or inspection violation. Any person who fails to conduct required ISTS pumping or inspection shall be guilty of a petty misdemeanor, punishable by a fine, as defined by law, for the first violation only.

(c) Additional pumping and/or inspection violation(s). After a first violation, if the violation fails to be taken care of within a set period of time, regardless of whether the city pursues the charges of petty misdemeanor, a property owner who fails to conduct a required ISTS pumping or inspection shall be guilty of a misdemeanor, punishable by imprisonment or a fine or both as defined by law.

(d) Repair and resolution. Any person who fails to repair and resolve a failing septic system which is an imminent health hazard or is approaching the status of an imminent health hazard shall be guilty of a misdemeanor, punishable by a fine or imprisonment or both as defined by law.

(2) Civil remedy. In the event of a violation of §§ 51.20 through 51.29 of this chapter, in addition to other remedies, the City Attorney may institute appropriate actions or proceedings to prevent, restrain, correct or abate such violations.

(3) Permits. No building permit, certificate of occupancy, license or other permit shall be issued for the construction, use or occupancy of any parcel of property within the city unless the requirements of §§ 51.20 through 51.29 of this chapter are met with respect to said parcel of property.

(C) (1) Upon determination that a user has violated or is violating applicable provisions of §§ 51.40 through 51.48 of this chapter or related permits, the authorized representative may issue a notice of violation. Within ten days of such notification, the violator shall submit to the authorized representative an adequate explanation for the violation and a plan for the correction and prevention of such occurrences, including specific actions required. Submission of such a plan in no way relieves the violator of liability for any violations occurring before or after the issuance of the notice of violation.

(2) Any violation is subject to a fine not exceeding \$700 and/or 90 days in jail. Each day in which any such violation occurs shall be deemed as a separate offense. Such fines may be added to the user's next sewer service charge and will hence be subject to the same collection regulations as specified in §§ 51.40 through 51.48 of this chapter.

(3) To collect delinquent sewer service charge accounts, the city may file a civil action suit or levy a lien against the violator. Related attorneys' fees fixed by court order

Appendix D.26

shall also be collected. The violator shall be liable for interest on all balances at a rate of 10% annually.

(4) Any person violating any of the provisions of §§ 51.40 through 51.48 of this chapter shall become liable to the city for any expense, loss or damage occasioned by the city by reason of such violation.

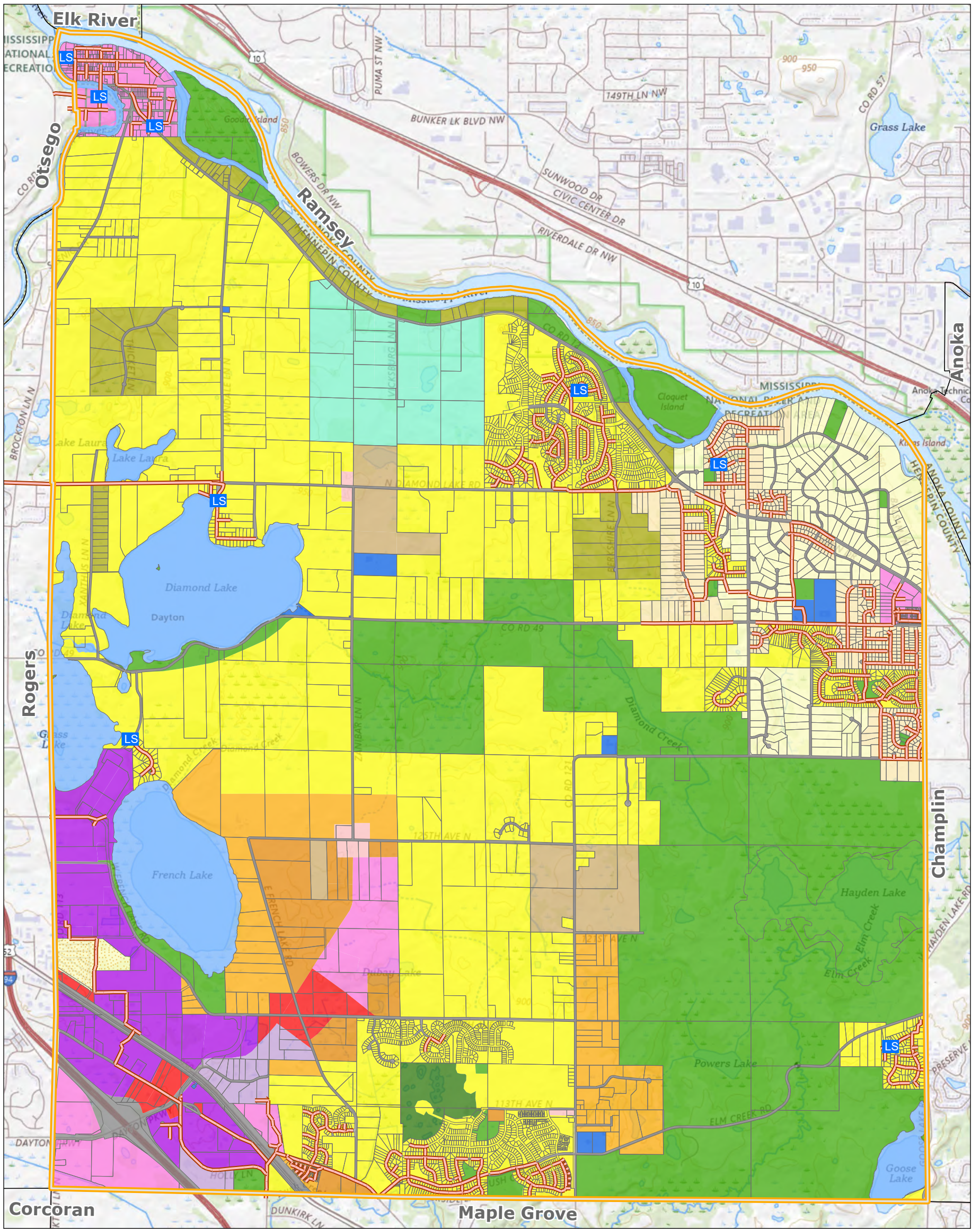
(Ord. 2000-2, passed - -2000; Ord. 2000-08, passed - -2000; Ord. 2003-09, passed 7-8-2003)

COMPREHENSIVE SEWER PLAN

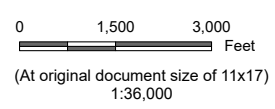
Appendix H Maps
September 23, 2025

Appendix H **MAPS**





- Legend**
- City of Dayton Boundary
 - County Parcels
 - Sewer Main
 - Lift Station
 - 2040 Land Use**
 - Agricultural Preserve
 - Business Park
 - Commercial
 - Existing Mobile Home Park
 - Existing Sewered Low Density Residential
 - Existing Unsewered Low Density Residential
 - Golf Course
 - High Density Residential
 - Industrial
 - Low Density Residential
 - Master Planned Development
 - Medium Density Residential
 - Mixed Use
 - Neighborhood Commercial
 - Open Water
 - Park & Open Space
 - Public/Institutional
 - Right-of-Way
 - Rural Estate



Project Location
Dayton, Hennepin Co., MN

Prepared by LAH on 2025-03-12

Client/Project
City of Dayton
Sewer Comprehensive Plan

193806077

Figure No.
5-1

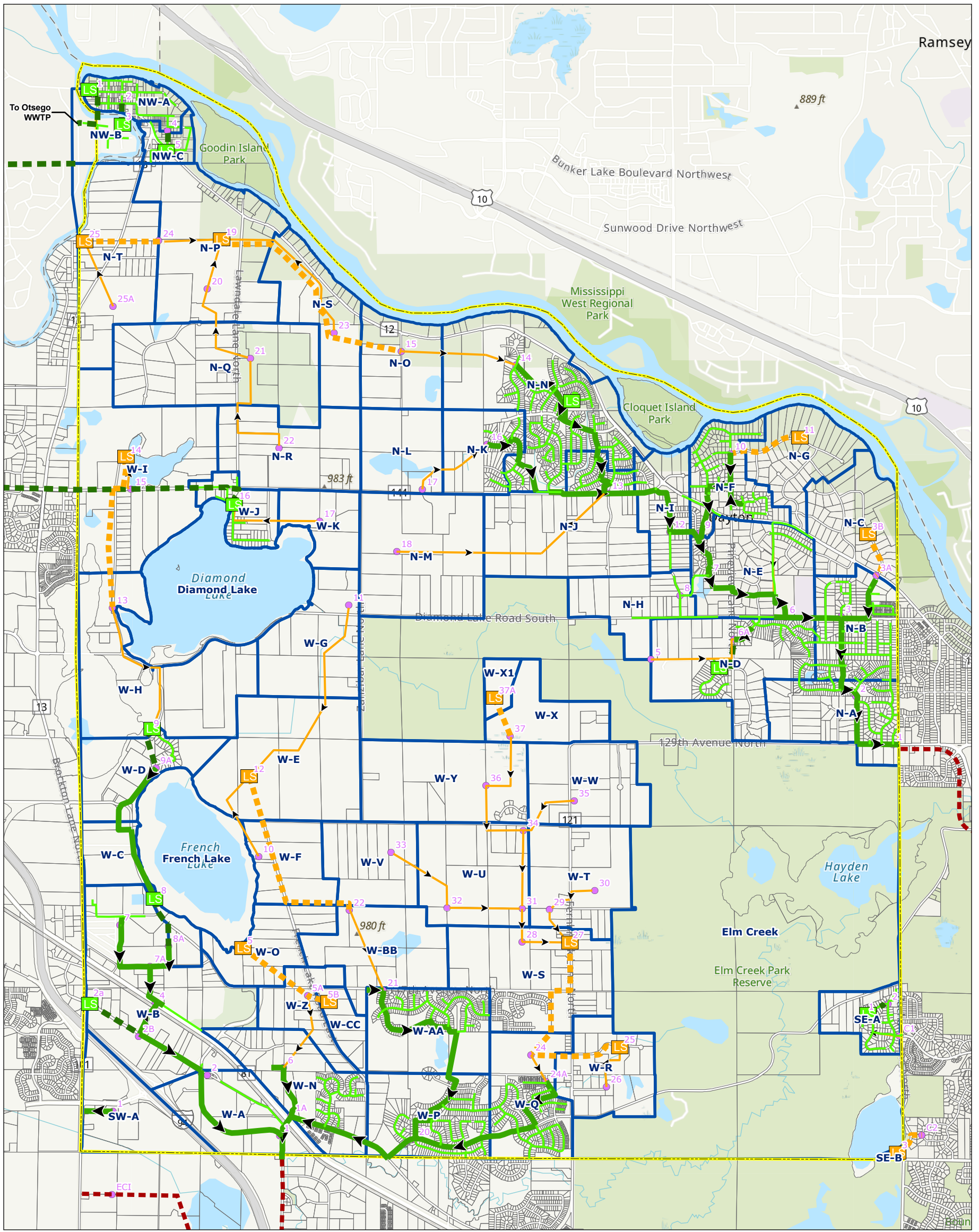
Title
2040 Land Use Map

Notes

1. Coordinate System: NAD 1983 UTM Zone 15N
2. Data Sources: MNDNR, City of Dayton, Hennepin County, Wright County
3. Background: USGS Topo

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Disclaimer: This document has been prepared based on information provided by others as cited in the Notes section. Stantec has not verified the accuracy and/or completeness of this information and shall not be responsible for any errors or omissions which may be incorporated herein as a result. Stantec assumes no responsibility for data supplied in electronic format, and the recipient accepts full responsibility for verifying the accuracy and completeness of the data.

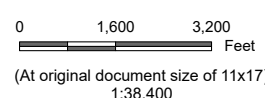


Legend

- Municipal_Boundary
- Subdistrict Boundary
- Point Designation

Ultimate Buildout Sewer

- ▶ Existing Trunk Sanitary Sewer
- Existing Gravity Sanitary Sewer
- ▶ Proposed Trunk Sanitary Sewer
- Existing Forcemain
- ▶ Proposed Forcemain
- - - MCES Interceptor
- LS Existing Lift Station
- LS Proposed Lift Station
- Parcels



Project Location
Dayton, Hennepin Co., MN

Prepared by TAW on 2025-08-06

Client/Project
City of Dayton
Ultimate Trunk Sanitary Sewer

Figure No.
1

Title
Ultimate Trunk Sanitary Sewer

Notes
1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
2. Data Sources: Hennepin County, ESRI
3. Background: ESRI World Topographic Map

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COMPREHENSIVE SEWER PLAN

Appendix I Intercommunity Service Agreements
September 23, 2025

Appendix I INTERCOMMUNITY SERVICE AGREEMENTS



COPY

6/14/04

AGREEMENT

CITY OF DAYTON AND CITY OF CHAMPLIN

THIS AGREEMENT is made and entered into between the City of Dayton, a Minnesota municipal corporation (hereinafter referred to as "Dayton"), and the City of Champlin, a Minnesota municipal corporation (hereinafter referred to as "Champlin").

RECITALS:

WHEREAS, Champlin currently owns and operates a municipal wastewater system (hereinafter referred to as "sewer") and a municipal water system (hereinafter referred to as "water") (hereinafter sewer and water are collectively referred to as "Champlin's Utilities"); and

WHEREAS, both the Champlin and Dayton comprehensive plans anticipate that there will be single family residential units in the southeast area of Dayton, including the Nature's Crossing Subdivision area.

WHEREAS, the Southeast Area requires access to Champlin's Utilities to develop urban densities; and

WHEREAS, the City of Dayton would like to extend Champlin's Utilities to the Southeast Area of Dayton, shown on attached **Exhibit A** (hereinafter referred to as "Southeast Area").

WHEREAS, Champlin and Dayton desire to enter into this Agreement allowing Champlin's Utilities to serve the Southeast Area pursuant to Minn. Stat. §471.59.

NOW, THEREFORE, it is hereby agreed by and between the parties as follows:

1. Use Allowed. For the term of this Agreement, and any renewals thereof, Champlin grants to Dayton a right and license to connect to and dispose of sanitary sewage from the Southeast Area via its municipal wastewater system. Further, Champlin grants to Dayton a right and license to connect to and draw water to serve the Southeast Area from Champlin's municipal water system. Level of services to be provided by Champlin to the Southeast Area properties pursuant to this Agreement shall be the same as provided by Champlin to similar developments in Champlin. Dayton shall adopt the provisions of Champlin's ordinances governing use of water and sewer, as attached in **Exhibit C**; Dayton may adopt additional ordinances regarding municipal utilities for the area to be served by Champlin, provided any such ordinance or ordinances shall be approved by Champlin, such approval shall not be

unreasonably withheld and the provisions shall not be substantially different from Champlin ordinances.

2. Construction, Ownership and Maintenance. Champlin represents that stub connections for sewer and water are located at the intersection of Goose Lake Road and Goose Lake Parkway that may be used, at Dayton's option, for connection of the Southeast Area to Champlin's Utilities.

Dayton shall pay for all lateral fees for use of sanitary sewer and/or water lateral on Goose Lake Road that benefit Dayton.

Dayton shall pay for and construct all sewer and water lines and associated structures within its boundaries. Champlin shall have the right to review and approve plans for any private/public improvement projects in Dayton's Southeast Area that will utilize Champlin's sewer and water system. Dayton shall pay Champlin for its staff's review time. Champlin shall submit a bill to Dayton upon completion of its review. Dayton shall collect from the private/public project said fee, which is to be based on an hourly charge for Champlin's staff review time. The fee is to be based on an hourly charge with a 2% markup rate to cover staff time and overhead. Dayton shall pay for, own and maintain all sewer and water lines and associated structures constructed within its boundaries. Dayton shall regularly maintain said lines and associated structures so as to keep them in good operating order per specifications detailed in **Exhibit B**. Dayton shall regularly inspect the lines and associated structures and immediately correct any problem which could adversely affect Champlin's Utilities, or which could result in inaccurate readings of flow through said lines. Maintenance shall occur as detailed in **Exhibit B**. All residential properties within the jurisdiction of Dayton served with water and sewer pursuant to this Agreement shall use water meters supplied and maintained by Champlin.

Champlin shall pay for, own and maintain the sewer and water lines and associated structures constructed within its boundaries. Champlin shall regularly maintain said lines and associated structures so as to keep them in good operating order. Maintenance shall occur as detailed in **Exhibit B**. Champlin shall regularly inspect the lines and associated structures and immediately correct any problem which would adversely affect or interfere with delivery of service to Dayton. Champlin shall provide the same level of continuous and uninterrupted service as provided to similar developments in Champlin and as provided in this Agreement, to the Southeast Area.

3. Champlin/Dayton shall share equally [50-50] the ownership and maintenance of public utilities in Goose Lake Road. In accordance with other agreements when Goose Lake Road is turned back to Champlin/Dayton by Hennepin County, Champlin/Dayton shall share equally [50-50] the ownership and maintenance of Goose Lake Road. Maintenance of and capital improvements

for Goose Lake Road shall be subject to consent by both parties. Maintenance shall be done in accordance with **Exhibit D**.

4. Ongoing Services. Champlin agrees that it currently has and will maintain, through the term of this Agreement, the capacity required for both sewer from and water to the Southeast Area pursuant to the land use element of the Comprehensive Plans of both parties in effect on the approval date of this agreement. Further, Champlin agrees it will provide for continuous and uninterrupted sanitary sewer service and city water service to the Southeast Area to the same extent that it provides such services to similar developments in Champlin, except for periods of necessary or emergency maintenance, or catastrophic events, including, but not limited to, flood, storm, war, or any other natural or man made catastrophes or events outside of its control. Except in cases of emergencies, in the event service needs to be interrupted for necessary maintenance, Champlin shall give Dayton fourteen (14) days notice. Said notice shall include a plan for said maintenance and alternative service to be provided, if any, and time period service will be interrupted, which plan and time period of interruption of service shall be reasonable. In the event service needs to be interrupted for emergency maintenance, Champlin shall give Dayton immediate notice. Said notice shall include, or shall as soon as practicable, be followed by a plan for said maintenance and time period service will be interrupted, which plan and time period of interruption of service shall be reasonable. The Cities of Dayton and Champlin shall cooperate in the construction of necessary utility services to serve the Faulds property, located at 11240 109th Ave. Any costs associated with extending sewer and water to the Fauld's property shall be paid by the property owner. As a part of the looping of the watermain on Goose Lake Road by Champlin, Dayton agrees to allow the extension of water trunk pipe into Dayton's municipal boundaries from 109th Avenue to a point approximately one-eighth mile north of 109th Avenue.

5. Fee Formula.

Connection/Billing, Rates, Fees and Changes.

a. Dayton Responsibilities.

Dayton shall be responsible for collection of all fees for connection to water and sewer, including trunk area fees and SAC Fees once a building permit is granted by Dayton. Dayton shall charge each residential unit within the Southeast Area the current rate charged by Champlin, pursuant to Champlin Ordinance and Resolution 2004-09 as shown in **Exhibit E**.

Dayton shall collect from each single family residential (SFR) connection in the Southeast Area and remit to Champlin the following fees:

| | |
|-------------------------------------|----------------------------|
| Water Trunk, Source and Storage Fee | \$2,200 per SFR connection |
| Sewer building fee | 25 per SFR connection |
| Water building fee | 25 per SFR connection |
| Water Meter fee | 213 per SFR connection |

Dayton shall pay directly to the Metropolitan Council Environmental Service (MCES) a Service Availability Connection (SAC) fee for each connection, which for 2004 amounts to \$1,350 per single family connection.

Champlin's current Trunk Sewer Fee shall be paid by the Developer to the City of Dayton, at the time of final plat approval, prior to release of the Final Plat. Dayton shall submit said fees to the City of Champlin within thirty (30) days of Dayton's release of a Final Plat within the Southeast Area.

- b. Champlin's Responsibilities. Champlin shall collect the service fees for sewer and water. Dayton shall develop a fair cost to be passed on to Dayton residents which would be a part of Champlin's rate, with that amount being reimbursed to the City of Dayton upon collection by Champlin. The rate of these costs are to be set by Dayton, by resolution, and may be updated by Dayton from time to time. When such an update occurs, Dayton shall notify Champlin ninety (90) days prior to effective date of such rate change, and Champlin shall adjust the amount collected from Dayton residents and subsequently the amount reimbursed to Dayton.


Champlin shall charge Dayton residents for only those services which benefit Dayton residents.

In the event Champlin amends its ordinance or resolution regarding fees, Champlin shall give Dayton written notice. Written notice shall be given 90 days prior to the effective date of such rate change.

Dayton residents have the same right to challenge bills received from Champlin that any other Champlin resident has.

Water meters will be dispersed to Dayton for pick-up and purchase by Dayton residents at the time of the sewer connection permit issuance. The SAC Fee and Water Trunk, Source and Storage Fee shall be collected and sewer and water permits shall be obtained at the time of the water meter purchase. The water meter fees, the Water Trunk, Source and Storage fees and the sewer and water permit fee collected by Dayton, will be submitted to Champlin on a quarterly basis.

- c. Service to the Southeast Area. Flow determination for water to and sewer from the Southeast Area shall be determined by water meter readings of each individual residential unit. Champlin will have the sole responsibility of reading water meters and billing residential units within the Southeast Area for use.
- d. Champlin shall bill Dayton residents monthly for sewer and water user fees and all applicable penalties. Payments by Dayton residents to Champlin shall be in accordance with Champlin City Ordinance.

A yellow decorative graphic consisting of several curved lines radiating from a central point, resembling a stylized arrow or a flower.


Champlin shall notify Dayton of delinquent payments. Dayton shall be responsible for collecting delinquent payments in accordance with the laws of the State of Minnesota. Champlin shall cooperate to the extent necessary to assist Dayton in the collection of delinquent payments and penalties in accordance with Dayton City Ordinances and in accordance with procedures established in either MN Stat. Chapter 429 or MN Stat. 444.075. Within sixty (60) days of the 31st of August of each year of this agreement, Dayton shall pay to Champlin a sum equal to the total amount of delinquent fees as of August 31st. Dayton shall retain the right to assess the applicable properties, or to take any action available to it under law to recover the amount of the delinquent funds it so paid to Champlin.

6. Default and Remedies.
 - a. Champlin Remedies. In the event Dayton breaches any of its obligations under this agreement, Champlin shall have the right to bring an action of law or, if required by this agreement, arbitration, for its available remedies only after giving thirty (30) days written notice of the breach to Dayton and opportunity to cure the breach. If Dayton does not cure the breach, or reach a mutually agreed upon plan for the cure of the breach within that thirty (30) days notice period, Champlin may commence action or arbitration proceedings after giving ten (10) days written notice to Dayton that it intends to bring such action or arbitration proceeding. Nothing herein shall limit the causes of action or equitable rights that Champlin may assert pursuant to this agreement.
 - b. Dayton Remedies. In the event Champlin breaches any of its obligations under this agreement, Dayton shall have the right to bring an action at law or, if required by this agreement, arbitration, for its available remedies only after giving thirty (30) days written notice of the breach and opportunity to cure the breach. If Champlin does not cure the breach or reach a mutually agreeable plan for the cure of the breach within that thirty (30) days notice period Dayton may commence action or arbitration proceedings after giving ten (10) days written notice to Champlin that it intends to bring such action or arbitration proceeding. Provided, however, that if a default by Champlin results in sewer and water service to the Southeast Area below the level required by this Agreement, Champlin must take immediate action to correct the problem upon receipt of written notice from Dayton. Nothing herein shall limit the causes of action or equitable rights that Dayton may assert pursuant to this agreement.
7. Notice and Termination. Dayton shall reserve the right to service this area by another means in the future if some other means is provided and in such case, Dayton shall have the right to terminate this Agreement, by giving one hundred eighty (180) days written notice of its intention to terminate this Agreement. In the event of termination, all obligations of Dayton to make payment to Champlin shall cease upon the effective date of the termination.

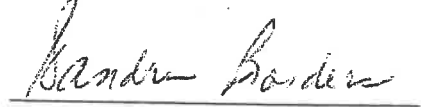
- 8 Term. This agreement shall be perpetual and may only be terminated by Dayton pursuant to Section 7 of this Agreement.
- 9 Indemnity. Dayton shall defend, indemnify and hold Champlin harmless for any claims arising from Dayton's use or maintenance of sewer and water lines, and any associated structures, within the boundaries of Dayton. Champlin shall defend, indemnify and hold Dayton harmless for any claims arising from its operation of water and sewer lines, and any associated structures, located within the boundaries of Champlin.
- 10 Modification. This Agreement may be modified only by written agreement of both parties.
- 11 Notice. All notices required by this Agreement shall be in written form and shall be deemed delivered upon its receipt by the City Clerk of either party. Notice may be made by personal delivery, mail or facsimile.
- 12 Governing Law. This Agreement shall be construed by the laws of the State of Minnesota.
- 13 Severability. In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.
- 14 Time is of the Essence. Time is of the essence in the performance of all obligations, undertakings and covenants under this Agreement.
- 15 Entire Agreement. This Agreement, any attached exhibits and any addenda or amendments signed by the parties shall constitute the entire agreement between Dayton and Champlin, and supersedes any other written or oral agreements between Dayton and Champlin on matters covered hereby.
- 16 Counterparts. This Agreement may be simultaneously executed in any number of counterparts, all of which shall constitute one and the same instrument.
- 17 Effective Date. The effective date of this Agreement shall be the last date on which it is executed by any party to this Agreement. This Agreement shall not become effective until it has been executed by all parties to the Agreement.

IN WITNESS, WHEREOF, the parties have agreed to the foregoing terms.

The City of Dayton

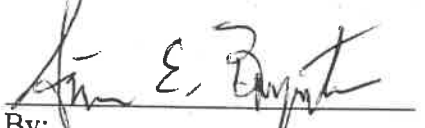

By:
Its: Mayor

Dated: 6/21/04



By:
Its: City Clerk

Dated: 6/21/04

The City of Champlin


By:
Its: Mayor

Dated: 6/14/04


By:
Its: City Clerk

Dated: 6/14/04

Exhibit A Champlin-Dayton Joint Powers Agreement

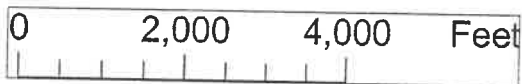
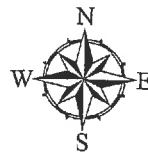


Exhibit B

Scheduled and Emergency Sewer Maintenance, and Scheduled Emergency Water Maintenance.

Scheduled and Emergency Sewer Maintenance

- Sewer Jetting 5 years
- Sewer Televising As needed
- Sewer Mainline Repairs As needed based on televising
- Sump Pump Connection Inspection 7 years
- Manhole Casting Maintenance As needed
- Cone and Ring Inspections As needed
- Sewer Plugs As needed
- Locating As needed
- Lift Station Maintenance As needed
- Replacement of Infrastructure As needed
- Excavation Restoration As needed

Scheduled and Emergency Water Maintenance

- Flush Water Mains Semi annually
- Exercise Hydrants Semi annually
- Hydrant Repairs As needed
- Paint Hydrants As needed
- Replace Hydrant Flags As needed
- Gate Valve Maintenance As needed
- replacement of Infrastructure As needed
- Locating As needed
- Meter Reading (by Champlin) Monthly
- Meter Finals (by Champlin) As needed
- Meter Repairs (by Champlin) As needed

Exhibit C

Champlin Ordinances

- An ordinance regulating the operation of the public water system, requiring certain connections to be made to the public water system, providing for the issuance of permits for, and supervision of, all connections to the public water system prescribing certain materials and methods to be used for said connections, prescribing rates and charges for water service, and prescribing for the violation of same. (Champlin 15-201 - 15-236)
- An ordinance regulating the operation of the public sanitary sewer system, requiring connections to be made to the public sanitary sewer system, providing for the issuance of permits for and supervision of all connections to the public sanitary sewer system, prescribing certain materials and methods to be used of said connections, establishing regulations as to types and kinds of wastes that may be disposed of by use of the public sanitary sewer system, prohibiting the discharge of any type or kind of surface waters into the public sanitary sewer system, prescribing rates and charges for disposal services, regulating street excavations, and prescribing penalties for the violation of same. (Champlin 15-401 - 15-414)
- Ordinance establishing an industrial user strength charge in addition to the charge based upon the volume of discharge by an industrial user and establishing an industrial user strength charge formula for the computation thereof to recover operation and maintenance costs or waste treatment services attributable to the strength of the discharge of industrial waste into the sewer system and establishing tax lien against property served in connection with such strength charge. (Champlin 15-801 - 15-807)
- An ordinance regulating the operation of the public water works system during periods when there may be a shortage of water. (Champlin 15-1100 - 15-1103)
- An ordinance providing for the installation or repair of sanitary sewer and water service lines and the collection of costs of such work or service when done by the municipality as a special assessment against property benefited; and providing penalties for violations. (Champlin 15-1200 - 15-1205)
- An ordinance providing for public right-of-way management. (Champlin 15-1500 - 15-1535)

Exhibit D

Goose Lake Road Maintenance Responsibility

Champlin and Dayton will agree to maintain Goose Lake Road. The City of Champlin and the City of Dayton agree to maintain the roadway on an every other year basis. Road maintenance will be shared as noted below after the County turns back the road to Champlin and Dayton. Champlin will be responsible for maintenance in the even numbered years and Dayton will be responsible for maintenance in odd numbered years. The change over will begin on July 1st of each year. Therefore, for example, Champlin will be responsible for maintenance from July 1, 2006 – June 30, 2007 and Dayton will be responsible for maintenance from July 1, 2007 – June 30, 2008 and so on. The City responsible for maintenance will address all maintenance, curb to curb, of Goose Lake Road between 109th Ave. and Elm Creek Road. This will include:

- Maintenance of street signs
 - Maintenance of traffic control signage
 - Maintenance of concrete curb and gutter
 - Maintenance of gravel shoulder
 - Maintenance of catch basins and storm sewer pipe
 - Maintenance of bituminous surface to include:
 - Pot holes
 - Crack sealing See below
 - Seal coating See below
 - Traffic markings See below
 - Street sweeping
 - Snow and ice control
 - Raising and lowering of any iron (manholes, catch basins, gate valves, etc)
-
- Maintenance does not include any side walk or trail located in Dayton or Champlin.
 - Cracksealing and sealcoating will be done every six years. The cost will be divided by each City 50/50. The City of Champlin is responsible for the coordination of maintenance activities.
 - Traffic markings will be done each year. The cost will be divided by each City 50/50. The City of Dayton is responsible for the coordination of this maintenance activity.
 - If the road requires any “new” items (i.e. street sign, catch basin, etc.) Champlin and Dayton will share in the cost 50/50 assuming both cities agree.

AMENDMENT TO SANITARY SEWER SERVICE AGREEMENT
CITIES OF DAYTON AND MAPLE GROVE

THIS AGREEMENT, entered into ____ day of _____, 2015 between the City of Dayton, a municipal corporation in the County of Hennepin, hereinafter referred to as "DAYTON"; and the City of Maple Grove, a municipal corporation in the County of Hennepin, hereinafter referred to as "MAPLE GROVE";

WITNESSETH:

WHEREAS, Dayton and Maple Grove have entered into Sundance Woods Agreement dated October 22, 2013; and

WHEREAS, Dayton has constructed an 8" PVC sanitary beneath Sundance Woods Boulevard to the Maple Grove city limit and is willing to provide sanitary sewer service to an area in Maple Grove lying northerly of Rush Creek ("Rush Creek Service Area") as depicted in attached Exhibit A; and

WHEREAS, Maple Grove desires to connect the Rush Creek Service Area to the Dayton sanitary sewer system beneath Sundance Woods Boulevard by force-main; and

WHEREAS, Dayton and Maple Grove desire to define each cities operational and maintenance responsibility for the sanitary sewer service to the Rush Creek Service Area under this Sanitary Sewer Service Agreement.

NOW THEREFORE, it is hereby and herein mutually agreed, in consideration of each party's promises and considerations herein set forth the Agreement is amended, as follows:

1. Sanitary Sewer Operations & Maintenance Responsibilities

Dayton shall provide Maple Grove with a connection to its sanitary sewer systems, beneath Sundance Woods Boulevard at MH20 depicted on attached Exhibit B. Dayton shall be solely responsible for operation and maintenance of the Dayton sanitary sewer system, except that Maple Grove shall be responsible for maintenance to clean that segment of sanitary sewer pipe extending to the Maple Grove city limits from MH12. Maple Grove shall be solely responsible for the construction, operation and maintenance of the sanitary sewer in Maple Grove serving the Rush Creek Service Area. Dayton and Maple Grove agree to work cooperative ley and not to interfere with the operation and maintenance of the respective systems.

2. Connection Charges

Maple Grove agrees to pay Dayton a connection charge of \$605 for each unit making connection to sanitary sewer in the Rush Creek Service Area; payment to be made annually in January, corresponding to the number of connections made each year.

3. Treatment Costs

Dayton will make payment to MCES for treatment costs of wastewater discharge from the Rush Creek Service Area to the Dayton sanitary sewer system. Maple Grove will reimburse Dayton treatment costs for Rush Creek Service Area on an annual basis in January, as described below:

- a) Maple Grove will provide Dayton a count of the residential units connected to the sanitary sewer within the Rush Creek Service Area in January of each year. Each Single Family residential unit connected to the Rush Creek Service Area sanitary sewer system shall correspond to 1 SAC. Each Multi-Family unit connected to the Rush Creek Service Area sanitary sewer system shall correspond to 0.6 SAC.
- b) Treatment rate determined by annual treatment cost to Dayton divided by the total Dayton flow, pursuant to MCES Municipal Wastewater Charges allocation letter.
- c) Flow volume assumed to be 65,000 gallons per SAC per year.
- d) Rush Creek Service Area treatment costs shall be equivalent to the MCES treatment rate multiplied by the number of Rush Creek Service Area SAC multiplied by the estimated flow volume of 65,000 gallons per SAC per year.

4. Term

This Agreement for an indefinite term. The City of Maple Grove, however, may terminate this Agreement upon six months' notice to Dayton. In the event of termination it is the responsibility of Maple Grove to provide sanitary sewer service to the Rush Creek Service Area and abandon the connection at the City of Dayton border. Work to be performed at no cost to the City of Dayton.

CITY OF MAPLE GROVE

Dated: _____, 2015

By:
Its: Mayor

Dated: _____, 2015

By:
Its: City Administrator/Clerk

CITY OF DAYTON

Dated: _____, 2015

By:
Its: Mayor

Dated: _____, 2015

By:
Its: City Administrator/Clerk

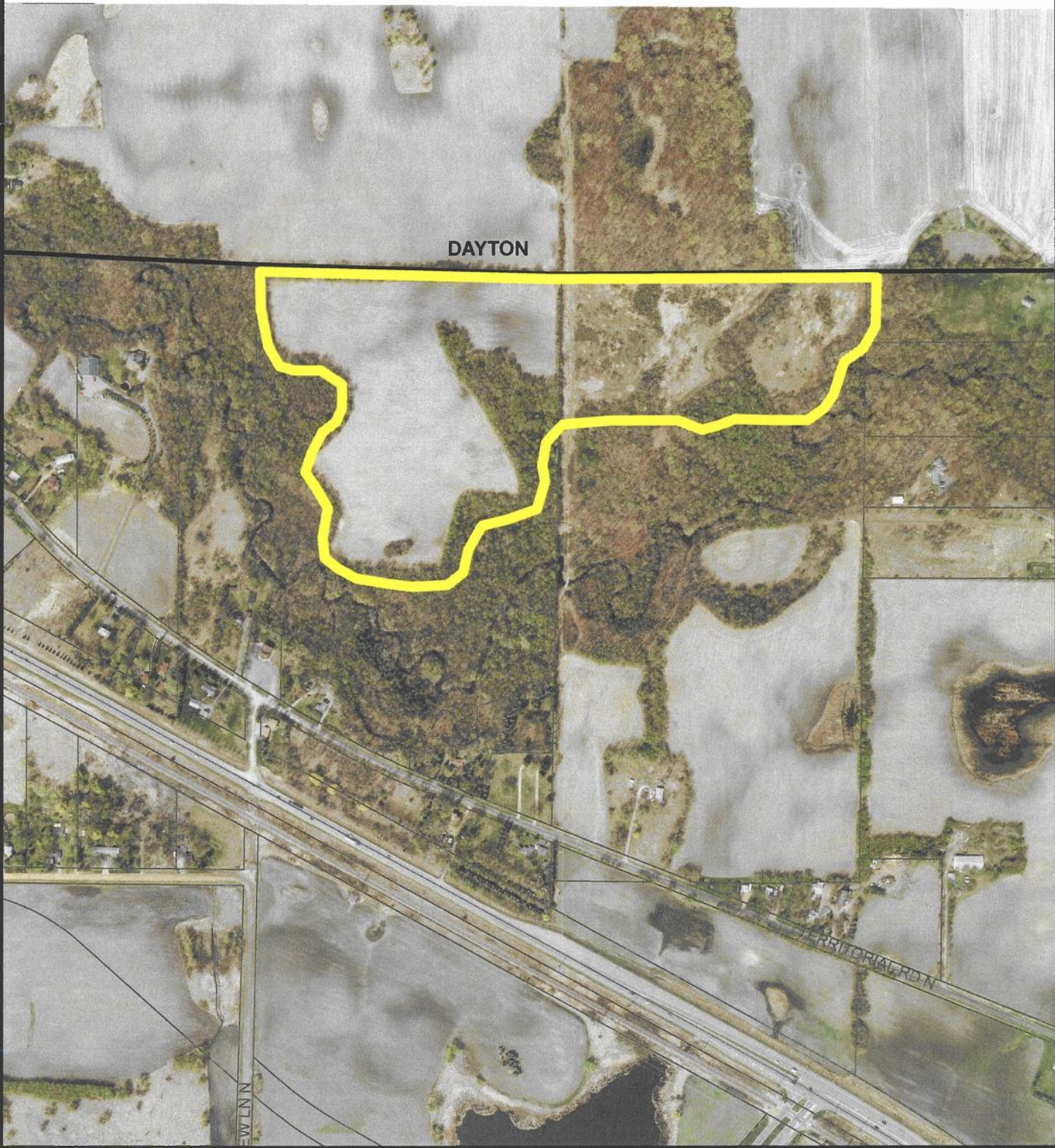


EXHIBIT "A"

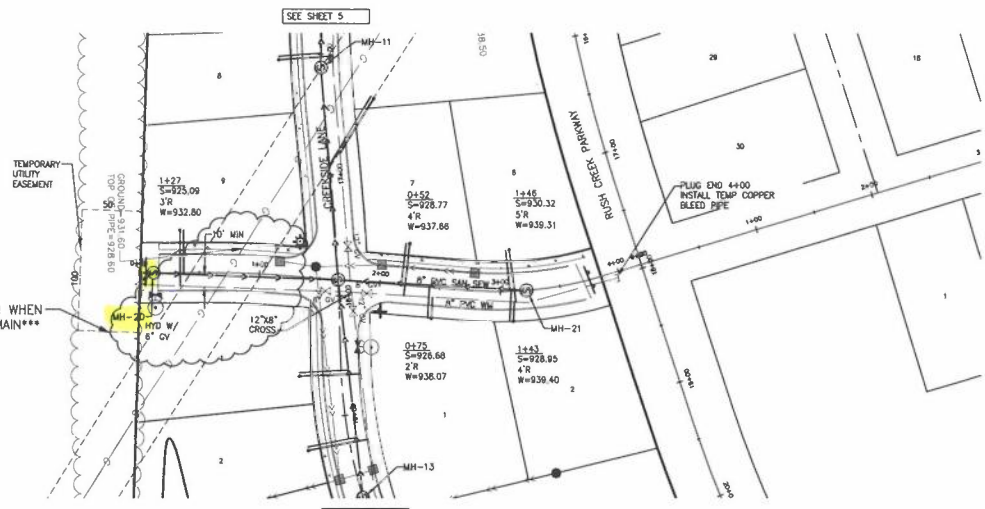
RUSH CREEK SERVICE AREA



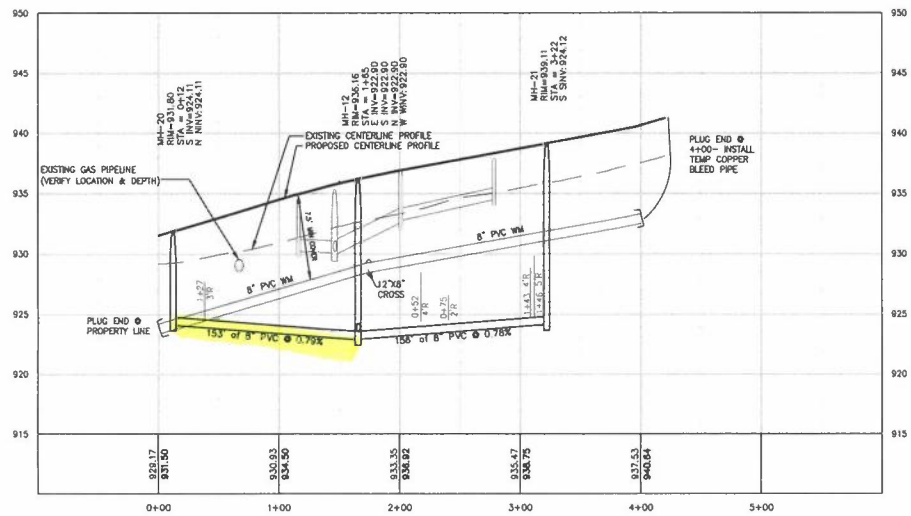
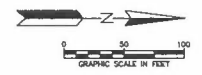
EXHIBIT B

NOTE:
SEE SHEET 3 FOR SANITARY SEWER AND WATERMAIN NOTES

| | |
|----------|--|
| 0+07 | DISTANCE OF SAN SERVICE FROM DOWNSTREAM MH |
| S=925.53 | ELEVATION AT SERVICE END |
| 5'R | RISER HEIGHT, TYP |
| W=919.36 | WATER SERVICE CURB STOP ELEV |



SUNDANCE WOODS BLVD



| | | |
|-----------|------------|--|
| 1 | 11/05/2013 | PPR CITY REVIEW |
| 2 | 01/22/2014 | AKRIFD CHANGEL AL STATION 28+15 |
| 3 | 02/18/2014 | NOTE 15, SHEET 3 |
| 4 | 02/25/2014 | SAN SEWER, BORED GAS CROSSING, DCS DETAILS |
| REVISIONS | | |



CAMPION ENGINEERING SERVICES, INC.
 • Civil Engineering • Land Planning
 1800 Pioneer Creek Center,
 P.O. Box 248
 Maple Plain, MN 55359
 Phone: 763-478-5172
 Fax: 763-478-4242
 E-Mail: mcampion@campioneng.com

I hereby certify that this plan, specification or report has been prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the State of Minnesota.
 Martin P. Campion - Lic. # 19901 Date: 02/25/2014

SUNDANCE WOODS
 RUSH CREEK ASSOCIATES
 DAYTON, MINNESOTA

| | | |
|---|--|-----------------------|
| SANITARY SEWER & WATERMAIN SUNDANCE WOODS BLVD | | PROJECT NO: 13-017 |
| SHEET NO. 7 OF 21 SHEETS | | DATE: 06/25/2013 |

SEWER USE AGREEMENT

CITY OF OTSEGO AND CITY OF DAYTON

WHEREAS, the City of Otsego (hereinafter "Otsego") is in the process of constructing a wastewater treatment plant (hereinafter the "plant") near its border with the City of Dayton (hereinafter "Dayton"); and

WHEREAS, the Plant will be designed to have capacity for the disposal of sewage from portions of Dayton and Otsego, and Otsego wants to allow Dayton to use the plant for the disposal of sewage originating within portions of Dayton; and

WHEREAS, both Dayton and Otsego will assume responsibility for the costs of original construction of the Plant, including land acquisition, engineering, and costs related to reviewing the site and obtaining necessary permits; and

WHEREAS, Otsego will own and operate the plant, with Dayton being guaranteed the right to dispose of sewage at the Plant, subject to the terms and conditions of this agreement; and

WHEREAS, Otsego and Dayton shall have exclusive ownership and control of all sewer lines lying within their respective jurisdictions, with the exception of that sewer line identified in Exhibit A to this Agreement which is that sewer line located within the City of Otsego which will be the primary line for delivery of sewer service to Dayton (hereinafter referred to as the "Dayton Service Line"), and which shall be under the ownership of Dayton; and

WHEREAS, the parties by this agreement intend to establish an equitable means of paying the ongoing costs of operating the plant based upon capacity and usage, with the fee being charged to residents of each community for operation being equal, and including costs for operation and maintenance of the plant.

NOW, THEREFORE, it is hereby agreed by and between the parties as follows:

1. **Construction and Completion.** Otsego will construct a Sewage Treatment Plant at the location shown on Exhibit B. Otsego will construct the plant in accordance with the Plans and Specifications by Bonestroo, Rosene and Anderlik dated January 8, 1999. Otsego will complete the Sewage Treatment Plant no later than June 30, 2000, and have it available for service to the City of Dayton on said date. Otsego's obligation to construct the Plant is contingent upon its obtaining all necessary permits for construction and operation of the Plant. Otsego also, has the right to not proceed with construction

of the Plant in the event of termination under paragraph 7 of this agreement.

2. **Use Allowed.** For the term of this agreement, and any renewals thereof, Otsego hereby grants to Dayton the non-transferable right and license to dispose of sanitary sewage from within that sanitary sewer service area within the City of Dayton as defined in the June, 1997, Study done by Bonestroo, Rosene, Anderlik & Associates (Figure 1), attached as Exhibit C, and to have said sanitary sewage treated at the Plant. Waste treatment done shall be in conformance with all applicable laws and regulations which apply to the Plant and its operation. The initial disposal capacity at the Plant that Dayton will be allowed is 40,000 gallons per day for the first phase of plant operation. The disposal capacity that Dayton may use may be expanded pursuant to paragraph 12. The total amount of said sanitary sewage from Dayton shall not exceed 1.0 million gallons per day, nor shall it at any time exceed 49% of the available plant capacity at any given time, subject to approval by Otsego and further restrictions as contained within this Agreement. If requested by Otsego, Dayton shall adopt an ordinance governing use of sewers; provided any such ordinance shall not be any less restrictive than the sewer use ordinance in effect in Otsego.
3. **Ownership.** Dayton shall own, maintain and repair, at its sole expense, those sewer lines within the borders of the City of Dayton which connect to the Otsego sewer system. Otsego shall own, maintain and repair, at its sole expense, the sewer lines lying within the borders of Otsego, exclusive of the Dayton Service Line. Otsego shall acquire the easement for the Dayton Service Line no later than June 1, 1999. All costs and liability associated with the Dayton Service Line, including land acquisition costs, engineering, construction and maintenance shall be paid for solely by the City of Dayton. In the event Otsego acquires more property, or property rights, than is necessary for a sanitary sewer easement, Otsego and Dayton shall share the cost of the acquisition in proportion to the value of the property interest each is retaining. Upon acquisition by Otsego of the easement necessary to construct the Dayton service lines and upon receipt of full payment of all land acquisition costs related to the Dayton service line by Dayton to Otsego, Otsego agrees to convey by warranty deed an easement for sanitary sewer service purposes (with right of reversion in the event that Dayton terminates this Agreement, in the form attached hereto as Exhibit D) to Dayton the acquired easement for the Dayton service line. Necessary maintenance and repair of the Dayton service line shall be paid for solely by the City of Dayton. Otsego hereby grants the City of Dayton a right of entry to repair and maintain the line, or Dayton may request that Otsego repair and maintain the line with all costs for the same being the responsibility of Dayton.

4. **Otsego Property Served By Dayton Service Line.** The areas shown on the attached Exhibit E are lots which are within the municipal boundaries of the City of Otsego. These lots, however will receive service through connection with the Dayton system of sewer lines. Dayton is obligated to provide service to the lots shown on Exhibit E only in the event that Otsego levies assessments against all said lots in an amount requested by Dayton and all lots waive in writing appeal of assessment, or no appeal is has been filed from said assessments or any appeal filed has been dismissed. All assessments or payments of assessments received by Otsego for the lots on Exhibit E shall be paid within 30 days to the City of Dayton. Otsego shall pursue all means of collection of delinquent assessments, and shall advise Dayton of all delinquencies and efforts being made to collect delinquent assessments. Otsego shall assess and bill the property owners and pay directly to Dayton any applicable assessment or fee for use of the Dayton service line. The portion of treatment capacity represented by the Otsego residents will be counted as a portion of Otsego's capacity. In the event service is provided Otsego, Dayton shall bill the Otsego for all fees for sewer service for the lots on Exhibit E on a quarterly basis and Otsego shall pay all amounts billed within 30 days of billing. Unpaid bills shall carry interest at the rate specified in paragraph 5 of this agreement. In the event of billing other than bills for service on a quarterly basis (i.e. payment for repair, meters, etc.) the same shall be sent to Otsego, which shall pay the same within 30 days of billing. All residents receiving service from and through the Dayton service line shall be subject to regulations established by Dayton.
5. **Initial Capital Contribution.** Dayton shall pay one-fifth (1/5) of the initial construction cost of the Plant. The initial construction cost shall be costs associated with the Plant which includes all preliminary engineering studies, plans and specifications, all costs associated with environmental review and obtaining a discharge permit, all costs of land acquisition for the plant site and discharge facilities to the Crow River, construction inspection costs, and all costs for actual construction of the Plant facilities as set forth in the approved plans and specifications as well as any approved change orders, which are necessary to allow for the construction and operation of the Plant (hereinafter change order).

It is the intention of the parties that Dayton shall be kept abreast of information on the progress and cost of construction on an ongoing basis. Consequently, Dayton shall be provided with information on the progress of construction, all proposed change orders when the same are received by Otsego and other information that will keep Dayton updated on

the project. If any proposed change order equals or exceeds 5% of Dayton's contribution to the initial construction cost Dayton shall be given at least 14 days notice of the proposed change order and, in its discretion, may terminate its their obligations under this agreement, subject to the retention by Otsego of all funds received to that date by Otsego from

Dayton, by providing written notice within 21 days of the notice provided by Otsego.

Otsego shall provide Dayton with an itemized billing of all costs listed above which have already been paid by Otsego to the date of this Agreement. Dayton shall make payment to Otsego for 20% of those costs previously paid by Otsego within 30 days after final execution of this Agreement. In the event that payment is not made by that date interest on that amount will accrue at a rate of interest 10% above the rate of any bonds sold by the City of Otsego for financing the project and commencing upon the date of this Agreement. If final payment of this amount is not made within 90 days after final execution of this Agreement Otsego, at its discretion, may terminate this Agreement and neither Dayton nor Otsego shall have any further obligation to the other with respect to the project. Payment as provided herein shall entitle it to the capacity allocation set forth herein.

All other bills received by the City of Otsego for any of the above mentioned costs after shall be immediately copied to Dayton along with a statement indicating the amount of that bill to be paid by Dayton. Dayton shall within thirty (30) days of receipt of such a statement make payment to Otsego for its portion of the bill submitted. If any such payment is not made within 30 days of receipt of said billing, interest will accrue as set forth above.

6. **Preliminary Costs.** All of those costs associated with land acquisition, and construction of the Dayton service line shall be borne by Dayton. If Otsego is requested to acquire the needed easements for construction of said line, in conjunction with its proceedings for land acquisition, all costs related to acquisition of necessary sanitary sewer easement for the Dayton service line shall be billed to Dayton at the time of expenditure, and Dayton agrees to promptly pay all such billings. The parcels for the Dayton service line shall be separately appraised and any settlement shall be subject to review by Dayton prior to acquisition.
7. **Agreement Termination.** The parties shall receive an updated estimate of initial construction costs and land acquisition costs (as defined previously in Paragraph 4 of this Agreement) for the facility two weeks prior to advertisement for bids. In the event that the actual construction cost, based upon bids received, and easement costs exceed that estimate by 10% of

said estimates, either Otsego or Dayton may terminate this Agreement and all future obligations thereunder. Dayton must exercise its rights of termination within fourteen (14) days of the receipt of the actual cost, based on bids received, and negotiated, or adjudicated settlements of easement acquisition costs. Otsego shall provide said costs within seven (7) days of its receipt of the same. In the event that Dayton terminates the Agreement, Otsego shall retain all funds received from Dayton prior to the date of termination.

8. **Ongoing Service.** Otsego hereby warrants and covenants that the Plant and necessary lines and appurtenances, shall be available to Dayton for the treatment and disposal of sewage in at least the amount of the capacity granted under this Agreement from time to time and as such capacity may be increased from time to time in conformance with this Agreement and in conformance with all applicable laws and regulations, except for periods of necessary or emergency maintenance, or in the event that the plant is forced out of operation by catastrophic events, including, but not limited to fire, flood, storm, war, or any other natural or man made catastrophe. The warranty is only to the extent of capacity as defined in this agreement. Otsego further warrants and represents that the Plant will be properly licensed for the disposal of sewage to the limits set forth in this Agreement

9. **Fee Formula.** Dayton shall pay a fee to Otsego for its share of operating expense of the Plant. It is the intent of this Agreement that the two communities equitably share ongoing costs of wastewater treatment operation and maintenance with fixed operating expenses shared based upon allocated capacity and variable expenses shared based upon flow volume. The fee to be paid by Dayton shall consist of two components; a portion of the fixed operating expense and a portion of the variable operating expense. Fixed Operating Expense shall include:

(a) Wages, salaries and related expense of all on-site employees while engaged in the operation of the Plant.

(b) Insurance premiums for property damage to the plant.

(c) The cost of heating, air conditioning and lighting necessary for the operation of the Plant.

(d) Laboratory and testing expense necessary for the operation of the Plant

(e) All regular plant maintenance and repair, including the costs of any contracted or additional costs necessary to affect proper maintenance and repair. Repairs are those actions necessary to maintain the structural integrity of the facility and its various

components, including maintenance and repair of access roads and fencing or other means of protecting or screening the facility. Due to the term of this Agreement, and potential extensions of the same, it is understood that proper maintenance and repair of the facility may from time to time include full replacement of certain facility components or structures. It is the intention of this Agreement that the facility be maintained and repaired so that it is in the same condition as a similar well maintained and repaired facility which has been in use for the same period of time (hereinafter "operating condition"). Otsego shall give at least thirty (30) days notice to Dayton of any proposed repair or replacement which will cost more than \$10,000. If Dayton does not agree to pay its share of said cost, it shall notify Otsego within 30 days of receipt of the notice. In the event Otsego still wants to proceed with the repair or replacement and to have Dayton share in the cost as provided herein, the same shall be submitted for determination the panel as established in paragraph 10 of this agreement. The panel shall decide if the proposed repair or replacement is necessary to maintain the plant's "operating condition."

Variable Operating Expense shall include the following:

- (a) The cost of materials and chemicals consumed in the treatment and disposal process at the Plant.
 - (b) The cost of sludge hauling and disposal.
 - (c) Other expenses incurred as a direct result of a statutory or State regulatory requirement.
 - (d) The cost of providing power for that machinery and equipment which may vary based upon the flow of sewage to the plant, for example aerators for the oxidation ditch and recirculation pumps.
1. Dayton, for its share of the Fixed Operating Expense, shall pay: an amount equal to the proportion of the capacity which is available to Dayton. Dayton is currently allocated 1/5 of the capacity of the plant and will thus pay 1/5 of the Fixed Operating Expense for the Plant. In the event Dayton is allocated additional capacity under the terms of this agreement, then its share of operating expenses shall be in the same proportion as the capacity it is allocated.
 2. Dayton for its share of the Variable Operating Expense shall pay an amount equal to the proportion of the number of gallons of sewage Dayton places into the Plant in relation to the overall flow to the Plant. By way example, if the overall flow to the Plant is 200,000

gallons and Dayton contributes 40,000 gallons to the overall flow, it would be responsible for 20% of the Variable Operating Expense. The amount of flow to the plant in total, or by either party, shall be determined by the flow meters at locations agreed by the City Engineers. The parties recognize that the variable expense can be impacted by the strength of the sewage and that the assumption for the sharing of variable expense set forth herein is that the strength of the sewage for each party is approximately the same.

3. An operating fund shall be established upon commencement of operation of the wastewater treatment plant and availability of sewer service to Dayton. At that time, and prior to any service delivery, Dayton shall deposit into that fund the estimated cost of one quarter of payment for operation of the facility. Thereafter, payments shall be made by the City of Dayton into the fund on a quarterly basis in an amount estimated by Otsego as the amount to be charged in that next quarter. Each year the fund shall be adjusted by additional charge to Dayton, or refund, based upon actual use. Any interest earned by Otsego on funds paid to it by Dayton under this paragraph, shall be credited to Dayton.
 4. The items listed above for fixed and variable operating expenses are intended by the parties to be a comprehensive list of expenses that will be incurred in the plant operation. The parties recognize, however, that there may be expenses which neither can anticipate at the time of this agreement. The parties therefore agree that if there is an expense necessary for the operation of the Plant that is not listed above, it shall be proportionally shared by the parties as set forth above. The parties shall agree as to whether the expense is an operating expense and if so, whether it is a fixed or variable expense. In the event the parties cannot agree on whether it is a necessary operating expense or whether it is a fixed or variable expense, the matter shall be submitted to binding arbitration pursuant to paragraph 10 of this agreement.
10. **Right to Review.** If either party wishes to challenge any the amount of payment due, it shall be free to do so at its own expense, with the following conditions:

Flow determination. Either party may challenge the amount or percentage of flow that goes into the sewer line(s) serving Dayton by arranging for and paying the cost of flow monitoring. The results of said flow monitoring shall be provided to the other party, along with all supporting documentation. The non-challenging party shall have 30 days to accept the results as presented or to undertake, at their

expense, their own flow monitoring. If no action is taken by the non-challenging party within that time period, the flow determination as presented shall be deemed binding on both parties. If the non-challenging party decides to challenge the results, it shall have 45 days within which to complete the monitoring and present the results. If the second monitoring produces a different result, the matter shall be submitted to panel consisting of the city Engineer from Dayton, the City Engineer from Otsego and a third party chosen by the two Engineers. The cost of the third engineer shall be split evenly between the parties. The determination of the panel shall be final as to the amount of flow attributable to Dayton. The panel shall prescribe its own procedure for reaching a decision, provided that each side will be afforded

the reasonable opportunity to present evidence and make inquiry of the opposing party.

Fee determination. If Dayton wishes to challenge the fee claimed by Otsego or the calculations associated with it, Otsego will make available to Dayton all the records necessary to complete its review within two weeks of the request. In the event Dayton and Otsego cannot agree on the fee to be charged to Dayton, the dispute shall be submitted to binding arbitration before a panel to be selected by the parties at the time of the dispute.

11. **Ownership and Maintenance of Lines.** Dayton shall pay for, own and maintain all sewer lines constructed within its boundaries, and the Dayton service line. Dayton shall regularly maintain said lines so as to keep them in good operating order. Dayton shall regularly inspect the lines and immediately correct any problem which could adversely affect Otsego's facilities or the Plant or which could result in inaccurate readings of flow through said lines.

Otsego shall pay for, own and maintain the sewer lines constructed within its boundaries, with the exception of the Dayton service line. Otsego shall regularly maintain said lines so as to keep them in good operating order. Otsego shall regularly inspect the lines and immediately correct any problem which would adversely affect or interfere with delivery of service to Dayton. All services provided at the Plant by Otsego shall be done in compliance with all applicable laws and regulations.

12. **Expansion.** It is the intention of the parties to freely allow the expansion of the Plant capacity by Dayton or Otsego for its use, but to limit the use of unused capacity assigned to either party to an agreement between the parties. Dayton may request expansion of the facility to accommodate additional sewage disposal needs of Dayton, under the following conditions:

(a) Dayton, on behalf of Otsego has Minnesota Pollution Control Agency (MPCA) approval for the proposed expansion of the Plant, if any is required. Otsego shall cooperate with Dayton in obtaining any necessary MPCA approval.

(b). Dayton has secured plans for the expansion of the Plant from an engineer/architect approved by Otsego and properly licensed by the State of Minnesota to design such a facility and the plans are approved by Otsego, which approval shall not be unreasonably withheld.

(c). Dayton has demonstrated that it has the financing to pay for the proposed expansion, by either an approved bond issue, cash, or loan.

(d). The expansion shall not cause the overall capacity to Dayton to exceed 1.0 million gallons per day, nor shall it at any time cause Dayton to have more than 49% of the available capacity of the plant.

(e) If the request for expansion is to utilize unused capacity, approval by Otsego.

If, at the time of Dayton's request for expansion of capacity, the Plant has unused capacity, the City of Dayton shall be allowed use of that capacity, provided conditions (a), (d) and (e) are met.

Dayton shall be allowed the expanded capacity within ninety (90) days of notice to Otsego, in the event there is unused capacity available. In the event Dayton is requesting Plant expansion, Otsego shall act on any necessary building or other required permits from Dayton within 120 days of the request, upon satisfaction of (a) - (d) above. Provided, however, that Dayton shall, if requested by Otsego within 10 days of Otsego getting notice from Dayton of a proposed expansion, meet and confer on the advisability of a plant expansion in a greater amount, to accommodate a use of the additional capacity by Otsego. In the event Otsego determines a need for additional capacity, the cost of any plant expansion shall be borne by the parties jointly in proportion to the amount of capacity each is receiving from the expanded plant. For example, if Dayton is receiving an additional 20,000 gallons and Otsego is receiving an additional 10,000 gallons, Dayton shall bear 2/3 of the expense and Otsego 1/3 of the expansion expense. In the event either party does a plant expansion without the other, that party shall be solely responsible for the cost of the expansion. Otsego shall make a determination as to whether it wants additional capacity no later than 90 days after receipt of notice of proposed expansion by Dayton. Regardless of which party is expanding the Plant, the parties agree to cooperate to the extent necessary to accomplish the Plant expansion authorized by this Agreement.

If Dayton has expanded the Plant as provided above and there is unused capacity, Otsego may request utilization of any unused capacity. Authorization to use such unused capacity shall be subject to approval by Dayton.

In the event either party uses unused capacity of the other, it shall pay to the other party a portion of the initial construction cost for said capacity in proportion to the capacity used. For example, if Dayton is utilizes another 40,000 gallons of original plant capacity, it shall pay an additional 1/5 of the initial construction costs. If Dayton expands and Otsego uses 1/5 of the expanded capacity, Otsego shall pay to Dayton 1/5 of Dayton's cost for the expanded capacity. Such amount shall be paid before either party has a right to use the additional capacity.

It is the intent of the parties to provide for equitable cost sharing of plant construction as a whole, recognizing that the initial construction cost will likely be higher than subsequent expansions of capacity. Therefore, in the event of expansion, an adjustment shall be made to take into account the overall plant cost. This shall be accomplished by adding the cost of the expansion to the initial construction cost to determine an overall plant cost. The overall plant cost shall then be divided by the gallon capacity of the plant, to arrive at a per gallon cost. Each party shall be responsible for the per gallon cost times the number of gallons of capacity allocated to it after expansion of the plant. After the payment for the construction of the expansion as set forth above, one party shall make a payment to the other so that both parties have paid an amount equal to their gallon capacity times the per gallon cost. The party required to make payment to the other under this formula shall not use any additional capacity until the amount owed to the other party is paid.

13. **Otsego Remedies.** In the event Dayton violates any provision of this agreement by non-payment, Otsego shall have the right to bring an action for payment after giving 30 days written notice of the default. If Dayton does not fulfill its obligations under this agreement in any other way, Otsego shall give 10 days written notice of the default. Dayton shall have 10 days to cure the default or to set forth a plan for curing the default within a reasonable time, in light of the nature of the default and other relevant circumstances. If Dayton fails to cure the default or put forward a reasonable plan for curing the default, Otsego may seek appropriate injunctive or other appropriate equitable relief. The foregoing is not a limitation on other legal or equitable remedies which Otsego may have available to it.

14. **Dayton Remedies.** In the event Otsego fails to fulfill its obligations, warranties and representations the City of Dayton shall provide 30 days written notice of said failure to Otsego. Otsego shall have 10 days to cure the default or to set forth a plan for curing the default within a reasonable time, in light of the nature of the default and other relevant circumstances. Provided, however, that if a default by Otsego results in sewer service to the City of Dayton below Dayton's allocated capacity under this agreement, Otsego must immediately correct the problem upon Written Notice by the City of Dayton. If Otsego fails to cure said default, Dayton may seek appropriate injunctive or other equitable relief. The foregoing is not a limitation on other legal or equitable remedies which Dayton may have available to it.
15. **Notice and Termination.** Dayton shall have the right to terminate this Agreement at any time, but not until initial construction of the plant has been completed and Dayton has paid all of its share of initial construction costs. If a scheduled or requested expansion of the plant has been undertaken, Dayton shall not be able to request termination of this Agreement until after completion of construction of any such expansion and payment of Dayton of all of its share of capital costs and related expenses incurred due to the plant expansion. The termination shall take effect two (2) years after written notice is given by Dayton of its intention to terminate the Agreement. In the event of termination, all obligations of Dayton to make payment to Otsego, except for funds expended prior to the date of termination shall cease upon the effective date of the termination. In the event that this Agreement is terminated prior to its term, for whatever reason, ownership of the Dayton service line shall immediately revert to Otsego.

In the event this Agreement is terminated prior to its terms, for whatever reason, Otsego shall be obligated to pay to Dayton a sum equal to 1/75th of the original price of the **sanitary sewer** easement times the number of years remaining at the time of termination from the year of execution of this Agreement and a date 75 years therefrom, if that price is acceptable to Dayton. Dayton shall have 30 days to accept the foregoing sum. In the event of acceptance, Dayton shall execute a deed conveying its interest in said **sanitary sewer** easement. While Otsego is obligated to pay the foregoing minimum sum, it is free to make an additional offer if it chooses. Upon termination of the agreement, neither the sanitary sewer easement or improvements constructed therein may be used by Dayton to convey sewage to or from any sewage to or from any sewage treatment facility other than the Plant.

16. **Land Application Of Sewage Sludge.** In the event that Otsego is not able to find adequate areas outside of both Cities for land application of sewage sludge, by contract or otherwise,

and sewage sludge must be applied to lands within its boundaries, Dayton agrees to provide appropriate disposal capacity for application of sludge in proportion to its share of the existing plant capacity at that time. Dayton's responsibility to provide such disposal capacity shall increase or decrease over time in relation to its proportion of existing plant capacity.

17. **Term.** This agreement shall be in effect for twenty five (25) years from the date hereof and shall be renewable by Dayton upon the same terms and conditions for two (2) additional twenty five (25) year terms following the initial term. Dayton must give written notice of its intention to renew the agreement at least six (6) months prior to the end of the initial or renewal term. Following the initial three (3) terms set forth above, Otsego agrees to enter good faith negotiations with Dayton concerning extension of this agreement if requested by Dayton. Any such request shall be made at least 1 year prior to termination date of this agreement.
18. **Indemnity.** Dayton shall defend and indemnify Otsego for any claims arising from Dayton's operation of sewer lines within the boundaries of Dayton and the Dayton service line. Otsego shall defend and indemnify Dayton for any claims arising from its operation of the Plant or sewer lines located within the boundaries of Otsego, except for claims arising from the Dayton service line.
19. **Modification Of Agreement.** This Agreement may be modified only by written agreement of both parties.
20. **Notice.** All notices required by this Agreement shall be in written form and shall be deemed delivered upon its receipt by the City Clerk of either party. Notice may be made by personal delivery, mail or facsimile.

WHEREFORE, the parties have agreed to the foregoing terms.

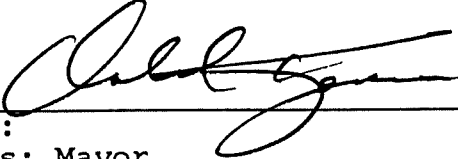
THE CITY OF OTSEGO

Larry Lounie Dated: 4-26-99
By:
Its: Mayor

Elaine Beatty Dated: 4/26/99
By:
Its: City Clerk



THE CITY OF DAYTON

 Dated: 4/13/99
By:
Its: Mayor

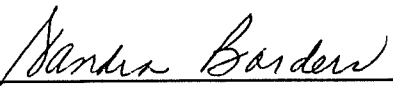
 Dated: 4-13-99
By:
Its: City Clerk

EXHIBIT A

Sewer Line Exception

PID 118-802-011100

Permanent easement for utility purposes over, under and across the north 30.00 feet of the NE $\frac{1}{4}$ of Section 1, Township 120, Range 23, except the road.

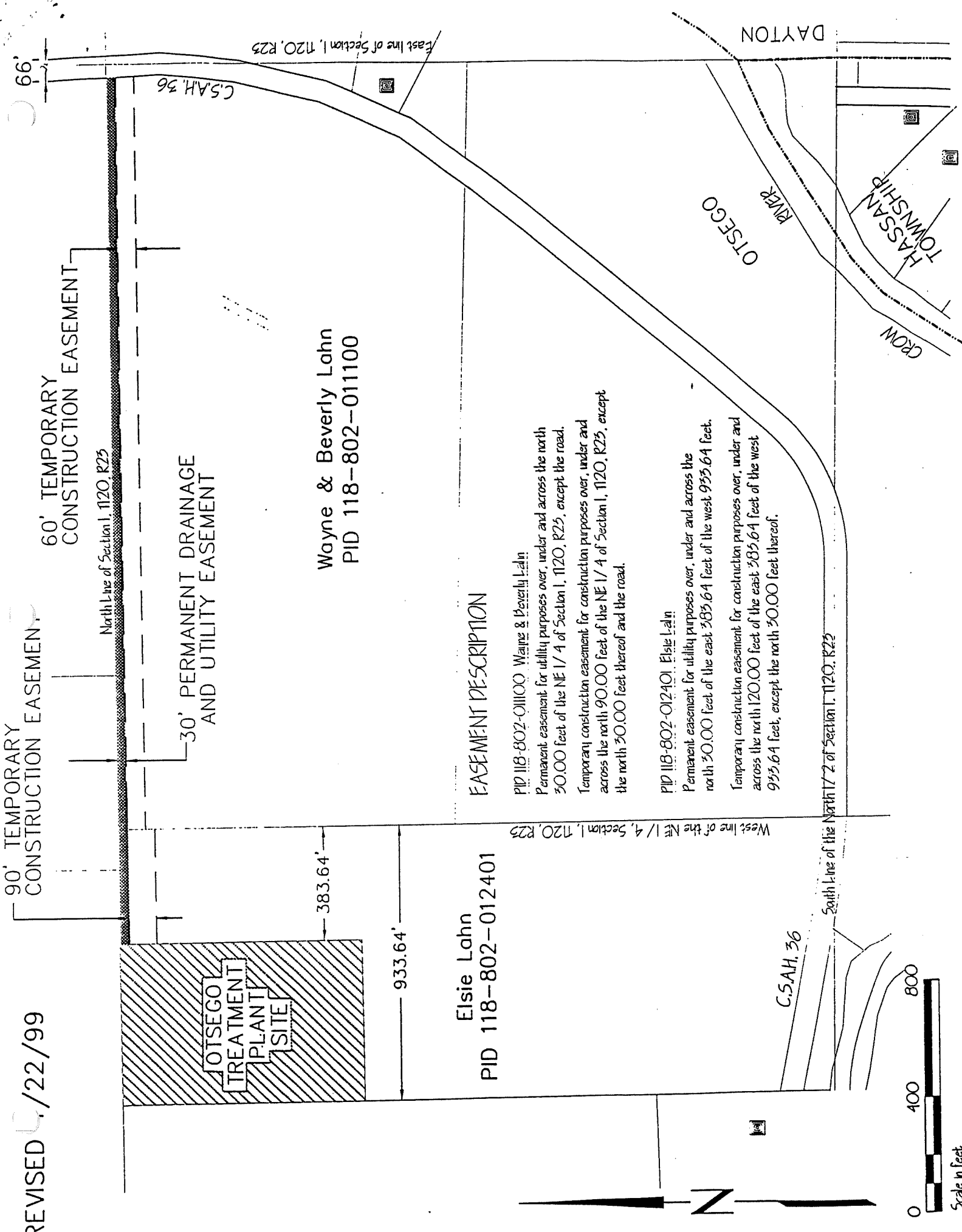
Temporary construction easement for construction purposes over, under and across the north 90.00 feet of the NE $\frac{1}{4}$ of Section 1, Township 120, Range 23, except the north 30.00 feet thereof and the road.

PID 118-802-012401

Permanent easement for utility purposes over, under and across the north 30.00 feet of the east 383.64 feet of the west 933.64 feet.

Temporary construction easement for construction purposes over, under and across the north 120.00 feet of the east 383.64 feet of the west 933.64 feet, except the north 30.00 feet thereof.

REVISED 6/22/99



EASEMENT DESCRIPTION

PID 118-802-011100 Wayne & Beverly Lahn
 Permanent easement for utility purposes over, under and across the north 30.00 feet of the NE 1/4 of Section 1, T120, R25, except the road.
 Temporary construction easement for construction purposes over, under and across the north 90.00 feet of the NE 1/4 of Section 1, T120, R25, except the north 30.00 feet thereof and the road.

PID 118-802-012401 Elsie Lahn
 Permanent easement for utility purposes over, under and across the north 30.00 feet of the east 383.64 feet of the west 933.64 feet.
 Temporary construction easement for construction purposes over, under and across the north 120.00 feet of the east 383.64 feet of the west 933.64 feet, except the north 30.00 feet thereof.



EXHIBIT B

Lahn Property Description

The north 800.00 feet of the west 550.00 feet of the following described property:

That part of the Northwest Quarter and that part of the Southwest Quarter of Section 1, Township 120, Range 23, Wright County, Minnesota, described as follows: Commencing at the Southwest corner of said Northwest Quarter; thence on a bearing of North (assumed bearing) at the west line of said Northwest Quarter, a distance of 466.18 feet; thence South 83 degrees 7 minutes 30 seconds East, a distance of 237.23 feet; thence South 78 degrees 11 minutes 10 seconds East a distance of 466.11 feet; thence South 78 degrees 32 minutes 37 seconds East, a distance of 1012.22 feet to the actual point of beginning said point being on the center line of Wright County Highway Number 36; thence North 0 degrees 13 minutes 39 seconds West, a distance of 2203.94 feet to the north line of Northwest Quarter; thence North 89 degrees 41 minutes 03 seconds East along said north line, a distance of 941.80 feet to the northeast corner of said Northwest Quarter; thence South 0 degrees 13 minutes 39 seconds East along the east line of said Northwest Quarter, a distance of 2359.48 feet to the centerline of said Wright County Highway Number 36; thence North 88 degrees 52 minutes 34 seconds West along said centerline, a distance of 77.97 feet; thence westerly along said centerline on a tangential curve concave to the north, having a radius of 1591.87 feet and a central angle of 10 degrees 20 minutes 17 seconds, a distance of 287.23 feet; thence North 78 degrees 32 minutes 37 seconds West along said centerline tangent to said curve, a distance of 45.50 feet; thence South 23 degrees 30 minutes 58 seconds West, a distance of 155 feet more or less to the waters edge of the Crow River; thence northwesterly and westerly along said waters edge, a distance of 500 feet more or less to a line which bears South 0 degrees 13 minutes 39 seconds East from the point of beginning; thence North 0 degrees 13 minutes 39 seconds West along said line, a distance of 124 feet more or less to the point of beginning.

Together with a permanent easement for utility, ingress and egress over, under and across the west 50.00 feet of the above described property lying southerly of the north 800.00 feet thereof and northerly of the centerline of County State Aid Highway No. 36.

Together with a permanent easement for utility purposes over, under and across the east 40.00 feet of the west 80.00 feet of the above described property lying southerly of the centerline of County State Aid Highway No. 36.

Together with a permanent easement for utility purposes over, under and across the east 30.00 feet of the west 80.00 feet of the above described property lying northerly of the centerline of County State Aid Highway No. 36 and southerly of a line 40.00 feet northerly of, as measured at right angles, and parallel with said centerline.

JOINT POWERS AGREEMENT

WHEREAS, the City of Rogers (hereinafter "Rogers") and the City of Dayton (hereinafter "Dayton") are municipal corporations under the laws of Minnesota; and

WHEREAS, Rogers has a public sewer system which is capable of providing service to property within Dayton; and

WHEREAS, Dayton has certain properties with failing on-site septic systems primarily built in the 1970's, in the area shown on Exhibit A; where it is impractical or impossible to replace the systems with another on-site system; and

WHEREAS, both the cities of Dayton and Rogers are interested and concerned about the environment, and the extension of public sewer to the area will have both the short and long-term effect of enhancing the lake quality of Diamond Lake; and

WHEREAS, Rogers is willing under the terms of this agreement to make its public sewer available to the limited amount of property in Dayton where said septic systems are failing; and

WHEREAS, both Dayton and Rogers have the power to provide sewer service to private property, and therefore, can exercise the power jointly under Minn. Stat. §471.59;

NOW, THEREFORE, IT IS HEREBY AGREED upon this 23rd day of July, 1996, pursuant to Minn. Stat. §471.59, between Rogers and Dayton as follows:

1. Purpose. The purpose of this agreement is for Rogers to provide public sewer service to a limited number of properties within the City of Dayton under the terms of this agreement.

2. Permission to Connect. Buyer will permit up to 50 single-family residential dwelling connections to its sewer system within the Service Area shown on Exhibit A (hereinafter the Service Area). Within the Service Area the properties that will connect will be determined by Dayton, with priority given to properties with failed systems. Dayton does not need to allocate all 50 connections upon construction, but may reserve some of potential connections for future use. This prohibition on connection shall continue until such time as the sewage from the Service Area no longer flows to Rogers.

3. Construction. Dayton shall be responsible for construction of all necessary pipes, leads, valves and other appurtenances to allow the Service Area to connect with the Rogers' sewer system near Mallard Drive and County Road 144. Dayton shall be responsible for all such construction cost and may assess or otherwise charge properties as deemed appropriate by Dayton. All construction shall be done to specifications consistent with the applicable standards and regulations, including any applicable Rogers' construction standards. Rogers shall review and approve construction plans before the commencement of construction and may, to the extent desired, monitor actual construction to assure compliance with applicable Rogers' standards.

4. Charges for Service. For the sewer service provided, Dayton shall pay Rogers a connection fee of \$1,950.00 for each connection, at the time a connection to the sewer system is made. The connection charge consists of \$1,000.00 sewer access charge, \$800.00 trunk area charge, and \$150.00 water meter purchase charge. The \$1,950.00 connection fee, is the initial connection fee, and may be changed by the City of Rogers consistent with Paragraph 5 below. After connection, Dayton shall pay for ongoing sewer service at the same rate as Rogers charges its residents. The payment shall be made by Dayton on a quarterly basis. The payment made by Dayton shall be accompanied by a Water Use Report or estimate; provide, however, that at least once per year each meter shall be read for actual usage.

5. Regulations, Prohibitions and Rates. Property owners in Dayton using the sewer system shall be subject to the same rates, charges, fees and regulations, limitations, prohibitions and restrictions applicable to users in Rogers, existing now or hereinafter adopted by Rogers, including, but not limited to, connection charges, hook-up fees, periodic charges for service, limitations on the type of sewage which may be discharged and limitations and prohibitions on discharge of storm water or groundwater runoff, including specifically prohibition or restrictions on storm water or ground water inflow or infiltration into the sewer system. Before any rate, charge, fee, regulation, limitation, restriction or prohibition is effective against property in Dayton, Rogers shall give at least four (4) months notice to Dayton of the proposed change, so that Dayton will have an opportunity to appropriately amend its Ordinances and Regulations. If Dayton fails to amend its Ordinances and Regulations to conform to the prohibitions, regulations, limitations and restrictions Rogers imposes on its users within the boundaries of Rogers, Rogers may, after first giving Dayton 60 days written notice of needed changes, and Dayton's failure to make such changes, elect to terminate this Agreement. Dayton shall afford Rogers the right, during reasonable business hours, to read the meters in the lift station in Dayton.

6. Maintenance. Rogers agrees to maintain the public sanitary sewer system and the forcemain within the corporate boundaries of the City of Rogers. The City of Dayton shall maintain the sanitary sewer system and forcemain within the corporate boundaries of the City of Dayton and the Township of Hassen.

7. Rogers' Assistance. Rogers will assist Dayton by answering questions and providing information concerning maintenance, billing and other common areas of concern between the cities.

8. Dayton Ordinance. Rogers shall be provided with the opportunity to review and comment on any proposed ordinances adopted by Dayton which regulate the sanitary sewer system, its use or charges therefor. The adoption of necessary ordinances regulating use shall be done prior to the commencement of service to Dayton.

9. Arbitration. All disputes between the parties shall be resolved by arbitration pursuant to Minn. Stat. Chpt. 572. Arbitrators shall be appointed through application to the Hennepin County District Court.

10. Contingencies. This agreement is contingent upon all necessary approvals by the Minnesota Pollution Control Agency and the Metropolitan Council for the sewer service described herein.

11. Term of Agreement. This Agreement shall remain in full force and effect until the Service Area can be served by a sewer system operated by Dayton.

IN WITNESS WHEREOF, the undersigned, as of the date set forth above, being fully authorized, on behalf of the Cities of Rogers and Dayton, agree to the terms set forth above.

CITY OF ROGERS

CITY OF DAYTON

By: [Signature]
Mayor

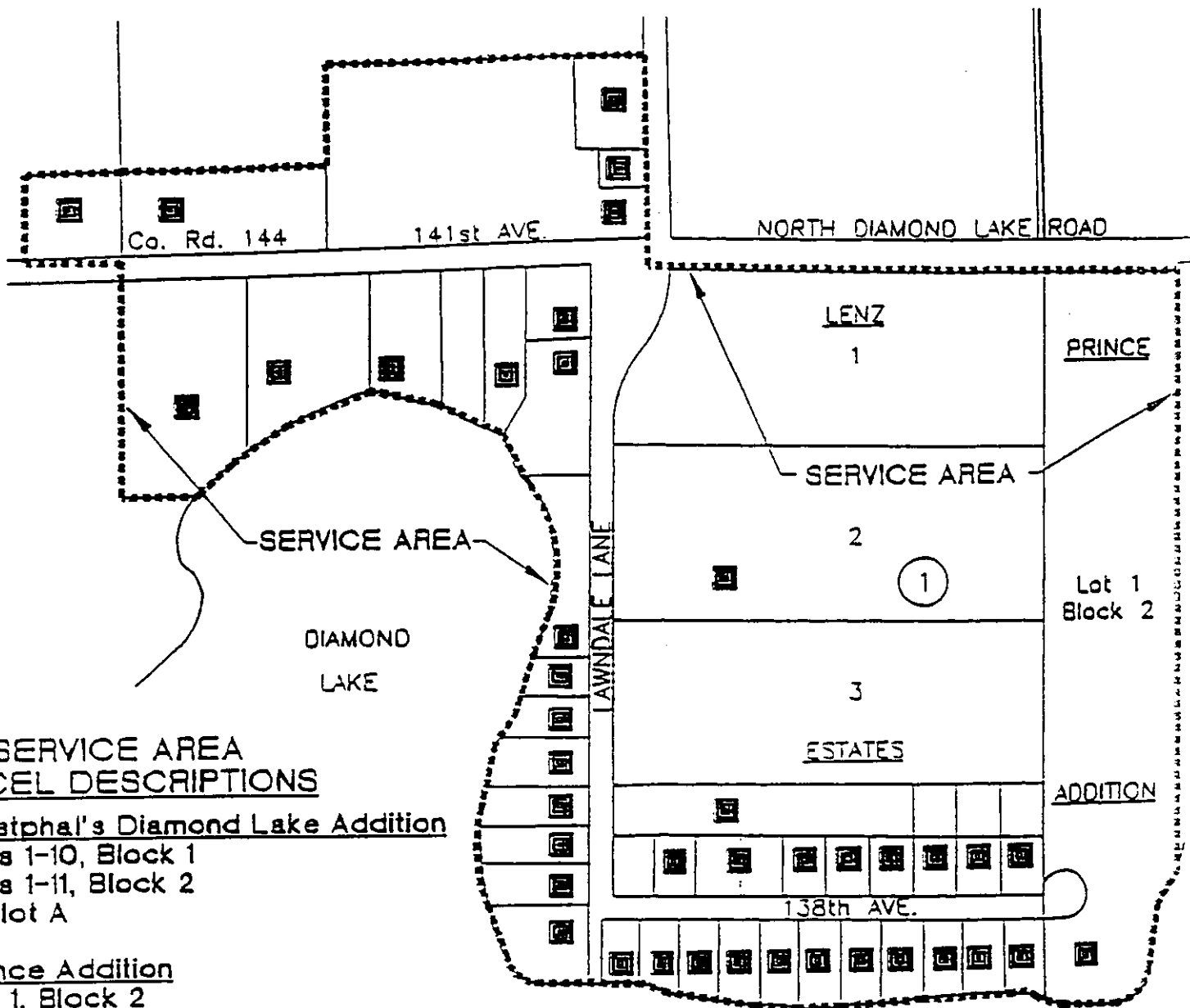
By: [Signature]
Mayor

Attest:

Attest:

[Signature]
City Clerk

[Signature]
City Clerk



**SERVICE AREA
PARCEL DESCRIPTIONS**

Westphal's Diamond Lake Addition

Lots 1-10, Block 1
 Lots 1-11, Block 2
 Outlot A

Prince Addition

Lot 1, Block 2

Lenz Estates

Lots 1-3, Block 1

Anderson's Diamond Lake Addition

Lots 1-3, Block 1



N 1/2 Section 18

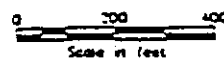
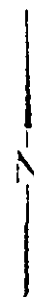
Parcel 011-01 thru 011-08
 Parcel 014-01 thru 014-04

S 1/2 Section 07

Parcels 043-01, 044-02, 044-03, 044-07, 044-10

LEGEND

Service Area 
 Existing House 



SANITARY SEWER SERVICE AREA TO
 ROGERS (MAXIMUM 50 CONNECTIONS)

DAYTON, MINNESOTA

EXHIBIT A

NORTH SIDE DIAMOND LAKE SANITARY SEWER



**AGREEMENT FOR UTILITY SERVICES
BETWEEN THE CITY OF ROGERS
AND THE CITY OF DAYTON**

THIS AGREEMENT is entered into this 13th day of Nov., 2015, with an effective date as indicated in Section 15 below, by and between the **City of Dayton**, a Minnesota municipal corporation, 12260 South Diamond Lake Road, Dayton, Minnesota 55327 (hereinafter the “Dayton”) and **City of Rogers**, a Minnesota municipal corporation, 22350 South Diamond Lake Road, Rogers, Minnesota 55374 (hereinafter “Rogers”; Dayton and Rogers sometimes individually “City” and collectively “Cities”).

WHEREAS, Dayton desires to temporarily purchase sewer service for no more than 10 years or December, 2025 and purchase water utility services for the term of this Agreement, (hereinafter collectively “Utility Service”) from Rogers for the Property as depicted on and described on Exhibit A (hereinafter the “Property”); and

WHEREAS, Rogers is willing to supply Utility Service for a discreet area of Dayton on the terms set forth below; and

WHEREAS, Dayton has approved a development which will entail the construction of roadway and other infrastructure in the area to be served and Dayton is willing to construct certain improvements within Rogers; and

WHEREAS, Rogers is willing to allow construction of improvements by Dayton within its boundaries and upon right of way or other property under Roger’s control; and accept the completed improvements as public improvements; and

WHEREAS, nothing in this Agreement shall be construed to be annexation by Dayton of any property within Rogers;

NOW, THEREFORE, it is hereby agreed, by and between the Cities as follows:

1. **INCORPORATION.** The foregoing recitals are incorporated into this Agreement.
2. **TERM OF CONTRACT.** This contract shall be perpetual. Provided, however, parts of this Agreement may be modified prior to its expiration as provided herein and may be extended only upon written agreement of both Cities.
3. **WATER SERVICE.**
 - a. Rogers will provide water to Dayton from the Rogers' water works system for the area of Dayton shown on the attached Exhibit A marked Utility Service Area in a sufficient quantity to meet an average daily demand of 86,000 gallons per day.
 - b. Rogers will furnish water at the connection point shown on Exhibit A ("Water Connection Point"), at a construction/project cost to be determined and paid by the City of Dayton or their developer. Rogers will provide adequate water supply and pressure for the intended industrial/warehouse uses similar to what has been provided to comparable projects such as the Liberty Industrial Project at Diamond Lake.
4. **SANITARY SEWER SERVICE.**
 - a. Rogers will provide sanitary sewer service for the area of Dayton shown on Exhibit A marked Utility Service Area.
 - b. Rogers will provide a connection point for sanitary sewer as shown on Exhibit A ("Sewer Connection Point").
 - c. Future capacity/flow for Rogers and Dayton properties serviced in this area: In accordance with requests by Metropolitan Council Environmental Services ("MCES"), Dayton will agree to accept the flow from the Rogers lift station, located at Brockton Lane and 124th Ave, into their sanitary sewer system by December, 2025. As Dayton develops their future system, a master plan for the ultimate discharge should be completed as part of the development plan. Rogers understands that there may be oversizing in Dayton's future trunk sewer lift station, and forcemain, due to the Rogers flow, that will discharge to the existing trunk sewer system located at Troy Lane. Rogers will agree to pay for the appropriate upsizing of the liftstation pumps and/or forcemain.

- d. South of CSAH 81: Dayton will consider accepting sanitary sewer flow from the area located south of County State Aid Highway 81, west of Brockton Lane and north of I 94 through Dayton to the Elm Creek interceptor. This would occur at the time that Dayton extends sanitary sewer service to properties located adjacent to Brockton Lane at Territorial Road and the connection point would be at the intersection of Brockton Lane and Territorial Road.
5. **UTILITY SERVICE CONSTRUCTION.** Dayton will cause and pay for the construction of the Utility Service and Roadway Improvements to be done in accordance with the plans attached hereto as Exhibit B (“Preliminary Plans”). The Preliminary Plans call for construction activity and the placement of infrastructure improvements within Rogers, on the Property. Provided, however, that if any work related to the Utility Service or Roadway Improvements calls for work to be done within right of way controlled by Rogers, Rogers hereby grants Dayton, its agents, employees and contractors a license to install the Utility Services and Roadway Improvements in accordance with the Preliminary Plans and that in that event, the same may be kept in said right of way and easement areas as shown on the Preliminary Plans during the term of the Agreement. Work on the same shall not commence before April 1, 2016 and shall be completed in multiple phases as buildings are constructed.
6. **UTILITY SERVICE MAINTENANCE.** Dayton shall be responsible for the maintenance of all Utility Service lines within Dayton, facilities or appurtenances shown on the Preliminary Plans in such a manner that they will function as intended and will not cause harm to Rogers’ utility system. Following installation, the Roadway and Utility Improvements located in Rogers shall be maintained by Rogers.
7. **OPERATION.** Dayton agrees that the Utility Services provided for in this Agreement shall be governed by the applicable rules, regulations, and ordinances that Rogers has in effect, or hereinafter adopted for the operation of the Utility Services provided herein. At the request of Rogers, Dayton shall, prior to Utility Services becoming operational, adopt regulatory provisions necessary to effectuate uniform regulations with Rogers. The City of Dayton connections agree to abide by the current sewer use ordinance for rate and strength.

8. UTILITY SERVICE FACILITIES.

- a. Rogers shall own and operate all facilities necessary to the supply, production, storage and transmission of water to the Water Connection Point and all facilities necessary for the collection, transmission and disposal of waste to the Sewer Connection Point.
- b. Flow, transmission and distribution of water and the collection and transmission of waste from the respective Water and Sewer Connection Points and extending into Dayton shall be metered by meters read at the buildings for facilities constructed on the Property. All facilities and connections shall conform to the applicable requirements of the Minnesota Department of Health, Metropolitan Council and requirements of other regulatory agencies which have applicable regulations. Meters shall be read by Dayton and reported to Rogers.
- c. The construction of all facilities necessary to connect to the Rogers utility system, whether shown on the Preliminary Plans or not, shall be at the sole expense of Dayton.
- d. Dayton shall allow reasonable inspection by Rogers of the Utility Services in Dayton which are connected to the Rogers system, both during construction and thereafter, upon request.
- e. Dayton shall keep accurate records of construction of Utility Services as provide herein and shall provide as built drawings of the same.
- f. Dayton shall report meter flows as determined under Paragraph 8b above and shall provide quarterly reports of flows to Rogers. Books and records supporting such reports shall be available to Rogers upon request.

9. TRUNK FEES.

- a. **Water Trunk Fee.** Dayton shall pay a water trunk fee to Rogers in the amount charged by Rogers per acre for buildable acres in the year that the building is constructed (as prescribed in the Rogers trunk fee program). The 2015 fee schedule is shown on the attached Exhibit C.

Said amount shall be due at the time the buildable acres are approved as part of a final plat.

Water Availability Charge. At the time of building permit issuance for any building within the Utility Service Area, Dayton shall pay to Rogers the Water Availability Charge in effect in Rogers for comparable development in Rogers as calculated by the Rogers Public Works Superintendent.

b.

c. c.

d. **Sanitary Sewer Trunk Fee.** All Sewer Trunk fees shall be paid to Dayton for properties developed in Dayton.

e. SAC fees will be paid to Dayton for properties developed in Dayton.

10. RATES AND REGULATION. Dayton shall pay Rogers on a quarterly basis or at other times as agreed upon on writing by the Cities for sewer and water service provided under this Agreement at the same rates as paid by comparable users in Rogers. Utility service to property in Dayton under this Agreement shall be subject to the same terms, conditions, ordinances and regulations as comparable users in Rogers.

11. BILLING. Dayton shall bill their users using Rogers current rates, including any conservation program and then send Rogers the invoiced fees, not what is actually collected, within 30 days of the end of the quarter. It will be important to Dayton users that this is completed on a monthly basis due to the rates that are charged due to the conservation calculation. Dayton shall provide a copy of utility bills with the payment that is submitted to Rogers.

12. DEPARTMENT OF HEALTH FEE. Dayton shall pay any applicable State mandated Department of Health fee and/or sales tax for connection to the Rogers' water system.

13. TERMINATION/DEFAULT. Following an initial minimum term of 3 years Dayton may choose to cancel the use of services from Rogers upon 90 days notice. Rogers may terminate Dayton's use of services only upon material breach of the terms of this Agreement by Dayton. Provided, however, that such termination by Rogers shall not be effective unless

Rogers has given Dayton 30 days notice and Dayton fails to cure the default within the 30 day notice period, or such longer period as is reasonably necessary to cure the default.

14. NON-WAIVER. The failure by either City to enforce any provision of this Agreement shall not constitute a waiver of its right to enforce the section not enforced, or any other section of this Agreement.

15. EFFECTIVE DATE. This Agreement shall be effective upon the last date signed by the Cities, as indicated below.

Signatures to follow on next page

IN WITNESS WHEREOF, the Cities have subscribed their names as of the day and year indicated below.


CITY OF ROGERS

11.20.2015
Date


By: Rick Ihli

Its: Mayor


11.20.2015
Date


By: Stacy Scharber

Its: City Clerk

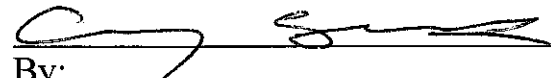
CITY OF DAYTON

11-13-15
Date


By: _____

Its: Mayor

11-13-15
Date


By: _____

Its: Deputy clerk

EXHIBIT A

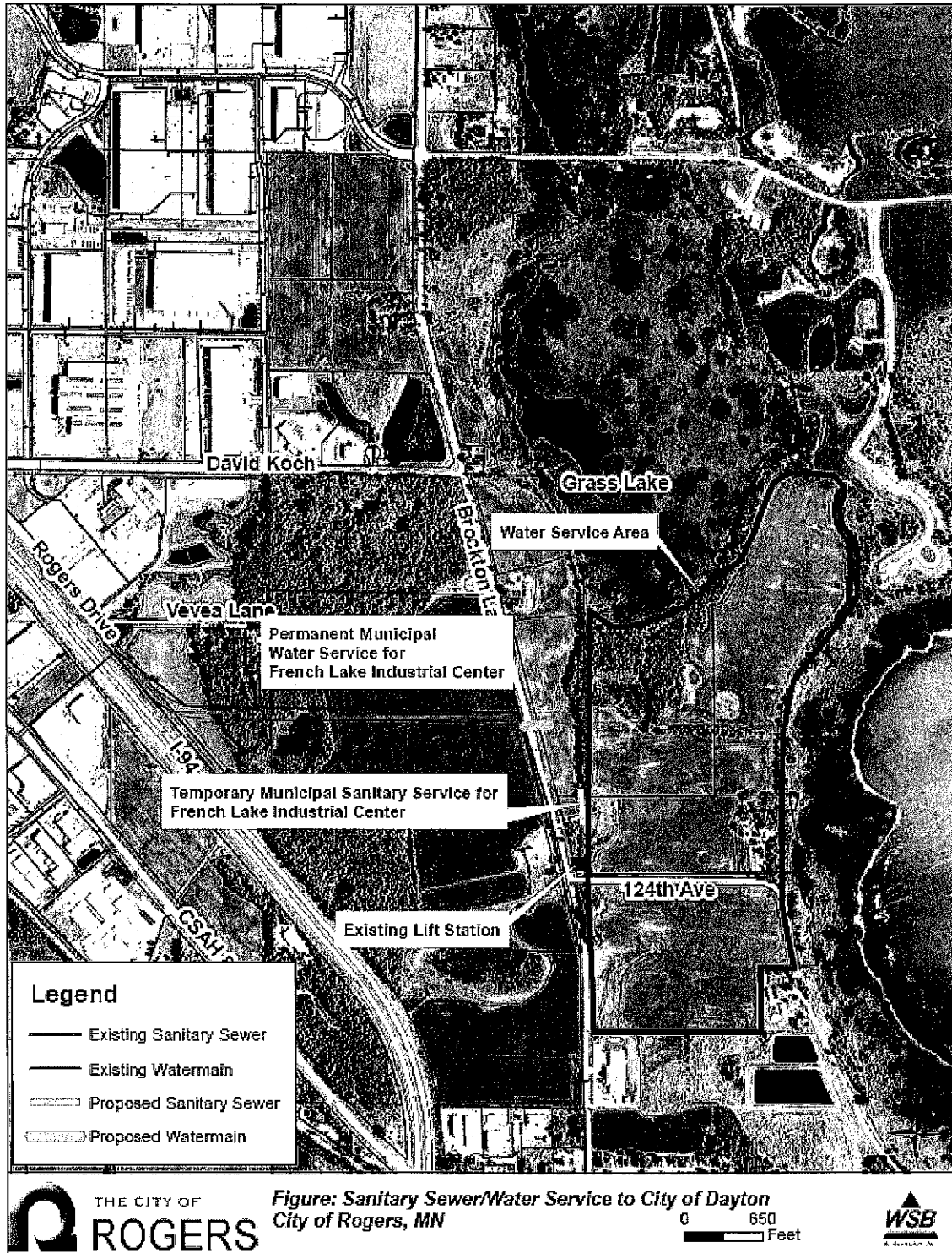


EXHIBIT B

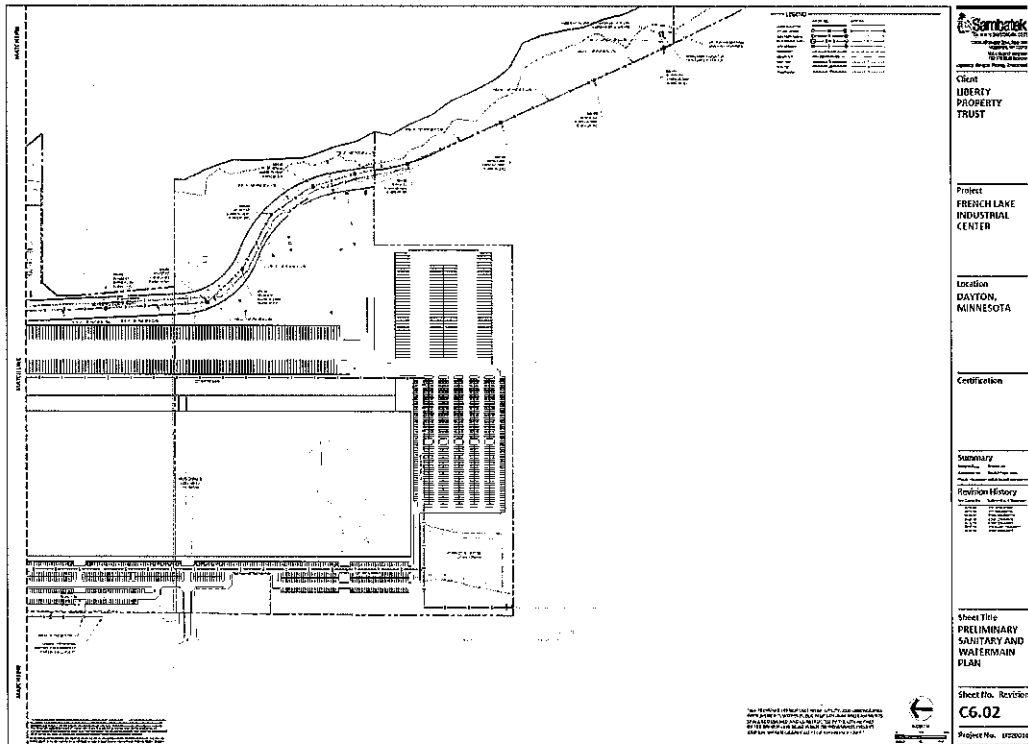
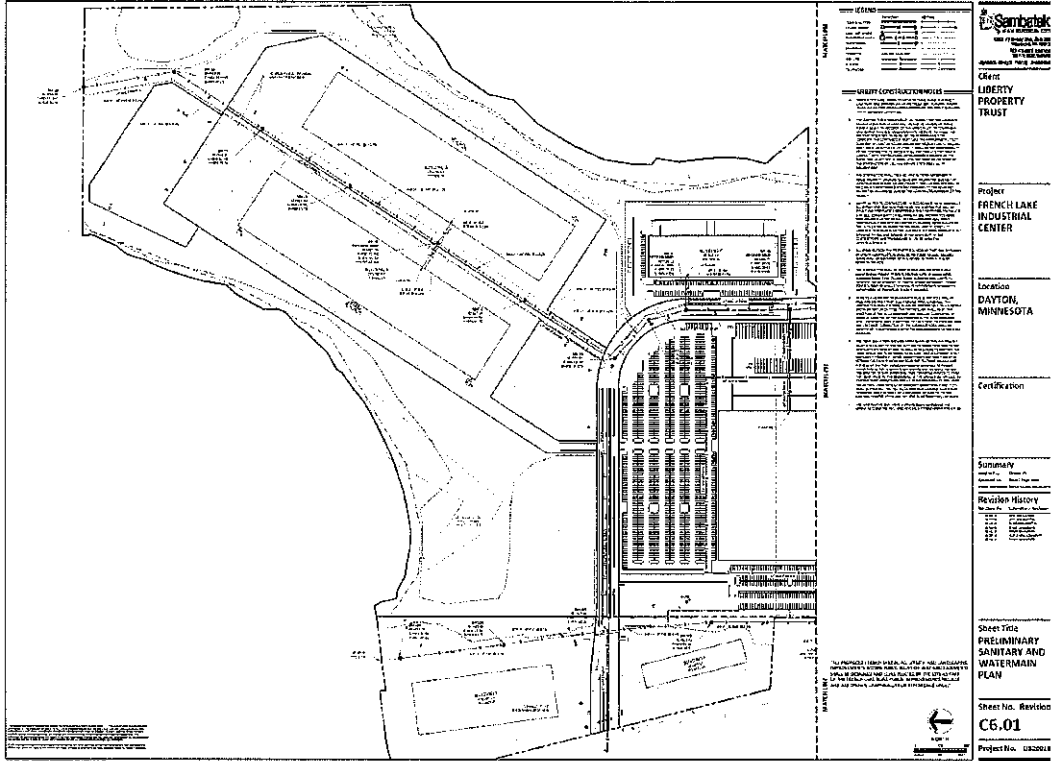


EXHIBIT C
City of Rogers Fee Schedule

**SECTION 12
UTILITIES - billed by UB Banyon software**

| | | 2013 | | 2014 | | 2015 | |
|--|------------------------------|---|-------|-------|-------|-------|-----------------|
| | G.L. Acct # | | | | | | |
| SEWER USAGE - per 1,000 gallons | | | | | | | |
| Residential usage - Tier 1, 0-6,023 gallons | 602-495-9448-3711597125-0000 | Per Mo. | 2.18 | 2.50 | 2.50 | 2.50 | 2.50 |
| Residential usage - Tier 2, 6,023-10,000 gallons | 602-495-9448-3711597125-0000 | Per 1,000 gallons | 2.71 | 2.82 | 2.82 | 2.82 | 2.82 |
| Residential usage - Tier 3, 10,001-15,000 gallons | 602-495-9448-3711597125-0000 | Per 1,000 gallons | 2.82 | 2.82 | 2.82 | 2.82 | 2.82 |
| Commercial/Industrial usage | 602-495-9448-3711597125-0000 | Per MN Statutes | 2.71 | | | | per MN Statutes |
| Sewer Penalties | | | | | | | |
| WATER USAGE - per 1,000 gallons | | | | | | | |
| Residential usage - Tier 1, 0-6,023 gallons | 601-494-9448-3711597125-0000 | Per Mo. | 1.25 | 1.27 | 1.27 | 1.31 | 1.31 |
| Residential usage - Tier 2, 6,023-10,000 gallons | 601-494-9448-3711597125-0000 | Per 1,000 gallons | 1.54 | 1.54 | 1.54 | 1.64 | 1.64 |
| Residential usage - Tier 3, 10,001-15,000 gallons | 601-494-9448-3711597125-0000 | Per 1,000 gallons | 1.85 | 1.85 | 1.85 | 1.97 | 1.97 |
| Residential usage - Tier 4, over 15,000 gallons | 601-494-9448-3711597125-0000 | Per 1,000 gallons | 2.23 | 2.23 | 2.23 | 2.36 | 2.36 |
| Commercial/Industrial usage - Tier 1, 0-47,000 gallons | 601-494-9448-3711597125-0000 | Per Mo. | 1.54 | 1.54 | 1.54 | 1.64 | 1.64 |
| Commercial/Industrial usage - Tier 2, over 47,000 gallons | 601-494-9448-3711597125-0000 | Per Mo. | 1.85 | 1.85 | 1.85 | 1.97 | 1.97 |
| Commercial/Industrial basic charge | 601-494-9448-3711597125-0000 | Per Mo. | 2.23 | 2.23 | 2.23 | 2.36 | 2.36 |
| Residential basic charge | 601-494-9448-3711597125-0000 | Per Mo. | 1.25 | 1.25 | 1.25 | 1.31 | 1.31 |
| Water Penalties | | | | | | | |
| WATER METER BASIC CHARGES | | | | | | | |
| 0.00" | 601-494-9448-3711597125-0000 | Per Mo. | 1.34 | 1.49 | 1.49 | 1.56 | 1.56 |
| 0.75" | 601-494-9448-3711597125-0000 | Per Mo. | 1.52 | 1.69 | 1.69 | 1.77 | 1.77 |
| 1.00" | 601-494-9448-3711597125-0000 | Per Mo. | 1.88 | 2.08 | 2.08 | 2.18 | 2.18 |
| 1.50" | 601-494-9448-3711597125-0000 | Per Mo. | 2.41 | 2.67 | 2.67 | 2.80 | 2.80 |
| 2.00" | 601-494-9448-3711597125-0000 | Per Mo. | 3.59 | 4.36 | 4.36 | 4.58 | 4.58 |
| 3.00" | 601-494-9448-3711597125-0000 | Per Mo. | 14.73 | 16.53 | 16.53 | 17.15 | 17.15 |
| 4.00" | 601-494-9448-3711597125-0000 | Per Mo. | 18.75 | 20.79 | 20.79 | 21.83 | 21.83 |
| Water Meter Per Connection | 601-494-9448-3711597125-0000 | Per Mo/Per Connection | 0.53 | 0.53 | 0.53 | 0.53 | 0.53 |
| WATER, STATE MANDATED TESTING FEES (based on lead use) | | | | | | | |
| AR PUD, RE-2, RE-4, & RE-5 Rural Properties | 605-495-9495-37410-0000 | Per Mo. | 3.57 | 3.72 | 3.72 | 3.72 | 3.72 |
| Residential Single-Family RE-2, RE-4, RE-5 Urban Properties | 605-495-9495-37410-0000 | Per Mo. | 3.57 | 3.72 | 3.72 | 3.72 | 3.72 |
| Residential Single-Family RE-2, RE-4, RE-5 Urban Properties | 605-495-9495-37410-0000 | Per Mo. | 3.57 | 3.72 | 3.72 | 3.72 | 3.72 |
| Residential Mid-density Residential (R2) parcels smaller than 25 acres | 605-495-9495-37410-0000 | Per Mo. | 2.31 | 2.41 | 2.41 | 2.49 | 2.49 |
| Residential Mid-density Residential (R2) parcels larger than 25 acres | 605-495-9495-37410-0000 | Per Mo. | 3.57 | 3.72 | 3.72 | 3.72 | 3.72 |
| Residential Multi-Family Residential (R4) parcels smaller than 50 acres | 605-495-9495-37410-0000 | Per Mo. Plus \$ 2,000 per sq ft Impervious area | 3.57 | 3.72 | 3.72 | 3.76 | 3.76 |
| Residential Multi-Family Residential (R4) parcels larger than 50 acres | 605-495-9495-37410-0000 | Per Mo. Plus \$ 2,000 per sq ft Impervious area | 3.57 | 3.72 | 3.72 | 3.76 | 3.76 |
| Residential (churches, schools, gov't, hospitals & nursing homes) smaller than 50 acres | 603-496-9405-37420-0000 | Per Mo. Plus \$ 2,000 per sq ft Impervious area | 7.38 | 7.38 | 7.38 | 7.60 | 7.60 |
| Residential (churches, schools, gov't, hospitals & nursing homes) larger than 50 acres | 603-496-9405-37420-0000 | Per Mo. Plus \$ 2,000 per sq ft Impervious area | 7.38 | 7.38 | 7.38 | 7.60 | 7.60 |
| Commercial / Industrial/General (B1, B2, B3, B4, B5, B6, B7, B8, B9, B10, B11, B12, B13, B14, B15, B16, B17, B18, B19, B20, B21, B22, B23, B24, B25, B26, B27, B28, B29, B30, B31, B32, B33, B34, B35, B36, B37, B38, B39, B40, B41, B42, B43, B44, B45, B46, B47, B48, B49, B50, B51, B52, B53, B54, B55, B56, B57, B58, B59, B60, B61, B62, B63, B64, B65, B66, B67, B68, B69, B70, B71, B72, B73, B74, B75, B76, B77, B78, B79, B80, B81, B82, B83, B84, B85, B86, B87, B88, B89, B90, B91, B92, B93, B94, B95, B96, B97, B98, B99, B100) | 603-496-9405-37420-0000 | Per Mo. Plus \$ 2,000 per sq ft Impervious area | 4.82 | 5.01 | 5.01 | 5.06 | 5.06 |
| Commercial / Industrial/General (B1, B2, B3, B4, B5, B6, B7, B8, B9, B10, B11, B12, B13, B14, B15, B16, B17, B18, B19, B20, B21, B22, B23, B24, B25, B26, B27, B28, B29, B30, B31, B32, B33, B34, B35, B36, B37, B38, B39, B40, B41, B42, B43, B44, B45, B46, B47, B48, B49, B50, B51, B52, B53, B54, B55, B56, B57, B58, B59, B60, B61, B62, B63, B64, B65, B66, B67, B68, B69, B70, B71, B72, B73, B74, B75, B76, B77, B78, B79, B80, B81, B82, B83, B84, B85, B86, B87, B88, B89, B90, B91, B92, B93, B94, B95, B96, B97, B98, B99, B100) | 603-496-9405-37420-0000 | Per Mo. Plus \$ 2,000 per sq ft Impervious area | 9.84 | 9.84 | 9.84 | 9.84 | 9.84 |

**SECTION 5
ENGINEERING**

| | | 2013 | | 2014 | | 2015 | |
|---|-------------------------|---|----------|----------|----------|----------|---|
| | G.L. Acct # | | | | | | |
| BLM CREEK WATERSHED MANAGEMENT COMMISSION | | | | | | | |
| See current Elm Creek Schedule - charged directly by Elm Creek | | | | | | | |
| GRADING PERMIT | 100-410-1950-3218-0000 | per schedule | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 |
| SEWER PERMIT | 100-410-1950-3217-0000 | per schedule | 450.00 | 450.00 | 450.00 | 450.00 | 450.00 |
| CONTRACTUAL ENGINEERING SITE PLAN REVIEW FEE: | | | | | | | |
| Commercial/Industrial | 100-000-0000-22940-0000 | At Cost | | | | | At Cost |
| Res. Subdivision Development Plan Revision Request | 100-410-1910-3217-0000 | At Cost | | | | | At Cost |
| ENVIRONMENTAL PERMIT (EAW) completed by developer directly | 100-410-1910-3217-0000 | not completed by City | | | | | not completed by City |
| SEWER TRUNK | 406-430-3121-3779-0000 | per acre | 1,950.00 | 2,000.00 | 2,000.00 | 2,100.00 | 2,100.00 |
| on existing residential properties/ lateral extension required for hookup | | | | | | | |
| STORM WATER TRUNK: | | | | | | | |
| Storm Water Trunk | 458-430-3121-3749-0000 | per acre | 2,400.00 | 2,400.00 | 2,400.00 | 2,450.00 | 2,450.00 |
| Utility Site Coverage Determination | 100-410-1950-3410-0000 | incl in city eng fee bldg permit escrow | | | | | incl in city eng fee bldg permit escrow |
| Erosion Control Enforcement | 100-410-1950-3410-0000 | incl in city eng fee bldg permit escrow | | | | | incl in city eng fee bldg permit escrow |
| TELECOMMUNICATION APPLICATION FEE | 100-410-1950-3410-0000 | per hour | 7,900.00 | 7,900.00 | 7,900.00 | 7,900.00 | 7,900.00 |
| Tower and Antenna Application | 100-410-1950-3410-0000 | per hour | 7,900.00 | 7,900.00 | 7,900.00 | 7,900.00 | 7,900.00 |
| SURFACE WATER MANAGEMENT PLAN REVIEW | 201-000-0000-22940-0000 | per acre | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| TRAIL TRUNK | 100-410-1950-3410-0000 | per 1/4 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| TRANSPORTATION TRUNK | 427-450-5300-34800-0000 | per unit (whichever is greater) | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 |
| per acre (whichever is greater) | 427-450-5300-34800-0000 | per acre (whichever is greater) | 750.00 | 750.00 | 750.00 | 800.00 | 800.00 |
| WATER TRUNK | 402-493-3121-34900-0000 | per unit (whichever is greater) | 4,225.00 | 4,300.00 | 4,300.00 | 4,500.00 | 4,500.00 |
| per acre (whichever is greater) | 402-493-3121-34900-0000 | per acre (whichever is greater) | 7,600.00 | 7,600.00 | 7,600.00 | 7,900.00 | 7,900.00 |
| WATER TRUNK | 405-493-3121-37130-0000 | per acre | 2,400.00 | 2,400.00 | 2,400.00 | 2,500.00 | 2,500.00 |
| on existing residential properties/ lateral extension required for hookup | 405-493-3121-37130-0000 | per acre | 2,400.00 | 2,400.00 | 2,400.00 | 2,500.00 | 2,500.00 |

**SECTION 3
BUILDING PERMITS**

| | | 2013 | | 2014 | | 2015 | |
|--|-------------------------|------|----------|----------|----------|----------|----------|
| | G.L. Acct # | | | | | | |
| ACCESS CHARGES: | | | | | | | |
| Water (WAG Single Family Const./Add. - per unit) | 407-430-3100-37150-0000 | | 3,200.00 | 3,200.00 | 3,275.00 | 3,275.00 | 3,275.00 |
| Water (WAG Multi Family Const. - per unit) | 407-430-3100-37150-0000 | | 2,700.00 | 2,700.00 | 2,725.00 | 2,725.00 | 2,725.00 |

| | | | | | |
|--|-------------------------|----------|----------|----------|----------|
| Water (WAC) Existing residential properties | 407-430-3300-37150-0000 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| Water (High Pressure Access Charge (HPAC) per unit | 405-430-3121-3130-0000 | 200.00 | 200.00 | 200.00 | 200.00 |
| Sewer (RSAC) Com. final. Best unit | 408-430-3330-3770-0000 | 4,300.00 | 4,300.00 | 4,300.00 | 4,400.00 |
| Sewer (RSAC) Com. final. each additional unit | 408-430-3330-3770-0000 | 1,950.00 | 1,950.00 | 2,100.00 | 2,350.00 |
| Sewer (RSAC) Multi Family per unit | 408-430-3330-3770-0000 | 3,600.00 | 3,600.00 | 3,400.00 | 3,400.00 |
| Sewer (RSAC) Single Family per unit | 408-430-3330-3770-0000 | 4,300.00 | 4,300.00 | 4,300.00 | 4,400.00 |
| Sewer (RSAC) Existing residential properties | 408-430-3330-3770-0000 | 1,700.00 | 1,700.00 | 1,700.00 | 1,700.00 |
| Sewer (Interim Allocated Sewer Capacity (IASC) per unit/annually | 602-493-0490-3771-0000 | 185.00 | 185.00 | 185.00 | 185.00 |

**SECOND AMENDMENT TO THE UTILITY SERVICES AGREEMENT
BETWEEN THE CITY OF DAYTON AND THE CITY OF ROGERS**

WHEREAS, the City of Rogers and the City of Dayton entered into an Agreement for Utility Services between the City of Rogers and the City of Dayton on November 13, 2015 (“Original Agreement”), as amended by the Amendment to the Utility Services Agreement between the City of Rogers and the City of Dayton dated October 11, 2016 (“First Amendment”) (collectively referred herein to as the “Agreement”); and

WHEREAS, the City of Rogers has approached the City of Dayton to allow for the connection of thirty (30) acres of commercial industrial property to the City of Dayton’s sanitary sewer system as shown on the attached Exhibit A; and

WHEREAS, the route of the connection will be entirely in the City of Dayton through the existing service area; and

WHEREAS, the long-term permanent sewer capacity is intended to flow to the Elm Creek interceptor located in the City of Dayton; this arrangement will be as identified in Paragraph 4(c) of the Original Agreement; and

WHEREAS, the City of Rogers agrees to maintain and locate said facilities as required as an underground utility provider for the sanitary sewer infrastructure. The underground sanitary sewer infrastructure and the facilities have been approved by the City of Dayton’s City Engineer.

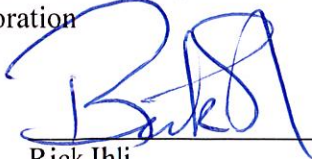
NOW, THEREFORE, the parties herein agree as follows:

1. The City of Dayton agrees to provide the City of Rogers a connection to the sanitary sewer system on Territorial Road to accommodate Justen Circle Industrial Park (JCIP) as identified in Paragraph 2 of the First Amendment.
2. The City of Rogers, at its sole expense, will facilitate all the necessary construction to connect to the City of Dayton’s system.
3. The City of Rogers shall pay, on a quarterly basis or at other times as agreed to by the parties in writing, for sewer service provided under this Second Amendment at the same rate as paid by comparable users in the City of Dayton.
4. The City of Rogers will be responsible to bill its users at the current rate and to then forward the collected fees to the City of Dayton within thirty (30) days of the end of the quarter. The City of Rogers shall provide copies of utility bills with payment of collected fees to the City of Dayton.

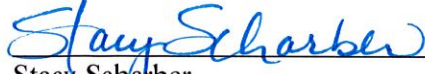
IN WITNESS WHEREOF, the parties to this Second Amendment to the Utility Services Agreement have subscribed their names as of the day and year as indicated below.

CITY OF ROGERS, a Minnesota municipal corporation

9.10.19, 2019

By: 
Rick Ihli
Its: Mayor

9.10.19, 2019

By: 
Stacy Scharber
Its: City Clerk

CITY OF DAYTON, a Minnesota municipal corporation

_____, 2019

By: _____
Its: _____

_____, 2019

By: _____
Its: _____

EXHIBIT A
(attached)



Legend

- Interstate
- Highway
- Municipal Road
- Parcels
- Commercial/Industrial Area
- Future Lift Station

Justen Circle Industrial Park
30 acres of developable
commercial/industrial to Dayton

Sewer flow into Dayton



Exhibit A

**AMENDMENT TO THE UTILITY SERVICES AGREEMENT
BETWEEN THE CITY OF DAYTON
AND THE CITY OF ROGERS**

WHEREAS, the City of Rogers and the City of Dayton originally approved an agreement for utility services between the City of Rogers and the City of Dayton on November 13th, 2015 (“Existing Agreement”); and

WHEREAS, the City of Dayton has approached the City of Rogers for environmental reasons to allow for temporary connection of 29 existing homes to the City of Rogers sanitary sewer system as shown on the attached Exhibit A; and

WHEREAS, the route of the connection will be entirely in the City of Dayton through the Existing Agreement service area; and

WHEREAS, the long term permanent sewer capacity is intended to flow to the Elm Creek interceptor located in Dayton; this arrangement will be the same as described in paragraph 4(c) of the Existing Agreement; and

WHEREAS, all remaining fees, operating of maintenance, and frequency of payments to the City of Rogers will be identical as the Existing Agreement signed in 2015 by the parties; and

WHEREAS, Rogers has requested that Dayton allow Rogers a connection to the sanitary sewer system on Territorial Road to accommodate the Justen Circle Industrial Park (JCIP) as shown on the attached Exhibit A; the flow from the JCIP will pass through Dayton to the Elm Creek interceptor; each city will jointly address the access and connection to the existing system.

NOW, THEREFORE, Dayton and Rogers agree as follows:

- 1) Rogers agrees to provide Dayton with temporary sanitary sewer connection for 29 existing homes as shown on the attached Exhibit A.
- 2) Section 4(d) of the Existing Agreement shall be amended to state as follows:

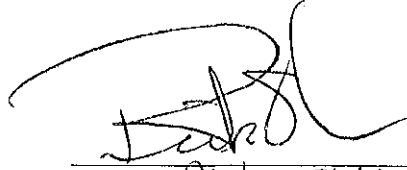
Dayton will allow a connection to the sanitary sewer system on Territorial Road to accommodate the Justen Circle Industrial Park (JCIP). The flow from the JCIP will pass through Dayton to the Elm Creek interceptor. Each city will jointly address the access and connection to the existing system.

IN WITNESS WHEREOF, the Cities have subscribed their names as of the day and year indicated below.


[Signature page to follow]

CITY OF ROGERS

10.11.16
Date

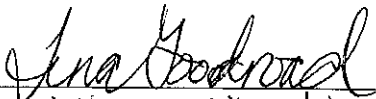

By: Rick Ihli
Its: Mayor

10.11.16
Date


By: Stacy Scharber
Its: Assist. City Admin / City Clerk

CITY OF DAYTON

9-27-16
Date


By: Acting City Administrator
Its: Tina Goodroad

9-27-16
Date

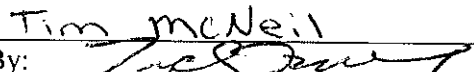
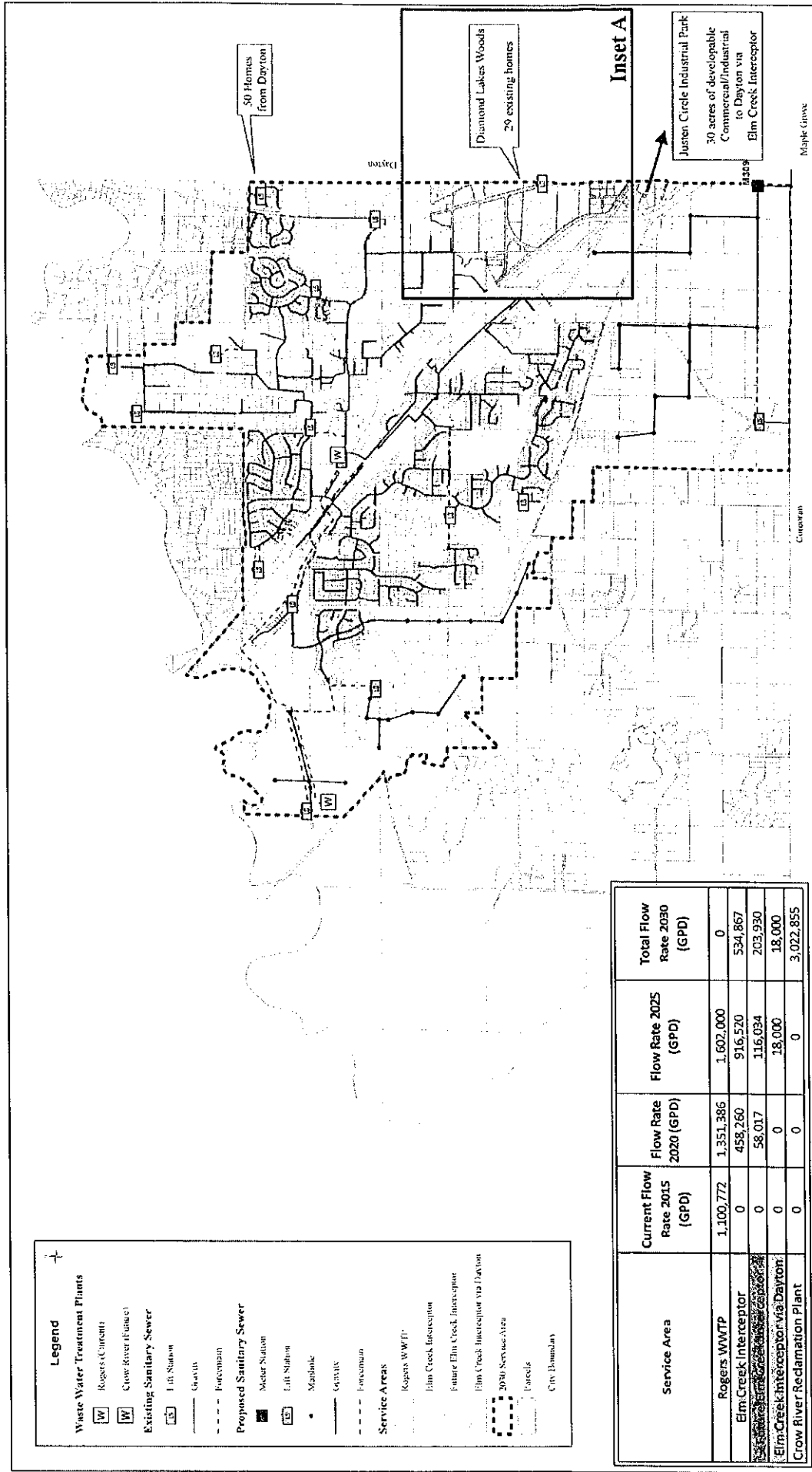

By: Tim McNeil
Its: Mayor

Exhibit A: Sanitary Sewer Service Areas within 2030 Service Area - Diamond Lake Woods Addition (City of Dayton)

City of Rogers, Minnesota



AGREEMENT FOR UTILITY SERVICES

BETWEEN THE CITY OF ROGERS

AND THE CITY OF DAYTON

THIS AGREEMENT is entered into this 13th day of Nov., 2015, with an effective date as indicated in Section 15 below, by and between the **City of Dayton**, a Minnesota municipal corporation, 12260 South Diamond Lake Road, Dayton, Minnesota 55327 (hereinafter the “Dayton”) and **City of Rogers**, a Minnesota municipal corporation, 22350 South Diamond Lake Road, Rogers, Minnesota 55374 (hereinafter “Rogers”; Dayton and Rogers sometimes individually “City” and collectively “Cities”).

WHEREAS, Dayton desires to temporarily purchase sewer service for no more than 10 years or December, 2025 and purchase water utility services for the term of this Agreement, (hereinafter collectively “Utility Service”) from Rogers for the Property as depicted on and described on Exhibit A (hereinafter the “Property”); and

WHEREAS, Rogers is willing to supply Utility Service for a discreet area of Dayton on the terms set forth below; and

WHEREAS, Dayton has approved a development which will entail the construction of roadway and other infrastructure in the area to be served and Dayton is willing to construct certain improvements within Rogers; and

WHEREAS, Rogers is willing to allow construction of improvements by Dayton within its boundaries and upon right of way or other property under Roger’s control; and accept the completed improvements as public improvements; and

WHEREAS, nothing in this Agreement shall be construed to be annexation by Dayton of any property within Rogers;

NOW, THEREFORE, it is hereby agreed, by and between the Cities as follows:

1. **INCORPORATION.** The foregoing recitals are incorporated into this Agreement.
2. **TERM OF CONTRACT.** This contract shall be perpetual. Provided, however, parts of this Agreement may be modified prior to its expiration as provided herein and may be extended only upon written agreement of both Cities.
3. **WATER SERVICE.**
 - a. Rogers will provide water to Dayton from the Rogers' water works system for the area of Dayton shown on the attached Exhibit A marked Utility Service Area in a sufficient quantity to meet an average daily demand of 86,000 gallons per day.
 - b. Rogers will furnish water at the connection point shown on Exhibit A ("Water Connection Point"), at a construction/project cost to be determined and paid by the City of Dayton or their developer. Rogers will provide adequate water supply and pressure for the intended industrial/warehouse uses similar to what has been provided to comparable projects such as the Liberty Industrial Project at Diamond Lake.
4. **SANITARY SEWER SERVICE.**
 - a. Rogers will provide sanitary sewer service for the area of Dayton shown on Exhibit A marked Utility Service Area.
 - b. Rogers will provide a connection point for sanitary sewer as shown on Exhibit A ("Sewer Connection Point").
 - c. Future capacity/flow for Rogers and Dayton properties serviced in this area: In accordance with requests by Metropolitan Council Environmental Services ("MCES"), Dayton will agree to accept the flow from the Rogers lift station, located at Brockton Lane and 124th Ave, into their sanitary sewer system by December, 2025. As Dayton develops their future system, a master plan for the ultimate discharge should be completed as part of the development plan. Rogers understands that there may be oversizing in Dayton's future trunk sewer lift station, and forcemain, due to the Rogers flow, that will discharge to the existing trunk sewer system located at Troy Lane. Rogers will agree to pay for the appropriate upsizing of the liftstation pumps and/or forcemain.

- d. South of CSAH 81: Dayton will consider accepting sanitary sewer flow from the area located south of County State Aid Highway 81, west of Brockton Lane and north of I 94 through Dayton to the Elm Creek interceptor. This would occur at the time that Dayton extends sanitary sewer service to properties located adjacent to Brockton Lane at Territorial Road and the connection point would be at the intersection of Brockton Lane and Territorial Road.
5. **UTILITY SERVICE CONSTRUCTION.** Dayton will cause and pay for the construction of the Utility Service and Roadway Improvements to be done in accordance with the plans attached hereto as Exhibit B ("Preliminary Plans"). The Preliminary Plans call for construction activity and the placement of infrastructure improvements within Rogers, on the Property. Provided, however, that if any work related to the Utility Service or Roadway Improvements calls for work to be done within right of way controlled by Rogers, Rogers hereby grants Dayton, its agents, employees and contractors a license to install the Utility Services and Roadway Improvements in accordance with the Preliminary Plans and that in that event, the same may be kept in said right of way and easement areas as shown on the Preliminary Plans during the term of the Agreement. Work on the same shall not commence before April 1, 2016 and shall be completed in multiple phases as buildings are constructed.
6. **UTILITY SERVICE MAINTENANCE.** Dayton shall be responsible for the maintenance of all Utility Service lines within Dayton, facilities or appurtenances shown on the Preliminary Plans in such a manner that they will function as intended and will not cause harm to Rogers' utility system. Following installation, the Roadway and Utility Improvements located in Rogers shall be maintained by Rogers.
7. **OPERATION.** Dayton agrees that the Utility Services provided for in this Agreement shall be governed by the applicable rules, regulations, and ordinances that Rogers has in effect, or hereinafter adopted for the operation of the Utility Services provided herein. At the request of Rogers, Dayton shall, prior to Utility Services becoming operational, adopt regulatory provisions necessary to effectuate uniform regulations with Rogers. The City of Dayton connections agree to abide by the current sewer use ordinance for rate and strength.

8. UTILITY SERVICE FACILITIES.

- a. Rogers shall own and operate all facilities necessary to the supply, production, storage and transmission of water to the Water Connection Point and all facilities necessary for the collection, transmission and disposal of waste to the Sewer Connection Point.
- b. Flow, transmission and distribution of water and the collection and transmission of waste from the respective Water and Sewer Connection Points and extending into Dayton shall be metered by meters read at the buildings for facilities constructed on the Property. All facilities and connections shall conform to the applicable requirements of the Minnesota Department of Health, Metropolitan Council and requirements of other regulatory agencies which have applicable regulations. Meters shall be read by Dayton and reported to Rogers.
- c. The construction of all facilities necessary to connect to the Rogers utility system, whether shown on the Preliminary Plans or not, shall be at the sole expense of Dayton.
- d. Dayton shall allow reasonable inspection by Rogers of the Utility Services in Dayton which are connected to the Rogers system, both during construction and thereafter, upon request.
- e. Dayton shall keep accurate records of construction of Utility Services as provide herein and shall provide as built drawings of the same.
- f. Dayton shall report meter flows as determined under Paragraph 8b above and shall provide quarterly reports of flows to Rogers. Books and records supporting such reports shall be available to Rogers upon request.

9. TRUNK FEES.

- a. **Water Trunk Fee.** Dayton shall pay a water trunk fee to Rogers in the amount charged by Rogers per acre for buildable acres in the year that the building is constructed (as prescribed in the Rogers trunk fee program). The 2015 fee schedule is shown on the attached Exhibit C.

Said amount shall be due at the time the buildable acres are approved as part of a final plat.

Water Availability Charge. At the time of building permit issuance for any building within the Utility Service Area, Dayton shall pay to Rogers the Water Availability Charge in effect in Rogers for comparable development in Rogers as calculated by the Rogers Public Works Superintendent.

b.

c. c.

d. **Sanitary Sewer Trunk Fee.** All Sewer Trunk fees shall be paid to Dayton for properties developed in Dayton.

e. SAC fees will be paid to Dayton for properties developed in Dayton.

10. RATES AND REGULATION. Dayton shall pay Rogers on a quarterly basis or at other times as agreed upon on writing by the Cities for sewer and water service provided under this Agreement at the same rates as paid by comparable users in Rogers. Utility service to property in Dayton under this Agreement shall be subject to the same terms, conditions, ordinances and regulations as comparable users in Rogers.

11. BILLING. Dayton shall bill their users using Rogers current rates, including any conservation program and then send Rogers the invoiced fees, not what is actually collected, within 30 days of the end of the quarter. It will be important to Dayton users that this is completed on a monthly basis due to the rates that are charged due to the conservation calculation. Dayton shall provide a copy of utility bills with the payment that is submitted to Rogers.

12. DEPARTMENT OF HEALTH FEE. Dayton shall pay any applicable State mandated Department of Health fee and/or sales tax for connection to the Rogers' water system.

13. TERMINATION/DEFAULT. Following an initial minimum term of 3 years Dayton may choose to cancel the use of services from Rogers upon 90 days notice. Rogers may terminate Dayton's use of services only upon material breach of the terms of this Agreement by Dayton. Provided, however, that such termination by Rogers shall not be effective unless

Rogers has given Dayton 30 days notice and Dayton fails to cure the default within the 30 day notice period, or such longer period as is reasonably necessary to cure the default.

14. NON-WAIVER. The failure by either City to enforce any provision of this Agreement shall not constitute a waiver of its right to enforce the section not enforced, or any other section of this Agreement.


15. EFFECTIVE DATE. This Agreement shall be effective upon the last date signed by the Cities, as indicated below.

Signatures to follow on next page

IN WITNESS WHEREOF, the Cities have subscribed their names as of the day and year indicated below.

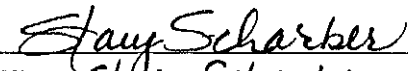
CITY OF ROGERS

11.20.2015
Date


By: Rick Inli

Its: Mayor


11.20.2015
Date


By: Stacy Scharber

Its: City Clerk

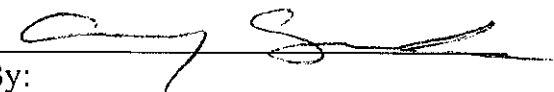
CITY OF DAYTON

11-13-15
Date


By: _____

Its: Mayor

11-13-15
Date


By: _____

Its: Deputy clerk

EXHIBIT A

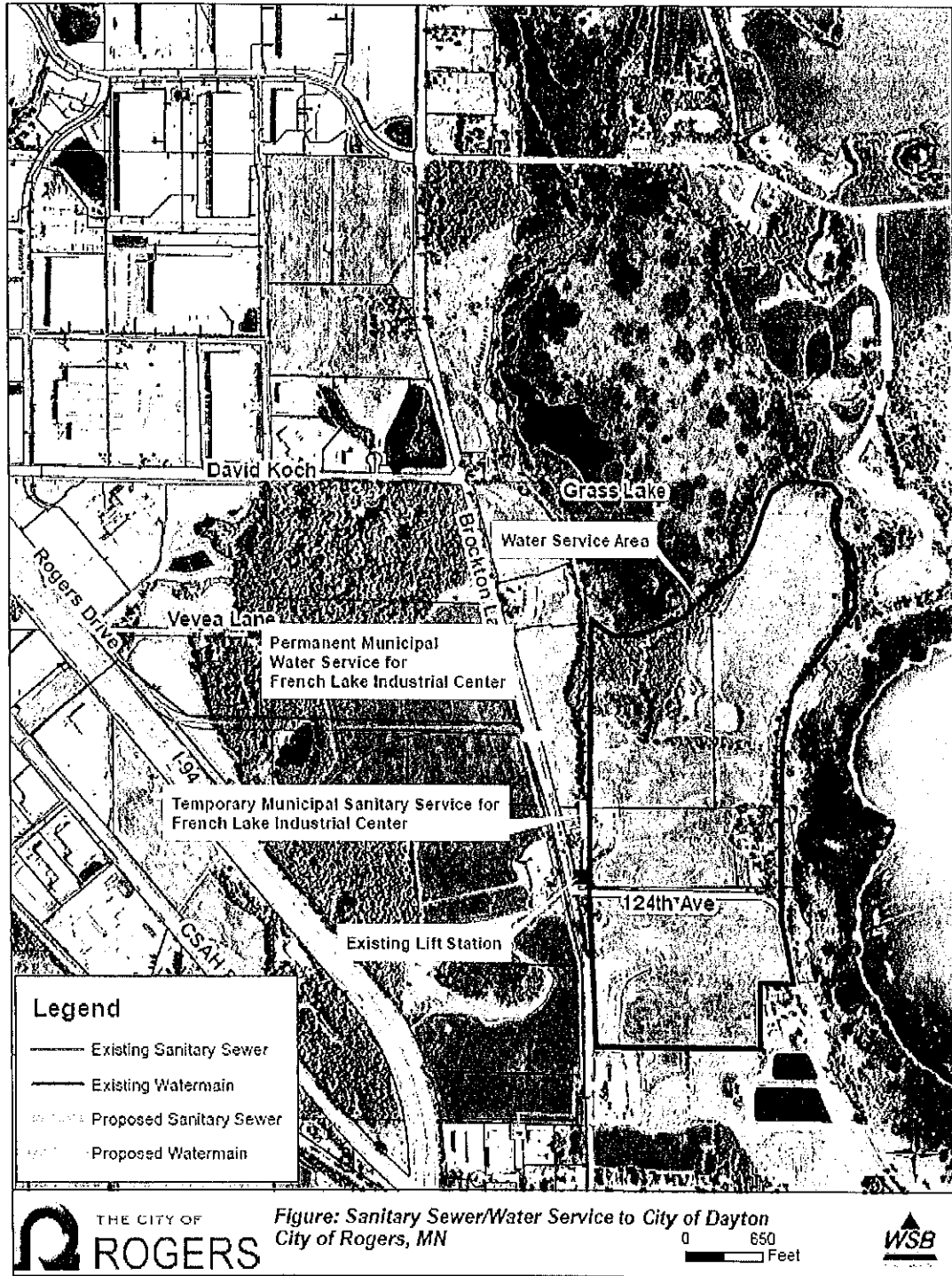


EXHIBIT B

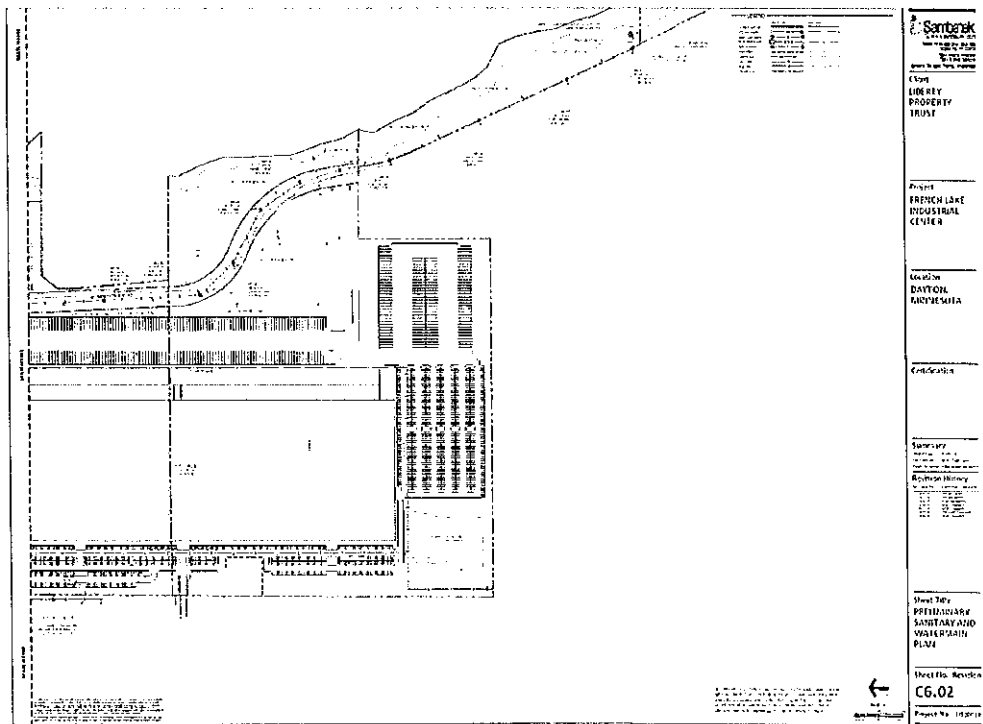
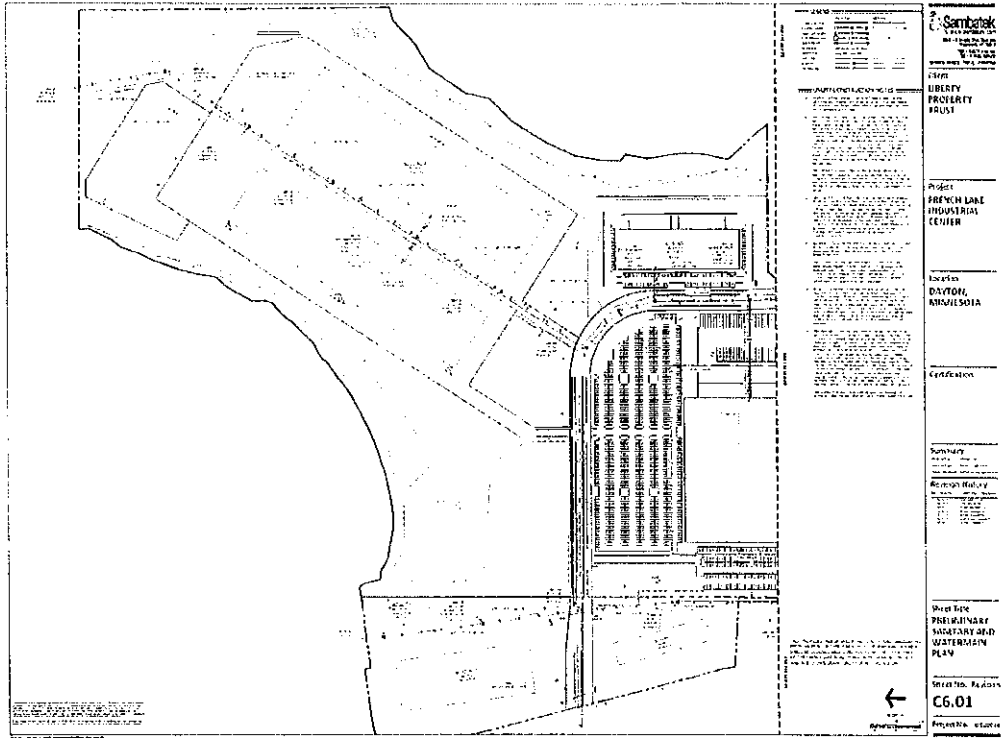


EXHIBIT C
City of Rogers Fee Schedule

**THIRD AMENDMENT TO
THE UTILITY SERVICES AGREEMENT
BETWEEN THE CITY OF DAYTON AND THE CITY OF ROGERS**

WHEREAS, the City of Rogers and the City of Dayton entered into an Agreement for Utility Services between the City of Rogers and the City of Dayton on November 13, 2015 (“Original Agreement”), as amended by the Amendment to the Utility Services Agreement between the City of Rogers and the City of Dayton dated October 11, 2016 (“First Amendment”), as Amended by the Second Amendment to the Utility Services Agreement between the City of Dayton and the City of Rogers signed by the parties on December 10, 2019, December 4, 2019, December 2, 2019 and November 26, 2019, respectively (“Second Amendment”)(collectively referred herein to as the “Agreement”); and

WHEREAS, the City of Dayton has approached the City of Rogers to allow for the connection of 112.29 acres of upland area to the City of Rogers’ sanitary sewer system and municipal water system as shown on the attached Exhibit “A”; and

WHEREAS, the route of the connection will be through the proposed service area and be constructed by the City of Dayton to the connection point supplied by the City of Rogers. See Exhibit “B”; and

WHEREAS, the long-term permanent sewer capacity is intended to flow to the Elm Creek interceptor located in the City of Dayton; this arrangement will be as identified in Paragraph 4(c) of the Original Agreement; and

WHEREAS, the City of Dayton agrees to maintain and locate said facilities as required as an underground utility provider for the sanitary sewer infrastructure. The underground sanitary sewer infrastructure and the facilities have been approved by the City of Rogers’ City Engineer.

NOW, THEREFORE, the parties herein agree as follows:

1. The City of Rogers agrees to provide the City of Dayton a connection to the Sanitary Sewer and Municipal Water system on August 25, 2020 to accommodate utility service as identified in Exhibit “B”.
2. The City of Dayton shall be responsible for the construction of trunk connections to provide the interconnect along with coordination with Hennepin County to cross CSAH 13, which includes necessary permitting.
3. The City of Dayton, at its sole expense, will facilitate all the necessary construction to connect to the City of Rogers’ system. In addition, the City of Dayton agrees to reimburse the City of Rogers for Trunk Water costs incurred by the City of Rogers, identified on Exhibit “C”, to extend to CSAH 13 Right-of-Way.

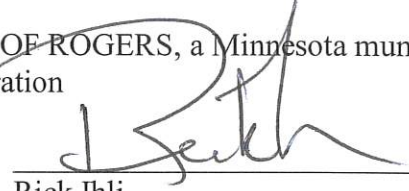
4. At the time of platting, the City of Dayton shall pay the City of Rogers the current Water Trunk fees at a per acre rate as adopted by the Rogers City Council in the year in which any final plat is approved by the City of Dayton.
5. The City of Dayton will be responsible to bill its users at the current rate and to then forward the collected fees equal to the current City of Rogers rate as communicated per the Original Agreement. This action shall be paid to the City of Rogers within thirty (30) days of the end of the quarter. The City of Dayton shall provide copies of utility bills with payment of collected fees to the City of Rogers. The other terms of payment for services will remain unchanged as approved in the Original Agreement.
6. Coordination of SAC determinations and the payment of Met Council fees will be the responsibility of the City of Dayton.
7. Coordination and confirmation of WAC determinations prior to issuance of any building permits in the area described on Exhibit "A" and payment thereof to the City of Rogers will be the responsibility of the City of Dayton.

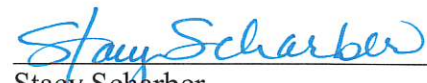
IN WITNESS WHEREOF, the parties to this Third Amendment to the Utility Services Agreement have subscribed their names as of the day and year as indicated below.

August 25, 2020

August 25, 2020


CITY OF ROGERS, a Minnesota municipal corporation

By: 
Rick Ihli
Its: Mayor

By: 
Stacy Scharber
Its: City Clerk

CITY OF DAYTON, a Minnesota municipal corporation

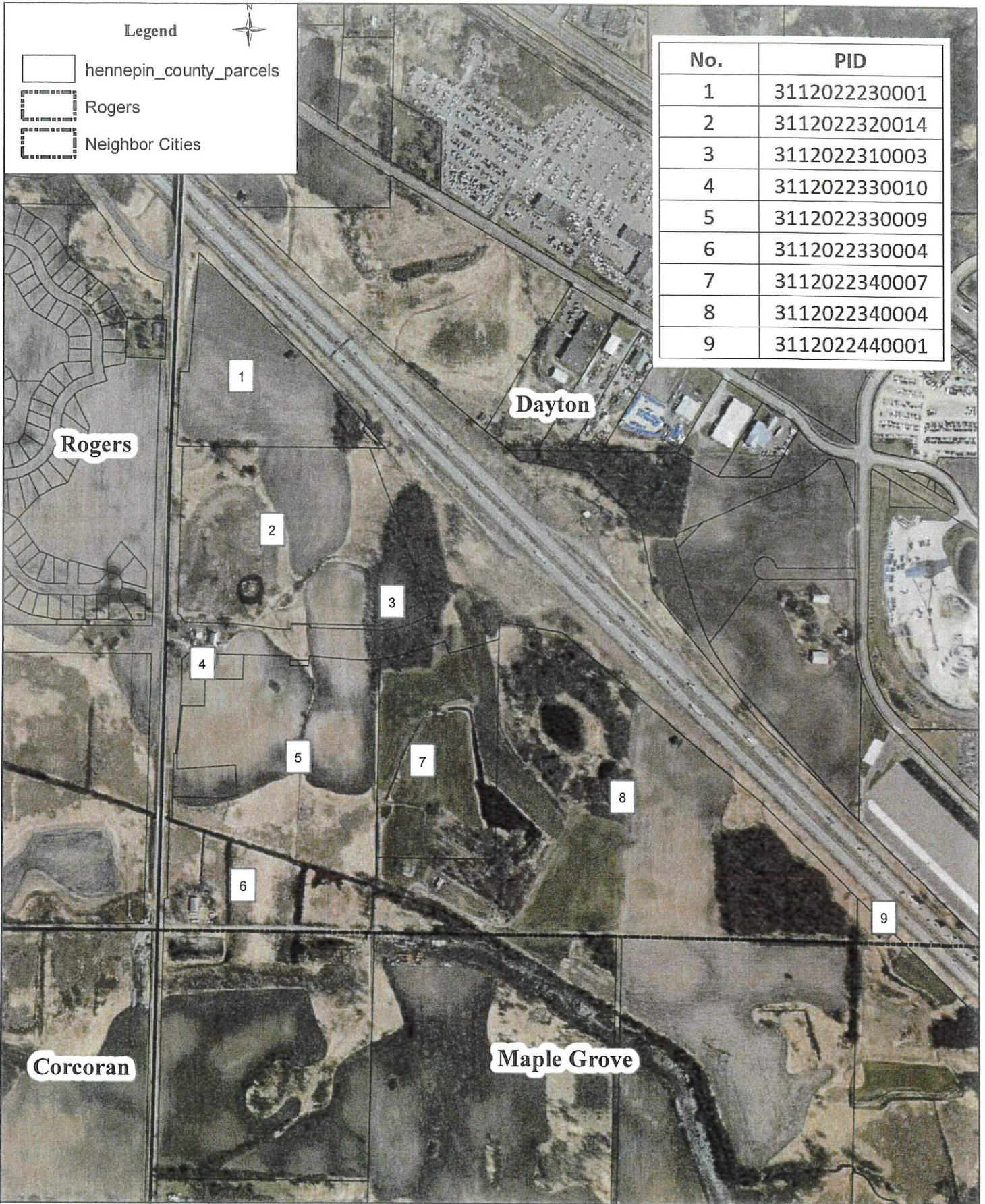
Aug. 25, 2020

By: 
Tim McNeil
Its: Mayor

AUG. 25, 2020

By: 
Amy Benting
Its: City Clerk

Third Amend to Utility Services Agr (D3).docx



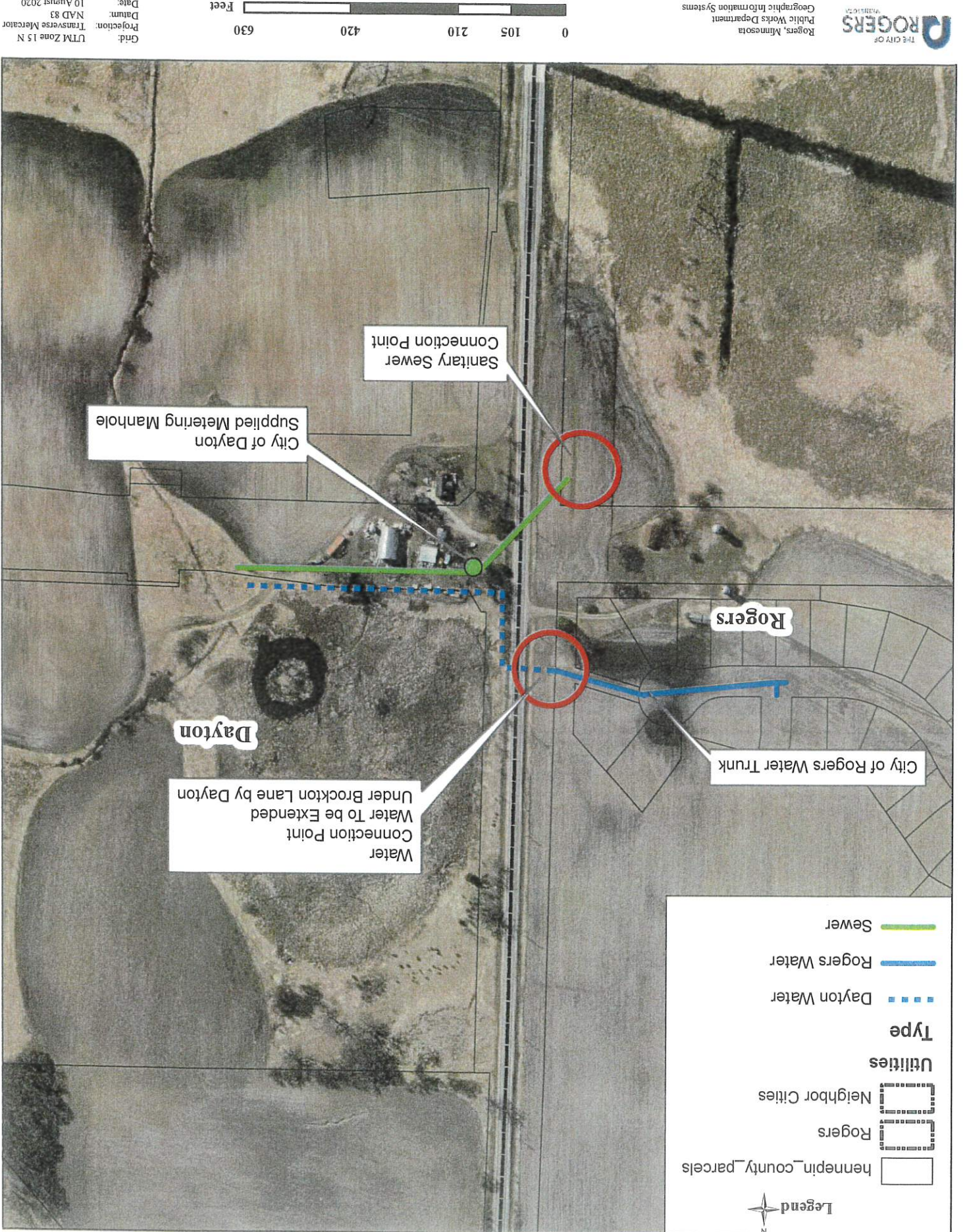


EXHIBIT C

Additional Work

| | | | | | | |
|--|---|---|--------------------------|-------------------|----------------|--|
| Project Name: Laurel Creek 5th Addition - Rogers MN | | Additional Work No: 1 | Date: 07/31/20 | | | |
| To: Lennar 16305 36th Ave N, Suite 600 Plymouth MN 55446 | | Transmitted By: Joe LaTour Project Manager Signature: | | | | |
| Description of Work Change Order #1 Deleted 8" C900 Watermain, upsized to 12" C900 Watermain. | | | | | | |
| Breakdown of Additional Work: | | | | | | |
| Laborer & Equipment: | | Unit | Quantity | Unit Price | Total | |
| | | | - | \$ - | \$ - | |
| Outside Services: | | | | | | |
| | | | - | \$ - | \$ - | |
| Materials: | | | | | | |
| WM-2 | 8" PVC C900 | LF | (442.00) | \$ 24.00 | \$ (10,608.00) | |
| WM-12 | 12" PVC C900 | LF | 442.00 | \$ 37.00 | \$ 16,354.00 | |
| WM-8 | 8" Gate Valve & Box | EA | (1.00) | \$ 2,000.00 | \$ (2,000.00) | |
| WM-13 | 12" Gate Valve & Box | EA | 1.00 | \$ 3,480.00 | \$ 3,480.00 | |
| WM-14 | Additional DIP Fittings | LB | 1,125.00 | \$ 3.30 | \$ 3,712.50 | |
| Contract Item # | Additions/Deductions To Contract | Unit | Quantity | Unit Price | Total | |
| | | | - | \$ - | \$ - | <i>Additions/Deductions To Original Contract</i> |
| | | | - | \$ - | \$ - | <i>Laborer & Equipment</i> |
| | | | - | \$ - | \$ - | <i>Sub/Outside Services</i> |
| | | | - | \$ - | \$ - | <i>Materials</i> |
| | | | - | \$ - | \$ - | |
| Total Additions/Deductions To Original Contract | | | | | \$ - | Total Increase To Contract Amount |
| | | | | | \$ - | \$ 10,938.50 |
| CC: | | | | | | |
| File: | | | | | | |

LaTour Construction, Inc.
2134 County Road 8 NW
Maple Lake, MN 55358
(320) 963-5993 Office (320) 963-6017 Fax



PUBLIC WORKS DEPARTMENT

(763) 428-8580

22350 SOUTH DIAMOND LAKE ROAD • ROGERS, MINNESOTA 55374

www.rogersmn.gov

April 28, 2021

Amy Benting, City Clerk
City of Dayton
12260 S. Diamond Lake Road
Dayton, MN 55327

Re: Fourth Amendment to Utility Services Agreement

Dear Ms. Benting:

Enclosed for your file please find a fully-executed, original *Fourth Amendment to the Utility Services Agreement between the City of Dayton and the City Rogers*.

If you have any questions, please contact our office. Thank you.

Sincerely,

Peri Houser
CITY OF ROGERS
DEPARTMENT OF PUBLIC WORKS

Enclosure

**FOURTH AMENDMENT TO
THE UTILITY SERVICES AGREEMENT
BETWEEN THE CITY OF DAYTON AND THE CITY OF ROGERS**

WHEREAS, the City of Rogers and the City of Dayton entered into an Agreement for Utility Services between the City of Rogers and the City of Dayton on November 13, 2015 (“Original Agreement”), as amended by the Amendment to the Utility Services Agreement between the City of Rogers and the City of Dayton dated October 11, 2016 (“First Amendment”), as Amended by the Second Amendment to the Utility Services Agreement between the City of Dayton and the City of Rogers on December 10, 2019, (“Second Amendment”), as Amended by the Third Amendment to the Utility Services Agreement Between the City of Dayton and City of Rogers signed by the parties on August 25, 2020 (collectively referred herein to as the “Agreement”); and

WHEREAS, the City of Dayton has approached the City of Rogers to allow for the connection of two additional residential areas in Dayton to be connected to the City of Rogers’ sanitary sewer system as shown on the attached Exhibit “A” & “B”; and

WHEREAS, the City of Dayton has approached the City of Rogers to allow for the additional connection of French Lake Industrial Center Four, sufficient to support the first phase of the Graco proposed manufacturing facility as shown on the attached Exhibit “C” as a permanent connection to Rogers; and

WHEREAS, in order to facilitate the additional sewer flow from French Lake Industrial Center Four as proposed in Exhibit C, the existing agreement is amended to reflect payment of sewer trunk fees to the City of Rogers at the time of platting; and

WHEREAS, the route of the connection will be through the proposed service area and be constructed by the City of Dayton to the connection point approved by the City of Rogers; and

WHEREAS, the City of Dayton agrees to maintain and locate said facilities as required as an underground utility provider for the sanitary sewer infrastructure. The underground sanitary sewer infrastructure and the facilities have been approved by the City of Rogers’ City Engineer.

NOW, THEREFORE, the parties herein agree as follows:

1. The City of Rogers agrees to provide the City of Dayton a connections to the Sanitary Sewer system on January 26, 2021 to accommodate utility service as identified in Exhibits “A”, “B”, and “C”. The sewer connection and service for the Graco manufacturing facility in the location shown on Exhibit C, is a permanent improvement and provides perpetual sewer service access for this site.
2. At the time of platting, the City of Dayton shall pay the City of Rogers the current Sewer Trunk fees at a per acre rate as adopted by the Rogers City Council in the year in which any final plat is approved by the City of Dayton.

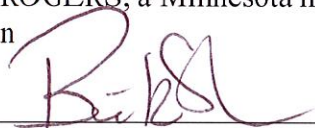
3. The City of Dayton will be responsible to bill its users at the current rate and to then forward the collected fees equal to the current City of Rogers rate as communicated per the Original Agreement. This action shall be paid to the City of Rogers within thirty (30) days of the end of the quarter. The City of Dayton shall provide copies of utility bills with payment of collected fees to the City of Rogers. The other terms of payment for services will remain unchanged as approved in the Original Agreement.
4. Coordination of SAC determinations and the payment of Met Council fees will be the responsibility of the City of Dayton.
5. The remaining terms of the previously approved agreement and subsequent amendments remain unchanged.


IN WITNESS WHEREOF, the parties to this Fourth Amendment to the Utility Services Agreement have subscribed their names as of the day and year as indicated below.

January 26, 2021

January 26, 2021

CITY OF ROGERS, a Minnesota municipal corporation

By: 
Rick Ihli
Its: Mayor

By: 
Stacy Scharber
Its: City Clerk

CITY OF DAYTON, a Minnesota municipal corporation


March 23, 2021

By: 

Dennis Fisher

Its: Mayor

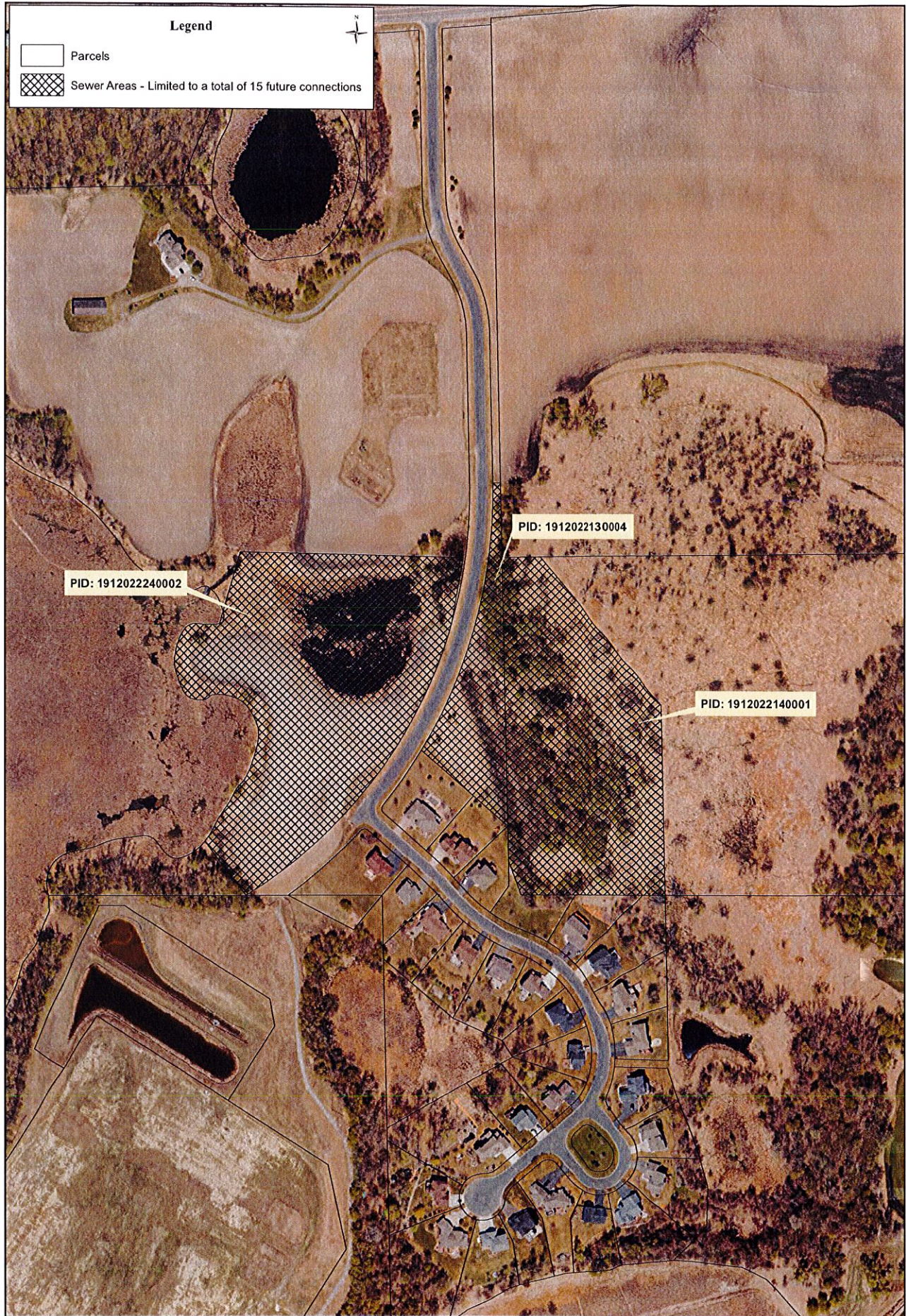
March 23, 2021

By: 

Amy Benting

Its: City Clerk

Rogers - Dayton Utility Agreement 4th Amendment Exhibit A



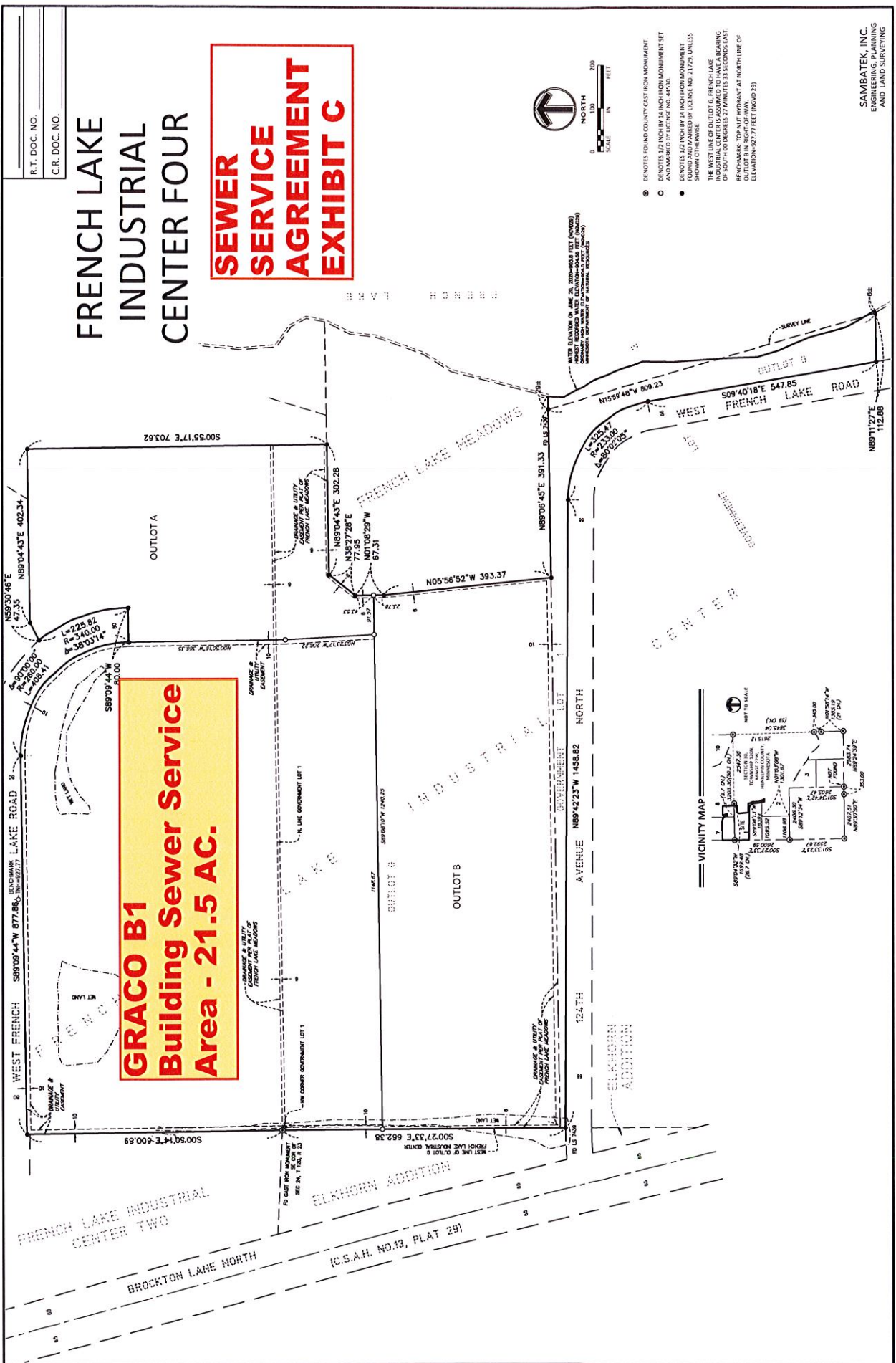


R.T. DOC. NO.
C.R. DOC. NO.

FRENCH LAKE INDUSTRIAL CENTER FOUR

SEWER SERVICE AGREEMENT EXHIBIT C

GRACO B1 Building Sewer Service Area - 21.5 AC.



- DENOTES SOUND COUNTY CAST IRON MONUMENT.
 - DENOTES 1/2" INCH BY 1/4" INCH IRON MONUMENT SET IN PLACE BY GEORGE (G) AND SUE (S) WILSON.
 - DENOTES 1/2" INCH BY 1/4" INCH IRON MONUMENT SET IN PLACE BY SAMBATEK INC. UNLESS SHOWN OTHERWISE.
- THE WEST LINE OF OUTLOT C, FRENCH LAKE INDUSTRIAL CENTER IS ASSUMED TO HAVE A BEARING OF N89°04'43"E AND A DISTANCE OF 302.28 FEET TO THE POINT OF BEGINNING OF OUTLOT B IN RIGHT OF WAY. ELEVATION=927.77 FEET (MVD 29)

SAMBATEK, INC.
ENGINEERING PLANNING
AND LAND SURVEYING



WATER COMPREHENSIVE PLAN

December, 2025

Prepared for:
City of Dayton, Minnesota

Prepared by:
Stantec Consulting Services Inc.

Project Number:
193806077

Water Comprehensive Plan

| Revision | Description | Author | Date | Quality Check | Date | Independent Review | Date |
|-----------------|--------------------|-----------------|-------------|----------------------|-------------|---------------------------|-------------|
| A | Draft | Camila Bejarano | 8/6/25 | Louis Sigtermans | 8/29/25 | | |
| B | Final | Camila Bejarano | 12/19/25 | Louis Sigtermans | 12/19/25 | Nastassja Abercrombie | 11/5/25 |
| | | | | | | | |




The conclusions in the Report titled Water Comprehensive Plan are Stantec's professional opinion, as of the time of the Report, and concerning the scope described in the Report. The opinions in the document are based on conditions and information existing at the time the scope of work was conducted and do not take into account any subsequent changes. The Report relates solely to the specific project for which Stantec was retained and the stated purpose for which the Report was prepared. The Report is not to be used or relied on for any variation or extension of the project, or for any other project or purpose, and any unauthorized use or reliance is at the recipient's own risk.

Stantec has assumed all information received from City of Dayton (the "Client") and third parties in the preparation of the Report to be correct. While Stantec has exercised a customary level of judgment or due diligence in the use of such information, Stantec assumes no responsibility for the consequences of any error or omission contained therein.

This Report is intended solely for use by the Client in accordance with Stantec's contract with the Client. While the Report may be provided by the Client to applicable authorities having jurisdiction and to other third parties in connection with the project, Stantec disclaims any legal duty based upon warranty, reliance or any other theory to any third party, and will not be liable to such third party for any damages or losses of any kind that may result.

Prepared by: Camila Bejarano
Signature

Camila Bejarano
Printed Name

Reviewed by: 
Signature

Nastassja Abercrombie
Printed Name

Approved by: 
Signature

Louis Sigtermans
Printed Name



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Executive Summary

The City of Dayton, Minnesota is positioned along the I-94 corridor and bordered by the Mississippi River. With a population now exceeding 12,000—an increase of more than 6,000 residents since 2007—the City is experiencing robust residential, commercial, and industrial development. This Water Supply and Distribution Plan has been prepared to guide municipal decision-making and infrastructure investment through 2050, ensuring that Dayton’s water system remains resilient, reliable, and capable of supporting anticipated growth.

The City’s water supply is currently sourced from four wells (with a fifth constructed and anticipated to be online in 2026) and supplemented by interconnections with the neighboring cities of Maple Grove, Champlin, and Rogers. The distribution network comprises three distinct, non-interconnected service areas: Historic Village, Northeast, and Southwest. Each area is supplied by its own dedicated wells. Historical data from 2017 to 2024 indicate that water use in the Historic Village has remained stable, while water use in the Northeast and Southwest service areas has increased, reflecting growth in those areas. Tables document well output and billing records, providing a baseline for future planning.

A comprehensive analysis of population growth, water usage trends, and seasonal variations suggests continued acceleration in both residential and employment sectors. Projections indicate the need for ongoing monitoring and periodic evaluation of water demands in each service area, particularly as development patterns shift and as service areas are eventually interconnected.

Hydraulic modeling of the distribution system was conducted to identify existing operational constraints and to develop a strategic framework for future expansion. The planned interconnection of the three service areas at the system’s ultimate build-out will create two primary pressure zones: a Low Pressure Zone serving the North Dayton District (encompassing the Historic Village and Northeast) and a High Pressure Zone serving the South Dayton District. This approach will optimize service pressures, improve fire flow capability, and enhance service reliability citywide.

Based on forecasted population and development, the plan outlines the timing and estimated costs for critical infrastructure improvements. These include additional wells to expand supply capacity, upgrades to water treatment, expansion of treated water storage, and new trunk mains to complete the interconnected distribution grid. The Capital Improvements Plan (Appendix B) provides a prioritized schedule to align investment with growth so that service reliability and public safety standards are maintained.



1 Introduction

The City of Dayton, Minnesota, located along the I-94 corridor and bordered by the Mississippi River to the north, is a growing community with a population of approximately 12,000 people. Since 2007, when the previous Water Supply and Distribution Plan was prepared, Dayton’s population has grown by over 6,000 residents. Recent developments in the City of Dayton have fostered accelerated population and job growth. Continuation of this trend is anticipated for both housing and commercial/industrial developments.

The City of Dayton is in the process of revising its future land use plan, which will help define growth patterns in the City for the next ten years and beyond. Because of projected growth, the City continues to monitor and plan for improvements in water system infrastructure that must be made to keep up with this growth.

The City presently obtains its water supply from four wells and existing interconnections with the City of Maple Grove, City of Champlin, and City of Rogers. Dayton’s water distribution system currently consists of three separate service areas that are not interconnected – the Historic Village, Northeast, and Southwest Service Areas. Figures A-1 through A-3 show the existing water distribution system for each service area. The service areas are planned to be interconnected at future “build-out” of the water system, with a Low Pressure Zone in the North Dayton District (encompassing the current Historic Village and Northeast areas) and a High Pressure Zone in the South Dayton District. Figure A-4 shows the proposed ultimate build-out trunk water distribution system map.

This report evaluates the current water system, including water supply wells, water treatment, treated water storage, and the distribution system. Future needs are evaluated for the ultimate build-out of the system and forecasted for the next 25 years (to 2050), including the timing and estimated costs for additional infrastructure.



2 Water Demands

Historical water use, current water use trends, seasonal water demand variations, and population growth projections were all evaluated to determine existing and future water demands for evaluation of the water system. Because the water service areas are not currently interconnected and obtain water supply from different sources, water demands for the Historic Village and Northeast service areas were evaluated separately from the Southwest service area.

2.1 Existing Demands

The Historic Village and Northeast Service Areas are currently supplied by two municipal wells each. Annual well pumping volumes and residential and non-residential water billing data from 2017 to 2024 for these service areas were evaluated. Summaries for each service area are shown in Table 2-1 and Table 2-2. The Northeast Service Area has one emergency interconnect to the City of Champlin but this is normally closed and did not supply water during the period of record.

For the Historic Village Service Area, the water pumped and delivered has remained relatively flat over the period of record. This is expected based on the relatively limited growth and development in observed this area from 2017 to 2024.

Table 2-1. Historical Water Demands for Historic Village Service Area

| Year | Residential Water Use (MG) | Irrigation Water Use ¹ (MG) | Total Water Delivered (MG) | Total Water Pumped (MG) | UFW (%) | Avg Day Demand (MGD) | Max Day Demand (MGD) | Max/Avg Ratio |
|-------------------|----------------------------|--|----------------------------|-------------------------|------------|----------------------|----------------------|---------------|
| 2017 | 6.62 | 0.0 | 6.62 | 7.73 | 14.4% | 0.021 | 0.046 | 2.17 |
| 2018 | 7.16 | 0.0 | 7.16 | 8.04 | 10.9% | 0.022 | 0.045 | 2.04 |
| 2019 | 6.67 | 0.59 | 7.27 | 8.22 | 11.6% | 0.023 | 0.042 | 1.87 |
| 2020 | 7.23 | 1.22 | 8.45 | 9.42 | 10.2% | 0.026 | 0.056 | 2.17 |
| 2021 | 6.50 | 1.01 | 7.51 | 8.97 | 16.3% | 0.025 | 0.055 | 2.24 |
| 2022 | 6.56 | 1.15 | 7.72 | 9.58 | 19.4% | 0.026 | 0.069 | 2.63 |
| 2023 ² | 6.56 | 1.34 | 7.90 | 9.47 | 16.6% | 0.026 | 0.067 | 2.58 |
| 2024 | 7.08 | 0.53 | 7.61 | 7.43 | -2.5% | 0.020 | 0.061 | 3.00 |
| Avg | 6.80 | 0.97 | 7.53 | 8.61 | 12% | 0.024 | 0.055 | 2.34 |
| Max | 7.23 | 1.34 | 8.45 | 9.58 | 19% | 0.026 | 0.069 | 3.00 |

1. Irrigation data for McNeil Ballfield.

2. Well No. 1 pumpage for 2023 was corrected to exclude volumes bled to sanitary sewer during pressure tank repairs. Estimated bled volume was 4,400,000 gallons (Oct 28 – Nov 17).

For the Northeast Service Area, an increase in total water pumped and delivered has accompanied increases in population served over the past eight years. The highest total water delivered was in 2023 at



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202.7 million gallons (MG) and the highest total raw water pumped was also in 2023 at 215.7 MG. The largest maximum day was also in 2023, with 1.61 MGD pumped on June 21, 2023. Timely rainfall during the summer of 2024 may have contributed to reduced lawn watering demands, compared to 2023 which had a relatively drier summer.

Since 2021, non-revenue water (NRW) or unaccounted for water (UFW), i.e. water lost, has averaged approximately 13 percent in the Northeast Service Area, after two years where UFW exceeded 25 percent. The years with high (and negative) UFW are believed to be caused by inaccuracies with the City's billing and reporting systems. In the Historic Village Service Area, UFW has averaged 12 percent, mostly due to the small size of the service area and the disproportionate impact caused by annual hydrant flushing activities which are not metered or tracked. As an industry standard, it is recommended that the percentage of non-revenue water should be maintained below 10 percent. Improvements to the City's electronic water billing and reporting systems, as well as improved tracking of hydrant flushing volumes, are expected to reduce the City's non-revenue and unaccounted for water in the future.

Table 2-2. Historical Water Demands for Northeast Service Area

| Year | Residential Water Use (MG) | Irrigation Water Use ¹ (MG) | Total Water Delivered (MG) | Total Water Pumped (MG) | UFW (%) | Avg Day Demand (MGD) | Max Day Demand (MGD) | Max/Avg Ratio |
|------------|----------------------------|--|----------------------------|-------------------------|------------|----------------------|----------------------|---------------|
| 2017 | 53.8 | 0.0 | 53.8 | 49.7 | -8.2% | 0.14 | 0.42 | 3.10 |
| 2018 | 61.4 | 0.0 | 61.4 | 66.7 | 8.0% | 0.18 | 0.62 | 3.39 |
| 2019 | 59.0 | 1.2 | 60.2 | 81.7 | 26.3% | 0.22 | 0.57 | 2.54 |
| 2020 | 58.3 | 1.2 | 59.5 | 128.1 | 53.5% | 0.35 | 1.00 | 2.85 |
| 2021 | 108.9 | 1.3 | 110.2 | 119.4 | 7.7% | 0.33 | 0.98 | 2.99 |
| 2022 | 155.0 | 1.5 | 156.5 | 166.0 | 5.7% | 0.45 | 1.32 | 2.90 |
| 2023 | 200.2 | 2.5 | 202.7 | 215.7 | 6.0% | 0.59 | 1.61 | 2.72 |
| 2024 | 174.2 | 1.0 | 175.2 | 188.5 | 7.1% | 0.52 | 1.25 | 2.42 |
| Avg | 108.8 | 1.5 | 109.9 | 127.0 | 13% | 0.35 | 0.97 | 2.86 |
| Max | 200.2 | 2.5 | 202.7 | 215.7 | 54% | 0.59 | 1.61 | 3.39 |

1. Irrigation data for City Hall and Rivers Bend Park.

The Southwest Service Area is primarily supplied through two interconnects with the City of Maple Grove, and one with the City of Rogers that supplies a limited number of industrial users on the west side of French Lake. A second interconnect with Rogers is normally closed and did not supply water during the period of record. The interconnects are not metered. In lieu of this, individual customer meter billing data for the Southwest Service Area was reviewed for the past eight years, summarized in Table 2-3.

Similar to the Historic Village and Northeast Service Areas, the highest annual water sales for the Southwest was in 2023 at 180.5 MG. In general, an increase in total water sales has accompanied increased population and industrial/commercial users in the service area. Note that because the interconnects with Maple Grove and Rogers are not metered, maximum day demand is not recorded and a maximum to average day ratio cannot be calculated, nor is it possible to calculate water losses (NRW or UFW) for the Southwest Service Area.



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2 Water Demands**

Table 2-3. Historical Water Demands for Southwest Service Area

| Year | Residential Water Use (MG) | Ind/Comm Water Use (MG) | Irrigation Water Use (MG) | Total Wholesale Purchases (MG) | Avg Day Demand (MGD) |
|------------|----------------------------|-------------------------|---------------------------|--------------------------------|----------------------|
| 2017 | 13.4 | 30.9 | 0.0 | 44.4 | 0.12 |
| 2018 | 20.5 | 33.3 | 0.5 | 54.3 | 0.15 |
| 2019 | 22.5 | 33.5 | 0.6 | 56.6 | 0.16 |
| 2020 | 39.1 | 45.9 | 3.5 | 88.5 | 0.24 |
| 2021 | 60.5 | 38.3 | 3.8 | 102.7 | 0.28 |
| 2022 | 73.2 | 37.1 | 3.6 | 113.8 | 0.31 |
| 2023 | 100.4 | 70.3 | 9.7 | 180.5 | 0.49 |
| 2024 | 89.7 | 51.2 | 11.2 | 152.1 | 0.42 |
| Avg | - | - | - | 99.1 | 0.3 |
| Max | - | - | - | 180.5 | 0.5 |

For Dayton, the served population is different from the total population. Many existing residents are on private wells, and some are connected to the City of Champlin’s water system. Table 2-4 summarizes the City’s total population, estimates of population served by the municipal water system, and city-wide annual water demands for 2017-2024. Note that the served population was calculated assuming that the unserved population has remained steady since 2016 at 3,289 persons.

Table 2-4. City-Wide Historical Population and Water Demands

| Year | Total Population | Population Served | Annual Residential Water Use (MG) | Annual Water Demand ¹ (MG) | Avg Day Demand (MGD) | Residential per Capita Demand (gpcd) | Total per Capita Demand (gpcd) |
|------------|------------------|-------------------|-----------------------------------|---------------------------------------|----------------------|--------------------------------------|--------------------------------|
| 2017 | 5,481 | 2,192 | 73.9 | 101.8 | 0.28 | 92.3 | 127.3 |
| 2018 | 6,072 | 2,783 | 89.1 | 129.1 | 0.35 | 87.7 | 127.1 |
| 2019 | 6,374 | 3,085 | 88.2 | 146.5 | 0.41 | 78.3 | 130.1 |
| 2020 | 7,262 | 3,973 | 104.6 | 225.9 | 0.62 | 72.1 | 155.8 |
| 2021 | 8,021 | 4,732 | 175.9 | 231.0 | 0.63 | 101.8 | 133.7 |
| 2022 | 9,281 | 5,992 | 234.7 | 289.3 | 0.79 | 107.3 | 132.3 |
| 2023 | 10,086 | 6,797 | 307.2 | 410.4 | 1.12 | 123.8 | 165.4 |
| 2024 | 11,065 | 7,776 | 271.0 | 350.5 | 0.96 | 95.5 | 123.5 |
| Avg | - | - | 168.1 | 235.6 | 0.65 | 94.9 | 136.9 |
| Max | - | - | 307.2 | 410.4 | 1.12 | 123.8 | 165.4 |

1. Sum of annual wholesale purchases and well pumpage.

As with the individual service areas, Table 2-4 shows that an increase in city-wide annual residential and total water demand has accompanied increased residential and industrial/commercial growth over the past eight years.



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The residential per capita demand was calculated by dividing the city-wide annual residential water delivered by population served. The total per capita demand for each year was calculated by dividing the sum of wholesale purchases and raw water pumping volumes and dividing by population served. The calculated per capita demands for the years 2017-2024 in gallons per capita per day (gpcd) are shown in Figure 2-1.

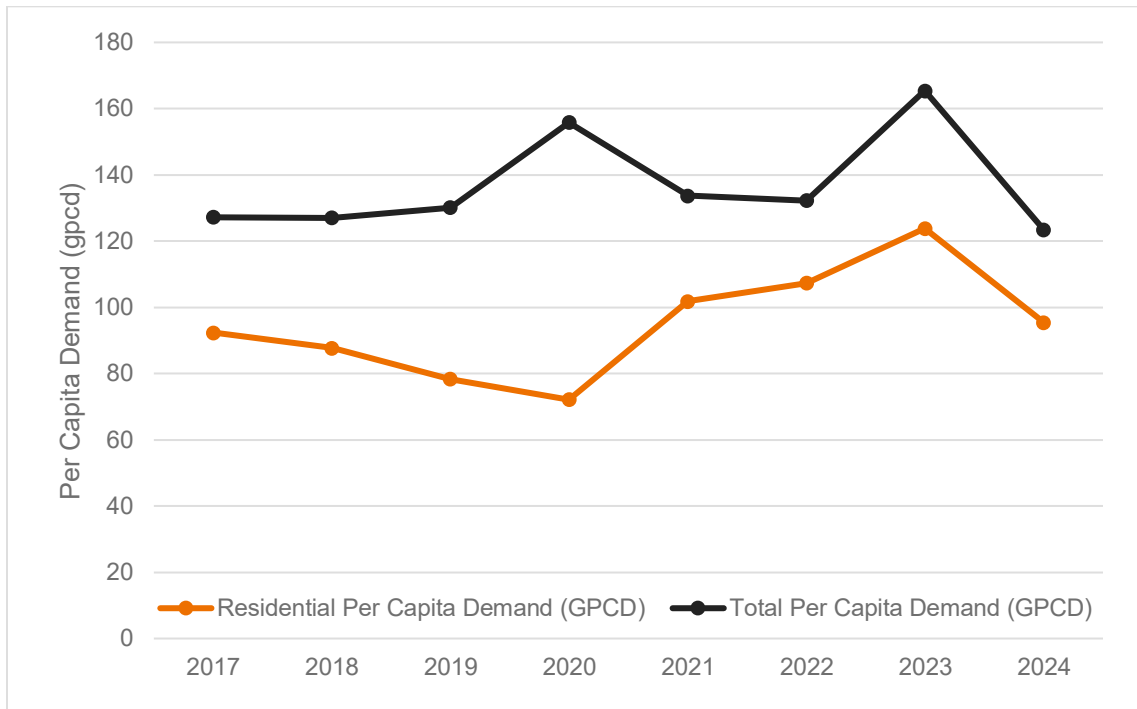


Figure 2-1. Annual Per Capita Demand

In general, residential per capita demand has increased over the past eight years. Notable exceptions include 2019 and 2020 when unaccounted for water in the Historic Village and Northeast Service Areas was 25% and 51%, respectively; and 2024, when timely rainfall during the summer may have reduced lawn watering demands. In 2023, the per capita demand peaked, having a per capita residential demand of 123.8 gpcd and a per capita total demand of 165.4 gpcd. The observed increases in per capita demand may be attributed to hotter and drier weather patterns from 2021 to 2023, leading to increased lawn irrigation demand in summer. Another factor may be increased lawn watering demands from new single-family homes constructed within Dayton over those time periods.

2.2 Demand Design Criteria

For establishing design criteria for existing and projected demands, the following peaking factor and per capita demands were selected:

- City-Wide 2.8 Maximum Day to Average Day Peaking Factor based on the average observed peaking factor from 2017-2024. Although higher peaking factors were observed in the Northeast



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Service Area in 2018 and prior years, it is noted that the recorded maximum days typically occurred during days in which the City flushed hydrants. As the service areas have grown, the impact of hydrant flushing has been minimized, and maximum days are now typically driven by lawn watering in summer. It is assumed that the Southwest Service Area will exhibit a similar peaking factor as the Northeast Service Area.

- Per capita residential demand of 95 gal/cap/day, the average observed from 2017-2024. This was further broken down based on residential densities as follows:
 - 100 gal/cap/day for low density
 - 90 gal/cap/day for medium density (including master planned developments)
 - 80 gal/cap/day for high density (including mixed use)
- Per capita total demand of 140 gal/cap/day, the average observed from 2017-2024, rounded up.
 - Per capita total demand is inclusive of residential, commercial/industrial, and institutional consumption, as well as unaccounted-for water (UFW). Total demands are applied to population-based forecasts and assume that the relative demand between use types will remain consistent.

The peak hour demand is the maximum hour of water demand which occurs on the maximum day. Peak hour demands typically occur in the morning or evening when residential and irrigation water use increase. Peak hour ratios typically range from 1.4 to 2.0 times maximum day demand. A higher percentage of industrial or commercial water use decreases the peak, since industrial usage does not fluctuate significantly from hour to hour. An industry standard time of day demand curve from the American Water Works Association (AWWA) is illustrated in Figure 2-2.

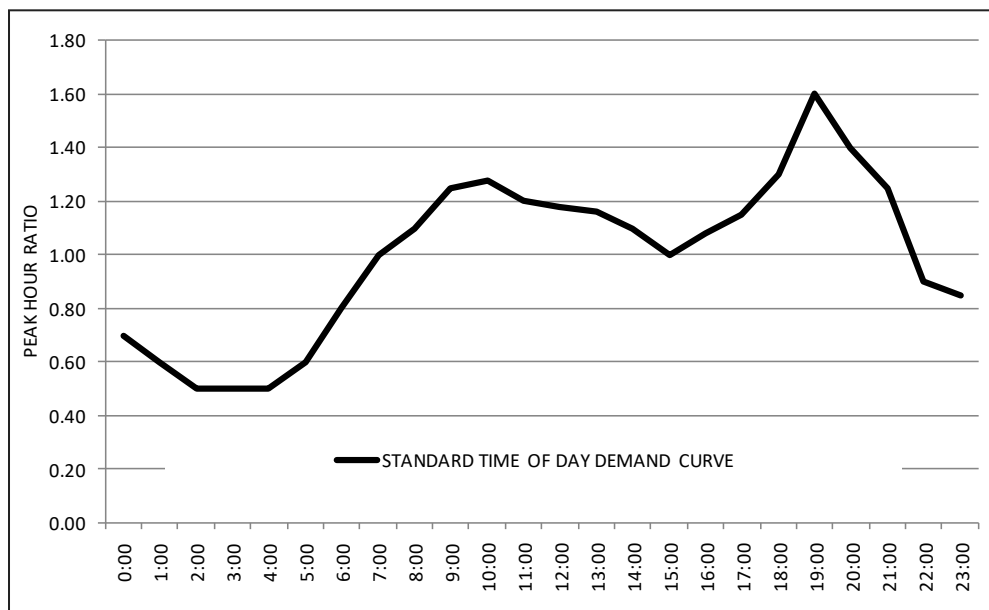


Figure 2-2. AWWA Standard Time of Day Demand Curve



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In lieu of basing the peak hour ratio on hourly pumping and water storage data recorded during a maximum day, it is recommended that a design peak hour ratio of 1.6 be used based on the AWWA standard time of day demand curve.

The design existing water demands for this study are summarized in Table 2-5. The average day demands were based on the maximum observed average day demands over the past eight years. As discussed, the maximum day and peak hour ratios were determined based on Dayton water demand trends and typical industry standards.

Table 2-5. Design Existing Water Demands

| Service Area | Average Day Demand | Maximum Day Demand¹ | Peak Hour Demand² |
|--|---------------------------|---------------------------------------|-------------------------------------|
| Historic Village | 0.026 MGD | 0.073 MGD | 0.12 MGD (82 gpm) |
| Northeast | 0.59 MGD | 1.65 MGD | 2.65 MGD 1,839 gpm |
| Southwest | 0.49 MGD | 1.37 MGD | 2.20 MGD 1,524 gpm |
| Total City | 1.12 MGD | 3.14 MGD | 4.97 MGD (3,445 gpm) |
| ¹ Maximum day demand design factor equal to 2.8. ² Peak hour demand design factor equal to 1.6. | | | |

2.3 Population Growth Projections

2.3.1 TOTAL POPULATION

Establishing water demand projections requires the development of population growth projections throughout the planning period. For the purposes of this study, a design year of 2050 is used.

Population is a very dynamic parameter – difficult to estimate with a high level of accuracy. An added complication is that water studies are focused primarily on the population served, or will be served, by the City’s water system. This can be different than a City’s total population, as it is for Dayton. Water use is affected by many factors such as land use, water rates, climate, soil conditions, and socioeconomic trends. It is, however, associated with population more than any other parameter. The prior section of this Plan established the estimated per capita water consumption rates for Dayton based on historical data. Once population growth forecasts are determined for a community, future water demands can be projected.

Two approaches were used to project Dayton’s population growth through 2050:

1. Metropolitan Council Forecasts (Imagine 2025)



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Forecasts from the Met Council were only available for the Hennepin County portion of the City. Historically, the Wright County segment has comprised less than 1% of the City's population, and any expected growth from this area was considered negligible.

2. City Staff Growth Estimates

Based on discussions with City planning staff, an alternative growth model of 500 residents per year was used for projections beyond the year 2025. A total city population of 12,000 was projected for 2025.

Figure 2-3 shows the historical population of Dayton from 2009 to 2024 along with the two approaches for population projections.

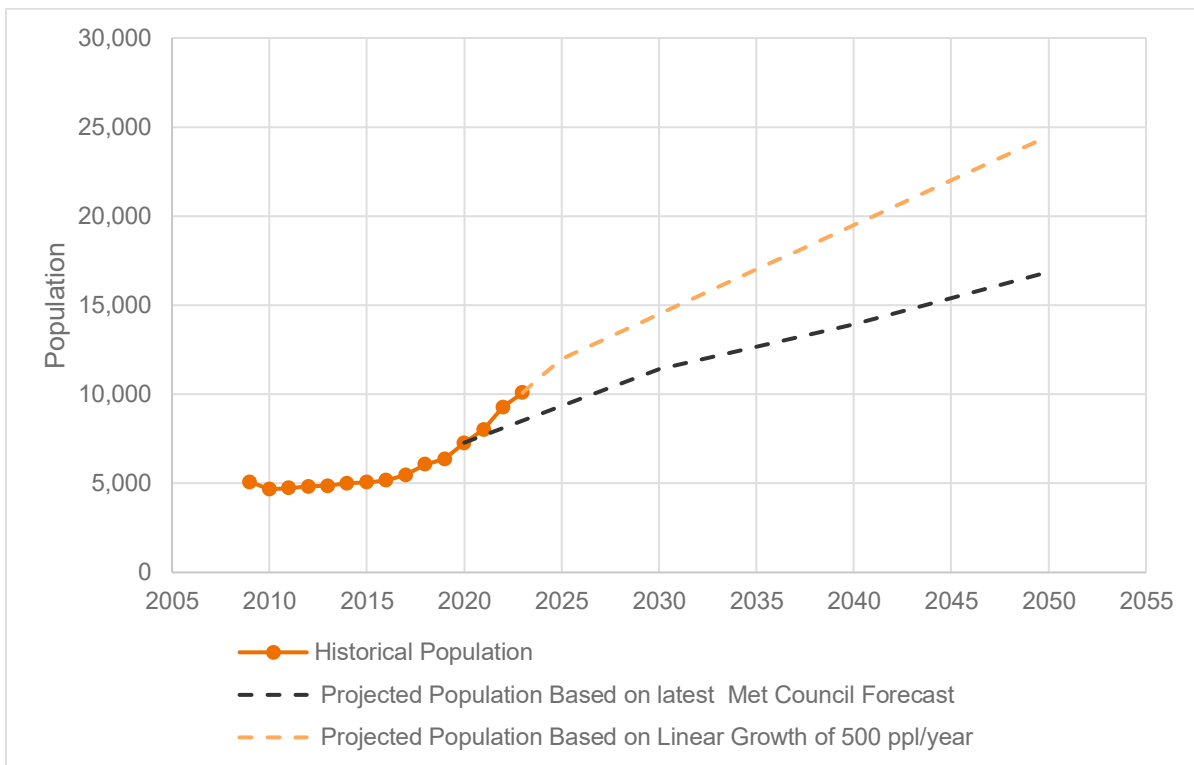


Figure 2-3. Historical and Projected Population for Dayton

In consideration of the above growth projections, the growth rate based on linear growth of 500 people per year was selected as the planning basis for this study. The growth rate used in this planning document is intended to be somewhat conservative to avoid underestimating infrastructure needs. At this growth rate, Dayton's population would reach 24,500 in the year 2050.

2.3.2 SERVED POPULATION

As noted previously, not all residents are connected to the municipal water system. A portion of the population is served by private wells, and some are served by the Champlin water distribution system.



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These unserved residents are not anticipated to connect to the municipal water system within the 2050 horizon considered in this Plan. Table 2-6 presents projections for both the total population and population served by the Dayton municipal water system. Estimated served population was calculated by determining the difference between the projected total population and the currently unserved population.

Table 2-6. Projected Served Population for City of Dayton

| Year | Total Population | Population Served |
|-------------|-------------------------|--------------------------|
| 2025 | 12,000 | 8,711 |
| 2030 | 14,500 | 11,211 |
| 2035 | 17,000 | 13,711 |
| 2040 | 19,500 | 16,211 |
| 2045 | 22,000 | 18,711 |
| 2050 | 24,500 | 21,211 |

As shown in the table above, Dayton’s served population is projected to reach 21,211 by the year 2050.

2.4 Future Land Use

An alternative to projecting water demands using projected population at specified intervals of time is to project water demands based on future land use. Water demands projected this way are often referred to as ultimate or full “build-out” demands. Ultimate demands are useful for long-term planning and layout of water system facilities such as storage and trunk water mains; however, the timeframes (or lack thereof) associated with full build out scenarios make it difficult to estimate precisely when ultimate facilities will be needed.

The City of Dayton is currently in the process of revising its land use plan, which will help to define growth patterns in the City for the next ten years and beyond. The latest version of Dayton’s land use plan was used to develop Figure A-5. At full build-out, the current Historic Village and Northeast Service Areas will combine into the Low Pressure Zone in the North Dayton District and the current Southwest Service Area will be encompassed by the High Pressure Zone in the South Dayton District.

Table 2-7. Adjusted Developable Acres by Table 2-7 and Figure A-5 show the developable acres by ultimate service area. Developable acres are exclusive of areas such as open water, right-of-way (ROW), National Wetlands Inventory (NWI), 100-year floodplain, environmentally sensitive areas, and steep slopes. Parcels with existing water meters have also been removed. Note that the total developable acres in Table 2-7 additionally account for reductions due to future right-of-way and green spaces.

The precise timing, locations, and densities that develop in the future are unknown but expected to be guided by the land use plan.



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Table 2-7. Adjusted Developable Acres by Ultimate Service Area

| Future Land Use | North Dayton¹ | South Dayton¹ |
|----------------------------------|---------------------------------|---------------------------------|
| Low Density Residential (LDR) | 1,732.4 | 1,350.9 |
| Medium Density Residential (MDR) | 0.0 | 418.9 |
| High Density Residential (HDR) | 0.0 | 177.3 |
| Master Planned Development | 348.1 | 0.0 |
| Mixed Use | 36.2 | 159.6 |
| Sewered LDR | 186.4 | 0.0 |
| Mobile Home Parks | 0.0 | 14.6 |
| Unsewered LDR | 556.5 | 0.0 |
| Commercial | 0.0 | 75.0 |
| Industrial | 0.0 | 336.4 |
| Public/Institutional | 17.1 | 16.3 |
| Agricultural Preserve | 73.4 | 122.8 |
| Business Park | 0.0 | 50.5 |
| Golf Course | 0.1 | 37.6 |
| Neighborhood Commercial | 5.7 | 20.7 |
| Open Water | 0.0 | 0.5 |
| Park/Open Space ² | 356.8 | 358.2 |
| Right of Way (ROW) | 309.5 | 373.2 |
| Rural Estate | 234.7 | 0.0 |
| Total | 3,857.0 | 3,513.0 |

1. Acres are adjusted assuming that 10% of all developable acres will become right-of-way and 10% of residential developable acres become green space.
2. Excluding Elm Creek Park Reserve areas.

The assumed residential unit densities per acre, household sizes, and average water demand rates by future land use type are shown in Table 2-8. The average per capita daily water demands used were 100 gallons per capita for Low-Density Residential (LDR), 90 gallons per capita for Medium-Density Residential (MDR), and 80 gallons per capita for High-Density Residential (HDR). To determine the average per capita daily water demand, other residential land uses were classified as LDR, MDR, or HDR based on their unit density.



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Table 2-8. Population Densities and Water Demand Rates by Future Land Use Type

| Future Land Use | Unit Density ¹ | Household Size | Per Capita Avg Day Demand | Acreage Avg Day Demands |
|--|---------------------------|----------------|---------------------------|-------------------------|
| | Units/Acre | Cap/Unit | gal/cap/day | gal/acre/day |
| LDR (1-3) | 2.5 | 3.0 | 100 | 750 |
| MDR (6-8) | 6 | 2.5 | 90 | 1,350 |
| HDR (15-20) | 15 | 2.0 | 80 | 2,400 |
| Master Planned Development (4.5-8) | 6 | 2.5 | 90 | 1,350 |
| Mixed Use (12-20) | 15 | 2.0 | 80 | 2,400 |
| Sewered LDR (1.18) | 1.18 | 3.0 | 100 | 360 |
| Mobile Home Parks (8-10) | 8 | 2.5 | 90 | 1,800 |
| Unsewered LDR (0.2-0.5) | 0.35 | 3.0 | 100 | 110 |
| Commercial | - | - | - | 1,500 |
| Industrial | - | - | - | 1,500 |
| Public/Institutional | - | - | - | 1,000 |
| Agricultural Preserve (assume will be LDR) | 2.5 | 3.0 | 100 | 750 |
| Business Park | - | - | - | 1,500 |
| Golf Course | - | - | - | 1,000 |
| Neighborhood Commercial | - | - | - | 1,500 |
| Park/Open Space | - | - | - | 1,000 |
| Rural Estate (0.1-0.5) | 0.1 | 3.0 | 100 | 30 |

1. Values selected from ranges provided in land use definitions in the City of Dayton 2040 Comprehensive Plan. Ranges are noted in parentheses in the future land use description column.

Note that this analysis assumed the residential areas to be developed within the middle to lower ranges of their respective land use descriptions. Non-residential water demands are dependent on the nature of the users and tend to have a higher base demand variance than residential demands. For example, a warehouse user may demand less than 1,500 gal/day on average while a water-intensive manufacturer may demand much more water on average. Therefore, it is critical to remember that these are planning assumptions only and that actual water usage should be verified as industrial and commercial areas develop.

2.5 Projected Demands

Table 2-9 presents the projected average day water demands based on the population projections outlined in Section 2.3 and an initial total water consumption factor of 140 gpcd. This factor accounts for all water use, including residential, industrial, commercial, and institutional consumption, as well as unaccounted-for water (UFW). While 140 gpcd serves as a starting point, it is assumed that residential growth will outpace industrial and commercial growth over time, leading to a gradual reduction in per



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capita water demand. As a result, total per capita demand is projected to decline from 140 gpcd to 130 gpcd by 2050. The projected maximum day demands are calculated using the design average-to-maximum day demand ratio of 2.8.

Table 2-9. Projected Population and Demands by Year

| Year | Pop. Served | Total per Capita Demand (gpcd) | Average Day Demand (MGD) | Maximum Day Demand (MGD) |
|------|-------------|--------------------------------|--------------------------|--------------------------|
| 2025 | 8,711 | 140 | 1.2 | 3.4 |
| 2030 | 11,211 | 140 | 1.6 | 4.4 |
| 2035 | 13,711 | 135 | 1.9 | 5.2 |
| 2040 | 16,211 | 135 | 2.2 | 6.1 |
| 2045 | 18,711 | 130 | 2.4 | 6.8 |
| 2050 | 21,211 | 130 | 2.8 | 7.7 |

The ultimate average and maximum day demands based on future land use for full build out are shown in Table 2-10. The projected ultimate population for Dayton, assuming full build out at the guided densities, is 59,895. The projected ultimate average day demand is 7.19 MGD and projected ultimate maximum day demand is 20.1 MGD.

Table 2-10. Projected Population and Demands at Full Build Out

| Stage | Total City | | | North Dayton | | South Dayton | |
|----------|-------------------|----------------------------|-------------------------|----------------------------|-------------------------|----------------------------|-------------------------|
| | Population Served | Average Daily Demand (MGD) | Max. Daily Demand (MGD) | Average Daily Demand (MGD) | Max. Daily Demand (MGD) | Average Daily Demand (MGD) | Max. Daily Demand (MGD) |
| Current | 11,065 | 1.12 | 3.14 | 0.63 | 1.76 | 0.49 | 1.38 |
| Ultimate | 59,895 | 7.2 | 20.1 | 3.1 | 8.6 | 4.1 | 11.6 |

2.6 Fire Demand

Water usage for fire demand is also a vital consideration in the design of a water supply and distribution system. Fire demand varies greatly from normal usage in that an extremely large quantity of water is required from a single demand point in a very short time. The annual quantity of water used for fires is almost negligible when compared to other usage categories, but because of the extreme rate of usage during an emergency, fire demands frequently govern design of the distribution system.

The Insurance Services Office (ISO) recommends that a system the size of Dayton's be capable of delivering a fire demand of 1,000 gpm to 3,500 gpm for varying durations depending on the occupancy use type and building construction. Recommended fire flows used in the evaluation and design of the



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Dayton water system were assigned based on water demand projections using land use and are illustrated in Figure A-2. Typical recommended fire flows by land use are listed below:

- Park and Open Space – 500 gpm
- Low Density Residential – 1,000 gpm
- Historic Village Mixed Use – 1,500 gpm
- Medium Density Residential, Business Park, and Commercial – 2,500 gpm
- Other Mixed Use, High Density Residential, Industrial, and Public/Institutional – 3,500 gpm

Fire flow needs derived from land use classifications may lack the precision necessary for building-specific and site-specific evaluations; therefore, fire flow requirements should be reviewed with Fire Officials based on occupancy use and building construction. For example, a large commercial facility may be better classified as industrial or institutional for firefighting purposes. A large commercial facility may require a higher fire flow than the commercial land use dictates, due to the size, construction, and use of the facility. Industrial or institutional buildings may be assigned a fire flow as high as 3,500 gpm, but the facility may contain fire sprinklers, in which case fire flow requirements may be as low as 1,500 gpm.



3 Water Supply

3.1 Supply from Neighboring Cities

The City of Dayton has agreements with the Cities of Maple Grove, Champlin and Rogers to serve water to Dayton. Copies of the water service agreements are included in Appendix A.

The Southwest service area is served by two existing connections to the Maple Grove water system. Maple Grove has agreed to provide Dayton with water in sufficient quantity to meet an average day demand not to exceed 2.8 MGD and a maximum day demand of 5.0 MGD at a minimum pressure of 1,066 ft elevation.

The Southwest service area also has two interconnections to the City of Rogers water system. The connection along Rogers Drive is currently used to serve a limited number of industrial users on the west side of French Lake. In the near term, this industrial park area will be connected to the remainder of the Southwest service area and supplied by Maple Grove. This interconnection would then be closed but still available for use as an emergency connection. The second interconnection in the southwest is used as an emergency connection along Brockton Lane North. There is no formal agreement in place for emergency interconnect operations.

The Northeast service area has one interconnection to the City of Champlin, which was established by Joint Powers Agreement. The interconnection is located along French Lake Road and is used only during an emergency.

Additionally, an isolated residential neighborhood within Southeast Dayton, located east of Elm Creek Park Reserve and south of Elm Creek Road, is served by the City of Champlin's water and sewer systems and is not connected with the rest of the Dayton's system.

3.2 Existing Wells

The water systems in North Dayton presently obtain raw water supply from four wells, two located in Northwest Dayton that serve the Historic Village service area (Well Nos. 1 and 3), and the other two in Northeast Dayton (Well Nos. 2 and 4) that serve the Northeast service area. All wells obtain water from the Tunnel City-Wonewoc Aquifer. The existing well locations are shown on the water system map illustrated on Figures A-1 and A-2, and on the wells and raw water piping map illustrated on Figure A-7.

These wells range from 384 feet to 505 feet deep and have operational capacities ranging from 150 gpm to 800 gpm, depending on the size of the well and the structure of the geologic formation. Table 3-1 provides a summary of each well.



Table 3-1. Existing Groundwater Supply Wells

| Source | Unique ID | Aquifer | Service Area | Year Const. | Pump Type | Well Depth (ft) | Casing Depth (ft) | Casing Dia. (in) | Operational Capacity (gpm) |
|--------|-----------|---------------------|------------------|-------------|--------------------------------|-----------------|-------------------|------------------|----------------------------|
| Well 1 | 611054 | Tunnel City-Wonewoc | Historic Village | 2001 | Submersible | 390 | 190 | 16 | 150 ¹ |
| Well 2 | 752128 | Tunnel City-Wonewoc | Northeast | 2007 | Submersible w/ pitless adapter | 404 | 220 | 18 | 800 |
| Well 3 | 843384 | Tunnel City-Wonewoc | Historic Village | 2019 | Line shaft vertical turbine | 384 | 205 | 12 | 150 ¹ |
| Well 4 | 854381 | Tunnel City-Wonewoc | Northeast | 2021 | Line shaft vertical turbine | 505 | 332 | 18 | 800 ² |

1. List capacities for Well Nos. 1 and 3 are based on current flow setpoints for pumping to the hydropneumatic tank; rated capacities of installed pumps are higher at 300 and 600 gpm, respectively. Both wells are on variable frequency drives (VFDs).
2. Due to issues with pumping sand, Well No. 4 has been de-rated to 800 gpm. Original pump design was 1,200 gpm.

Because the Historic Village and Northeast service areas are not currently connected to each other, firm capacity is considered separate for each. The firm capacity is 150 gpm (0.22 MGD) in the Historic Village and 800 gpm (1.15 MGD) in the Northeast. Firm capacity is defined as the amount supplied with the largest well out of service.

3.2.1 WELL NO.5

To continue accommodating rising water demand, Well No. 5 will be added to the City’s distribution system in the Northeast service area. Drilling and installation of this well began in 2023 and was completed construction in January 2024. Construction of Wellhouse No.5 is complete but the wellhead treatment facility for Well No. 5 is expected to be completed in 2026.

Well No. 5 consists of an 18-inch steel-cased, 435-foot-deep production well finished in the Tunnel City-Wonewoc aquifer. The well is expected to provide a capacity of 1,200 gpm and will be pumped to a wellhead treatment plant located next to Well No. 4 for further treatment. This system is expected to start up in 2026.

With three wells, the total supply capacity (operational) for the Northeast service area will increase to 2,800 gpm (4.1 MGD), and the firm capacity will increase to 1,600 gpm (2.3 MGD).

3.3 Existing Raw Water Piping

The City’s wells have piping in place to deliver raw water from the wellhead to treatment before the water is conveyed to the distribution system. The existing raw water piping is illustrated on Figure A-7.



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- Approximately 1,900 feet of 8-inch polyvinyl chloride (PVC) raw water pipe connects Well No. 3 to Wellhouse No. 1, where the raw water is treated by chemical dosing.
- Approximately 3,100 feet of 12-inch PVC raw water pipe runs from Wellhouse No. 4 to Wellhouse No. 5. A new treatment facility for Well Nos. 4 and 5 is currently under construction at the Wellhouse No. 4 site.

3.4 Well Capacity versus Demand

Water supply and storage volume capacities are interrelated. Tanks act as additional supply sources during peak periods when the primary supply sources (e.g. wells alone) are unable to meet the demand. Thus, storage serves to stabilize supply during peaks in water demand and allows the system to produce water at a lower, more uniform, and typically less expensive rates.

There are an infinite number of combinations of supply and storage that can be used to meet peak water demands. An efficient, economical system can be determined through a detailed analysis of supply and storage costs. For the vast majority of communities, the ideal combination of supply and storage is found when the supply equals 100% of the maximum day demand. This is consistent with the recommendations in both *Recommended Standards for Water Works* by Great Lakes Upper Mississippi River Board (*Ten States Standards*), and American Water Works Association (AWWA) *Manual of Practice M32 - Distribution Network Analysis for Water Utilities*. Providing a firm capacity equal to the maximum day demand will result in improved system reliability by enhancing performance during the tank-filling periods, and particularly in the event of an emergency such as a fire.

For maximum system reliability and efficiency, supply and storage should be considered separately where there are multiple service areas. Two service areas are planned for the Dayton system, a High Pressure Zone in South Dayton and a Low Pressure Zone in North Dayton. It is inefficient to pump water to a high elevation and let the water flow down to lower pressure zones through pressure reducing valves. The cost to pump is high and the cost of pressure reducing systems is high. Also, pressure reducing valves are high maintenance items and subject to failure. Therefore, it is generally not desirable to rely on a pressure reducing valve system as a major component of a supply source for an area. For these reasons, supply and storage requirements for each zone are evaluated independently.

The resulting supply recommendations for each existing service area are based on the maximum day demands and are shown in Table 3-2. As shown in the table, once Well No. 5 is commissioned, each existing service area meets the supply recommendations.



Table 3-2. Existing Water Supply Recommendations

| Service Area | Existing Maximum Day Demand | Recommended Supply Capacity | Existing Firm Capacity | Additional Supply Needed |
|-------------------------|------------------------------------|------------------------------------|-------------------------------|---------------------------------|
| Historic Village | 0.073 MGD | 50 gpm | 150 gpm | None |
| Northeast | 1.65 MGD | 1,150 gpm | 1,600 gpm ¹ | None |
| Southwest | 1.37 MGD | 960 gpm | 3,472 gpm ² | None |

1. Firm capacity after Well No. 5 is commissioned.
2. Based on Maple Grove agreement to provide up to maximum day demand of 5.0 MGD.

Supply recommendations for the two proposed ultimate service areas are based on projected ultimate water demands and are shown in Table 3-3. Existing firm capacities are based solely on existing wells within the City of Dayton; for the purposes of this report, it is assumed that water supply from Maple Grove to the South Dayton system will ultimately be terminated.

Table 3-3. Ultimate Water Supply Recommendations

| Service Area | Ultimate Maximum Day Demand | Recommended Supply Capacity | Existing Firm Capacity | Additional Supply Needed |
|---------------------|------------------------------------|------------------------------------|-------------------------------|---------------------------------|
| North Dayton | 8.6 MGD | 5,950 gpm | 2,500 gpm ¹ | 3,450 gpm |
| South Dayton | 11.6 MGD | 8,050 gpm | 0 gpm ² | 8,050 gpm |

1. Firm capacity after Well No. 5 is commissioned, and assuming Well Nos. 1 and 3 capacities are increased to their rated capacities of 300 and 600 gpm, respectively.
2. Assumes that supply from Maple Grove water system will ultimately be terminated.

The following section discusses planning considerations for future wells to meet the ultimate supply recommendations.

3.5 Future Well Planning

The Tunnel City-Wonewoc is the most available bedrock aquifer across the City, and for the purposes of this report, it is assumed to be the main source water for future municipal wells for Dayton. Typical yields from a Tunnel City-Wonewoc well in this part of the Metro are in the range of 800 to 1,200 gpm.

The Minnesota Department of Natural Resources (MnDNR) generally does not allow new wells to be drilled into the deeper bedrock aquifer (Mt. Simon) unless it is the aquifer of last resort. Shallower bedrock aquifers (chiefly the Jordan aquifer) are either too spotty across the City, too thin, or are missing altogether, so they aren't a reliable source of water for multiple municipal wells. However, there may be locations where a Jordan aquifer well might be an option, as water quality may be better overall than



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Tunnel City-Wonewoc water. The Jordan tends to have less iron and manganese and often does not require treatment in many of the Metro Area communities where it is used.

The City may also investigate the possibilities of using the drift (non-bedrock) aquifer that lies closer to the land surface, which is another aquifer that tends to have less iron and manganese. Recently, an irrigation well drilled to the drift aquifer in Northwest Dayton was noted to be highly productive with good water quality. If areas like these can be located and used for municipal wells, it can help reduce the reliance on the Tunnel City-Wonewoc aquifer. The largest issues with the drift aquifer are that it can be highly variable – changing in thickness, composition, and yield over short distances – and that it is often more vulnerable to contamination. So, while it is unlikely that all or most future municipal wells could be drilled into the drift aquifer, there may be the possibility of drilling some wells there.

Well spacing for the Tunnel City-Wonewoc aquifer needs to take well interference into consideration. Wells Nos. 4 and 5 are 2,050 feet apart. Some interference has been observed between these two wells, but it is not significant enough to cause a problem. Therefore, a spacing of 2,000 feet is recommended for planning purposes. Spacing may be able to be reduced to 1,500 feet in areas where available land is limited. But any less than 1,500 feet is not recommended, especially if multiple wells have been drilled in the area competing for water.

One benefit of finding wells in the shallower drift aquifer or the Jordan aquifer is that those aquifers generally aren't hydraulically connected to the Tunnel City-Wonewoc. This means that the shallower well could potentially be placed on or near the same site as a Tunnel City-Wonewoc well. This could reduce the number of well sites ultimately needed. However, this would depend on where the drift or Jordan aquifers are present and whether they are ideally situated to be used.

Test drilling would be needed to confirm aquifer availability, depth, and thickness. For each prospective well site, the City should plan to drill a Tunnel City-Wonewoc test well, which would pass through any layers of drift and Jordan on the way down. If those layers show some promise, a test well could be completed in those layers for further testing. Otherwise, the test well would be completed in the Tunnel City-Wonewoc for water quality testing and confirmation of aquifer performance.

As identified in Table 3-3, a total firm production capacity of 8.6 MGD (5,950 gpm) in North Dayton, and 11.6 MGD (8,050 gpm) in the South Dayton, is required to meet the ultimate projected demand conditions in Dayton at Ultimate build-out. This represents 100% of the ultimate system's maximum day demand. Firm well capacity is defined as the pumping capacity available with the largest well out of service. For added reliability in large systems, firm capacity is further defined by reserving one out of every ten wells as a standby well. Because Dayton has two systems, a minimum of one well is recommended for each system.

Due to existing challenges with drawing sand from Well No. 2, at some point in the future the City may decide to de-rate Well No. 2 to 600 gpm. In that case, the firm capacity of Dayton's existing five wells is 2,300 gpm, with Well No. 5 as standby.



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The calculated number of additional wells for each system is shown below. Note that the listed future well capacities are the average yields necessary to meet recommended firm capacities. Actual well yields will vary but are expected to be in the range of 800 to 1,200 gpm.

North Dayton

| | |
|--|---------------------------------------|
| Recommended Firm Capacity | 5,950 gpm |
| Existing Firm Capacity (Well No. 2 reduced to 600 gpm) | 2,300 gpm |
| Required Additional Capacity | 3,650 gpm |
| At 915 gpm Average Yield | 4 additional wells |
| | 8 total duty wells + 1 standby |

South Dayton

| | |
|-----------------------------------|---------------------------------|
| Recommended Firm Capacity | 8,050 gpm |
| Existing Firm Capacity | 0 gpm |
| Required Additional Capacity | 8,050 gpm |
| At 1,010 gpm Average Yield | 9 additional wells |
| | 8 duty wells + 1 standby |

Two well fields are planned for the ultimate service areas. The well fields, along with conceptual sizing and routing of raw water mains, are shown in Figure A-10.

The North Well Field will supply North Dayton and consists of the existing Well Nos. 2, 4, and 5, along with four future wells located along the north side of Diamond Lake Rd S. Raw water mains will be required to convey water from wells to the proposed wellhead treatment sites, which are each expected to be sized to treat up to two wells. North Dayton will additionally be supplied by existing Well Nos. 1 and 3 located near the Historic Village.

The South Well Field is comprised of nine future wells located to the north and east of the proposed South WTP located along 117th Ave N, south of Dubay Lake. Raw water mains will be required to convey water from the wells to the proposed South WTP.



4 Water Treatment

4.1 Existing Facilities

Raw water treatment occurs at Wellhouse Nos. 1, 2 and 4 consisting of chemical feed equipment for chlorination, fluoridation, and polyphosphate addition. The water quality at the wells and in the distribution system is tested periodically to ensure that water quality is within Primary Standards.

Dayton’s raw water is treated with chlorine for disinfection and to provide a chlorine residual for preventing bacterial regrowth within the distribution and storage systems. Fluoride is dosed for dental protection. Polyphosphates are added to the water to sequester dissolved iron and manganese and prevent their oxidation. Polyphosphates do not remove the iron and manganese from the water, but instead bind them in a temporary, non-reactive condition, helping them to pass through the system without causing deleterious effects on the water system.

Well No.3 pumps raw water directly to Wellhouse No. 1 for treatment. Table 4-1 shows the current capacity and treatment processes for each well.

Table 4-1. Capacity and Treatment Processes at Dayton's Wellhouses

| Well | Capacity (gpm) | Treatment Processes |
|-------------|-----------------------|---|
| Well No. 1 | 150 ¹ | Wellhouse No. 1: Chlorination, Fluoridation, Polyphosphate Addition |
| Well No. 2 | 800 | Wellhouse No. 2: Chlorination, Fluoridation, Polyphosphate Addition |
| Well No. 3 | 150 ¹ | Treatment at Wellhouse No. 1 |
| Well No. 4 | 800 ² | Wellhouse No. 4: Chlorination, Fluoridation, Polyphosphate Addition |

1. List capacities for Well Nos. 1 and 3 are based on current flow setpoints for pumping to the hydropneumatic tank; rated capacities of installed pumps and chemical feed equipment are higher at 300 and 600 gpm, respectively.
2. Due issues with pumping sand, Well No. 4 is anticipated to be de-rated to pump 800 gpm. Original pump design was for 1,200 gpm.

4.2 Water Quality Evaluation

The U.S. Environmental Protection Agency (EPA) has established national drinking water standards. These standards contain federally enforceable maximum contaminant level (MCL) standards for substances known to be hazardous to public health.

Water quality parameters are defined and regulated by two sets of standards – Primary and Secondary. Primary Standards are set for those substances known to be a hazard to public health. Secondary Standards are set for those substances that, although not hazardous to public health, frequently cause drinking water to have objectionable aesthetic qualities, such as taste and odor.



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4 Water Treatment

Water quality test results on Dayton's existing wells indicate that the raw water historically exceeds the secondary (aesthetic) standards for iron and manganese. While existing levels of iron and manganese do not pose a health problem, they can present problems with aesthetics (appearance and taste) and system maintenance, cause staining of laundry and fixtures, clogging of meters and services, as well as other deleterious effects. If public complaints and/or high maintenance costs warrant, iron and manganese treatment may become necessary.

While the timing of adding treatment for Dayton is generally population or demand driven, future treatment regulations could also drive future treatment decisions. Health advisories for certain per- and polyfluoroalkyl substances (PFAS) issued in January 2024 by Minnesota Department of Health (MDH) are lower than standards proposed by the United States Environmental Protection Agency (EPA).

Current understanding of PFAS concentrations in Dayton's water supply suggest that PFAS is not present in the groundwater supply. As long as PFAS remains "non detect", the current treatment processes will continue to provide compliant drinking water and should not be impacted. Removal of iron and manganese will continue to be desired for achieving Secondary drinking water standards.

It should be noted that the recently announced MDH health advisories established criteria for PFAS exposure from drinking water including short-term, chronic, sub chronic and cancer which are at or below reliable detection capabilities for analytical laboratories. These criteria warrant close attention by Dayton to monitor water quality and enforcement of health advisories to provide appropriate time for planning and implementation of potential future treatment. MDH is continuously reviewing the growing list of emerging contaminants and the respective effect on human health. Toxicological study could result in changes to drinking water regulation involving the need for additional treatment for certain contaminants, or treatment for contaminants that have not been regulated in the past.

Considerations for advanced treatment to address potential emerging contaminants may require continuing evaluation as criteria and enforcement are established and finalized by EPA and MDH.

Although a detailed analysis of treatment alternatives is beyond the scope of this report, the following section describes planned and proposed future treatment facilities assuming iron and manganese removal.

4.3 Future Facilities

In North Dayton, iron and manganese removal is proposed to be accomplished by "wellhead treatment" plants, or small-scale pressure filtration plants than are designed to treat water from up to two wells. The City has already begun construction of a wellhead treatment facility adjacent to Well No. 4, consisting of pressure filtration for iron and manganese removal, to treat water from Wells 4 and 5 prior to distribution. Wellhead treatment for Well Nos. 1 and 3 is planned to be constructed adjacent to the existing Wellhouse No. 1, and Well No. 2 may eventually be paired with a future well for wellhead treatment. Additional future wells are expected to include wellhead treatment for every two wells as necessary to provide similar treatment for iron and manganese removal.



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4 Water Treatment

In South Dayton, iron and manganese removal could be accomplished at a central water treatment plant (South WTP) located near the proposed South Well Field. It is anticipated that this treatment facility would be constructed after the well field has begun development. This report assumes that water supply from Maple Grove would ultimately be terminated; therefore, the ultimate capacity of the South WTP would match the ultimate maximum day demand of South Dayton (11.6 MGD).

A conceptual map of future water treatment facilities, including wells and raw water main, is illustrated on Figure A-10.



5 Treated Water Storage

5.1 Existing Facilities

Peak hour demands are supplied through a combination of water from the wells and water drawn from treated water storage. Although the rate of consumption is high during periods of peak hourly demand, the duration of the extreme rate is relatively short. Therefore, a moderate quantity of water withdrawn from storage reservoirs strategically located on the system assures satisfactory service, minimizes the total maximum hour pumping and transmission main capacity required, and permits more uniform and economical operation of the system and pumping facilities.

Water storage in the system is also an important factor in ensuring reliability of service during emergencies resulting from loss of power, temporary outages of water supply facilities, and from sudden demands for firefighting. Water storage allows these fluctuations in water demands to be met without having additional supply pumping capacity, which would typically be held in reserve.

A 3,750-gallon hydropneumatic tank serves the Historic Village and a 0.5 MG water tower serves the Northeast. A summary of the existing facilities is presented in Table 5-1.

Table 5-1. Existing Water Storage

| Water Storage | Service Area | Type of Storage | Effective Capacity (MG) | High Water Level (ft) | Year Constructed |
|----------------------------|---------------------|------------------------|--------------------------------|------------------------------|-------------------------|
| Hydropneumatic Tank | Historic Village | Pressurized | 0 | 1,057 ¹ | 2000 |
| Northeast Tower (Pineview) | Northeast | Elevated | 0.5 | 1,060 | 2006 |

1. The effective high water level of the hydropneumatic tank was calculated based on an operating pressure range of 50 psi to 70 psi and tank elevation of 895 ft.

Because the water tower is elevated, the full storage capacity is considered effective storage. Effective storage is defined as the storage available while still maintaining a sufficient residual pressure in the distribution system (generally within 30 to 40 feet of the high-water level). The hydropneumatic tank is too small to provide effective capacity for firefighting and only serves to maintain system pressures and to provide a buffer between well pump start/stop points and to provide for smoother pumping operation.

The existing Southwest Service Area does not have storage located within the City of Dayton. Instead, the system relies on existing elevated storage within the Maple Grove and Rogers water systems. Both peak hour and fire demands are supplied through the existing interconnects.

5.2 Storage Capacity versus Demand

The amount of storage required in the distribution system can be determined by multiple approaches, summarized below.



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1. Using an analysis of peak hour demands, fire flow requirements, and operational needs, required storage can be determined by adding together three types of storage: fire/emergency storage, operating storage, and equalizing (peak hour) storage.
2. Using maximum day demands, up to 20 percent of the total maximum day demand accounts for hourly demand fluctuations. In addition, approximately 10 percent of the total maximum day demand is allocated to account for fire flow needs, unusual demands on the system, and operational parameters. The minimum recommended storage volume can therefore be approximated as 30 percent of maximum day demand. Note that this method is not recommended for smaller service areas unless fire protection is not required.
3. *Recommended Standards for Water Works* recommends a minimum storage equal to the average day demand, plus a consideration of storage required for fire protection.

Based on the methods described above, water storage recommendations for Dayton’s existing system are detailed in Table 5-2. As discussed in the chapter on water supply, for maximum system reliability and efficiency, supply and storage are both considered independently for each service area. Because each service area is unique in terms of relative size and types of water customers, the basis for the recommended storage capacities differs as noted in the table. For example, the Historic Village service area is relatively small and therefore storage is driven by fire flow and operational needs. Because the Southwest service area does not have effective means to meter daily flows, maximum day demand cannot be monitored. Thus, the storage recommendation is based on annual average day demands.

Table 5-2. Existing Water Storage Recommendations

| Service Area | Basis of Recommendation | Recommended Storage Capacity | Existing Storage Capacity | Additional Storage Needed |
|-------------------------|--|-------------------------------------|----------------------------------|----------------------------------|
| Historic Village | Sum of fire/emergency, operating, and equalizing storage | 0.25 MG | 0 MG | 0.25 MG |
| Northeast | Average Day Demand | 0.59 MG | 0.5 MG | 0.09 MG |
| Southwest | Average Day Demand | 0.5 MG | N/A ¹ | None |

1. Storage facilities currently provided by Maple Grove.

Storage recommendations for the two proposed ultimate service areas (North and South Dayton) are based on projected ultimate water demands and are shown in Table 5-3. For the purposes of this report, it is assumed that water supply from Maple Grove to the South Dayton system will ultimately be terminated; therefore, South Dayton will not be able to rely on Maple Grove’s water storage facilities in the future.



Table 5-3. Ultimate Water Storage Recommendations

| Service Area | Basis of Recommendation | Recommended Storage Capacity | Existing Storage Capacity | Additional Storage Needed |
|---------------------|---|-------------------------------------|----------------------------------|----------------------------------|
| North Dayton | Between 30% of Maximum Day and Average Day Demand | 3.0 MG | 0.5 MG | 2.5 MG |
| South Dayton | | 4.0 MG | 0 MG | 4.0 MG |

The following section discusses planning considerations for future water storage facilities to meet the ultimate storage recommendations.

5.3 Future Facilities

As shown in Table 5-2, the existing water storage facilities in the Historic Village do not meet recommendations. Additionally, Northeast Dayton is a rapidly developing area with growing water demands and is thus anticipated to soon require additional water storage.

In the immediate term, two potential water storage facilities are under consideration, to be constructed within the next 2-5 years:

- A 0.25 MG elevated water storage tank located in the Historic Village
- A 1.0 MG elevated water storage tank located in the Northeast Service Area, tentatively assumed to be located along N Diamond Lake Rd, east of Zanzibar Ln

Discussions with landowners in these areas are underway to determine land availability, site acquisition costs, and other site considerations. Upon selecting the preferred sites, geotechnical evaluations should be conducted to determine the structural suitability of soils and to begin preliminary engineering and design of the facilities.

To address longer term water storage needs, additional proposed storage sites for the Dayton water distribution system are shown on Figure A-10 and summarized in Table 5-4. A total of 7.0 MG of storage at six sites (North and South Dayton) is planned for the ultimate system, assuming Dayton develops in accordance with its Comprehensive Plan. The amount of storage required may be increased or reduced depending on population, water usage patterns, and conservation measures.



Table 5-4. Ultimate System Water Storage

| Service Area | Site | Type of Storage | Capacity (MG) | High Water Level (ft) |
|---------------------|------------------|------------------------|----------------------|------------------------------|
| North Dayton | Pineview | Elevated | 0.5 | 1,060 |
| | Historic Village | Elevated | 0.25 | 1,060 |
| | Northeast | Elevated | 1.0 | 1,060 |
| | Northwest | Elevated | 1.25 | 1,060 |
| | Total | | 3.0 | |
| South Dayton | Wicht | Elevated | 2.0 | 1,110 |
| | Dubay | Elevated | 2.0 | 1,110 |
| | Total | | 4.0 | |

In general, there are two options for types of storage facilities – elevated storage and ground storage. The differences between each are described below.

- **Ground Storage Tanks** – These are ground supported, flat bottom tanks generally with a wall height less than or equal to the tank diameter or plan dimensions, and usually constructed of steel or concrete. They can sit on existing grades or be fully or partially buried, depending on topography, water tables, and soil conditions. They can also be installed at water treatment facilities as clearwells, to serve multiple purposes including serving as a supply of backwash or other process water in addition to providing equalizing storage for distribution. Because ground storage often sits at elevations below the hydraulic grade of the distribution system, they may require direct pumping systems to pump water out of the tank to distribution system pressures.
- **Elevated Storage Tanks** – These consist of a steel tank which holds the water and a supporting structure or tower which supports the tank above the ground elevation. There are several common styles of elevated tanks including spheroid, fluted steel column, and composite. Many tanks are constructed of welded steel; composite tanks utilize a steel tank atop a concrete support. Composite tanks require less long-term maintenance costs as the concrete does not require recoating. Elevated tanks utilize an indirect pumping system where water is pumped into the tank at system pressures. The water level “floats” on the system and during high demands water will flow by gravity out of the tank to the points of service.

In general, elevated storage has several advantages over ground storage in a water distribution system, especially when there is only one storage facility in a given service area. Some advantages of elevated storage are listed below.

- Lowers the peak pumping rates required to maintain constant, reliable water supply and pressures.
- Stabilizes pressure variations as demands fluctuate.
- Balances and levels pump operations.
- Reduces the need for a wide range of pump sizes.



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- Decreases power consumption costs, especially for time-of-day electricity pricing.
- Dampens extreme low- and high-pressure surges.
- Enhances emergency response during fire demands, water main breaks, or power failure.

These advantages become less pronounced with multiple storage facilities, and often a mix of storage types can provide flexibility, especially in the case of clearwell storage at a treatment facility. For South Dayton, the potential exists for locating some amount of ground storage at the South WTP site; however, elevated storage facilities are assumed for the purposes of this plan.



6 Distribution System

6.1 Existing Distribution System

The distribution system consists of trunk water mains (primarily 10 inches in diameter and larger), local water mains (primarily 8 inches and smaller), service lines, valves, hydrants, and all appurtenances to convey water from the treated supply sources (wellhouses and interconnects), water tower and hydropneumatic tank, and ultimately to the points of demand.

The modeled water distribution system contains approximately 55 miles of total water main ranging in diameter from 6 inches to 24 inches. Water mains are primarily polyvinyl chloride (PVC). Characteristics of the water distribution system pipes are illustrated in **Error! Reference source not found.** Figure 6-1 and Figure 6-2. The fully modeled distribution system, including local water mains down to 6 inches in diameter, is illustrated in Figures A-1 through A-3.

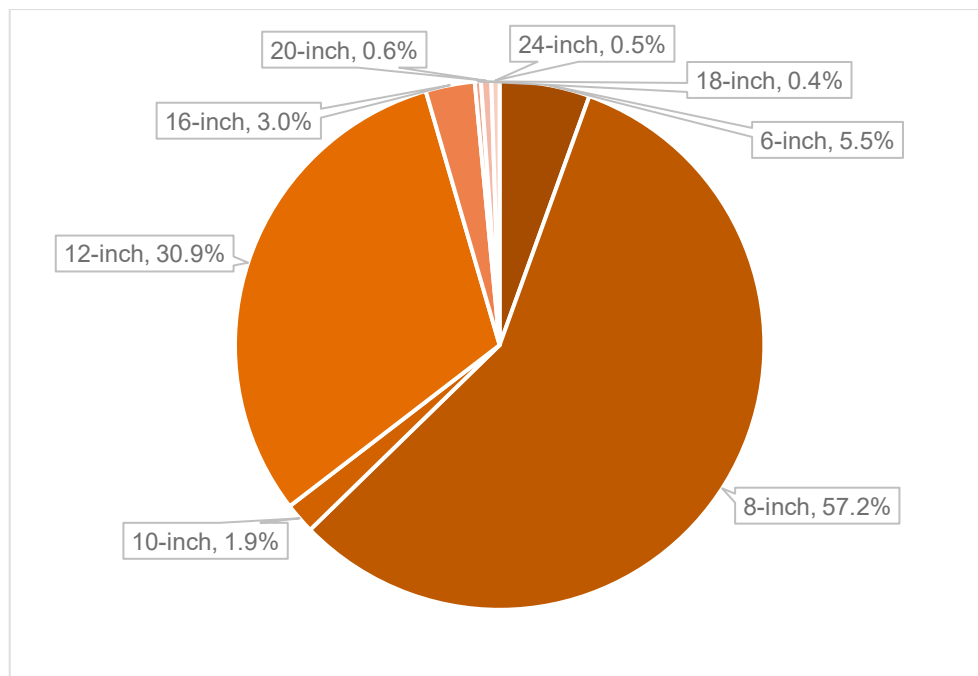


Figure 6-1. Distribution System Pipe Diameters

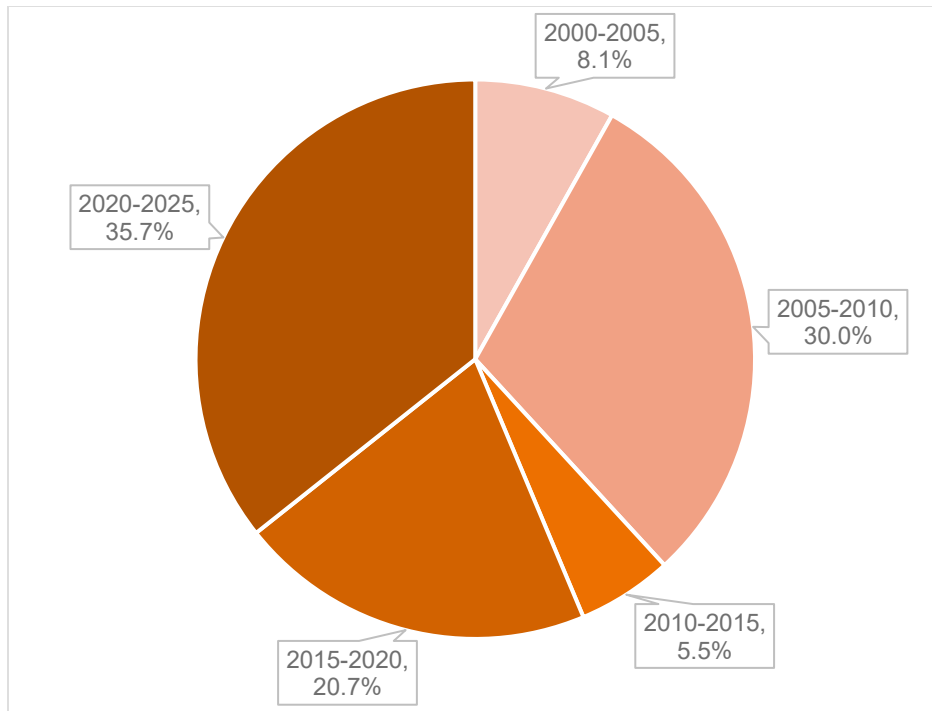


Figure 6-2. Distribution System Dates of Installation

The water distribution system is currently operated as three separate service areas. Each service area will ultimately become part of two water system pressure zones as summarized in Table 6-1.

Table 6-1. Service Areas and Pressure Zones in Dayton

| Current Service Area | Future Service Area | Pressure Zone | Currently Supplied by |
|-----------------------------|----------------------------|----------------------|--------------------------------|
| Historic Village | North Dayton | Low Zone | Well No. 1 and Well No. 3 |
| Northeast | North Dayton | Low Zone | Well No. 2 and Well No. 4 |
| Southwest | South Dayton | High Zone | City of Maple Grove and Rogers |

6.2 Hydraulic Model

6.2.1 DEVELOPMENT, ASSUMPTIONS, AND VALIDATION

As part of this study, hydraulic analyses were performed using WaterCAD Connect Edition Update 3 software from Bentley Systems, Inc. The hydraulic model performs hydraulic analysis based on the Hazen-Williams energy loss formula and the Hardy Cross procedure. The Hardy Cross procedure is an iterative process in which both flows and energy losses are balanced throughout the entire system. The hydraulic model includes well supply, treatment system head losses, water mains, and elevated water storage.



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The hydraulic model is used for deficiency analysis, operation reviews, emergency planning, and long-term planning. The hydraulic model was developed to represent the existing water system with existing water demands and the proposed future water system with future water demands. Hydraulic model validation was completed during this project, using previously collected field data provided by the City, to confirm that the model was adequate for the analyses performed for this study.

Water mains were reviewed and included from the most up to date mapping and record plans available. Water system facilities were reviewed and modeled to provide water supply and water storage in the hydraulic model. Actual metered water usage for the Northeast, Historic Village, and Southwest service areas was reviewed. Using billing meter addresses and water usage for each account, the actual metered water use was geolocated and accurately applied to the hydraulic model. Then, unaccounted for water (UFW) was applied uniformly across the model.

6.2.2 LEVEL OF SERVICE CRITERIA

Table 6-2 summarizes the criteria used for all modeling evaluations.

Table 6-2. Level of Service Criteria

| Parameter | Value | Demand Condition |
|----------------------------------|------------------|-------------------------|
| Minimum Pressure (psi) | 35 / 20 | PHD / MDD + FF |
| Maximum Pressure (psi) | 80 | Static |
| Maximum Velocity (ft/s) | 5 / 12 | PHD / MDD + FF |
| Maximum Headloss Gradient | | |
| Pipe Diameter ≤ 8-inch | 10 ft / 1,000 ft | PHD |
| Pipe Diameter 8 < D < 16-inch | 5 ft / 1,000 ft | PHD |
| Pipe Diameter ≥ 16-inch | 3 ft / 1,000 ft | PHD |

Note: PHD = Peak hour demand; MDD = Maximum day demand; FF = Fire flow.

6.2.3 ADEQUACY OF EXISTING SYSTEM

6.2.3.1 Distribution System Service Pressure

Municipal water distribution systems are typically designed with a minimum pressure of 35 psi at all locations in the service area under normal operating conditions during peak hour demands. Minnesota Administrative Rules require minimum pressures be available to plumbing fixtures within buildings. When water distribution system pressures exceed 80 psi, the Minnesota Plumbing Code requires installation of a pressure reducing valve on the water service. Water systems are also required to be designed and operated to maintain 20 psi residual pressure throughout the water system during emergency operation (e.g. firefighting conditions).

A hydraulic analysis of the existing Dayton water supply and distribution system was conducted using the hydraulic model. The existing average day water system pressures were calculated with a total distribution system demand of 1.12 MGD applied to the model nodes, Well Nos. 2 and 3 operating, the



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Northeast (Pineview) Tower water level at 5 ft below high-water elevation, and the Historic Village pressure tank set to 10 psi below the 70 psi pump shutoff setting. The modeled hydraulic grades at Maple Grove Interconnections 1 and 2, and Rogers interconnect, were 1,101 ft, 1,102 ft, and 1,100 ft, respectively.

The average day water system pressures are illustrated in Figure A-8. Water distribution system pressures on an average day range between 40 and 85 psi for nearly all customers. Modeling results identified localized areas within the Historic Village Zone, particularly near County Street and Columbus Street, where pressures fall below 50 psi. These lower pressures are attributed to higher ground elevations at specific points within the zone, which reduce the available system pressure.

Water pressures were also reviewed under peak hour water demands, using the same boundary conditions as for the maximum day scenario (described below). In the Northeast and Southwest service areas, pressures during peak hour demand were observed to be approximately 4-5 psi lower than during average day conditions, and roughly unchanged in the Historic Village. No area within the City falls below 35 psi during any demand conditions.

6.2.3.2 Distribution System Fire Flow Availability

The updated hydraulic model was used to determine the approximate available fire flow while maintaining 20 psi residual pressure within the distribution system. For the purpose of this evaluation, needed fire flows at each location were assumed based on the land use type as outlined in Chapter 2 of this report, and are illustrated in Figure A-6. It is recommended that fire flow requirements be reviewed with City staff and Fire Officials.

The available fire flow results while maintaining 20 psi residual pressure throughout the distribution system are illustrated in Figure A-9. Fire flow evaluations were conducted under existing maximum day demand conditions with a design demand of 3.14 MGD, Well Nos. 2 and 3 operating, and the Northeast (Pineview) Tower water level 8 ft below high-water level. The modeled hydraulic grades at Maple Grove Interconnections 1 and 2, and Rogers interconnect, were 1,100 ft, 1,104 ft, and 1,100 ft, respectively.

Fire flow availability within the Southwest and Northeast Service Areas ranges from approximately 850 gpm to well over 3,500 gpm. The lowest available fire flows exist at the small diameter water main dead end that serves the mobile home community southwest of French Lake. Available fire flows greater than 2,500 gpm are available on nearly every large diameter water main which make up the trunk water system.

Fire flow availability within the Historic Village is limited to 300 gpm (or less if one well is offline) primarily because of a lack of water storage. The existing hydropneumatic tank is too small to provide effective capacity for firefighting, and Well Nos. 1 and 3 are not sufficiently sized to supply firefighting demands. To improve fire flow availability in the Historic Village, the service area will need to be connected to additional water storage as discussed in Section 5.

Table 6-3 summarizes the existing fire flow availability results for each service area along with remarks and recommendations to improve fire flow in deficient areas.



Table 6-3. Fire Flow Availability Results

| Service Area | Fire Flow Required (gpm) | Total Nodes | Nodes Meeting Requirements | Remarks |
|---------------------|---------------------------------|--------------------|-----------------------------------|--|
| Historic Village | 1,500 | 47 | 0 | Entire service area does not meet recommendations. Existing hydropneumatic tank is too small to provide effective capacity for firefighting. |
| Northeast | 500 | 3 | 3 | All nodes meet or exceed recommendations. |
| | 1,000 | 323 | 323 | All nodes meet or exceed recommendations. |
| | 3,500 | 19 | 8 | Apartments and townhomes east of Balsam Lane N do not meet recommendations. Recommend looping existing 8-inch dead ends. |
| Southwest | 500 | 3 | 3 | All nodes meet or exceed recommendations. |
| | 1,000 | 186 | 186 | All nodes meet or exceed recommendations. |
| | 2,500 | 30 | 19 | Dead ends at townhomes south of Territorial Road fall shy of recommendations, however hydrants on main loop through development are within recommendations. 8-inch dead end near mobile home community is shy of recommendations but would be improved by completing loop to the north to connect to 12-inch at 121 st Ave N. |
| | 3,500 | 81 | 51 | Industrial areas generally southwest of French Lake are slightly below recommendations. Improvements are likely to be realized only by increasing service pressures – either with booster pumps at interconnects or by constructing the ultimate storage and WTP infrastructure. |

6.2.3.3 Distribution System Headloss and Velocity

High velocity or headloss in water mains are indicators of potential capacity problems. Velocities greater than 5 feet per second (ft/s) and headlosses of 3-10 ft per 1,000 ft or greater during peak demands (acceptable headloss gradient depending on pipe diameter as indicated in Table 6-2) may contribute to low pressures and reduced fire flows. No water mains in the distribution system were identified to exceed the recommended level of service criteria for velocity or headloss gradient during peak hour demand conditions.

6.2.4 FUTURE DISTRIBUTION SYSTEM

The future distribution system trunk network sizing was performed with the concept that there will ultimately be wellhead treatment provided for every two wells in North Dayton and a centralized WTP for South Dayton, and the recommended future elevated storage facilities will be constructed. Conceptual locations for future supply, treatment, and storage infrastructure are shown on Figures A-4 and A-10. A backbone network of trunk water mains will extend in every direction from these sites. Major water mains



Water Comprehensive Plan 6 Distribution System

connect the storage tanks and will be looped throughout the system, providing reliable service, both in terms of pressure and available fire flows.

Two pressure zones are recommended because there is significant topographic relief within the City. Additionally, the system in South Dayton will operate at the same high-water level as the Maple Grove system. At some point in the future, it is assumed that Maple Grove will no longer be a full-time supplier to the South Dayton system, but there are benefits to matching the Maple Grove high-water level, such as maintaining consistent service pressures under emergency or temporary interconnect situations.

In general, it is desirable to provide a static pressure range of between 50 psi and 80 psi. Homes with a static pressure of greater than 80 psi should be required to install individual pressure reducing valves. Homes with a static water pressure less than 50 psi may desire in-home booster stations. Without a booster pump, a minimum static pressure of 40 psi is necessary for the operation of automatic sprinkler systems. As discussed previously, municipal water distribution systems are typically designed with a minimum pressure of 35 psi under peak hour demands, and under emergency (firefighting) conditions, pressures must be maintained above 20 psi.

The desired static service pressures determine the design high-water level for storage based on the predominant ground elevations. The high-water levels for the two service areas are as follows:

High Zone (South Dayton): 1,110 ft Mean Sea Level (MSL)

Low Zone (North Dayton): 1,060 ft MSL

Pressure reducing valves (PRVs) are proposed between the pressure zones for redundancy and to provide supplementary fire flows to the lower zone. All PRVs should be set so they do not open under normal pressure fluctuations.

Hydraulic analysis of the future ultimate supply and distribution system, illustrated on Figure A-4, was conducted using the hydraulic model. Steady state computations were conducted under average day, maximum day, and peak hour demand conditions. Future trunk water main diameters and locations were iteratively adjusted until the following parameters were satisfied:

1. Tank Operation: Attempts were made, as best as possible, to equalize filling and emptying rates of water towers within each pressure zone. Tank operations are also impacted by the relative locations between supply and storage, as well as proximity to points of demand.
2. High Pressure Nodes: High pressure nodes during low demand (tank-filling) periods were evaluated. The lowest-lying northeast areas of South Dayton exceeded 80 psi during low demand (tank-filling) periods; however, no nodes in the system exceeded 100 psi static pressure.
3. Low Pressure Nodes: Low pressure nodes during high demand periods were evaluated. No nodes in the system fell below 35 psi during any demand conditions.
4. High Velocities/Head Losses: Pipes were evaluated to ensure that no velocities exceeded 5 fps or head losses exceeded 10 ft per 1,000 ft under normal demand conditions.



**Water Comprehensive Plan
6 Distribution System**

5. Available Fire Flows: All nodes along future trunk water mains were evaluated under maximum day demand conditions to provide a minimum available fire flow of 3,500 gpm, while maintaining a minimum residual pressure of 20 psi.



7 Capital Improvement Plan

The installation of Dayton's trunk water system has proceeded steadily during past years, and a significant portion of the City is presently served with water. It is anticipated that growth of the water system will continue at a steady rate. A Capital Improvement Plan (CIP) consisting of additional water system infrastructure required to meet existing and future water demands and growth is presented in this section and included in Appendix B.

7.1 Water System Phasing

The projected population served by the Dayton water system by 2050 is 21,211. Based on the projected growth in population and water demands, additional needed supply, treatment, and storage facilities for the next 25 years are presented in Table 7-1.

These additions will keep pace with the increasing needs of the community and at the same time maintain a desirable balance between storage and supply for economy and reliability. If growth rates deviate significantly from the City's forecasts, if a major water consumer is added to the system, or if conservation measures produce an outcome different than anticipated, the phasing schedule should be revised in accordance with the latest available data.

Another factor in the phasing of water supply, treatment, and storage treatment facilities in South Dayton is whether, and within what timeframe, water service from Maple Grove is terminated. For the purposes of this plan, it is assumed that South Dayton will be independent from the Maple Grove water system by the year that the current agreement expires in 2036. The CIP plans for construction of supply and treatment facilities in South Dayton before this date to allow ample time to plan, design, and construction the facilities prior to expiration of the agreement.



Table 7-1. Summary of Capital Improvement Projects for Water System Through 2050

| Description | Service Area | Improvement Type | Project Need or Trigger |
|---|---------------------|-------------------------|--|
| Water Main Connection/Loop from Brayburn Trails West to East French Lake Rd | South | Distribution | Create trunk watermain loop to new developments and serve growing demand. Improve system redundancy and reliability. |
| Wellhead Treatment at Well No. 1 (also treating Well No. 3) | Historic Village | Treatment | Improve water quality for Historic Village Service Area by removing iron and manganese. |
| Historic Village/Northwest Water Tower (0.25 MG) | Historic Village | Storage | Provide storage for fire protection in Historic Village Service Area. |
| Northeast Dayton Water Tower (1.0 MG) | Northeast | Storage | Additional storage needed for Northeast Service Area based on current and projected demands. |
| 117th Ave Watermain Connection/Loop (Dayton Parkway to Brayburn Trails) | South | Distribution | Create trunk watermain loop to new developments and serve growing demand. Improve system redundancy and reliability. |
| I-94 Crossing (Water Loop to Territorial Road) | South | Distribution | Create trunk watermain loop to new developments and serve growing demand. Improve system redundancy and reliability. |
| South Dayton Water Tower (Wicht) (2.0 MG) | South | Storage | Timing dependent on growth of water system in South Dayton, and provisions for adequate fire flow as system develops away from Maple Grove supply connections. |
| Northeast Well (Well No. 6) | Northeast | Supply | Timing dependent on growth of maximum day water demand approaching existing well firm capacity (2.3 MGD). |
| Wellhead Treatment at Well Nos. 2 and 6 (Including Raw Watermain) | Northeast | Treatment | Improve water quality for Northeast Service Area by removing iron and manganese. Would occur concurrent with drilling of Well No. 6. |
| South Dayton Water Treatment Plant (3.9 MGD, expandable to 11.6 MGD, Including Raw Watermain) | South | Treatment | Size and timing TBD by water demand growth in South Dayton, and potential disconnection from Maple Grove. |
| South Dayton Wells | South | Supply | Number and timing TBD by water demand growth in South Dayton, and potential disconnection from Maple Grove. |

7.2 Cost Estimates

One of the basic objectives of this report was to determine the cost of capital improvements to Dayton's water supply and distribution system through the year 2050.

Cost estimates for completing the proposed future improvements are presented in Appendix B. The table includes a description of the treatment, storage, supply, and distribution facilities that will be added, the anticipated timeframe or trigger, and the total expenditure for the time period. Contingency, administration, legal, and engineering costs are included in the total cost opinions; however, land acquisition costs and roadway reconstruction are not included.



Water Comprehensive Plan 7 Capital Improvement Plan

The cost estimates presented in Appendix B are based on current construction costs and can be related to the value of the ENR (Engineering News Record) Index for Construction Costs of approximately 14,118 (December 2025). Future changes in this index are expected to reflect cost changes in the proposed facilities. During interim periods, between full evaluation of projected costs, capital recovery procedures can be related to this index.

7.3 Water System Charges

It is common practice in the Metro Area to establish a policy of paying for capital improvements with a combination of area and/or connection charges. Implementing an area charge allows the City to assess property to be developed and developing property a portion of the trunk facility costs, allowing the City to construct and pay for infrastructure improvements before the demand is actually experienced. The remainder of the cost is then assessed as connection charges, to be collected when the units actually connect to the system. The “area charge” is based on gross benefited area, and can be assessed at the time of developer plat approval. Connection charges can be assessed at the time of hook-up and can be used to finance the remaining capital cost, as well as the meter cost. These charges should be reviewed and adjusted annually, applying the ENR construction cost index or another recognized cost index.

7.4 Lateral Benefit/Trunk Oversize

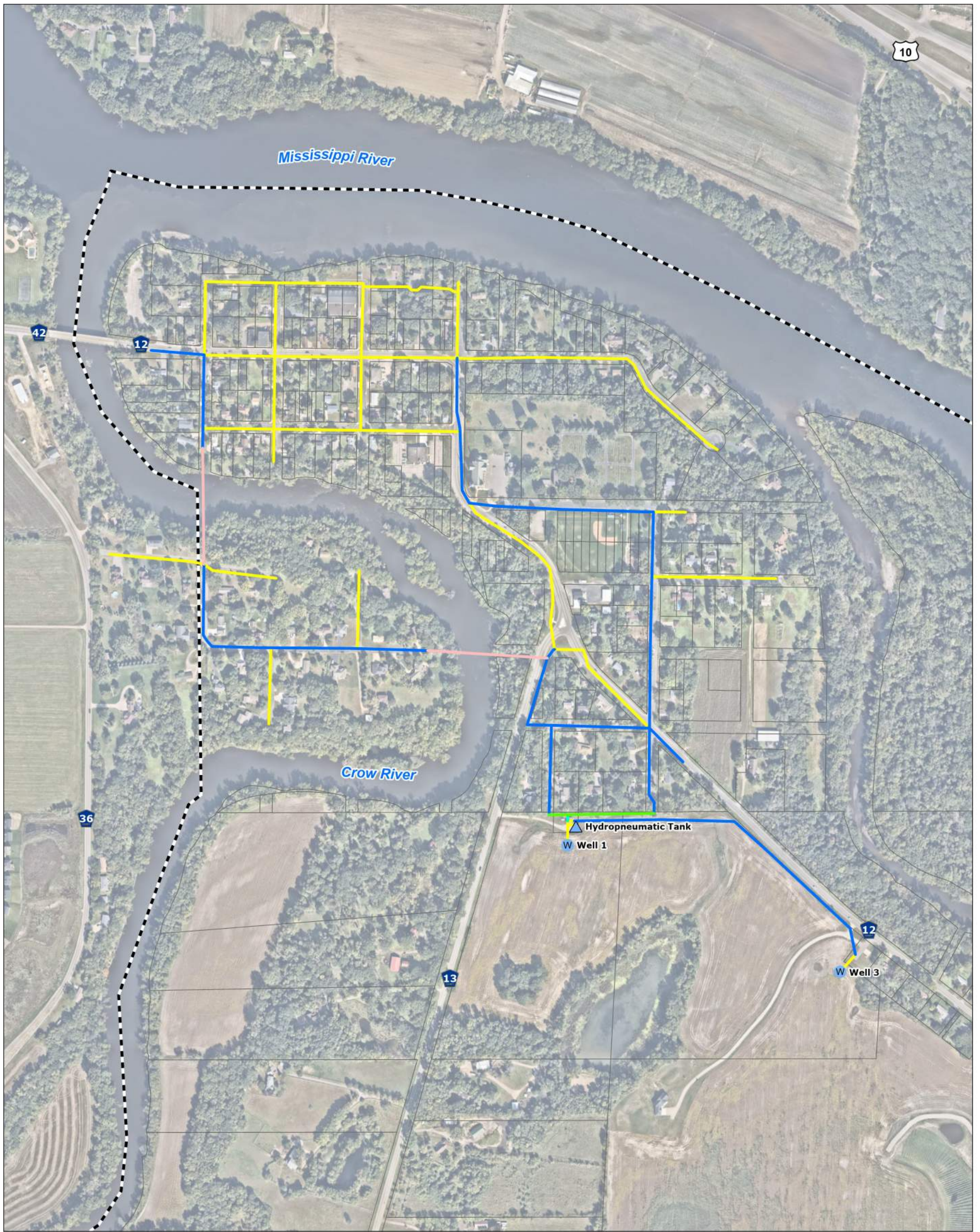
Lateral benefit is the portion of the cost of a trunk water main that would normally be paid for by the developer. It is proposed that any development in Dayton should pay for an 8-inch water main to serve low and medium density residential development, and a 12-inch main to serve commercial, industrial, and high density residential development. If any of these mains are designated for oversizing by the Ultimate Trunk Water System Map (Figure A-4), incremental costs may be credited against appropriate area charges.

For watermain that is not installed by a developer, it is assumed that the adjacent/benefited properties be assessed for lateral size (8-inch for residential; 12-inch for commercial/industrial) based on a front foot rate. The City’s responsibility would then be the project cost minus the assessment.



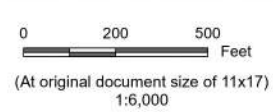
FIGURES





Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County
 3. Background: Nearmap 2024 Imagery

- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - Supply Well
 - Pressure Tank
 - Water Main Diameter**
 - 6 Inch
 - 8 Inch
 - 8.7 Inch (HDPE)
 - 10 Inch
 - 12 Inch



Project Location
 Dayton, Hennepin Co., MN

Prepared by BS on 2025-12-19

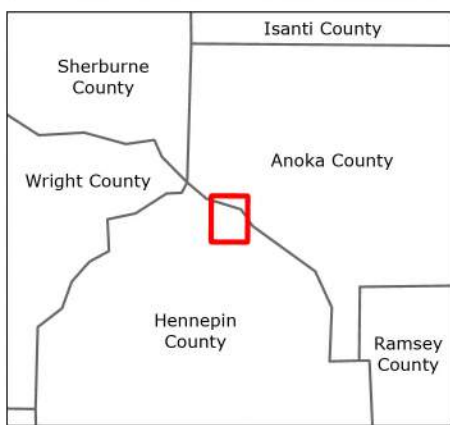
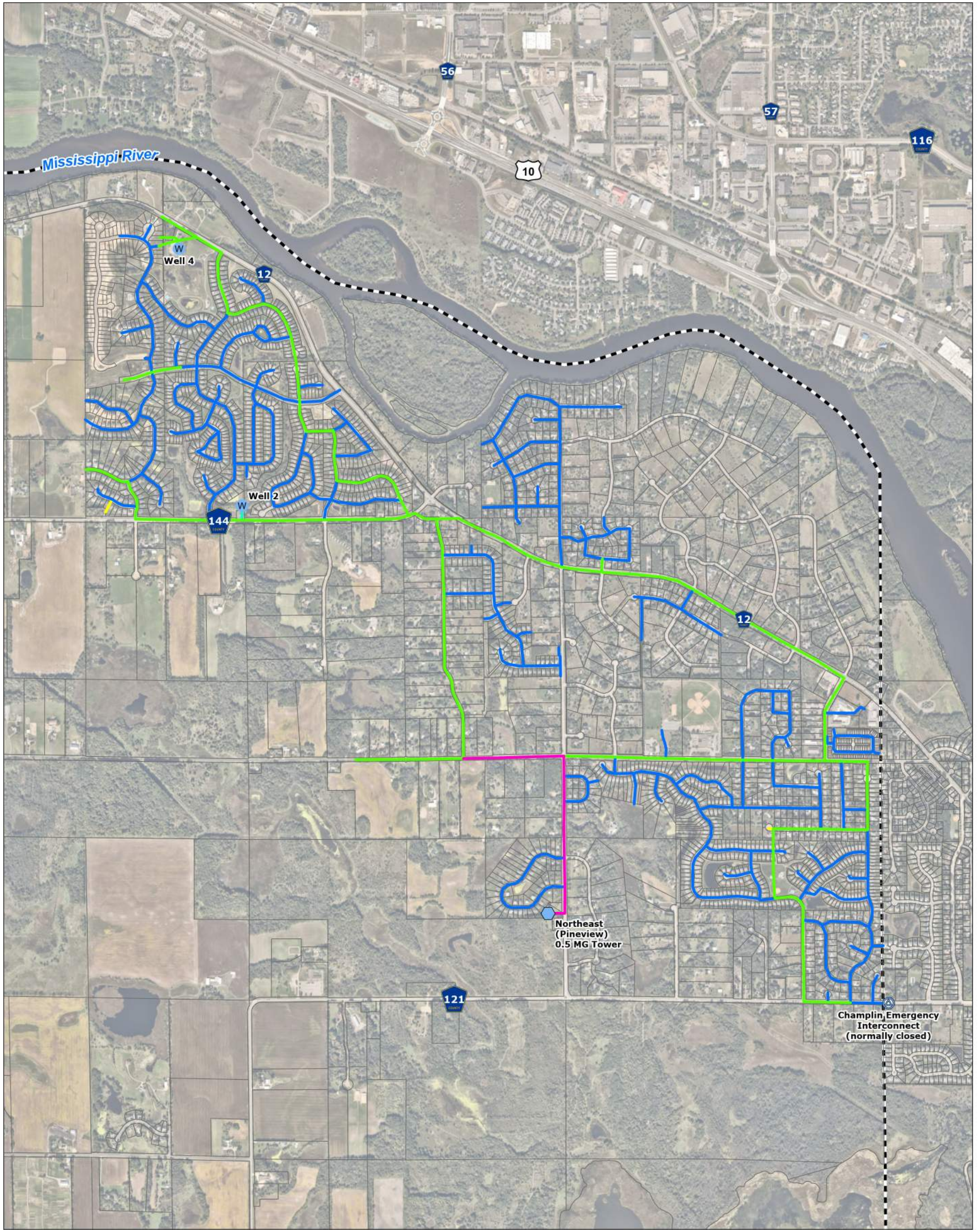
Client/Project
 City of Dayton
 Water Comprehensive Plan

193806077

Figure No.

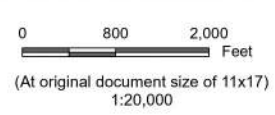
A-1

**Existing Water Distribution System-
 Historic Village**



Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County
 3. Background: Nearmap 2024 Imagery

- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - Supply Well
 - Interconnect
 - Tower
 - Water Main Diameter**
 - 6 Inch
 - 8 Inch
 - 10 Inch
 - 12 Inch
 - 16 Inch



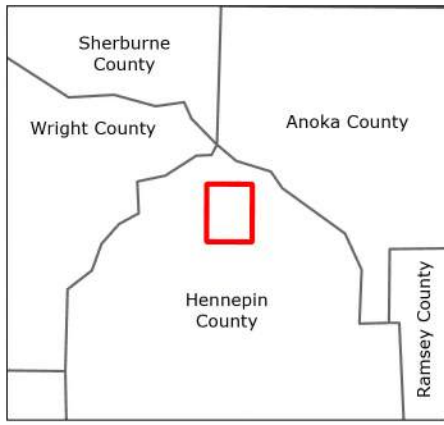
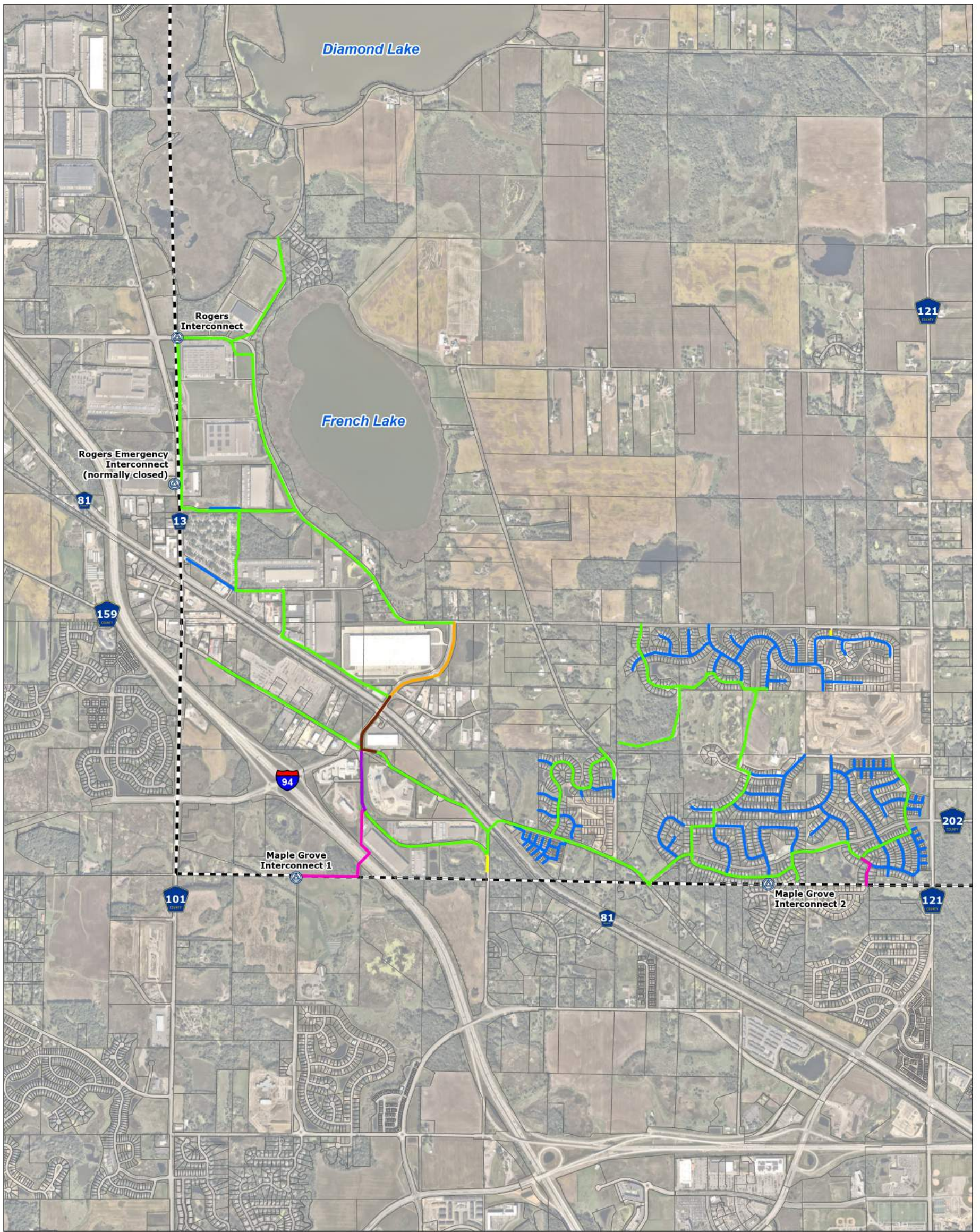
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 Prepared by BS on 2025-12-19

Client/Project: City of Dayton
 Water Comprehensive Plan
 193806077

Figure No.

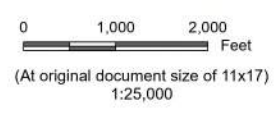
A-2

Title: **Existing Water Distribution System-
 Northeast Dayton**



- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - Interconnect
 - Water Main Diameter**
 - 6 Inch
 - 8 Inch
 - 12 Inch
 - 16 Inch
 - 18 Inch
 - 20 Inch
 - 24 Inch

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County
 3. Background: Nearmap 2024 Imagery



Project Location
 Dayton, Hennepin Co., MN

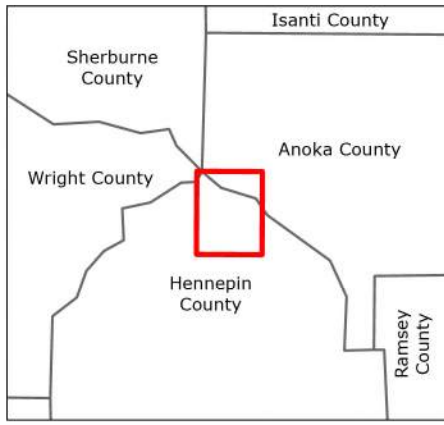
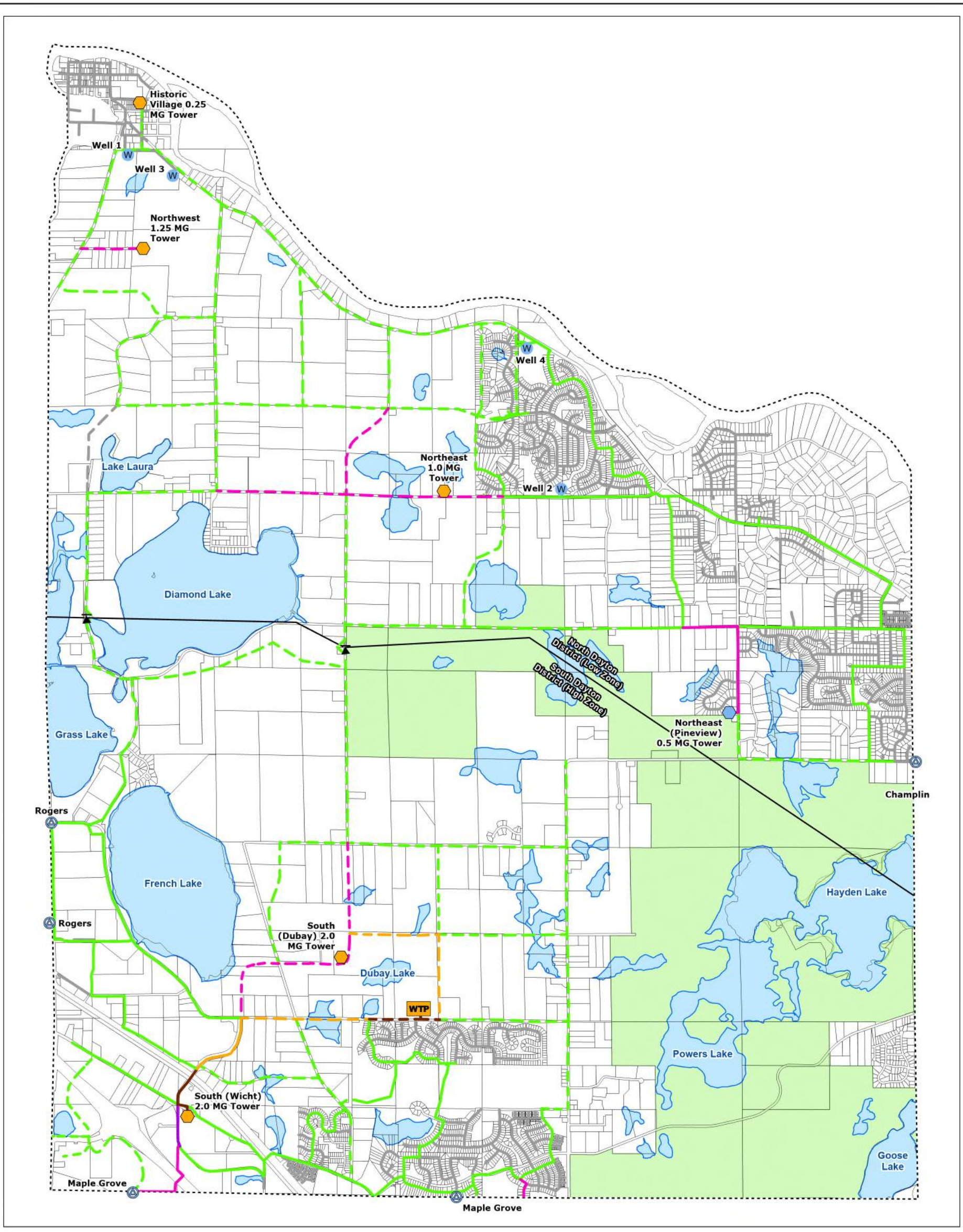
Prepared by BS on 2025-12-19

Client/Project
 City of Dayton
 Water Comprehensive Plan

193806077

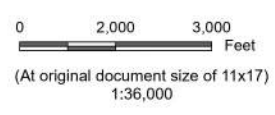
Figure No.
 A-3

**Existing Water Distribution System-
 Southwest Dayton**



- Legend**
- City Boundary
 - Pressure Zone
 - DNR Public Water Basin
 - Elm Creek Regional Park
- Existing Water System Facility**
- Supply Well
 - Interconnect
 - Tower
- Existing Water Main Diameter**
- <10 Inch
 - 10 Inch
 - 12 Inch
 - 16 Inch
 - 18 Inch
 - 20 Inch
 - 24 Inch

- Future Water System Facility**
- Future PRVs
 - Future Tanks
 - Future Water Treatment Plant
- Future Water Main Diameter**
- <10 Inch
 - 12 Inch
 - 16 Inch
 - 18 Inch
 - 20 Inch
 - 24 Inch

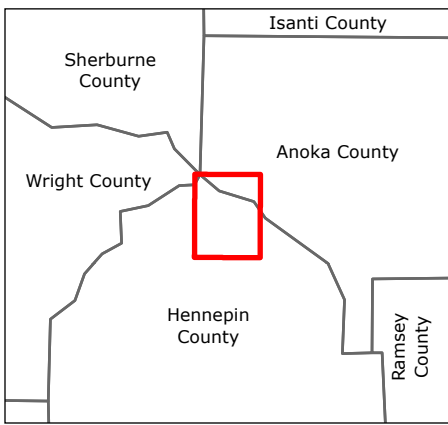
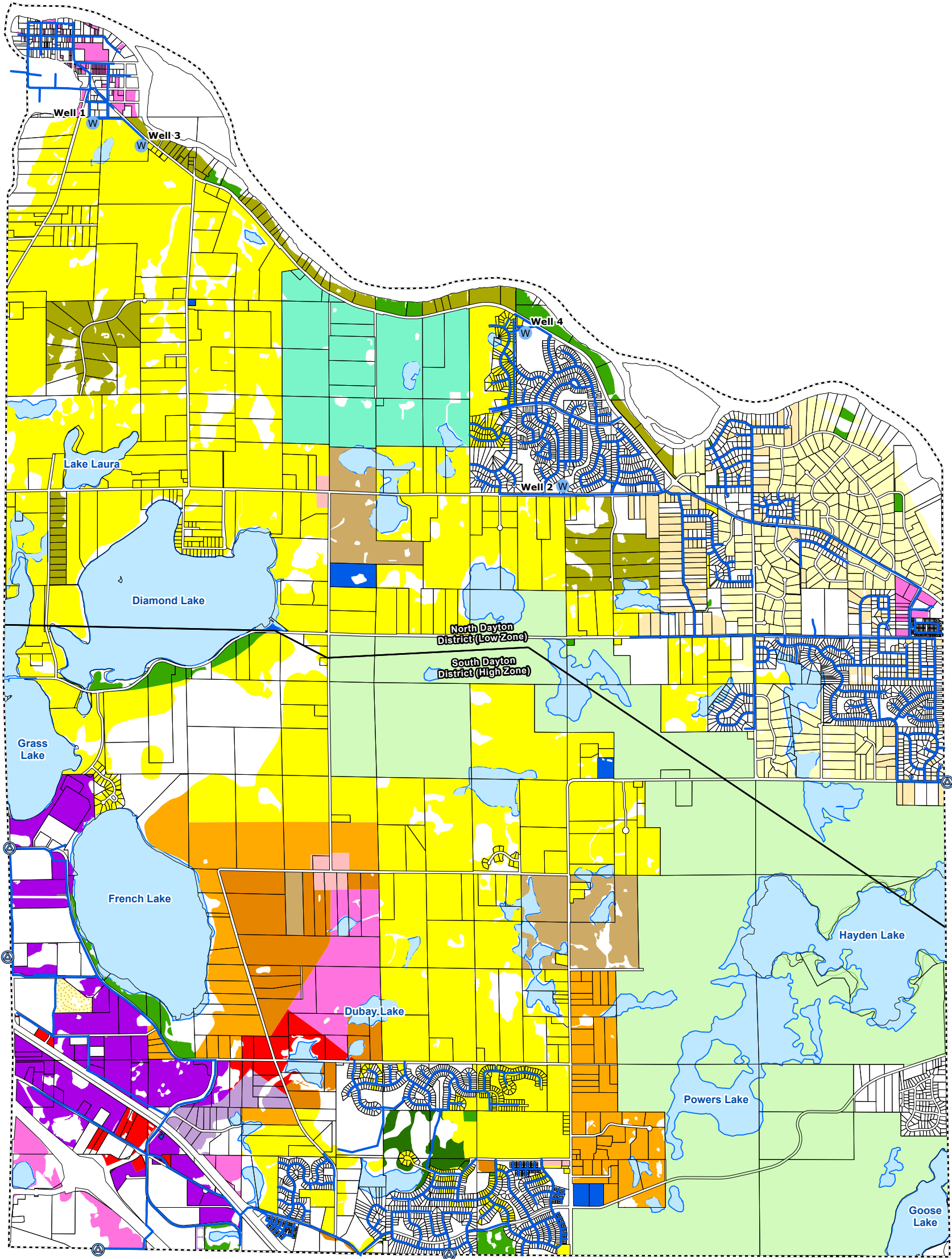


Project Location: Dayton, Hennepin Co., MN
Prepared by BS on 2025-12-19

Client/Project: City of Dayton Water Comprehensive Plan
193806077

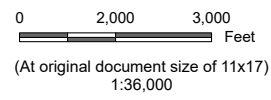
Figure No. **A-4**
Title **Ultimate Trunk Water Distribution System**

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- Legend**
- City Boundary
 - Pressure Zone
 - DNR Public Water Basin
 - Elm Creek Regional Park
 - Water System Facility**
 - Supply Well
 - Interconnect
 - Tower
 - Water Main
 - Land Use**
 - Agricultural Preserve
 - Business Park
 - Commercial
 - Existing Mobile Home Park

- Existing Sewered Low Density Residential
- Existing Unsewered Low Density Residential
- Golf Course
- High Density Residential
- Industrial
- Low Density Residential
- Master Planned Development
- Medium Density Residential
- Mixed Use
- Neighborhood Commercial
- Park & Open Space
- Public/Institutional
- Rural Estate



Project Location
Dayton, Hennepin Co., MN

Prepared by BS on 2025-08-05

Client/Project
City of Dayton
Water Comprehensive Plan

193806077

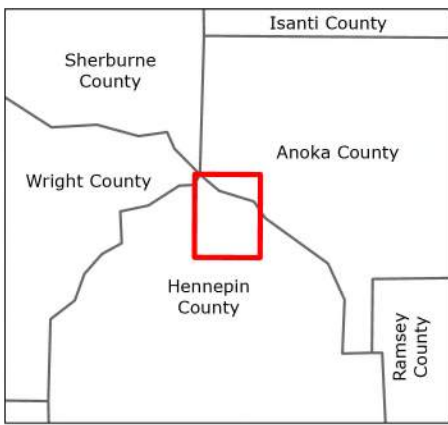
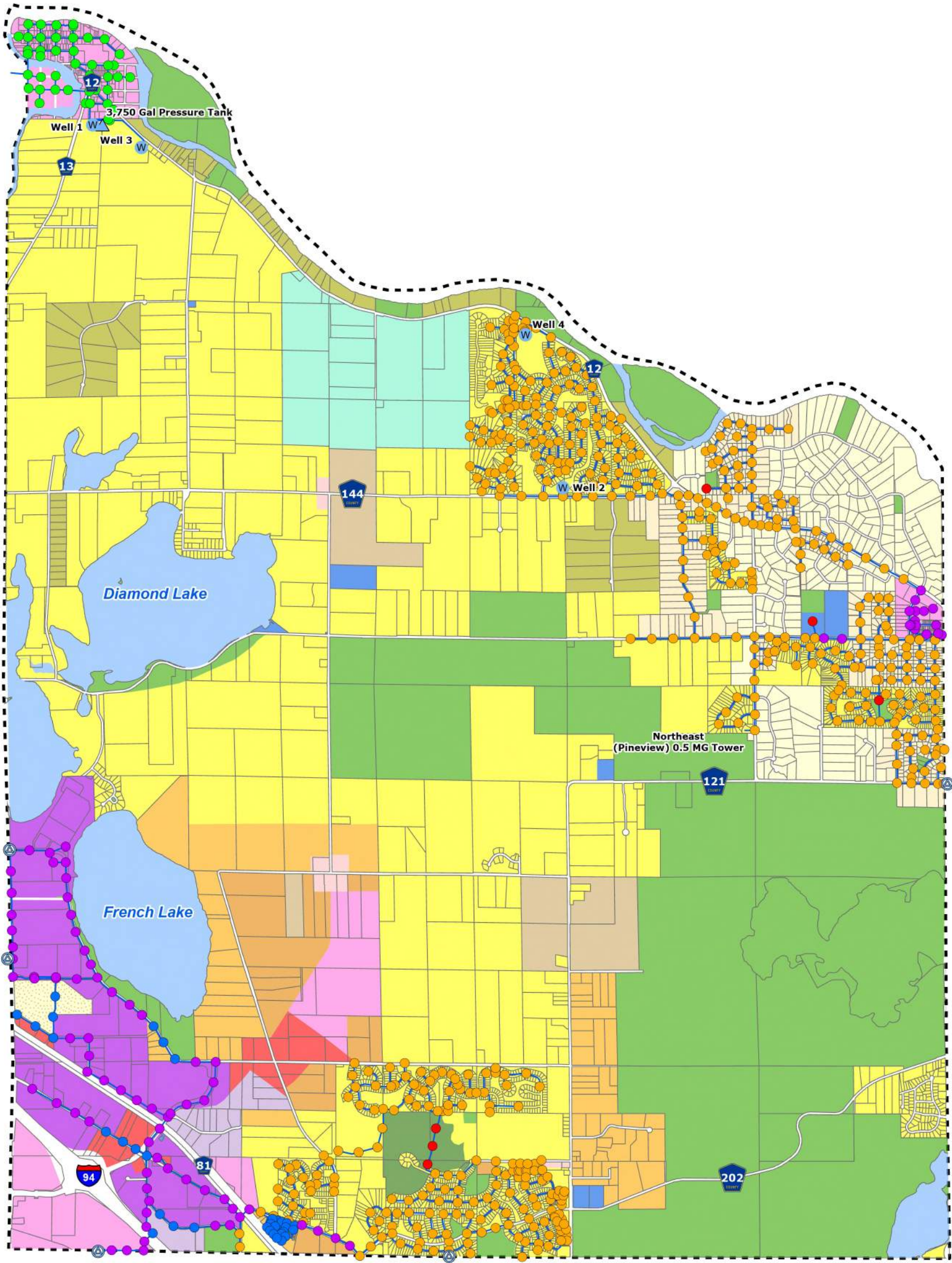
Figure No.

A-5

Title

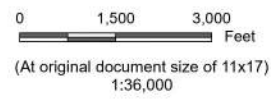
Future Growth Areas by Future Land Use

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 2. </FNT>Data Sources: USGS, Hennepin County, Wright County <FNT style="Bold">



- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - Supply Well
 - Interconnect
 - Storage Tank
 - Water Main
 - Recommended Fire Flow**
 - 500 GPM
 - 1,000 GPM
 - 1,500 GPM
 - 2,500 GPM
 - 3,500 GPM

- 2040 Land Use**
- Agricultural Preserve
 - Business Park
 - Commercial
 - Existing Mobile Home Park
 - Existing Sewered Low Density Residential
 - Existing Unsewered Low Density Residential
 - Golf Course
 - High Density Residential
 - Industrial
 - Low Density Residential
 - Master Planned Development
 - Medium Density Residential
 - Mixed Use
 - Neighborhood Commercial
 - Open Water
 - Park & Open Space
 - Public/Institutional
 - Rural Estate



Project Location: Dayton, Hennepin Co., MN
Prepared by BS on 2025-11-20

Client/Project: City of Dayton
Water Comprehensive Plan

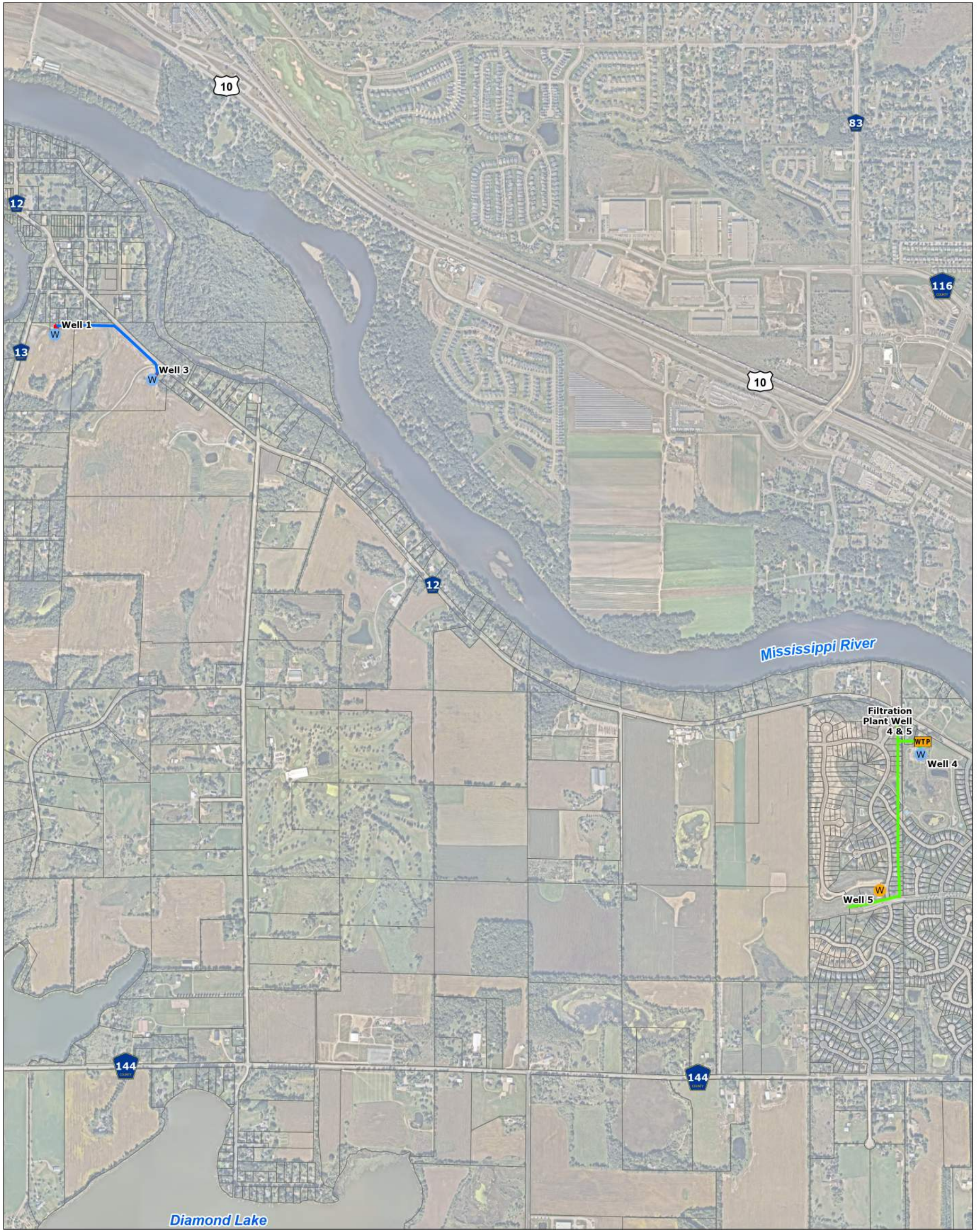
Figure No. **A-6**

Recommended Fire Flow by Future Land Use

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Notes
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2. Data Sources: Hennepin County

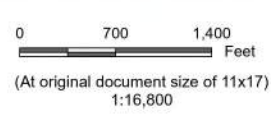
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- Legend**
- City Boundary
 - Parcels
 - Existing Facility**
 - Supply Well
 - WTP
 - Facility Under Construction**
 - Supply Well
 - WTP
 - Raw Water Pipe**
 - 6
 - 8
 - 10
 - 12

Notes

1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
2. Data Sources: Hennepin County
3. Background: Nearmap 2024 Imagery
4. Well 5 and WTP are under construction



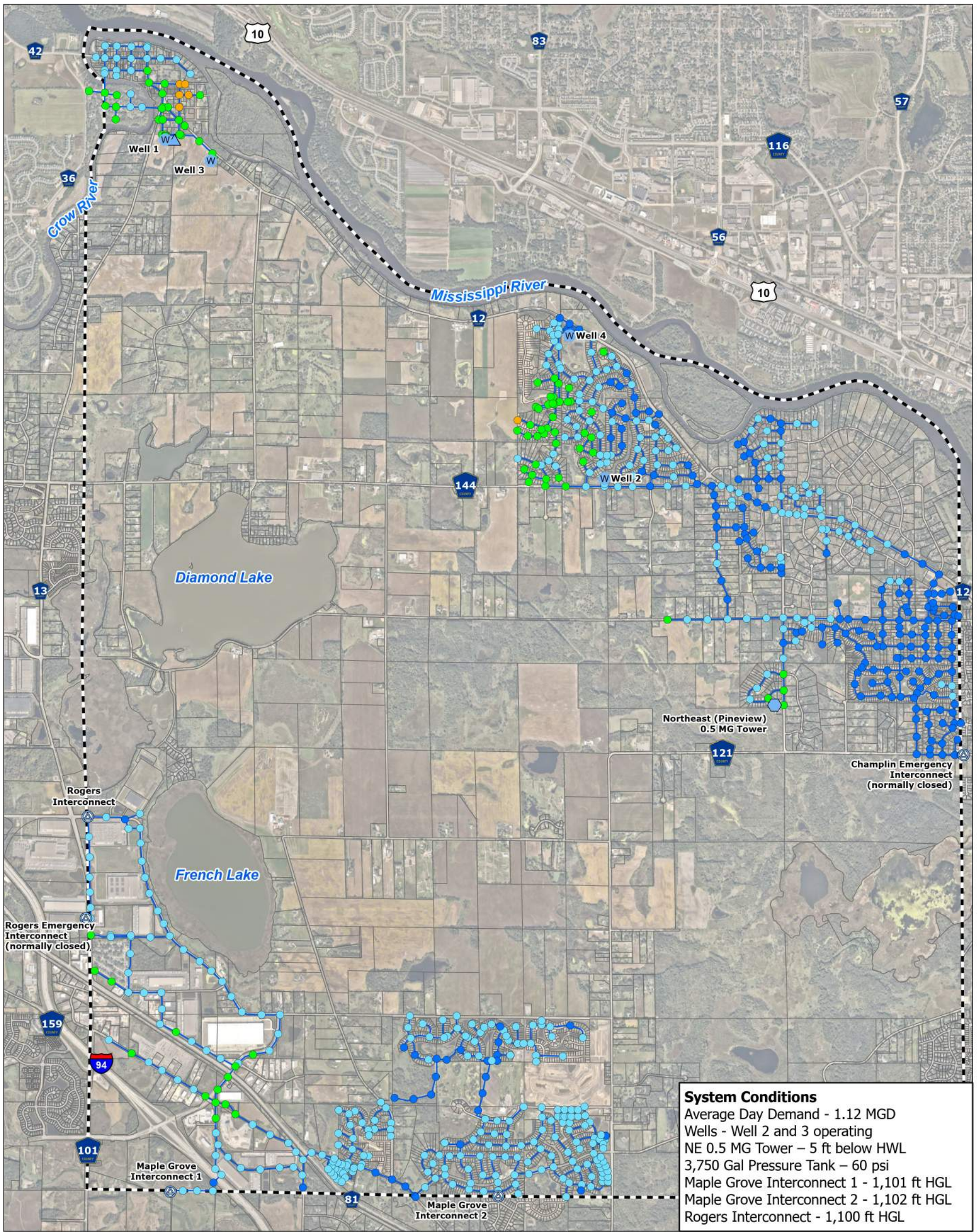
Project Location: Dayton, Hennepin Co., MN
Prepared by BS on 2025-11-20

Client/Project: City of Dayton Water Comprehensive Plan
193806077

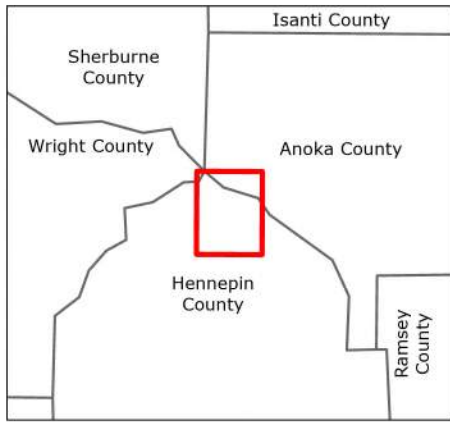
Figure No. **A-7**
Title **Existing Wells and Raw Water Piping**

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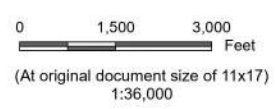
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System Conditions
 Average Day Demand - 1.12 MGD
 Wells - Well 2 and 3 operating
 NE 0.5 MG Tower - 5 ft below HWL
 3,750 Gal Pressure Tank - 60 psi
 Maple Grove Interconnect 1 - 1,101 ft HGL
 Maple Grove Interconnect 2 - 1,102 ft HGL
 Rogers Interconnect - 1,100 ft HGL



- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - Supply Well
 - Interconnect
 - Pressure Tank
 - Tower
 - Water Main
 - Pressure**
 - < 35 PSI
 - 35-50 PSI
 - 50-65 PSI
 - 65-80 PSI
 - 80-95 PSI
 - > 95 PSI



Project Location: Dayton, Hennepin Co., MN
 Prepared by BS on 2025-11-20

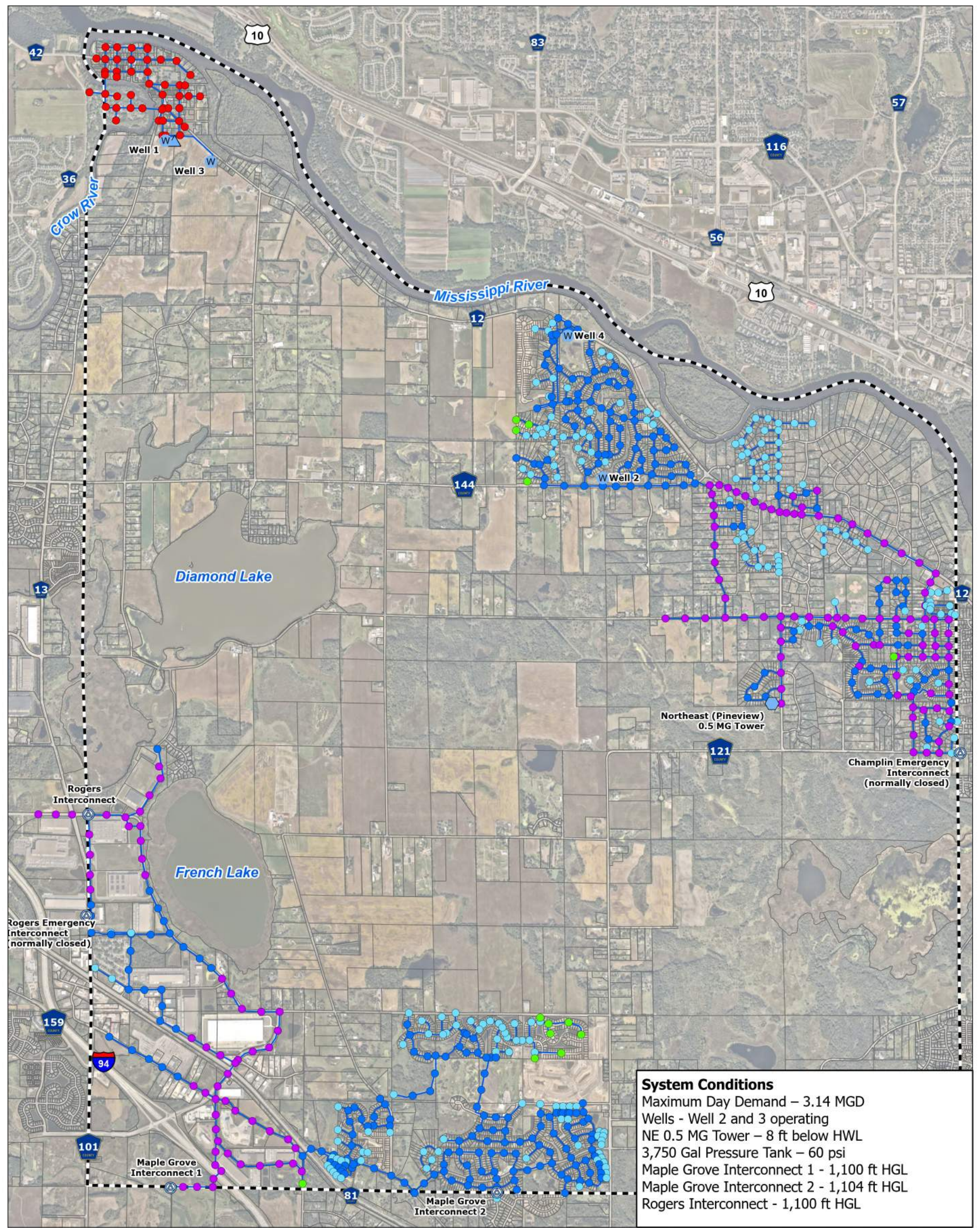
Client/Project: City of Dayton
 Water Comprehensive Plan

Figure No.: A-8

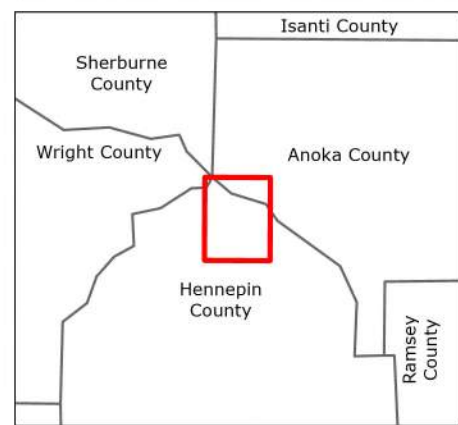
Existing Average Day Pressure

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County
 3. Background: Nearmap 2025 Imagery

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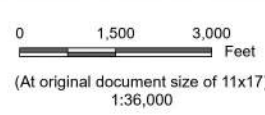


System Conditions
 Maximum Day Demand – 3.14 MGD
 Wells - Well 2 and 3 operating
 NE 0.5 MG Tower – 8 ft below HWL
 3,750 Gal Pressure Tank – 60 psi
 Maple Grove Interconnect 1 - 1,100 ft HGL
 Maple Grove Interconnect 2 - 1,104 ft HGL
 Rogers Interconnect - 1,100 ft HGL



- Legend**
- City Boundary
 - Parcels
 - Water System Facility**
 - Supply Well
 - Interconnect
 - Pressure Tank
 - Tower
 - Water Main
 - Available Fire Flow**
 - <500 GPM
 - 500 - 1,000 GPM
 - 1,000 - 1,500 GPM
 - 1,500 - 2,500 GPM
 - 2,500 - 3,500 GPM
 - >3,500 GPM

Notes
 1. Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet
 2. Data Sources: Hennepin County
 3. Background: Nearmap 2024 Imagery
 4. Available fire flow for the historic village (combined flow rates of Well 1 and 3) are 300 gpm



Project Location: Dayton, Hennepin Co., MN
 Prepared by BS on 2025-12-19

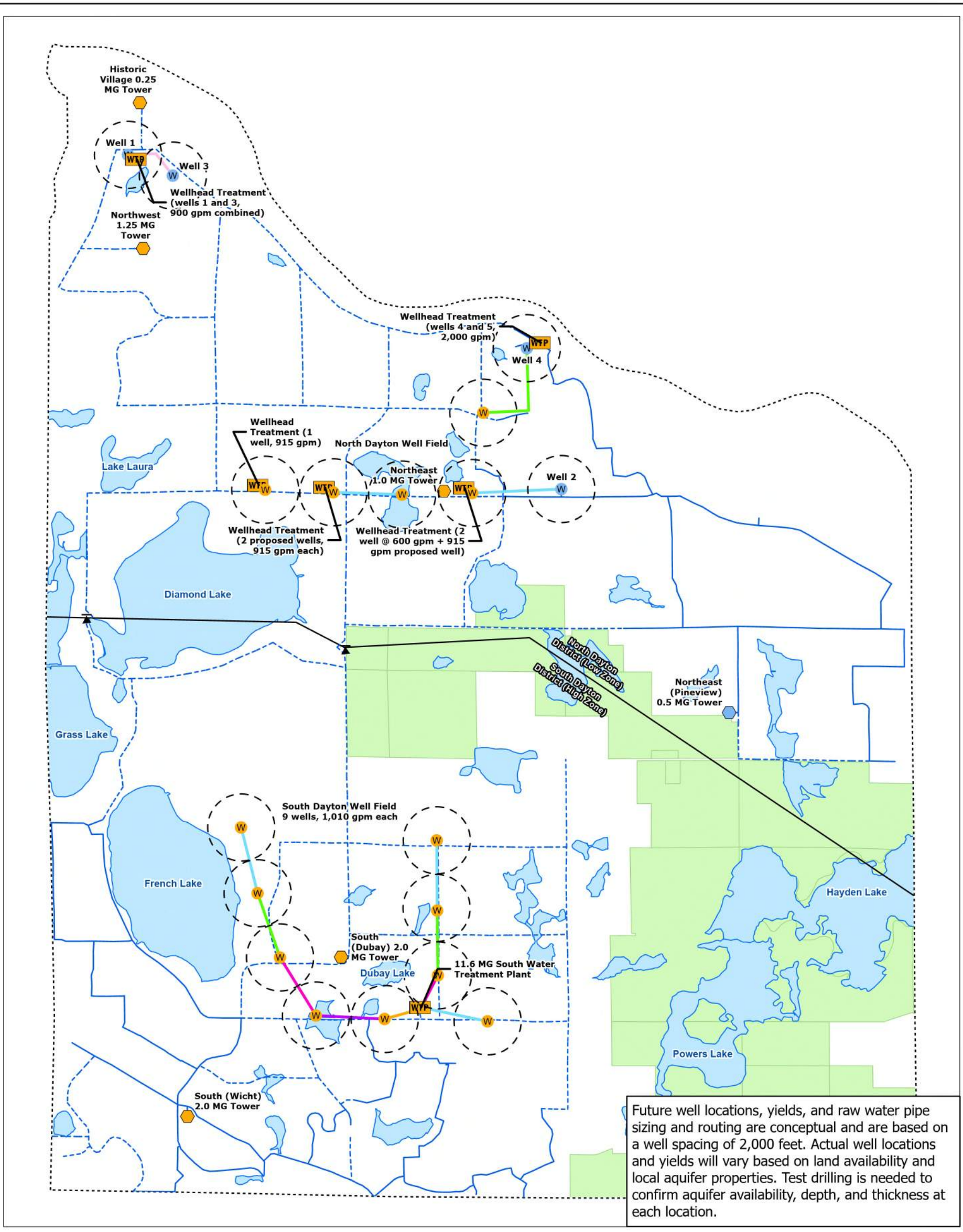
Client/Project: City of Dayton
 Water Comprehensive Plan

Figure No. **A-9**

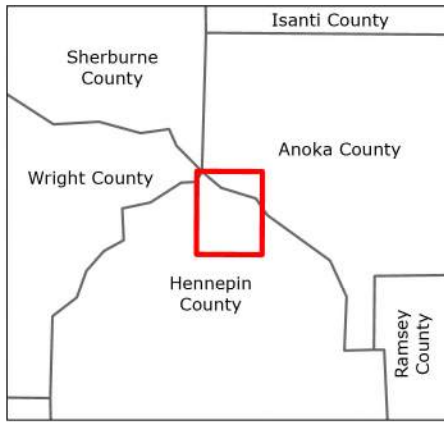
Existing Maximum Day Fire Flow Availability

R:\GIS\client_references_data\United States\MN\Dayton\proj\WaterPlan\WaterPlan.aprx Revised: 2025-12-19 By: twavrn

Disclaimer: This document has been prepared based on information provided by others as cited in the Notes section. Stantec has not verified the accuracy and/or completeness of this information and shall not be responsible for any errors or omissions which may be incorporated herein as a result. Stantec assumes no responsibility for data supplied in electronic format, and the recipient accepts full responsibility for verifying the accuracy and completeness of the data.

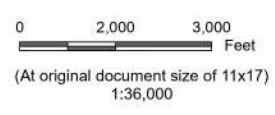


Future well locations, yields, and raw water pipe sizing and routing are conceptual and are based on a well spacing of 2,000 feet. Actual well locations and yields will vary based on land availability and local aquifer properties. Test drilling is needed to confirm aquifer availability, depth, and thickness at each location.



- Legend**
- City Boundary
 - Pressure Zone
 - DNR Public Water Basin
 - Elm Creek Regional Park
 - 2,000 ft Buffer from Future Wells
- Existing Water System Facility**
- W Supply Well
 - T Tower
- Distribution Water Main**
- Existing Trunk Water Main
 - - - Future Trunk Water Main

- Future Water System Facility**
- ▲ Future PRVs
 - Future Tanks
 - W Future Supply Well
 - WTP Future Water Treatment Plant
- Future Raw Water Diameter**
- 8 Inch
 - 10 Inch
 - 12 Inch
 - 16 Inch
 - 18 Inch
 - 20 Inch



Project Location: Dayton, Hennepin Co., MN
Prepared by BS on 2025-11-20

Client/Project: City of Dayton Water Comprehensive Plan
193806077

Figure No. **A-10**

Ultimate Concept Well Locations and Raw Water Piping

R:\GIS\client_references_data\United States\MN\Dayton\proj\WaterPlan\WaterPlan.aprx Revised: 2025-11-20 By: bschalermeyer

<FNT style="Bold Italic"><UND>Notes</UND></FNT style="Bold">
1. </FNT></FNT>Coordinate System: NAD 1983 HARN Adj MN Hennepin Feet<FNT style="Bold">
2. </FNT>Data Sources: USGS, Hennepin County, Wright County <FNT style="Bold">

APPENDICES



Appendix A Water Service Agreements



**CONTRACT FOR WATER SERVICE BETWEEN
THE CITY OF MAPLE GROVE MINNESOTA AND THE CITY OF DAYTON MINNESOTA**

This contract made and entered in this 8th day of August 2006 by and between the City of Maple Grove, a Municipal Corporation located in Hennepin County, Minnesota hereafter called "Maple Grove" and the City of Dayton, a Municipal Corporation located in Hennepin County, Minnesota hereafter called "Dayton".

Witness:

That the said parties, in consideration of the mutual covenants and agreements herein after set forth, have agreed to and with each other as follows:

1. Term of Contract

This contract shall be for the term of thirty (30) years from the date of execution hereof unless terminated earlier as hereinafter provided. The contract may be cancelled pursuant to notice provided in Section 10 or may be cancelled by either party if laws are enacted by the State of Minnesota or the United States of America which substantially and adversely affect rights, duties, or obligations of either party under this contract. In the event the City of Dayton wants to terminate this contract, the contract shall be terminated provided Dayton reimburses costs incurred by Maple Grove to serve Dayton. It is expressly understood that this contract may be extended by the written consent of both parties.

2. Water Service

- A. Maple Grove agrees to furnish and deliver water from the Maple Grove water works system to the southwest portion of Dayton as shown on Exhibit "A" in sufficient quantity to meet an average day demand not to exceed 2.8 Million Gallons per Day (MGD) and a maximum day demand of 5.0 MGD.
- B. Maple Grove will furnish water to the City of Dayton at mutually agreed Connection Points (hereinafter Connection Points) at a minimum pressure as determined by elevation 1066 National Geodetic Vertical Datum of 1929.
- C. The water furnished by Maple Grove shall be the same treated water supplied by Maple Grove to Maple Grove residents.
- D. Dayton agrees that the use of water from the supply furnished by Maple Grove shall be at all times be governed by the applicable rules, regulations and conditions Maple Grove has now in effect or hereafter adopts for the preservation, regulation and protection of its water supply, and Dayton agrees to adopt the rules, regulations or requirements of Maple Grove now or hereafter adopted in connection with use of water in Maple Grove and to enact and enforce such rules, regulations and requirements as Dayton ordinances within one hundred and eighty (180) days after the execution of this contract and to enact any amendments to the regulations hereafter adopted by the City of Maple Grove within sixty (60) days after being notified of such adoption and to adopt the same penalties as those of Maple Grove for the violation thereof and to strictly enforce such rules, regulations and requirements. This section shall be, however, limited to water usage and related matter and does not give Maple Grove the right to prescribe rules for administration and billing for the Dayton water system.

3. Water System Facilities

- A. Maple Grove shall own and operate all facilities necessary to the supply, production, storage and transmission of water to the Connection Points, [but not including the master meter or master meters and backflow devices.]
- B. Dayton shall own and operate all facilities necessary for the metering, transmission, and distribution of water from the Connection Points to the points of delivery of water in Dayton. All such facilities shall conform to the Minnesota State Health Department requirements. Dayton shall maintain at no expense to Maple Grove its entire Dayton water system from point or points of delivery.
- C. Dayton shall keep accurate records of watermain construction and number of connections by category and such records shall be subject to inspection and auditing by Maple Grove.
- D. The Connection Points on Maple Grove's facilities shall be made by Maple Grove, but all expense shall be paid by Dayton within thirty (30) days of billing by Maple Grove. The water consumed by Dayton shall be measured by a master meter or meters furnished and maintained by Dayton at its own cost and expense at such reasonable locations to be designated by Maple Grove. Such meters shall be of a make and setting, and shall be installed and housed in a manner approved by Maple Grove. Such meters shall be subject to testing by Maple Grove at any reasonable time.
- E. Backflow prevention devices shall be installed at the Connection Points to assure no backflow or flow through of water through the Dayton system into the Maple Grove system. Dayton shall install and maintain at no expense to Maple Grove said backflow devices.

4. Connection Charge

The City of Dayton shall pay a connection charge based on the current charge then in effect at time of payment to Maple Grove properties for each connection made to the system served with water from Maple Grove based on the following residential connection charges for various types of property

| <u>Land Use Type</u> | <u>Residential Equivalent Unit</u> | <u>2006 Rate</u> |
|---|--|------------------|
| Low Density | 1.0/unit | \$1,700/unit |
| Medium and High Density with laundry facilities in each unit. | | |
| Medium and High Density without Plumbing included for laundry facilities in each unit | .8/unit | \$1,360/unit |
| Commercial | 4.0/acre | \$6,800/ac |
| Industrial | 4.0/acre | \$6,800/ac |
| Mixed | 4.0/acre | \$6,800/ac |
| Parks | 0.5acre | \$850/ac |
| Institutional | 4.0/acre | \$6,800/ac |

The estimated number of Residential Equivalent Units (R.E.U.'s) in southwest Dayton that will be

connect to Maple Grove's water supply is shown in the following table:

| | <u>Number of Acres</u> | <u>Number of R.E.U.'s</u> |
|---------------------------------|------------------------|---------------------------|
| Residential (Low, Medium, High) | 2800 | 8800 |
| Commercial/Industrial | 800 | 3200 |
| Institutional | N/A | N/A |
| Parks | 400 | 200 |
| Mixed Use | - | - |
| Total | 4,000 | 12,200 |

The City of Dayton agrees to pay Maple Grove three hundred fifty thousand dollars (\$350,000) within sixty (60) days of execution of this agreement, and \$350,000 when Dayton connects to Maple Grove's water supply, which amount will allow 102.94 acres, or 411.76 R.E.U.'s to connect to Maple Grove's system provided said payments are received by end of 2006. Thereafter Dayton shall pay Maple Grove for each R.E.U. or acre that connects to the system served from Maple Grove at the then current connection charge rate for Maple Grove properties and transmit payment to Maple Grove within 45 days of permit for connection.

5. **Connections Beyond Corporate Limits of Dayton**

Water extensions beyond the Corporate Dayton limits of the City of Dayton and shall be made only with the permission of Maple Grove.

6. **Rates**

Initial water rate for water sold by Maple Grove to Dayton under this agreement shall be \$1.30 per 1000 gallons. In the future, the water rate shall be increased by the same percentage of increase for water to Maple Grove residents. Maple Grove's current water rates to Maple Grove residents is \$.90 per 1000 gallons and \$13.20 annually resulting in a current effective water rate of approximately \$1.04 per 1000 gallons based on 100,000 gallons per Residential Equivalent Unit (REU) per year.

7. **Meter Reading and Billing**

Monthly readings of the master meter or meters at the Connection Points of delivery to Dayton shall be made by Maple Grove. Billings by Maple Grove shall be mailed to Dayton and payment on such bills shall be made by Dayton to Maple Grove within 30 days.

8. **Department of Health Connection Fee**

The City of Dayton shall be responsible for collecting and transmitting the state mandated water connection fee (current rate is \$5.21/year) to the Minnesota Department of Health for connections made to the Dayton Water Distribution System.

9. **Liability of Maple Grove -**

Maple Grove shall not be liable for interruptions in service; provided, however, that Maple Grove shall not discriminate against Dayton water users in the event of such interruption, and shall reasonably attempt to provide uniform service to all water system users, to the extent possible in the event of such interruption.

10. **Default**

Either party shall have the right to terminate this agreement and the water service provided herein in the event that the other party fails to comply with any of the terms and conditions of this agreement. Any termination shall not take effect unless written notice of termination is provided containing a description the default. The defaulting party shall have thirty (30) days to cure the default. If the default is cured, this agreement shall be reinstated. If it is not cured within the time provided for cure, this agreement and the obligations here under shall terminate. However, such service may be

terminated only after reasonable notice to Dayton, and Dayton shall have a reasonable opportunity to correct any condition which is cited by Maple Grove as a cause for termination of water service.

11. Indemnification

Dayton agrees to indemnify and save Maple Grove harmless in accordance with acceptable standards from any and all claims or demands for damages rising out of or which may result from the water supplied pursuant to this agreement and from the use, installation, and maintenance and repair of its facilities as set forth in the contract.

12. Non-Waiver

The non-enforcement by either party hereunder of a right provided by this Agreement shall not constitute a waiver of that party's rights to enforce the term or provision of the Contract at a later date.

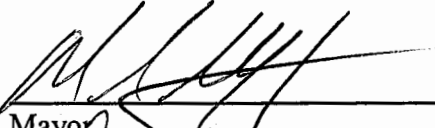
13. Effective Date of Agreement

Effective date of this agreement shall be the date of execution thereof of both parties.

Date

October 3, 2006
Date

CITY OF MAPLE GROVE



Mayor

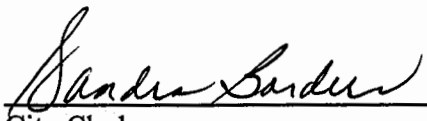


City Clerk

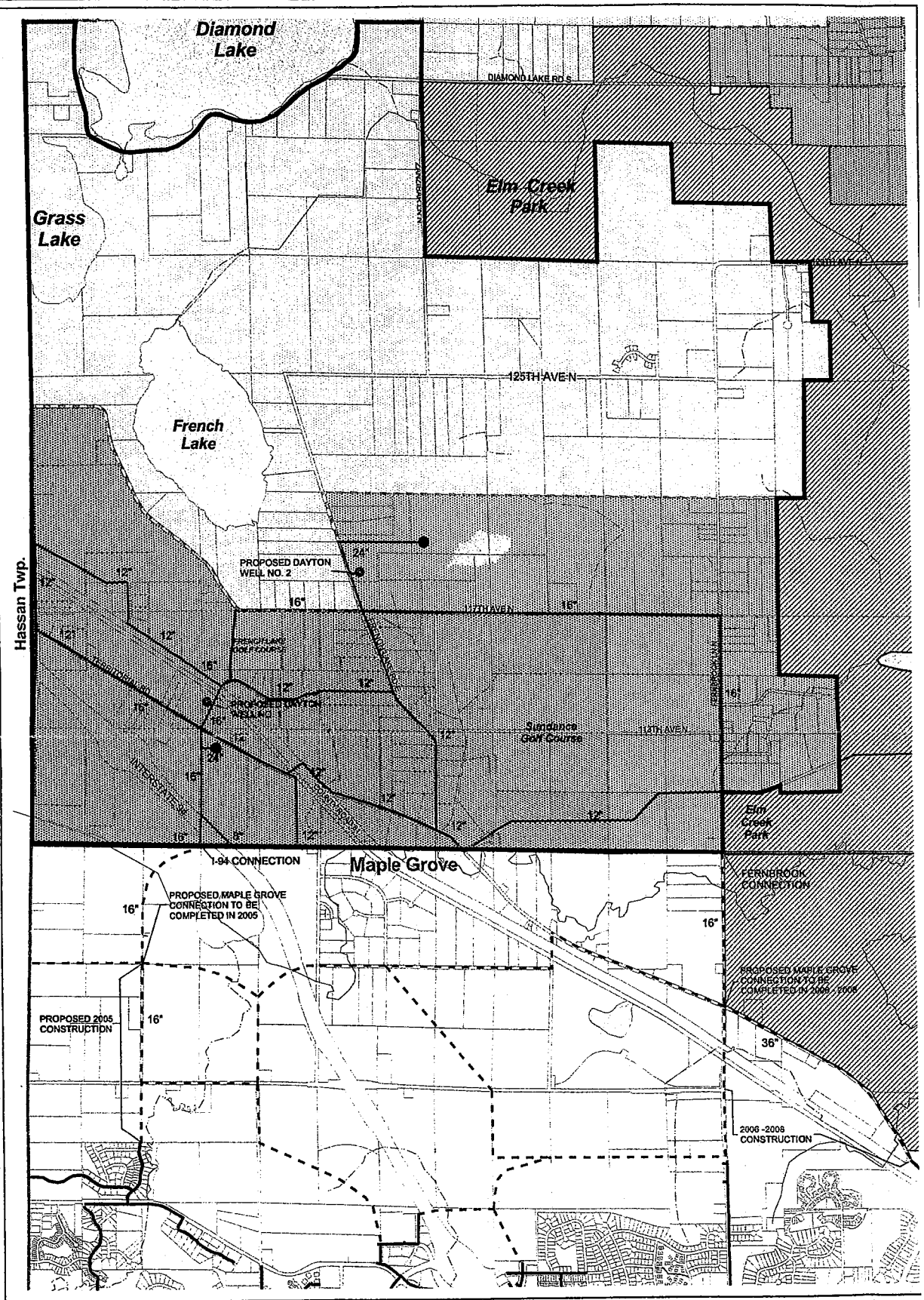
CITY OF DAYTON



Mayor



City Clerk

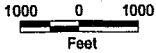


City of Dayton

**SW Dayton Trunk Water/
Maple Grove Connection
Distribution Plan**

Water Supply Investigation

- Proposed Well
- Proposed Storage Tank
- Trunk Water Meins
 - Proposed SW Dayton
 - - Proposed Maple Grove
 - Maple Grove Trunk
- City Boundary
- 2001 Phasing
 - 2000 - 2010
 - 2010 - 2020
 - 2020+
- - 2020 MUSA
- Water Service Area



May 2005

**Bonestro
Rosene
Anderlik
Associate**
Engineers & Architects

E:\174117\05121\cad\right\proj\MG_connect

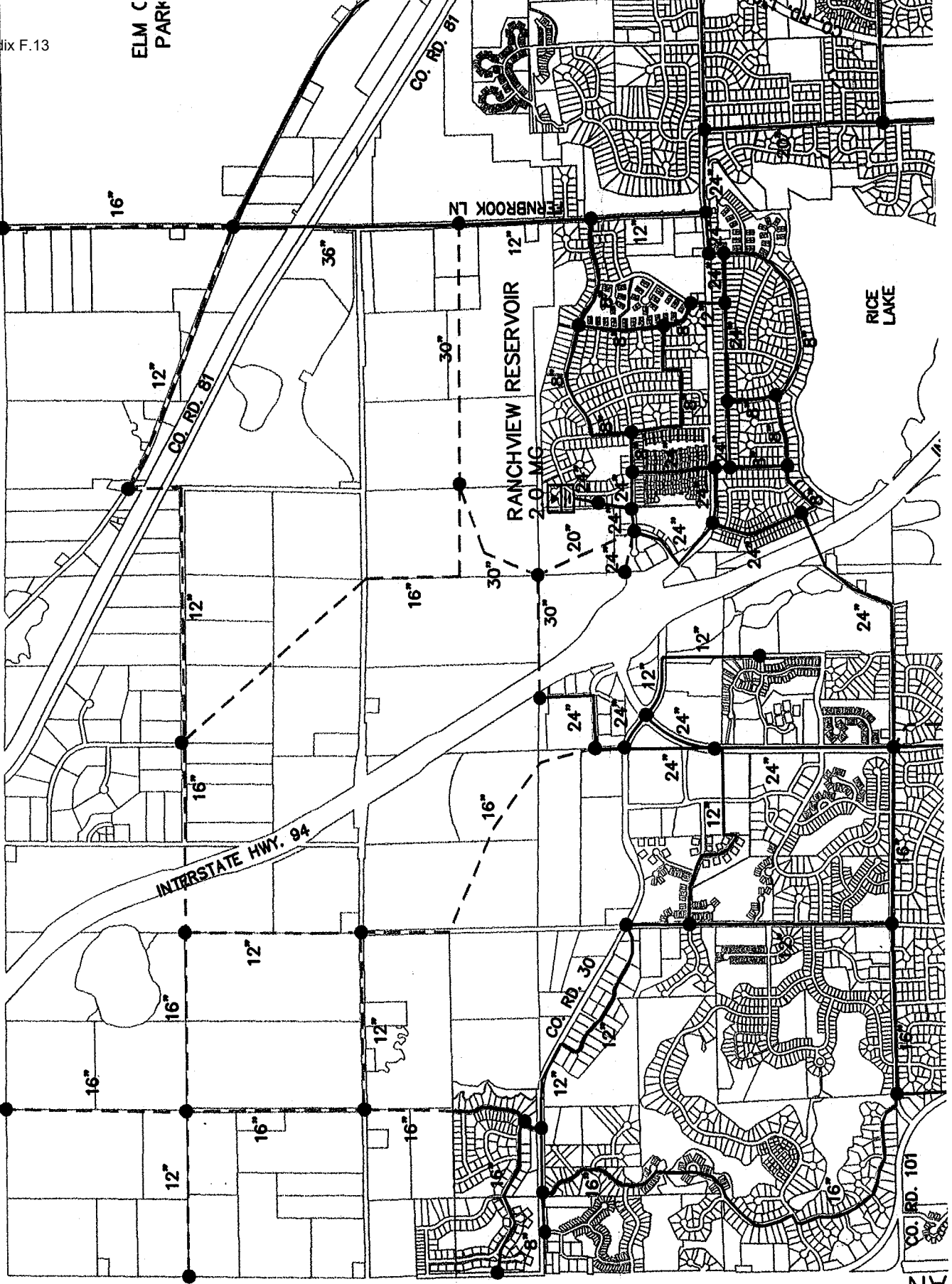
POTENTIAL DAYTON CONNECTION

DAYTON

POTENTIAL DAYTON CONNECTION

POTENTIAL CORCORAN CONNECTION

POTENTIAL CORCORAN CONNECTION

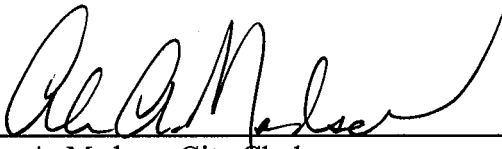


AN

STATE OF MINNESOTA)
COUNTY OF HENNEPIN) SS.
CITY OF MAPLE GROVE

I, the undersigned, being the duly qualified City Clerk of the City of Maple Grove, Hennepin County, Minnesota, hereby certify that I have carefully compared the attached Resolution with the original thereof on file and of record in my office, and the same is a full, true and correct copy of City Council Resolution No. 06-096 as adopted on the 15th day of May, 2006.

WITNESS, my hand and seal this 16th day of May, 2006.



Alan A. Madsen, City Clerk

STATE OF MINNESOTA)
COUNTY OF HENNEPIN) SS.
CITY OF MAPLE GROVE)

I, the undersigned, being the duly qualified and acting Clerk of the City of Maple Grove, Hennepin County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution No. 06-096 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of May, 2006.



Alan A. Madsen, City Clerk

RESOLUTION NO. 06-096

RESOLUTION APPROVING CONTRACT FOR WATER SERVICE BETWEEN THE CITY OF MAPLE GROVE, MINNESOTA AND THE CITY OF DAYTON, MINNESOTA

WHEREAS, a request has been submitted to have the City of Maple Grove supply the City of Dayton with water for both domestic and fire flow purposes; and

WHEREAS, Maple Grove's water system is designed to accommodate the requested amount of water needed by the City of Dayton; and

WHEREAS, a contract has been drafted for approval and execution by Dayton and Maple Grove City officials, which sets forth provisions of the sale of water to the City of Dayton; and

WHEREAS, the Maple Grove City Council concurs with the provisions of said contract.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Maple Grove, Minnesota:

1. The contract for water service between the City of Maple Grove, Minnesota and the City of Dayton, Minnesota is hereby approved.
2. The Mayor and City Clerk are hereby authorized to execute said contract.

Adopted by the City Council on this 15th day of May, 2006.

The motion for the adoption of the foregoing resolution was made by Councilmember Jaeger, seconded by Councilmember Sargent, and upon vote being duly taken thereon, the following voted in favor thereof: Mayor Steffenson, Councilmembers Campbell, Jaeger, Koski and Sargent

and the following voted against the same: None.

and the following were absent: None.

whereupon said resolution was declared duly passed and adopted.



8899 Nashua Avenue N.E.
Elk River, MN 55330

(612) 441-4414
Fax: (612) 441-8823

April 27, 1999

Sandra Borders, City Clerk
City of Dayton
12260 South Diamond Lake Road
Dayton, Minnesota, 55327

**RE: SIGNED SEWER USE AGREEMENT
CITY OF OTSEGO AND CITY OF DAYTON**

Dear Sandy:

Enclosed is a signed original of the above agreement for your file. Thank you for your help with this agreement and we at Otsego look forward to continued joint endeavors with the City of Dayton.

Sincerely,

CITY OF OTSEGO

A handwritten signature in cursive script that reads "Elaine Beatty".

Elaine Beatty,
City Clerk/Zoning Administrator

eb

enclosure (1)

AGREEMENT

CITY OF DAYTON AND CITY OF CHAMPLIN

THIS AGREEMENT is made and entered into between the City of Dayton, a Minnesota municipal corporation (hereinafter referred to as "Dayton") and the City of Champlin, a Minnesota municipal corporation (hereinafter referred to as "Champlin")

RECITALS:

WHEREAS, Champlin owns and operates a municipal water system in the northwest corner of Champlin adjacent to the northeast corner of Dayton; and

WHEREAS, Dayton owns and operates a municipal water system in the northeast corner of Dayton adjacent to the northwest corner of Champlin; and

WHEREAS; an inter-community water main connection exist along French Lake Road at the border of the two communities; and

WHEREAS, the Dayton water system has approximately 66 connections in the northeastern portion of the City; and

WHEREAS, winter operations of a water tower with low demand is difficult; and

WHEREAS, Champlin has capacity and a water distribution system adequate to provide service to the northeast area of Dayton during the winter months.

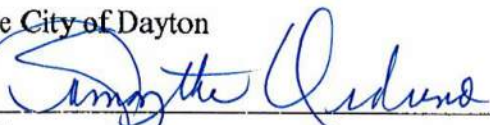
NOW, THEREFORE, it is agreed by and between the parties as follows:

1. Champlin shall provide water for the Dayton water customers during the winter months of December 2008 through approximately April 1, 2009, exact dates to be determined upon interconnection of the systems.
2. Dayton shall perform meter readings of their water customers just prior to Champlin supplying water to Dayton.
3. Dayton shall perform meter readings of their water customers immediately after Champlin ceases to supply water to Dayton.
4. Dayton shall complete all billing and administrative tasks for their water customers during the time when Champlin is supplying water to Dayton.

5. Dayton shall maintain its water distribution system during the time period that Champlin is supplying water to Dayton.
6. Watermain breaks, Fire suppression, or other unaccounted uses of water shall be reported to Champlin and a volume of usage determined.
7. Dayton shall pay Champlin \$2.12 / 1,000 gallons of water supplied as determined from the meter readings or billings.

IN WITNESS, WHEREOF, the parties have agreed to the foregoing terms.

The City of Dayton



Dated: 12/11/08

By:
Its: Administrator



Dated: 12/9/08

Its: City Clerk

The City of Champlin



Dated: 11/2/09

By:
Its: Mayor



Dated: 11/2/09

By
Its: City Clerk

JOINT POWERS AGREEMENT

WHEREAS, the City of Rogers (hereinafter "Rogers") and the City of Dayton (hereinafter "Dayton") are municipal corporations under the laws of Minnesota; and

WHEREAS, Rogers has a public sewer system which is capable of providing service to property within Dayton; and

WHEREAS, Dayton has certain properties with failing on-site septic systems primarily built in the 1970's, in the area shown on Exhibit A; where it is impractical or impossible to replace the systems with another on-site system; and

WHEREAS, both the cities of Dayton and Rogers are interested and concerned about the environment, and the extension of public sewer to the area will have both the short and long-term effect of enhancing the lake quality of Diamond Lake; and

WHEREAS, Rogers is willing under the terms of this agreement to make its public sewer available to the limited amount of property in Dayton where said septic systems are failing; and

WHEREAS, both Dayton and Rogers have the power to provide sewer service to private property, and therefore, can exercise the power jointly under Minn. Stat. §471.59;

NOW, THEREFORE, IT IS HEREBY AGREED upon this 23rd day of July, 1996, pursuant to Minn. Stat. §471.59, between Rogers and Dayton as follows:

1. Purpose. The purpose of this agreement is for Rogers to provide public sewer service to a limited number of properties within the City of Dayton under the terms of this agreement.

2. Permission to Connect. Buyer will permit up to 50 single-family residential dwelling connections to its sewer system within the Service Area shown on Exhibit A (hereinafter the Service Area). Within the Service Area the properties that will connect will be determined by Dayton, with priority given to properties with failed systems. Dayton does not need to allocate all 50 connections upon construction, but may reserve some of potential connections for future use. This prohibition on connection shall continue until such time as the sewage from the Service Area no longer flows to Rogers.

3. Construction. Dayton shall be responsible for construction of all necessary pipes, leads, valves and other appurtenances to allow the Service Area to connect with the Rogers' sewer system near Mallard Drive and County Road 144. Dayton shall be responsible for all such construction cost and may assess or otherwise charge properties as deemed appropriate by Dayton. All construction shall be done to specifications consistent with the applicable standards and regulations, including any applicable Rogers' construction standards. Rogers shall review and approve construction plans before the commencement of construction and may, to the extent desired, monitor actual construction to assure compliance with applicable Rogers' standards.

4. Charges for Service. For the sewer service provided, Dayton shall pay Rogers a connection fee of \$1,950.00 for each connection, at the time a connection to the sewer system is made. The connection charge consists of \$1,000.00 sewer access charge, \$800.00 trunk area charge, and \$150.00 water meter purchase charge. The \$1,950.00 connection fee, is the initial connection fee, and may be changed by the City of Rogers consistent with Paragraph 5 below. After connection, Dayton shall pay for ongoing sewer service at the same rate as Rogers charges its residents. The payment shall be made by Dayton on a quarterly basis. The payment made by Dayton shall be accompanied by a Water Use Report or estimate; provide, however, that at least once per year each meter shall be read for actual usage.

5. Regulations, Prohibitions and Rates. Property owners in Dayton using the sewer system shall be subject to the same rates, charges, fees and regulations, limitations, prohibitions and restrictions applicable to users in Rogers, existing now or hereinafter adopted by Rogers, including, but not limited to, connection charges, hook-up fees, periodic charges for service, limitations on the type of sewage which may be discharged and limitations and prohibitions on discharge of storm water or groundwater runoff, including specifically prohibition or restrictions on storm water or ground water inflow or infiltration into the sewer system. Before any rate, charge, fee, regulation, limitation, restriction or prohibition is effective against property in Dayton, Rogers shall give at least four (4) months notice to Dayton of the proposed change, so that Dayton will have an opportunity to appropriately amend its Ordinances and Regulations. If Dayton fails to amend its Ordinances and Regulations to conform to the prohibitions, regulations, limitations and restrictions Rogers imposes on its users within the boundaries of Rogers, Rogers may, after first giving Dayton 60 days written notice of needed changes, and Dayton's failure to make such changes, elect to terminate this Agreement. Dayton shall afford Rogers the right, during reasonable business hours, to read the meters in the lift station in Dayton.

6. Maintenance. Rogers agrees to maintain the public sanitary sewer system and the forcemain within the corporate boundaries of the City of Rogers. The City of Dayton shall maintain the sanitary sewer system and forcemain within the corporate boundaries of the City of Dayton and the Township of Hassen.

7. Rogers' Assistance. Rogers will assist Dayton by answering questions and providing information concerning maintenance, billing and other common areas of concern between the cities.

8. Dayton Ordinance. Rogers shall be provided with the opportunity to review and comment on any proposed ordinances adopted by Dayton which regulate the sanitary sewer system, its use or charges therefor. The adoption of necessary ordinances regulating use shall be done prior to the commencement of service to Dayton.

9. Arbitration. All disputes between the parties shall be resolved by arbitration pursuant to Minn. Stat. Chpt. 572. Arbitrators shall be appointed through application to the Hennepin County District Court.

10. Contingencies. This agreement is contingent upon all necessary approvals by the Minnesota Pollution Control Agency and the Metropolitan Council for the sewer service described herein.

11. Term of Agreement. This Agreement shall remain in full force and effect until the Service Area can be served by a sewer system operated by Dayton.

IN WITNESS WHEREOF, the undersigned, as of the date set forth above, being fully authorized, on behalf of the Cities of Rogers and Dayton, agree to the terms set forth above.

CITY OF ROGERS

CITY OF DAYTON

By: [Signature]
Mayor

By: [Signature]
Mayor

Attest:
[Signature]
City Clerk

Attest:
[Signature]
City Clerk

Appendix B Capital Improvements Plan for Water System



City of Dayton, Minnesota
 Capital Improvement Plan - Water Enterprise Fund 601
 Schedule of Planned Capital Outlay 2025 to 2035

| Department | Paid By | Replacement Year | Item | Cost | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|------------|------------------------------|------------------|--|------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts | Estimated Amounts |
| Water | City | 2025 | Enclosed Trailer with Emergency Tools and Supplies | \$ 20,000 | \$ 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Water | City | 2025 | Water Tower Maintenance Exterior Repairs | 25,000 | 25,000 | - | - | - | - | - | - | - | - | - | - |
| Water | City | 2025 | Water Main Connection/Loop from Sundance Greens West to E French Lk Rd | 225,000 | 225,000 | - | - | - | - | - | - | - | - | - | - |
| Water | City | 2025 | Land for Northeast Water Tower | 400,000 | 400,000 | - | - | - | - | - | - | - | - | - | - |
| Water | City/Grant (20/80) | 2026 | Northwest Water Tower | 3,800,000 | - | 3,800,000 | - | - | - | - | - | - | - | - | - |
| Water | Developer | 2026 | Dayton Parkway Extension (117th Ave N - East French Lake Rd) | 225,000 | - | 225,000 | - | - | - | - | - | - | - | - | - |
| Water | City/Grant (20/80) | 2027 | Wellhead Treatment Well #1 | 7,316,000 | - | - | 7,316,000 | - | - | - | - | - | - | - | - |
| Water | Developer/Assessment (50/50) | 2027 | Territorial Rd Improvements (Pky to Brockton) | 265,000 | - | - | 265,000 | - | - | - | - | - | - | - | - |
| Water | City | 2027 | SCADA Security Cameras at Wells/Towers/Treatment Plants | 80,000 | - | - | 80,000 | - | - | - | - | - | - | - | - |
| Water | City | 2027 | 113th Avenue Extension/Connection (new) | 312,000 | - | - | 312,000 | - | - | - | - | - | - | - | - |
| Water | City/Assessment | 2027 | 113th Ave Reconstruction | 633,000 | - | - | 633,000 | - | - | - | - | - | - | - | - |
| Water | City/Grant (10/90) | 2027 | Permanent Generator for Well #2 | 175,000 | - | - | 175,000 | - | - | - | - | - | - | - | - |
| Water | City | 2028 | SCADA Updates (Move Central System to PW Expansion) | 75,000 | - | - | - | 75,000 | - | - | - | - | - | - | - |
| Water | City/Grant (40/60) | 2028 | Northeast Water Tower (1M Gallon) | 9,124,000 | - | - | - | 9,124,000 | - | - | - | - | - | - | - |
| Water | City | 2028 | 117th Ave Watermain Extension (Dayton Parkway - Brayburn Trails) | 845,000 | - | - | - | 845,000 | - | - | - | - | - | - | - |
| Water | City | 2028 | Water Loop under 94 to Territorial Road | 394,000 | - | - | - | 394,000 | - | - | - | - | - | - | - |
| Water | City | 2029 | Replace Fire Hydrant Nozzles with Storz Fittings | Various | - | - | - | - | 100,000 | 100,000 | 100,000 | - | - | - | - |
| Water | City | 2029 | Utility Truck Replacement (2018) | 180,000 | - | - | - | - | 180,000 | - | - | - | - | - | - |
| Water | City/Grant (40/60) | 2029 | South Dayton Water System Tower (2M Gallon) | 13,912,000 | - | - | - | - | 13,912,000 | - | - | - | - | - | - |
| Water | City | 2029 | North East Well | 2,186,000 | - | - | - | - | 2,186,000 | - | - | - | - | - | - |
| Water | City | 2032 | South Dayton Water Treatment Plant | 30,449,000 | - | - | - | - | - | - | - | 30,449,000 | - | - | - |
| Water | City | 2032 | Water Tower Repaint | 150,000 | - | - | - | - | - | - | - | 150,000 | - | - | - |
| Water | City | 2033 | North East Wellhead Treatment for Wells (2) | 9,000,000 | - | - | - | - | - | - | - | - | 9,000,000 | - | - |
| Water | City | 2033 | South Dayton Wells (3) | 7,380,000 | - | - | - | - | - | - | - | - | 7,380,000 | - | - |
| Water | City | 2035 | Media Replacement for WHTP 1 (Replace sand) | 100,000 | - | - | - | - | - | - | - | - | - | - | 100,000 |
| | | | | | \$ 670,000 | \$ 4,025,000 | \$ 8,781,000 | \$ 10,438,000 | \$ 16,378,000 | \$ 100,000 | \$ 100,000 | \$ 30,599,000 | \$ 16,380,000 | \$ - | \$ 100,000 |

ITEM:

NW Water Tower

PREPARED BY:

Jason Quisberg, Engineering

POLICY DECISION / ACTION TO BE CONSIDERED:

Approve Engineering Proposal for the NW Water Tower project

BACKGROUND:

It is known that NW Dayton, often referred to as the “Historic Village Area”, lacks water storage. With only a 3,750 gallon tank serving as storage for the system, flows to support fire suppression needs are unavailable. Additionally, the number of users connected is at the maximum recommended for a system with this limited volume of storage available.

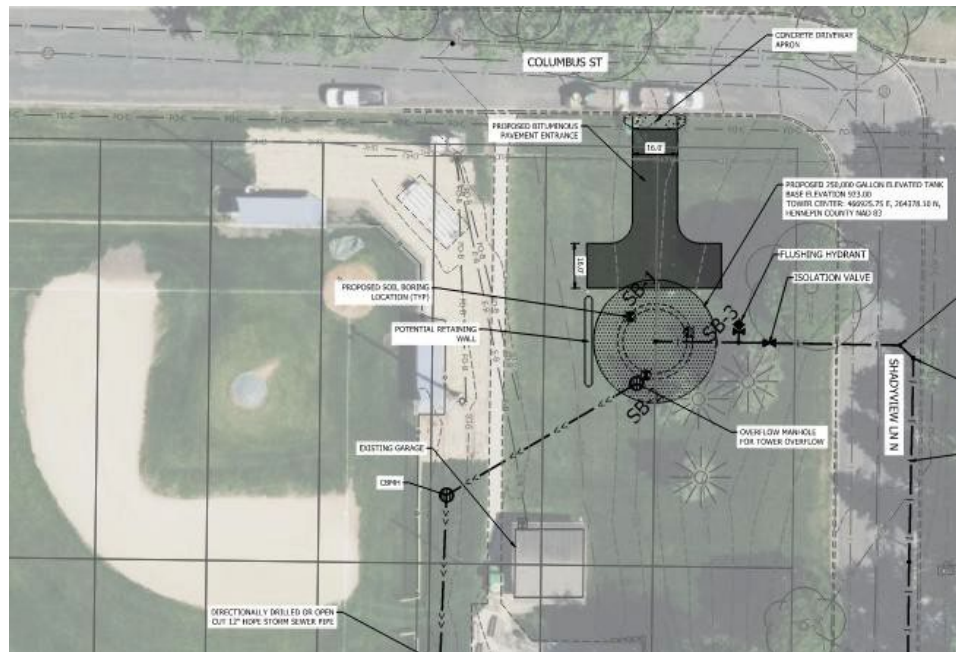
In September 2025, Council authorized preliminary engineering for a project involving the construction of elevated storage (water tower) to address the lack of storage concern. This work was been completed and the findings shared with Council at the May 26th meeting.

Summary of findings:

- Design tank size: 250,000 gal
- Tower type: Spheroid



- Location: McNeil Park (confirmed viable)



- Other improvements: Construct new/additional 12” main, between tower and source
 - Planned route: Shadyview Lane (directionally drilled)
- Anticipated project costs:

| System Component | Total Length/ Height | Cost |
|-------------------------------------|----------------------|-------------|
| 12-inch Trunk Watermain | 1,500 feet | \$830,000 |
| 0.25 MG Elevated Water Storage Tank | 139 feet to HWL | \$2,835,000 |
| Total | | \$3,665,000 |

- Schedule:
 - Summer 2026 – Final Design
 - Fall 2026 – Bid/Start Construction
 - Summer/Fall 2028 – Complete construction (tower on-line)

A proposal for engineering services relating to the final design, bidding, and construction observation and administration is attached for consideration. If approved, final design for the tower will be completed and brought back to Council prior to advertising for contractor bids.

At the May 26th meeting, a request for perspectives (“skyline profiles/views”) was made. Some general exhibits are being prepared and will be shared at the meeting.

RECOMMENDATION:

Approve the engineering proposal for the NW Dayton Water Tower Project

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ATTACHMENT(S):

Engineering proposal - NW Dayton Water Tower Project



Stantec Consulting Services Inc.
One Carlson Parkway North, Suite 100
Plymouth MN 55447-4440

June 2, 2026

Dayton City Council
12260 S Diamond Lake Rd
Dayton, MN 55327

Dear Dayton City Council,

Stantec has prepared a project scope, schedule, and budget for the Northwest Dayton Water Tower and watermain extension final design, bidding and construction services. The scope of services is in addition to the preliminary design from the original scope.

BACKGROUND AND IMPROVEMENTS

The Northwest area of Dayton, known as the Historic Village, had a water system installed in 2000. The system includes one well with a 3,750-gallon pressurized tank. In 2013, another well was drilled to help with demand and provide a redundant water source. As the area continues to grow and develop, additional water storage (water tower) is needed. In addition to a tower, a new watermain may be required from the existing water system to the tower.

Stantec has completed the preliminary design phase for the water tower and new watermain and are requesting final design, bidding, and construction services authorization.

SCOPE OF WORK

The scope for this phase of the project is broken down into three phases.

TASK 1 – FINAL DESIGN -\$127,000

Water Tower

Stantec will prepare draft plans and specifications at the 60% and 95% percent complete level for City review and comment. The project documents will be based on a 250,000-gallon spheroid tower design.

The design effort will entail detailed discussions with City Staff regarding the full range of potential accessories and configurations associated with a spheroid tower. Some options of discussion include possible lighting options and cellular antenna hosting options.

The design of the tower will include:

- Review of preliminary plans of the tower and site.
- Inclusion of active tank mixer.
- Instrumentation to provide temperature, level and mixer function to SCADA systems.
- Review of FAA regulations to determine if FAA lighting is required, and what level of lighting is optimal for the client and the site.

Reference: Northwest Dayton Water Tower Final Design, Bidding, and Construction

- Accessories – doors and security lights in the base of the pedestal. Other accessories including finial vent, roof handrails, interior ladders (including safety climb system), platforms, access hatches, and manways;
- Included in the design will be assistance with the selection of a tower logo/name sign. This would include the rendering of up to three logo/name signs on the tower and how they will appear at a distance and from the ground to assist the City in choosing the logo;
- Coatings per NSF on interior and exterior of tanks, including mildew resistant coatings where needed;

Recommended site work improvements include:

- New water mains, hydrants and valves in the tank site.
- Site improvements including tree trimming, possible fence placement, driveway, bollards, grading, site lighting, an overflow drainage manhole with storm sewer piping to existing drainage system, etc.

The final bidding documents will consist of technical specifications, drawings, and front-end contract documents with the inclusion of Public Facilities Authority (PFA) funding requirements. It is assumed that the City will submit the final bidding documents to the PFA for review and funding approval.

Watermain Extension

Stantec will prepare bidding documents for the watermain extension. This includes the collection of existing site data, design, and the productions of plans, technical specifications.

Deliverables will include construction plans, specifications, and refined opinion of probable construction costs.

Upon completion of work included in Task 1, City will have the opportunity to direct to continue with the bidding stage if the project should continue.

TASK 2 –BIDDING -\$15,000

This task involves the coordination of soliciting contractor bids for the construction of the improvement projects. This includes advertisement of the projects, completion of the bid opening process, and preparation of a tabulations of the received bids along with a recommendation for award.

Deliverables will include a contractor bid tabulations and award recommendations.

At the completion of bidding, should bids be found favorable, Council can award a contract and proceed with construction of the project. If bids are not found favorable or if other circumstances arise detrimental to the City, Council can reject the bid to avoid any further cost obligations to the project.

Reference: Northwest Dayton Water Tower Final Design, Bidding, and Construction

TASK 3 –CONSTRUCTION ADMINISTRATIVE SERVICES - \$260,000

If the project continues to construction, construction administration services can be provided to coordinate through this stage.

Water Tower

Stantec will provide construction related services for the water tower that include construction administration, project management, on-site construction observation that include KLM Engineering providing shop and tower inspections of tank welding and coating applications, special inspections, shop drawing review, change order preparation, and review of contractor pay requests.

Stantec will also provide startup and training services for the operation of the new water tower and conduct post-construction services including as-built drawings, operational troubleshooting, and a two year warranty inspection. Stantec will coordinate tank and watermain disinfection of the tower and watermain piping with the Contractor prior to placing the tower into service.

Watermain Extension

Stantec will provide construction related services for the watermain extension that includes:

- Coordinating and leading a preconstruction meeting and routine construction progress meetings
- Construction survey staking
- Construction observation to verify compliance with city standards and technical specifications
- Quantity tracking and preparation of contractor pay requests
- Evaluation of contractor change order requests, and processing of these requests as appropriate
- Communications with project stakeholders, impacted property owners, and City staff as needed
- Documentation of material testing, plan deviations, events within the project area, etc.
- Project closeout and preparation of record plan drawings

Deliverables will include record plan drawings.

COMPENSATION

The following is our anticipated budget. Stantec will provide these services on a time and material not to exceed basis for Stantec services and a on a lump sum as percentage of progress for subcontractors unless noted otherwise. The following are not included within the fee and are the City's responsibility: administrative review, application/permit fees, review fees, and reproduction fees.

Reference: Northwest Dayton Water Tower Final Design, Bidding, and Construction

| Project Component | Final Design* | Bidding* | Construction* | Total Fee |
|---------------------------------|---------------|----------|---------------|------------------|
| Water Tower | \$84,000 | \$10,000 | \$215,000** | \$309,000 |
| Watermain Extension | \$43,000 | \$5,000 | \$45,000 | \$93,000 |
| Phase Total, Grand Total | \$127,000 | \$15,000 | \$260,000 | \$402,000 |

*Includes services from Hakanson Anderson, which is billed only for costs incurred.

**Includes services from KLM Engineering, Inc., which is billed as lump sum.

ASSUMPTIONS

Note the following assumptions were made in preparation of this proposal. If any of these assumptions are found inaccurate, the level of effort required to complete the tasks as outlined may change, potentially with great significance:

1. Geotechnical services are not included with this scope and were performed during the preliminary design phase.
2. Permitting fees are not included with this scope.
3. Land acquisition is not required for this project.
4. The water tower is approved to be located at McNeil Park.
5. Project must follow PFA funding requirements. If any special funding requirements are identified as the bonding grant is coordinated, the level of effort will be reviewed for potential scope changes.
6. The water tower and watermain projects will be bid and constructed separately.
7. If either project requires re-bidding or construction is delayed beyond the assume schedule, the level of effort will be reviewed for potential scope changes.

SCHEDULE

It is expected development of the water tower plans and specifications will take place through the summer 2026 with a goal of potentially bidding and starting construction fall 2026. The actual schedule will be dependent on the ability to obtain information necessary to complete the design including the selection of the logo/name sign and tank colors and painting scheme. It is expected the water main extension plans and specifications will take place in the summer/fall/winter 2026 with a goal of potentially bidding in the winter and starting construction spring 2027.

Final completion of both projects will be fall of 2027 or summer/fall of 2028 and will be determined during the final design task. Final water tower bid documents could also have an alternate bid for early/late construction schedule.

TERMS AND CONDITIONS

The scope of services will be performed in accordance with the Master Services agreement between Stantec and the City of Dayton. Please indicate your acceptance of this scope of work by signing the bottom of the next page.

Reference: Northwest Dayton Water Tower Final Design, Bidding, and Construction

We appreciate the opportunity to continue to work with the City of Dayton and to contribute to the success of ongoing infrastructure projects. Please do not hesitate to contact us with any questions.

Regards,

STANTEC CONSULTING SERVICES INC.



Tim Grinstead PE
Senior Water/Wastewater Engineer
Phone: 320-529-4398
Mobile: 651-775-5635
tim.grinstead@stantec.com



Mark Schroeder PE
Associate, Senior Civil Engineer
Direct: 651-395-5216
Mobile: 952-334-2838
mark.schroeder@stantec.com

By signing this proposal, the City of Dayton authorizes Stantec to proceed with the services herein described.

This proposal is accepted and agreed on the _____ of _____, _____.
Day Month Year

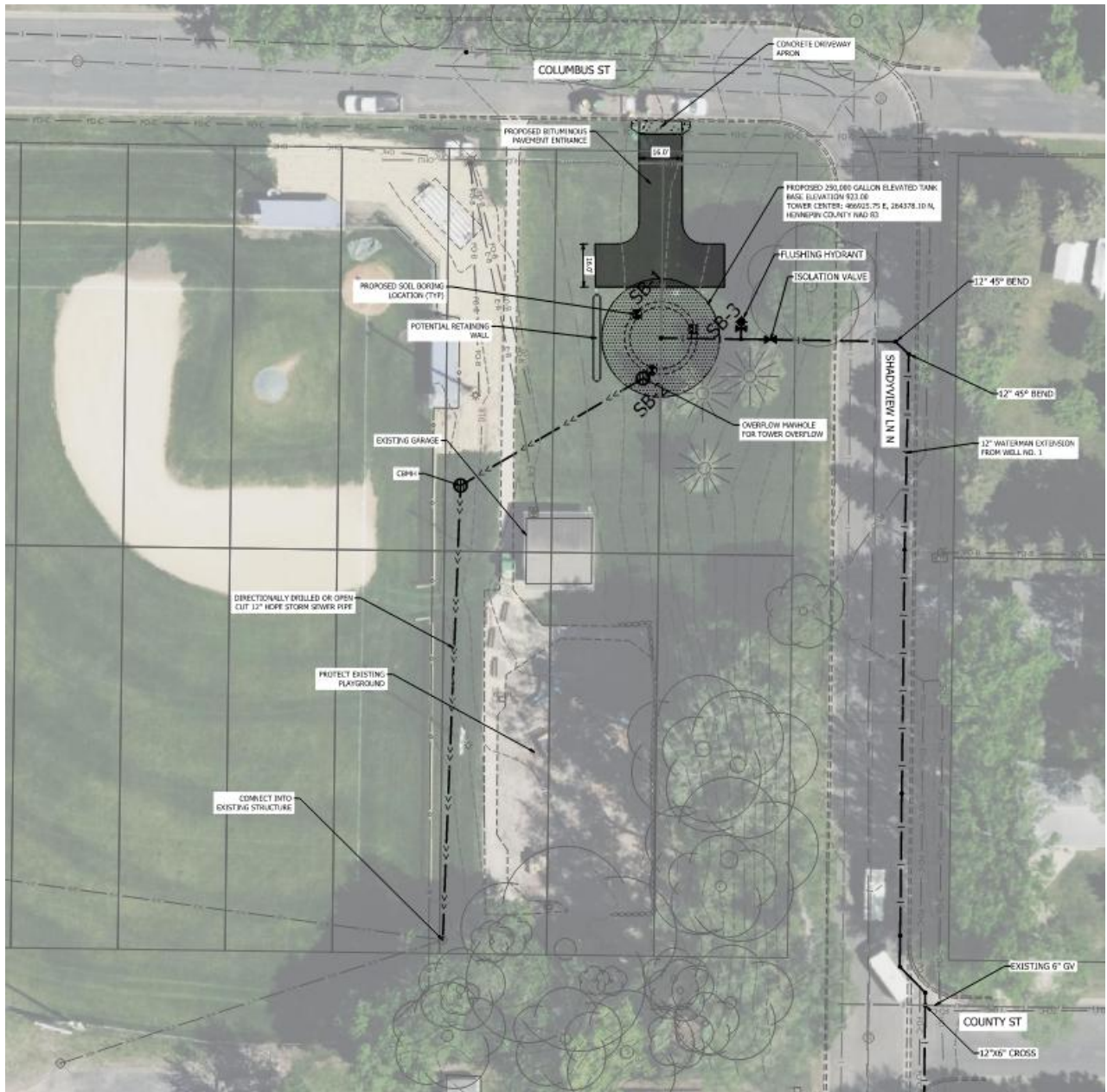
Per: _____
City of Dayton
Client Company Name

Print Name & Title

Signature

Reference: Northwest Dayton Water Tower Final Design, Bidding, and Construction

Attachment A: Project Location



ITEM:

Approval of Communications Policy

PREPARED BY:

Zach Doud, City Administrator

POLICY DECISION / ACTION TO BE CONSIDERED:

Approval of Communications Policy

BACKGROUND:

The City Council provided direction in later 2025/early 2026 regarding the use of AI and its increased usage within all functions of life, and the information that is being input into AI that stays there forever.

As City Staff was working through an AI policy, it became very apparent that this needed to be incorporated into a larger communications policy regarding the continued increase of social media and its presence in our life. The current social media policy is very pinpoint focused on social media, which was incorporated into this communications policy so that we do not have 2 separate policies that can create confusion. This policy will supersede the previous social media policy.

The communications policy is critical for us to establish processes and procedures related to operations of the City along with creating boundaries for employees related to communications, including the use of AI.

RELATIONSHIP TO COUNCIL GOALS:

Foster and Safter and Welcoming Community

RECOMMENDATION:

Staff recommends approval of the Communications Policy.

ATTACHMENT(S):

Communications Policy



Communications Policy

The City of Dayton recognizes and values the importance of effective and efficient communication for residents, businesses, visitors and city employees. This communications policy governs official communications and applies to all channels utilized by the City of Dayton. This policy applies to all departments.

Purpose

Communication should be a priority and play an important role in the development and planning of services, projects, programs, events and initiatives. All staff are involved in communications daily throughout the city working with residents and the public, delivering messaging initiatives or engaging in outreach efforts.

As the City of Dayton has grown, its communication needs grow as well. This communications policy is necessary to assess the effectiveness of our efforts and continue to identify additional tools needed to inform the public.

Authority and Responsibility

To ensure consistent and effective messaging, the City Administrator is responsible for providing strategic direction for all City of Dayton communications. While the City works toward a dedicated communications department, a cross-functional Communications Team has been formed by the city to lead these initiatives at the current time. That team consists of:

- Assistant City Administrator/City Clerk
- Public Works Office Manager
- Police Department Office Manager
- City Hall Administrative Assistant

Each City staff member is responsible for supporting communication initiatives, including contributions to the City website, social media, public relations, and visual communications. All official city communications must go through necessary reviews and approvals by the City Administrator to ensure the message is accurate and aligned with the city's communication policy.

City departments are encouraged to work alongside the city communications team serving the city's communication efforts for any communication-related job tasks assigned.

Use of Communications

City communications are intended to support municipal government functions and promote events and services sponsored by the city. Communications should reinforce and reflect the goals of the city government as established by the City Council and City Administration.

City Brand and Logo

The City of Dayton adopted new branding on June 12, 2018. The brand-style guide was designed and produced to help City staff and marketers maintain a consistent identity for the City of Dayton. The purpose is to offer standard usage guidelines to protect the integrity of the brand across a variety of marketing platforms, applications and vendors. The brand-style guide is available upon request at communications@daytonmn.gov

The logo was designed to represent the community of Dayton. The goal was to create a compelling graphic that would appeal to the target market and effectively communicate the brand in online and print applications.

Communication Specific Apparel

Staff members, Council and Commissioners are authorized to wear their city branded clothes during city events or meetings. To maintain a clear boundary between city work and outside projects, staff may not wear city gear or name badges when appearing in non-city videos (e.g., a local business advertisement). Commissioners should refrain from wearing city gear to Council meetings to avoid confusion about their role; unless that meeting is a joint commission/council meeting.

General Requests

From the Public

Staff have the ability to handle everyday public inquiries related to their own work. Requests involving private or confidential data or topics outside your normal responsibilities, should be routed to your department head or to the Data Practices Compliance Official (City Clerk) and Responsible Authority (City Administrator).

Requests under Minnesota Statutes Chapter 13 (Minnesota Government Data Practices Act) shall be provided to the Data Practices Compliance Official (City Clerk) and Responsible Authority (City Administrator).

From Staff or Council

All departments, staff, and elected officials are required to submit communication requests to the Communications Team by completing the Communications Request Form and emailing it to communications@daytonmn.gov. This includes but is not limited to photography, videography, design, printing, and marketing needs.

Any department hiring external consultants for community engagement is required to add a Communications Team representative to the project group to ensure messaging accuracy and organizational alignment.

From the Communications Team Directed to Staff

As the lead for all city-wide media relations, the Communications Team is dedicated to supporting each department's unique needs. Our goal is to foster a reliable partnership that guarantees consistent, high-quality information for the public.

Success depends on mutual commitment: departments are encouraged to actively engage in media relations and communication planning. This shared investment ensures our collective work aligns with the city's strategic goals. This partnership thrives on regular communication through collaborative meetings and ongoing dialogue.

Crisis Communications

Please contact Fire Chief at the Fire Department and Police Chief at the Police Department for all crisis communication information.

Media Requests

The City Administrator acts as the lead spokesperson for sensitive or city-wide matters. The Police Chief and Fire Chief, or their designee, will be the lead spokesperson for police and fire department matters. While Department Heads handle routine questions about their specific programs, all other media or interview requests must be coordinated and routed through the City Administrator and the Communications Team.

A "media request" covers any inquiry meant for television, radio, print, or online platforms. Any contact from the media regarding negative or controversial issues must be reported immediately to the City Administrator, who will determine the most appropriate spokesperson.

Responding to Media Requests

Requests regarding the following should be directed to the City Administrator:

- An opinion on a city matter
- City personnel
- Controversial issues
- Any active or potential litigation
- Any other requests outside of “routine” questions

Authorization & Responsibility

To ensure the city maintains a unified and accurate public voice, all responses to media require prior authorization.

- Director Oversight: Department Heads oversee and coordinate responses for all standard or "routine" media requests.
- Authorized Representatives: Staff members may only provide statements or interviews if they have been officially designated as a spokesperson by their Department Director.
- Standardized Approval: Before engaging with the media, staff must adhere to the specific approval protocols and guidance set by their respective Department Head.

Defining "Routine" Information

We define routine information as factual, public data related to everyday city business, such as:

- Standard department activities and project milestones.
- Topics, that are regular business, scheduled for discussion on public Council, Board, or Commission agendas.
- Details on city-sponsored events and public initiatives.

Note: If an inquiry becomes sensitive in nature or moves beyond these factual areas, it is no longer "routine" and must be immediately escalated to the Department Head.

Guidelines for Authorized Communication

Staff authorized to engage with the media should adhere to the following standards to ensure professional and accurate representation of the City:

- Document the Contact: Record the reporter’s name, media outlet, specific questions, and their deadline.

- **Prioritize Timeliness:** Respond to inquiries as promptly as possible (ideally within four hours) to accommodate news cycles.
- **Maintain Scope:** Address only the topics you are authorized to discuss. Avoid speculation; if you are unsure of a fact, defer the question to the appropriate department Head.
- **Use Standardized Deferrals:** If you cannot provide an immediate answer, use the following script: “I’m sorry, I don’t have the full information regarding that issue. Let me gather some basic contact information and submit your request to the appropriate person, who will get back to you as soon as they can.”
- **Uphold Professionalism:** As a representative of the City, restrict all comments to official business and refrain from sharing personal or political viewpoints.

Issuing Media Requests

The Communications Team leads all proactive media outreach for the City, including the drafting and pitching of press releases and story ideas. To ensure a unified and professional voice, the Communications Team must approve and distribute all official news releases. Departmental staff should refrain from initiating direct contact with media representatives without prior coordination, except for emergency releases by police and fire.

Images

The use of photos is encouraged in communications. High-quality images of the city, its programs, and events captured by staff or a professional photographer should be utilized. When capturing photos, please make sure to secure the permission of the subject as necessary. Photos taken by city staff as part of their official duties may not be used for commercial sales or promotional use by businesses or private agencies for profit use. Always assume a photo is subject to copyright and ask for permission followed by giving credit.

City Website

The City’s website serves as the primary source of information for residents and visitors and should be the first place to find official updates, announcements, and important details. The website is intended to support the municipal government function and to provide convenient and efficient access to information.

The City of Dayton’s website domain name is **www.daytonmn.gov**

While the City of Dayton strives to provide accurate and timely information, several factors beyond its control may impact the quality or accuracy of website content.

Website Hyperlink Policy

The following criteria will be considered when receiving requests from outside organizations for placing hyperlinks on the city website:

- Organizations the city supports financially
- Organizations in which the city has membership
- Organizations in which the city is partnering to advance a particular initiative or program
- Organizations in which the city participates through a joint power's agreement
- Other government agencies

Requests for hyperlink to external website should be reviewed by the city communications team. Hyperlinks to external websites may be removed or replaced at the sole discretion of the City of Dayton.

Notices/Disclaimers on Website

The links provided by the City of Dayton website are intended to provide a wide range of information to the public. The provision of links from the City of Dayton website to other sites does not constitute or imply an endorsement of those links, resources, events, organizations or establishments by the City of Dayton. The City of Dayton does not guarantee the accuracy, completeness, or timeliness of the information on those sites. The City disclaims all liability for errors, omissions, or discrepancies resulting from unauthorized data modification, transmission errors, browser incompatibilities, or delays in content updates.

The City is not responsible for what a user may find on a linked site, or for the personal opinions of individuals posted on any site, whether or not operated by the city. The views and opinions of the author of documents published on or linked to the city's website are those of the author and do not state or reflect the opinion, policy, or position of the city. The City of Dayton is not liable for defamatory, offensive, or illegal materials found on linked websites, and the risk of injury or damage from viewing, hearing, downloading, or storing such materials rests entirely with the user.

Dayton City App

The Dayton City App was launched in 2023. This app was created by a third party as an additional resource to better serve residents. The app provides access to non-city events and announcements, allows users to submit concerns, and highlights local Dayton businesses and community organizations along with many other helpful features designed to keep the community informed and connected with the City of Dayton. The app can be downloaded from Google Play and Apple Store.

Artificial Intelligence

With the growing use of Artificial Intelligence (AI), it is important to maintain integrity, branding, and transparency in all communications. The city authorizes the use of generative AI while users are performing duties relating to their jobs with the understanding that that output from these tools may contain inaccuracies and will require human verification. Staff will only use low-risk data when using AI. For example, staff may utilize AI to assist with editing, streamlining, or brainstorming work. AI should not be used to generate content in its entirety, whether for internal or external communications. Users of AI shall not upload moderate risk or high risk data to any AI software or service.

Low risk data:

Data is available to the public and intended for public use.

Moderate risk data:

Data that does not meet the definition of low-risk or high-risk. This includes, but is not limited to, system security information, non-public names, non-public addresses, non-public phone numbers, and IP addresses.

High risk data:

Data that is highly sensitive and protected according to the Minnesota Government Data Practices Act (MGDPA), Chapter 13. This includes protected, non-public, private, and confidential data. Examples include protected health information, social security administration data, criminal justice information, government-issued ID numbers (e.g., social security numbers, driver's license numbers, state ID cards numbers, passport numbers) federal tax information, account data, and bank account numbers.

If AI is used to write content in its entirety or in large portion, it must be attributed to the relevant AI system and disclosed with the resource used. AI-generated content is not guaranteed to be used in publications. Staff are responsible for the accuracy and integrity of all content submitted.

Dayton Communicator

The City Communicator is published quarterly and mailed to all households, apartment complexes, and businesses within the city. It is also available on the City's website under the Communications section. Additional copies may be requested by contacting the Communications Team at communications@daytonmn.gov.

Priority is given to articles submitted by City of Dayton departments, with placement determined by relevance and timeliness. Articles covering past events may not be included, and submissions for events scheduled several months in advance may be deferred to a more appropriate issue. The purpose of the City Communicator is to provide residents and businesses with timely information, updates, programs, and events occurring within the three-month period covered by each edition.

The City will consider news releases from partner and public service agencies, including, but not limited to, Three Rivers Park District and Senior Community Services. Selective announcements, including recognitions or retirements, may also be included. However, recognition of individual residents, groups, organizations, or businesses will only be published if directly related to a specific City service, program, or event.

The City Communicator may not be used for sales, solicitation of funds, or fundraising efforts on behalf of outside organizations, businesses, non-profits, or individuals.

ADA Accessibility and Compliance

On April 24, 2024, the U.S. Department of Justice issued a final rule under Title 11 of the Americans with Disabilities Act (ADA) mandating that government websites and mobile applications comply with the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA. This ADA compliance order ensures that websites and mobile apps are readily accessible to end users. The City of Dayton is committed to compliance with the ADA. It does not discriminate based on disability in admission or access to, or treatment or employment in, its services, programs or activities. Upon request, reasonable accommodation will be made to allow individuals with disabilities access to the communications regarding city services, programs, or activities set forth on the city's website.

Examples of Accessibility Features:

- Using clear and concise plain language with contrast between text and background
- Providing alternative text descriptions for images so they can be understood by individuals with visual impairments.
- Captioning videos so they can be understood by individuals with hearing impairments.
- Accessible forms that are easy to navigate with assistive technology.

Advertisements

Public hearing notices, proposed city actions, or other legal requirements are printed publications. On occasion, the city may use printed publications for employment advertisements, upcoming events and programs. The city uses Osseo-Maple Grove, Champlin Dayton Press.

Special Communications

Special communications, specifically notices or door hangers, may be distributed to residents by City staff, or its consultants, as a supplemental form of communication in addition to attempting to reach residents by phone and email. These door hangers are separate from routine mailings or standard business communications.

Example: Public Works Department utilizes door hanger notices to notify residents of issues such as water meter repairs or tree-related notices. All notices must display the official city logo or Dayton Fire or Police Patch. If revisions are made to an existing notice, a copy of the updated version must be provided to the communications team for review prior to being printed.

Social Media

Social networking in government serves two primary functions: to communicate and deliver messages directly to residents and to encourage resident involvement, interaction, and feedback. Information, which is distributed via social networking, must be accurate, consistent, and timely and meet the needs of the City's intended audience.

Social media is used for social networking, and we seek to ensure proper administration of the City of Dayton's social media sites by its team members. The City has limited control of social media accounts with third parties (i.e., Facebook, Instagram, etc.). At the same time, there is a general expectation by the public that the City of Dayton have a social media presence to share information about current city projects and city business. The City of Dayton social media accounts are considered a city asset and reserves the right to shut down any of its social media sites or accounts for any reason without notice.

For municipal purposes, the City's social media accounts will be used for incidental, non-vital communication and general information only. It is not the purpose of the city's social media accounts to be a medium for transactions of city business. The one exception is in the case of a natural or man-made disaster, if it is determined by the City that the best means of communicating with the public is through the social media account(s). The City of Dayton wishes to establish a positive and informative social media presence. City representatives have the responsibility to use the City's social media resources in an efficient, effective, ethical, and lawful manner pursuant to all existing City policies.

All social media websites created and utilized during the course and scope of an employee's performance of his/her job duties belong to the City of Dayton, including a link to the City's official website. The City of Dayton does not create or maintain social media accounts for its elected officials.

The City does not create, collect, disseminate, or regulate use of any other non-City of Dayton social media accounts, including the personal accounts of its elected officials, private

community pages and staff. Questions regarding the scope of this policy should be directed to the City Administrator.

The city uses the following social media platforms as a means of communicating with the public:

- Facebook
- Instagram
- YouTube
- City of Dayton App
- Nextdoor

If a department requests a new social media presence, this must be emailed and approved by the City Administrator. The City of Dayton currently has the following approved Facebook pages:

- City of Dayton, MN – Local Government
- Dayton Police Department Minnesota
- Dayton Fire Department

The City of Dayton has the following Instagram pages:

- City of Dayton MN
- DaytonMNFire
- Dayton Police Department MN

Rules of Use – Social Media

Social media will be used for the following purposes:

1. Keep the public informed of City meetings, events, programs, closures, project and/or construction updates, and other notices as deemed necessary by city officials in the City of Dayton.
2. Build a sense of community and help eliminate barriers to communication with residents.
3. Create awareness of city activities and events

Social Media Disclaimer

The following disclaimer will be posted where appropriate on each City Social media site or provide a link to the city website with the below disclaimer:

The purpose of the City of Dayton's social media presence is to provide members of the community with information in more places and more ways than were traditionally available. All content of this site is public and is subject to disclosure pursuant to the Minnesota

Government Data Practices Act. Please be aware that anything you post may survive deletion, whether by you or others. Do not post sensitive or personally identifiable information, such as social security numbers. The City of Dayton reserves the right to restrict or remove any content that is deemed in violation of this policy or any applicable law. Any content removed based on this policy must be retained by the City for a reasonable period of time, in accordance with the City's record retention schedule.

Following or "friending" persons or organizations is not an endorsement by the City and is only intended as a means of broadening communication. External comments and posts to City of Dayton's social media sites do not reflect the opinions and policies of Dayton, its officials, or employees. The City of Dayton is not responsible for the content of any external comment or post and expressly disclaims any liability for external comments and posts.

The City of Dayton welcomes resident participation on its social media sites. All comments and posts should relate to the original topic being discussed or to Dayton's government operations and community events. All comments and posts must follow general rules of respectful discourse. Commenters are solely responsible for the content of their comments and posts, which are in the public domain and may be archived and disclosed by the City of Dayton. The City will post items and monitor discourse on its social media sites during regular business hours. Comments containing any of the following content will not be permitted on the City of Dayton social media sites and are subject to removal and/or restriction by the City Administrator or designee, at any time without notice:

- Obscene or pornographic content or language
- Direct or true threats to persons or property
- Content that violates the intellectual property of another person (copyright or trademark)
- Private, personal information about a person reported to the City Administrator as being published without his/her consent
- Information that endangers the public by compromising a public safety security system
- Commercial promotions or spam or links to malware or viruses
- Hyperlinks to material that falls into at least one of the foregoing categories
 - Content that promotes discrimination by the government on the basis of race, age, religion, gender, or other protected class.
 - Content that violates any federal, state, or local law or encourages illegal activity.

Should your comment be removed by the City and you believe it does not fall into one of the above categories, contact the City Administrator in writing to explain how the comment does not fall into one of these categories.

Should you wish to challenge the legality of any portion of this notice or the City's social media policy, you may contact the City Administrator in writing and explain the basis for the challenge in detail. The City Administrator will work with the City Attorney to review.

The City reserves the right to deny access to its social media sites for any individual who repeatedly violates this policy, at any time and without prior notice. All comments are bound by the social media platform's terms of use or code of conduct.

Please note, comments expressed on the City of Dayton's social networking sites do not reflect the opinions or positions of the City of Dayton, its employees or its elected/appointed officials. A comment posted by a member of the public on any City of Dayton social media site is the opinion of the poster only. Users who enter private or confidential information on the City of Dayton's social media sites do so at their own risk and the City of Dayton is not responsible for any damages resulting from the public display of, or failure to remove, private or confidential information.

By accessing, using, or posting to this City of Dayton social media page, you acknowledge you have been advised of the foregoing. If you have questions, please contact communications@daytonmn.gov

Managing Social Media

Each department manages their own social media platform, but all departments adhere to the same guidelines and policy. For example, the police department manages their own Facebook and Instagram platform. Employees shall not share access to city social media platforms or personal login information. All content posted on city accounts is the property of the city, regardless of which department it represents.

Scheduling posts will be done at the discretion of the communications team to ensure strategic alignment with city goals. All efforts are made to get items posted as promptly as possible. The communications team will work with departments to plan, generate and review social media content. Content will have multiple reviews before posting.

Exception: When a social media inquiry involves official city business or specific procedural requirements, staff must transition the conversation to email, phone, or established official channels. General inquiries requiring a broad, immediate response may be addressed via public comments, focusing strictly on the immediate issue and providing directions to further resources.

Monitoring Social Media

The Communications teams will monitor all social media accounts which include comments and messages. City employees are encouraged to share information with the communications team found on social media regarding the city.

All Dayton social media platforms are for informational purposes only and the communications team does not respond to comments or messages on social media platforms. If residents,

businesses or visitors have questions, please contact the city directly by phone, email or the city website contact forms.

Elected and Appointed Officials

Officials should comply with the following guidelines when posting on social media,

- Do not use the official city social media sites for campaign purposes.
- Do not post comments or links to any content that endorses or opposes political candidates or ballot propositions, including links to an elected official's campaign site, on an official city social media site.
- Be mindful of the risks of electronic communications, which implicate the Minnesota Government Data Practices Act.
- Be mindful of the Open Meeting Law; communication between officials on social media should be avoided.
- Refrain from using social media as a mechanism for conducting official city business other than for informal communications.
- Ensure efforts to be honest don't result in sharing non-public information related to co-workers, personnel data, medical information, claims, lawsuits, or other non-public or confidential data.
- Ask the appropriate staff person or department to post official city documents, rather than summarizing them from memory. You may post a direct link to a document found on the city's website.
- Correct mistakes as soon as you are made aware of the error. Corrections should be made as timely as possible. When modifying an earlier post, make it clear that the posting has been corrected.
- If contacted by media on topics of official city business, follow city communication protocols listed under General Requests.
- Refrain from speaking poorly about fellow officials online in venues such as pages, groups or forums.
- Contact the communications team at communications@daytonmn.gov when misinformation or concerns are discovered on social media.

Employee Use of Social Media

It is important for city employees to remember the personal communications of employees may reflect on the city, especially if employees are commenting on city business or commenting on issues that implicate their city employment on social media. As city representatives, employees share in the responsibility of earning and preserving the public's trust in the city. An employee's own personal communications on social media can have a significant impact on the public's belief that all city staff will carry out city functions faithfully and impartially and without regard to factors such as race, sex/gender, religion, national origin, disability, sexual orientation, or other protected

categories. Nonpersonal communications (performed within one's job duties) to members of the public must be professional at all times.

The following guidelines apply to social media:

- Do not share any private or confidential information you have access to as a result of your city position.
- Any personal communications made on a matter of public concern must not disrupt the efficiency of the city's operation, including by negatively affecting morale. Put another way, such public comments must not undermine any city department's ability to effectively serve the public. Disruptive personal communications can include liking or republishing (sharing/retweeting) a social media post of another individual or entity. The city can act on the personal communication that violates this policy without waiting for the actual disruption.
- Remember what you write or post cannot easily be undone. It may also be spread to a larger audience than you intended. Use common sense when using email or social media sites. It is a good idea to refrain from sending or posting information or photos you would not want your boss or other employees to read, or you would be embarrassed to see in the newspaper. Keep in mind harassment, bullying, threats of violence, discrimination, or retaliation concerning a co-worker or between co-workers that would not be permissible in the workplace is not permissible online, even if it is done after hours, from home and on home computers.
- The city expects its employees to be fair, courteous, and respectful to supervisors, co-workers, citizens, customers, and other persons associated with the city. Avoid using statements, photographs, video or audio that reasonably may be viewed as malicious, obscene, threatening or intimidating, disparaging, or might constitute harassment or bullying.

Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of sex, race (including traits associated with race, including, but not limited to, hair texture and hairstyles such as braids, locs and twists) national origin, age, color, creed, religion, disability, marital status, familial status, veteran status, sexual orientation, gender identity, or gender expression, status with regard to public assistance or membership or activity in a local human rights commission:

- If you publish something related to city business and there is likely to be confusion whether you are speaking on behalf of the city, it would be best to identify yourself and use a disclaimer such as, "These are my own opinions and do not represent those of the City of Dayton."
- City resources, working time, or official city positions cannot be used for personal profit or business interests, or to participate in personal political activity on social media
- Personal social media account name or email names should not be tied to the city (e.g., (city name) Cop).

In the event of any conflict or inconsistency between this section “Employee use of social media” and any other city policy, including the Personnel Policy Handbook, then the terms of this policy prevail and take precedence. Employees violating this communications policy are subject to the discipline and grievances section of the Personnel Policy Handbook.

Communications Policy Review

This communications policy will be subject to an ongoing review, at least annually, to ensure their effectiveness and relevance. Any necessary updates or revisions will be made as needed to align with the evolving needs and goals of the city. This policy may be amended from time to time, without further notice.

EMPLOYEE ACKNOWLEDGEMENT

I hereby acknowledge that I have received a copy of the City’s Communications Policy. I understand that it is my responsibility to read, understand, and comply with the policies, procedures, guidelines, and expectations contained in the document. I understand that it replaces and supersedes any previous policies, manual or communications, whether written or oral. I further understand that all contents of this Communications Policy are subject to change in accordance with applicable laws, but employees will be advised of any City initiated changes to policies contained.

I understand that this acknowledgement does not constitute a contract of employment and does not alter the terms of my employment relationship, unless otherwise stated in a written agreement signed by authorized representatives of the company.

I understand that the company may revise, modify, or discontinue policies and procedures at its discretion, subject to applicable laws and company practices.

By signing below, I confirm that I have received the document and have had the opportunity to ask questions regarding its contents.

Employee Signature _____

Print Name_____

Date_____

Note: Employees will be required to acknowledge receipt of the Communications Policy by signing this acknowledgement.

ITEM:

Approval of RFP For Engineering Services

PREPARED BY:

Zach Doud, City Administrator

POLICY DECISION / ACTION TO BE CONSIDERED:

Approval of RFP For Engineering

BACKGROUND:

The City Council provided direction in early 2026 regarding the continued effort to be as fiscally responsible as possible by touching base with the market on Engineering Services more often than we have in the past. Our last engineering RFP was completed in 2011 where Wenck (now Stantec) was selected as the City's Engineer.

Additionally, this spring our current contracted city engineer, Jason Quisberg, and others have moved from Stantec to Haakenson Anderson and the City, Stantec, and Haakenson Anderson have all worked together to identify a solution that works for all current projects. This has been very much appreciated from a staff perspective and has created a seamless transition.

The timing of the direction provided by the City Council, in conjunction with, the current shared services agreement between Haakenson Anderson, Stantec, and the City of Dayton. Now is as good of time as ever to complete an RFP for Engineering Services.

Note: Please note that this Engineering Proposal can be issued to multiple companies as noted in the RFP as deemed necessary.

RELATIONSHIP TO COUNCIL GOALS:

Foster and Safer and Welcoming Community

RECOMMENDATION:

Staff recommends approval of the RFP For Engineering Services

ATTACHMENT(S):

RFP For Engineering Services



Request for Proposals

CONTRACTED GENERAL ENGINEERING SERVICES

Issued June 10, 2026

DEADLINE—Noon

Friday, July 17, 2026

CONTACT:

ZACH DOUD, CITY ADMINISTRATOR

12260 S Diamond Lake Road, Dayton, MN 55327

(763) 427-4589

zdoud@daytonmn.gov

www.daytonmn.gov

Introduction:

The City of Dayton is soliciting proposals from firms interested in providing a wide variety of general engineering services and related technical services. The firm selected will be designated as the City Engineer. The successful applicant will provide these services to the City from January 2027 to December 31, 2031. Services may include, but not be limited to, those listed in the “Scope of Services” part of this document.

The City of Dayton shall not be liable for any costs incurred by the firm and/or assigns in responding to this Request for Proposal (RFP), or for any costs associated with discussions required for clarification of items related to this proposal, including any future interviews.

In order to be considered, one (1) digital copy of a proposal must be submitted to zdoud@daytonmn.gov **or** one (1) hard copy mailed to Dayton City Hall, 12260 S Diamond Lake Road, Dayton, MN 55327 by Noon on Friday, July 17, 2026. The City reserves the right to reject any or all proposals submitted. Questions regarding this request can be directed to Zach Doud, City of Dayton, 12260 S Diamond Lake Road, Dayton, MN 55327, 763-427-4589 or zdoud@daytonmn.gov.

To ensure a fair review and selection process, firms submitting proposals are specifically requested not to make other contacts with other City staff, Mayor, or Councilmembers regarding their proposals. During the evaluation process, the City reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. All materials, including but not limited to paper and digital materials, which are prepared, acquired, created, or utilized to fulfill this Request for Proposal and its objectives shall become the property of the City of Dayton as allowed by law. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.

The City of Dayton reserves the right severally or together to reject all submittals, waive any irregularities, reissue all or part of this Request for Proposal, and not award any contract, all at their discretion and without penalty. For the purposes of this agreement, the consultant shall be deemed to be an independent contractor, and not an employee of the organization. Any and all agents or employees of the firm or other persons, while engaged in the performance of any work or services required to be performed by the City of Dayton under this agreement, shall not be considered employees of the City of Dayton and any and all actions which arise as a consequence of any act or omission on the part of the firm, its agents, employees or other persons shall in no way be the obligation or responsibility of the City of Dayton. The consultant, its agents, or employees shall not be entitled to any rights, privileges, or benefits of City employees. If, for any reason, in the City’s sole opinion, the firm shall fail to fulfill in a timely and proper manner the obligations under the contract, the City of Dayton shall reserve the right to terminate the contract by specifying the date of termination in a written notice to the firm at least thirty (30) calendar days before the termination date. In this event, the firm shall be entitled to just and equitable compensation for any satisfactory work

completed. It is anticipated the selection of a firm will be completed by September 2026. The City reserves the right to retain more than one consultant for specific duties.

Community Profile

The City of Dayton, incorporated in 1974, is a Minnesota Statutory City with an Optional Plan A form of government. It has a Mayor elected at large for a two-year term and four council members elected at large for four-year terms. As the policy-making body of the City, the City Council is responsible for the overall operation of the City; however, the City Council does not become involved in the day-to-day administration. The City Administrator is responsible for carrying out the Council's policies and for the administration of all City business. The city encompasses about 25 square miles of land which include shoreline on the Mississippi River.

The city has a population of around 11,500 and is the most northern City in Hennepin County. The city has approximately 73 miles of streets and 24 miles of trails; 3 separate water distribution system consisting of 1 water tower (currently working on a second tower), 5 wells, 1 wellhead treatment plant, and approximately 36.2 miles of watermain, 34.6 miles of sanitary sewer main, and 10 lift stations. Dayton is also home to the Elm Creek Park Reserve which bisects the city almost entirely creating challenges in engineering items such as water, sewer, and roadways. The city has struggled in recent years with water quality issues along with keeping up with the rapid growth of the community while also maintaining 2 separate systems entirely and relying on Maple Grove for the third water system. Water system planning including treatment, distribution, and future growth are high priorities for the City Council and staff. More information about the City of Dayton can be obtained on our website at www.daytonmn.gov

Scope of Services

The City of Dayton is searching for a firm that will provide professional services for engineering. The general work elements shall include but are not limited to:

A. General and Project Management

- Serves as the City's Engineer.
- Takes direction from the City Council and its City Administrator.
- Assists in planning, coordinating, supervising, and evaluating programs, plans, services, equipment, and infrastructure.
- Develops and recommends policies and procedures for effective operation of the City consistent with City policies and relevant laws, rules, and regulations and ensures council actions are implemented.
- Assists in evaluating public works needs and formulates short- and long-range plans to meet needs in all areas of Public Works improvements, including streets, water, sewer, storm drainage, streetlights, parks, and buildings.
- Assist with the pavement management program including the rating of the condition of streets within the city.

- Provides leadership in the areas of water efficiency, conservation, and irrigation storm water reuse.
- Provides engineering services and oversees project management for all road construction projects and the construction of municipal public works projects.
- Reviews land use applications and construction plans for private developments for consistency with City adopted engineering specifications, City policies and relevant, laws, rules and regulations and ensures council actions are implemented.
- Ensures that costs and fees are charged back to development projects; works with the City Administrator to monitor charges and revenues associated with development projects.
- Assists in the planning, layout and design of City parks and trails, pedestrian routes, and other recreational amenities.

B. Construction Services

- Plan and review construction projects and specifications.
- Monitor the construction process for compliance with codes, regulations, standards and with approved plans; assure financial accountability of private projects as they relate to escrows and letters of credit. Provide advice to the City during performance of construction projects and shall give consideration and advice to the City during the performance of services, and monitors project budget.
- Prepare, design and/or review construction plans.
- Review bids and/or prepare bid tabulations.
- Perform construction staking and surveying.
- Engineer will take the lead working with property owners and the power company on coordination of undergrounding.
- Engineer will take the lead on all community involvement and road construction communications and project plan.
- A project manager will be assigned and available onsite during construction.

C. Preparation of Engineering Reports and Technical Correspondence

- Determine the need for preliminary studies, reviews all preliminary studies for compliance with ordinances, comprehensive plans, engineering standards and financial guidelines including:
 - Feasibility reports
 - Construction inspection
 - Creates assessment rolls
 - Plat review
 - Utility studies

- Traffic studies/signalization/signage/forecasting
- State aid reports
- Surface water system analysis and design
- Wetland delineation and mitigation
- Capital Improvement Program studies
- Prepare comments regarding reports, plans and studies of other agencies
- Presents feasibility studies at public meetings

D. City Meetings (including but not limited to the following)

- Participates in internal and external meetings involving engineering questions and issues. Attends staff development review committee meetings as needed.
- Meets with developers and members of the public on proposed development projects to relate the processes and procedures involved with engineering and infrastructure development. Reviews development proposals for conformance with City standards.
- Acts as City liaison and representative with other communities and county, state, and federal agencies in areas of responsibility.
- Attends City Council meetings, Council Work Sessions, and other City meetings, as needed. The Council meets on the second and fourth Tuesday of each month at 6:30 p.m.

E. Responds to Constituent Requests and Issues as Directed by Staff

- Performs field inspections.
- Addresses constituent concerns personally and in writing.
- Be available to the public via phone, email, or scheduled meetings during the general business hours of the City of Dayton (Mon-Thursday, 7:30am-5:00pm, Friday 8:00am-12:00pm).
- Makes public presentations.
- Provides recommendations to staff and City Council.

F. Other Items

- Identify opportunities for non-traditional engineering techniques, such as the use of green projects, and other green designs, including facilities.
- Works with other engineering firms as desired by the city on specific projects.
- Updates maps and utility records in coordination with Public Works and Planning staff.
- Assists in inventory tracking of public infrastructure using GIS and other means.

- Identify and assist with funding solutions for infrastructure projects such as grant and loan programs and direct legislative appropriations.
- Obtain proper approval and documentation from local, state, and federal authorities prior to implementing projects.
- Write grant proposals as directed by City staff and City Council.
- Preparation of transportation, water, sewer, and storm water components of Comprehensive Plan update.

Proposal Requirements

The City of Dayton expects that, at a minimum, firms must meet the following requirements:

- (1) Be licensed to provide engineering services in the State of Minnesota
- (2) Demonstrate experience with public sector engineering of similar size and scope of the services being requested.
- (3) Assign the City a licensed engineer who has a minimum of five years of experience with municipal engineering projects.
- (4) Be able to provide all the services listed in the scope of services, either within the organization or by using a sub-consultant.

Interested firms are to submit a written proposal to include information directly related to each of the selection criteria outlined in the Selection Process/Criteria section. At a minimum, proposals should include the following information and be limited to no more than 25 pages (not including Disclosures and Assurances);

- (1) Firm name, address, telephone number and contact person. A one-page statement of your interest and qualifications.
- (2) A brief description of the scope of similar client relationships, the name of the person responsible for the management and administration of the contract and the name of the employee designated as City Engineer, if different, including address and telephone number.
- (3) Familiarity with the City of Dayton.
- (4) A description of the firm, including brief history, the number of employees and their discipline, philosophy regarding client service, location, years in business, etc.
- (5) Resumes of the key personnel who may be assigned to conduct various general engineering service tasks.
- (6) An organizational chart identifying team members and their areas of responsibility.
- (7) Specifically note the services listed in the Scope of Services that will need to be done outside of your organization. List the names of sub-consultants proposed as project team members. Resumes of sub-consultants proposed as project team members.

(8) A description of the firm's philosophy regarding ethics, specifically addressing conflicts of interests. State any potential conflict(s) of interest (i.e. real estate developers, other units of government, etc.) that your firm may have in providing engineering services as outlined in this proposal.

(9) The firm's current and projected workload and its ability to meet schedules including a 1-business day response time to emails and calls from city staff and ability to complete development plan reviews within two weeks. Describe the current workload of the person who would be designated as the City Engineer and what other communities he/she represents.

(10) Discussion of the firm's specific abilities to provide the required professional services outlined in the Scope of Services.

(11) Describe the firm's approach to communicating and coordinating projects with the city council, city staff, private developers, residents and the media.

(12) Three examples of specific knowledge and expertise including project management skills and methodology used to monitor project budgets.

(13) Provide at least three references from public clients, two of which are from cities of similar size for whom similar services have been performed within the past five years, including references for the designated City Engineer and evidence of experience as a City Engineer for a community with population of approximately 11,500 people. Reference information must include: (a) Name of Owner (b) Project Name (c) Contact Person (d) Address (e) Telephone Number (f) Firm's key personnel assigned to the referenced project.

(14) Fee schedule, per staff position, which should list the current hourly rate and annual projections thereafter for 2027 through 2031. Ancillary expenses, such as overhead (often expressed as a multiple of direct labor costs), mileage, telephone, making copies, markup for subcontracted services, etc. shall also be included in the second envelope.

(15) Other factors that would be helpful in evaluating the consultant

(16) Disclosures and Assurances:

a) Applicant Authority: Assurance that the signatory making representations in the proposal on behalf of the proposer has the authority to do so and to bind the firm to a contract.

b) Carrier and coverage limits for Errors and Omissions Coverage.

c) Conflicts of Interest: Potential conflicts of interest must be disclosed including all private client work.

d) Firm should provide a proposed contract form.

Selection Process/Criteria

Proposals will be reviewed as indicated in the attached timetable. City staff will determine which firms are interviewed by Staff following a review of each proposal submitted.

The selection is subject to the following criteria:

- (1) Review of proposal and costs
- 2) Demonstrated experience and qualifications of assigned personnel with municipal engineering generally, and specifically the City of Dayton or similarly sized and staffed municipality.
- (3) Staff capability to timely execute projects
- (4) Performance on similar projects as noted in the proposal requirements section
- (5) The firm's policies and practices regarding ethics
- (6) Providing adequate liability coverage and other mechanisms to control risk

Submission

Submit one (1) digital copy of your proposal to zcloud@daytonmn.gov **or** one (1) hard copy mailed to Dayton City Hall, 12260 S Diamond Lake Road, Dayton, MN 55327 by Noon on Friday, July 17, 2026.

Schedule of Dates

The following schedule has been established by the City of Dayton for the selection of an engineering firm to provide City engineering services.

July 17, 2026 – Proposals due to City by Noon;

July 28, 2026 (tentative) – City staff to determine firms to interview;

August 3 – August 13, 2026 (tentative) – City staff to conduct interviews of firms;

August 25, 2026 (tentative) – Council work session to review proposals and recommendation by Staff. City Council to direct staff to negotiate contract with selected firm;

September 8, 2026 (tentative) - City Council to approve a contract with selected firm;

January 2027 – Firm start date

ITEM:

2027 Budget Kick-Off Discussion

PREPARED BY:

Zach Doud, City Administrator

POLICY DECISION / ACTION TO BE CONSIDERED:

Direction needed on for 2027 Budget

BACKGROUND:

Each year the budget is a long drawn-out process of back and forth, for lack of a better term, negotiations between staff and council on what the budget should/will look like for the following year. This is something that I have been looking to try and correct for several years now without much success. I have come to realize that this may be the norm, especially for a growing community and look forward to the conversation.

Here are some numbers to begin the process for the 2027 budget that will be of assistance when looking at the budget overall.

Tax Capacity increase from 2026 to 2027 is 9.91%

2026 Tax Rate is 35.603%

As a reminder, our tax levy is set once a year and cannot be changed once it is adopted. No matter how many homes are built in the city or new businesses that go up in the city, the tax levy is a static number that is set by the council and is the number of dollars that city staff has to work within when operating each day. Additionally, each council member may look at taxes differently so we can focus on two terms that most individuals focus on: tax rate (% of home value that taxes are used to be calculated) or in terms of tax levy (physical dollars the City receives).

With the above being said, I am looking for conversation to provide good direction moving forward on changes that are needed to take place. The total requested change in tax levy within the General Fund is \$927,720. Some of the key changes in the 2027 budget after initial conversations amongst Dept Heads and I are below:

1. Increase of \$200,000 for Organic Recycling
2. Increase of \$125,000 for Comp Plan Updates
3. Increase of \$50,000 for New Financial and Permit Software
4. Increase of \$50,000 for Contingency (Council directed items and/or savings)
5. Increase of \$160,000 for New HR Generalist and Additional Planner Position (Salary and Benefits)

6. Increase of \$171,545 for 3% Salary Adjustment (based on union contracts), Step Increases, and Benefits
7. Increase of \$78,000 for Fire Department Duty Crew Additional Hours
8. Increase of \$16,000 for 1 Additional Seasonal Parks Position with Increased Wages and Hours
9. Increase of \$30,000 for Police Department Overtime
10. Increase of \$47,175 for all other operational changes

If this increase were to be acceptable, just as a frame of reference. The 2027 tax rate would be 35.277% excluding any changes related to Capital Improvement or Long Term Plan type items.

RELATIONSHIP TO COUNCIL GOALS:

Foster a Safe and Welcoming Community
Build and Maintain Quality Infrastructure
Encourage Diversity and Manage Thoughtful Development

RECOMMENDATION:

Staff does not have a recommendation beyond having a conversation about the budget for the General Fund (operations).

ATTACHMENT(S):

None

ITEM:

Consideration of Termination of Employee

PREPARED BY:

Zach Doud, City Administrator

POLICY DECISION / ACTION TO BE CONSIDERED:

Consideration of Termination of Employee

BACKGROUND:

Employee cannot meet performance expectations for the community service officer position.

CRITICAL ISSUES:

None.

RECOMMENDATION:

Approval of Termination of Employee

ATTACHMENT(S):

None