



Chaska City Hall Bulletin

From the desk of Mayor Van Eyll

"The Best Small Town in Minnesota"

Chaska City Hall

www.chaskamn.com

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CHASKA NAMED TO MONEY MAGAZINE'S 2009 BEST PLACES TO LIVE IN AMERICA

Last week Chaska was named in Money Magazine's list of 2009 Best Places to Live in America. This is the second time that the City of Chaska has received this recognition, under the category of Best Small Towns in America. In 2007 Chaska was ranked number eight. This year we were ranked number 20. Being ranked as one of the top 25 cities in the country should make every Chaska resident very proud.

One of the things that makes getting on this list a second time so special is that Money Magazine utilized very different criteria in 2009 than they did in 2007. Because of this, only a handful of cities that were ranked in the top 100 in 2007 were actually in the top 100 this time around. Also, the majority of the cities in the top 20 in 2009, were not even in the top 100 in 2007. Specifically, of the top 20 cities in 2007, only seven, including Chaska, are in the top 20 this year. Only 13 cities, including Chaska, are in the top 100. Of the top 20 cities in 2009, only nine of the current cities were ranked in the top 100 two years ago. The distinction of being ranked as one of the top 25 cities in the nation twice in a row is something that only a handful of communities have attained in the country.

It is important that we continue to always strive to be the Best Small Town in Minnesota. We need to maintain our focus on our values, visions, and strategic planning as we continue grow. In addition to extending our congratulations to the residents of Chaska, we would also like to congratulate the residents of the City of Chanhassen, who ranked number two on Money Magazine's list. It is a great honor to be located in an area that has a number of communities receive so much recognition from Money Magazine and clearly it emphasizes why the southwest metro is such a great place to live.

Questions about this ranking may be directed to the City Administrator, Matt Podhradsky, at 952-448-9200.

1. Louisville, CO.
2. **CHANHASSEN, MN.**
3. Papillion, NE.
4. Middleton, WI.
5. Milton, MA.
6. Warren, NJ.
7. Keller, TX.
8. Peachtree City, GA.
9. Lake St. Louis, MO.
10. Mukilteo, WA.
11. West Goshen, PA.
12. Sammamish, WA.
13. Superior, CO.
14. Farmington, UT.
15. Westerville, OH.
16. Acton, MA.
17. Newcastle, WA.
18. Highland Hts, OH.
19. Hopkinton, MA.
20. **CHASKA, MN.**
21. Montville, NJ.
22. Draper, UT.
23. Solon, OH.
24. Mansfield, TX.
25. Ellisville, MO.

CITY COMPLETES WATER RATE ANALYSIS

Over the past 2 months, the City of Chaska has been in the process of completing a water rate analysis. The purpose of this study was necessitated because of several reasons, including:

- The State of Minnesota, through the DNR, is requiring all municipalities by January 1, 2010 to have an inclining block water rate to encourage water conservation. Currently the City of Chaska charges the same flat rate per thousand gallons of water no matter how much water is utilized.
- With the dramatic decline in our growth rate, there is a short-term need to analyze our current debt obligations in our water utility to make sure all of our financial obligations are able to be met.
- With much of our water system aging, there is a need to analyze and understand our future operation and maintenance cost, to ensure that our rates are structured so as to keep our water system sustainable into the future.

Currently, the City of Chaska has a flat water rate of \$1.17/1,000 gallons of water. This means that no matter how much water a resident uses, they will always be charged the same rate per unit of water. With Chaska's water rate being significantly lower than the average rate of surrounding cities, including those in the metro area, this has not created the incentive that the State has wanted to see put in place to help promote the conservation of water in our system. On an average winter day, the City of Chaska will pump approximately 2.5 million gallons of water into our system. On a peak summer day, that number will jump to over 8 million gallons of water per day. This incremental difference is primarily accounted for through the addition of residents and businesses irrigating their lawns. With so much water being used to supply irrigation systems, the State felt there was a need to mandate municipalities to implement inclining block water rate structures so that users would pay more for the more water they utilize.

In addition to needing to complete an analysis of our water rates to look at how to implement the State mandates for water rate structures, the City also utilized this study to look at our entire water system to determine if our rate structure was sufficient to maintain and operate a sustainable water system both in the short term, and into the future as we start needing to reinvest into our aging infrastructure system. As mentioned previously, Chaska has one of the lowest water rates in the Twin Cities Metro area, and is significantly lower than any of the surrounding municipalities. Looking at the surrounding municipalities, the average water rate and customer service charge is \$3.92/1,000 gallons of water, with the lowest rate being at \$2.36/1,000 gallons. With Chaska's rate currently at \$1.17/1,000 gallons of water, and being an outlier compared to other municipalities, it was important to understand whether we were charging enough to both accommodate the costs we will have in the short term, and those we will have in the future to keep our water system sustainable. This becomes especially acute given the slowdown in the building market, and the effects the slowdown has on our entire water systems revenues.

To conduct this analysis, the City consulted with PCE, a firm specializing in providing expertise to municipalities to financially plan their water systems. Looking at our current

water rate structure, our project water trunk fund revenues, anticipated growth in the future, and the capital needs of our water system, PCE was able to help quantify how the City of Chaska's water system would be sustainable into the future, and what it would need to do to become financially sustainable. PCE found that if the City continues to raise its current rate of \$1.17/1,000 gallons of water even by 5% annually for the next 10-years, the system would be in deficit by \$7 million at the end of this 10-year period. Given Chaska's very low water rate compared to other municipalities, this financial strain on our water system has been evidenced in recent years by the Cities finding the funding of infrastructure maintenance such as painting of our water towers and utility replacement in our street reconstruction program difficult to afford. As the study found, under the current rate structure, Chaska is not putting enough money into our system to make it sustainable. Instead, it is being depleted.

The findings show that if the City were to meet its current and future obligations, the rate of the water for the average residential customer (7,000 gallons/month) should be at \$2.01/1,000 gallons. In addition, unlike other cities, Chaska has never recouped its fixed costs such as utility billing and meter replacement. To cover these fixed costs, a fixed customer service rate should be charged. The rate determined to be necessary to cover these costs was \$2.27/month. This compares to the average of surrounding cities which is \$7.94 as a fixed charge/month on a utility bill.

While the water rate analysis did determine that changes need to be made to our water system to keep our system financially and functionally sustainable into the future, the City of Chaska was able to find that this could be accomplished while still keeping our water rates the lowest of the

surrounding cities. When fully implemented, an average resident would pay \$2.32/1,000 gallons of water per month, including the monthly fixed service charge. Again, the average of both the usage and fixed service charge for surrounding cities is \$3.92/1,000 gallons, with the next lowest being at \$2.36/1,000. In this respect, the City feels it can take care of the financial needs it has to maintain its system, while still keeping our rates lower than other surrounding cities.

To help ease the implementation of the proposed new water rates to our customers, the City is proposing to implement 50% of the increase on January 1, 2010, with the other 50% coming on January 1, 2011. For the average user of 7,000 gallons per month, this would increase their bill by approximately \$4 per month in 2010 (from \$8.19 to \$12.23), and \$8 per month in 2011, with this ultimate rate going to \$16.27 in 2011 for 7,000 gallons of water per month.

The City of Chaska plans to bring the rate increase proposal to the Council to consider at the end of August. If there are any residents that have questions on this proposal, please contact City Administrator, Matt Podhradsky at 952-448-9200.

(Thanks to the Chaska Herald for the following chart.)

Water Rates

Current

\$1.17 per 1,000 gallons

Proposed Residential

0-7,000	\$2.01*
7,001-20,000	\$2.11
20,001-30,000	\$2.22
30,001-40,000	\$2.44
40,001+	\$2.80

Proposed Commercial

0-20,000	\$1.72
20,001+	\$1.84

Proposed Industrial

0-90,000	\$1.52
90,001+	\$1.63

* Per 1,000 gallons
Source: City of Chaska

Post your thoughts about the proposed rates at www.chaskaherald.com

CHASKA TOWN COURSE AND HAZELTINE TO HOST 2009 CHASKA INVITATIONAL

For the first time, Hazeltine National Golf Club and the Chaska Town Course will be hosting the Chaska Invitational. This event will be held at both courses on July 26 and 27 and is being billed as the top Minnesota Junior Golf event in the State. It is hoped that this will turn into an annual regional tournament. This event will have some of the best junior golfers in the State, who have worked their way up the ladder by playing in numerous golf events across the State. The Hazeltine/Town Course tournament will ultimately crown Minnesota's top Junior Golf Champion. The junior players will also attend a banquet held in their honor at Hazeltine on Sunday night. Residents are encouraged to come out to the courses and watch some of the best junior players in the State. The event is sponsored by KleinBank.

Questions or specifics about the event may be referred to Town Course Professional, John Kellin, at 952-443-3748.

FUNNY ADS

- FREE PUPPIES:
1/2 Cocker Spaniel, 1/2 sneaky neighbor's dog.
- FREE PUPPIES..
Mother, AKC German Shepherd.
Father, Super Dog...able to leap tall fences in a single bound.
- FOUND DIRTY WHITE DOG.
Looks like a rat. Been out a while. Better be a big reward.
- NORDIC TRACK
\$300 Hardly used, call Chubby.
- FOR SALE BY OWNER:
Complete set of 2 Encyclopedias Britannica, 45 volumes. Excellent condition.
\$1,000 or best offer. No longer needed, Got married last month. Wife knows everything.



Chaska Community Center Activities

JULY CONCERTS IN THE PARK

All concerts are free and open to the community. Concerts begin at 7 p.m. in City Square Park. For rain out information call 952-448-5633 ext. 4.



July 31 – Bavarian Musikmeisters – Germanic

MOVIE MONDAYS

Come to the CCC for a free movie in the theater. An adult must accompany children under 11.

HIGH SCHOOL MUSICAL 3

Date: July 27
Place: CCC Theater
Time: 10:00 a.m. and 2:00 p.m.
Cost: FREE

AOA MYSTIC LAKE CASINO

Reminder – If you registered by July 14th, remember the trip coming up to Mystic Lake Casino.

Chances to win FREE buffet coupons and prize money on the bus ride raffle. Fee included transportation and *Play \$10 Get \$10* coupon for Mystic Club Members.



Date: Tuesday, July 28
Time: 9:30 a.m. – 3:00 p.m.
Cost: \$4 Member; \$6 Non-Member
Place: The Lodge

RIVER CITY DAYS ACTIVITIES

The City of Chaska’s annual River City Days summer celebration will be held July 24, 25, and 26, with many of the activities occurring in City Square Park. The weekend is a great opportunity to experience some of the small town atmosphere that makes Chaska such a unique community. A list of activities follows. More information can be found at www.chaskarivercitydays.com.

Chaska River City Days Schedule of Events – July 24 – July 26, 2009

Event – Friday, July 24th	Time & Location
Medallion Hunt - \$100 in River City Bucks	Clues begin July 18
Friends of Library Used Book Sale	City Hall Plaza – 9am-5pm
Walk the Sidewalk Sales	Downtown - 10am-6pm
Chaska Historical Society - "Transportation"	112 W. 4 th St. - 9am-5pm
Family Beach Bash	Firemen’s Park – 2pm-4pm
Art & Craft Fair, Food, Games, Info	City Square Park 4pm-closing
Pie & Ice Cream Social/Photo Contest Display	Moravian Church – 4pm-8:30pm
Picnic in the Park	City Square Park – 5:30-7pm
MN Valley Community Band	Gazebo – 7-8:30pm
Teen Entertainment with Faith Boblett & Adam Drissi	City Square Plaza – 8:30-10pm
Rhythm Junkies Band	Main Stage on Walnut – 8:30pm-12am
Various Performances at Gazebo	5:00-7:00pm
Event – Saturday, July 25th	Time and Location
5K Run & Fun Walk	City Square Park - 7:30am
Senior Citizen Breakfast	St. John’s Church – 7:30-9:30am
Friends of Library Used Book Sale	City Hall Plaza – 9am-2pm
Carver-Scott Humane Society Bake Sale	City Square Park – 10am-8pm
Walk the Sidewalk Sales	Downtown – 10m-6pm
Chaska Historical Society – "Transportation"	112 W. 4 th St. – 9am-5pm
Art & Craft Fair, Food, Games, Info	10am – All day
Business & Health Expo	Main Tent on Walnut – 10am-3pm
Pie & Ice Cream Social/Photo Contest Display	Moravian Church – 11am-8:30pm
Children’s Fishing Contest (Pre-register)	Firemen’s Park – 10:45am-11:30am
Kids Parade (Line up at noon)	12:15pm
Chaska Fire Dept. Water Fights	Walnut & 4 th Streets – 1pm
Karaoke	Gazebo – 3-4pm
Chaska Middle School Jazz Ensemble & Garage Band	Gazebo - 5-6pm
Chaska Rotary Steak & Chicken Fry	City Square Park – 5-8pm
Cyril Paul & the Calypso Monarchs Band	Gazebo – 6-8pm
Teen Entertainment with Wattlov & Autobahn	City Square Plaza – 7:30-10pm
The Underachievers Band	Main Stage on Walnut St. – 8pm-12am
Various Performances at Gazebo	11am – 3pm
Event – Sunday, July 26th	Time and Location
Couples Golf Scramble	Par 30 – 7am-4pm
Dad’s Belgian Waffle Breakfast and Music	City Square Park – 9am-12 noon
River City Days Parade	4 th Street – 1pm
Chaska Community Choir Concert	CHS Auditorium – 4pm

HAVE A GREAT WEEKEND!