

HF 3049 - City of Palisade Water/Wastewater Need Statement

4-24-2025

REQUEST TOTAL Water/Wastewater estimated need \$11,709,000

Water System Deficiencies (Original construction 1984/1985) - Estimated Need

a. New Water Treatment Plant (Manganese levels exceed MDH safe guidelines)	\$4,200,000
b. Municipal Wells (#1 and #2) and Wellhouse (Health and Reliability)	\$348,000
c. Municipal Well (New for Resiliency)	\$247,000
d. Replacement of Identified Non-Operating Valves, Shut Offs & Hydrants	\$60,000
e. Rehabilitate Elevated Water Storage Tank & Tower (Deficiencies, OSHA Non-Compliant)	<u>\$780,000</u>
Request:	\$5,635,000

Wastewater System Failings - Estimated Need

a. Wastewater System Improvements - Consolidate Gravity and Central Lift Station	\$5,424,000
b. Wastewater Treatment Facility Items: Rehabilitation (Existing)	<u>\$652,000</u>
i. New Facility Control Panel – SCADA (Existing panel is obsolete)	
ii. UV Unit and Sampling Station Structure Improvements	
iii. Backup Power Generator	
iv. Rehabilitation of Coatings on Bioclere Units	
Request:	\$6,074,000

The City of Palisade has managed their City General Fund to provide services for 168 residents.

	<u>2022</u>	<u>2023</u>	<u>2024</u>	
General Fund Balance	\$86,335	\$95,618	\$12,981	
Water Income	\$24,903	\$31,004	\$31,912	<u>Water Connections</u>
Water Expenses	<u>\$18,089</u>	<u>\$28,520</u>	<u>\$28,040</u>	100 Residential / 14 Commercial
Profit/Loss	\$6,814	\$2,484	\$3,872	
Wastewater Income	\$59,146	\$73,633	\$67,456	<u>Wastewater Connections</u>
Wastewater Expenses	<u>\$81,923</u>	<u>\$98,053</u>	<u>\$115,334</u>	105 Residential / 14 Commercial
Profit/Loss	(\$22,777)	(\$24,420)	(\$47,878)	

2024 Revenue \$620,226 Future expenses are projected to exceed income due to increasing
 2024 Expenses \$673,380 costs associated with the deficiencies in water/wastewater systems.

In 2023, the City of Palisade had a median household income at \$36,250, which was 42% of the state median household income of \$87,556.

The City of Palisade is currently pursuing funding from United States Department of Agriculture Rural Development (USDA-RD), the Minnesota Public Facilities Authority (MN-PFA) and the Minnesota Department of Employment and Economic Development Small Cities Development Program (MN DEEDSCDP).

These community projects are not achievable without state bonding assistance