Regular City Council Meeting Mountain Lake City Hall Monday, April 7, 2025 5:45 p.m. AGENDA

- 1. Meeting Called to Order *Additional information on agenda item is attached or at City Hall
- Approval of Agenda and Consent Agenda
 - a. Bills: Checks #29121 29165, 1330E-1357E (1-11)
 - b. Payroll: Checks #68716 68746
 - c. Approve March 13 Utilities Commission Minutes (12-13)
 - d. Approve March 17 City Council Minutes (14-15)
 - e. Approve March Street Department Report (16)
 - f. Approve Resolution #2-25 Joint Powers Agreement (17)
 - g. Approve Resolution #3-25 Pow Wow Raffle (18)
 - h. Approve Resolution #4-25 \$11,000 Fire Relief Donation (19)
- 3. Public A total of ten (10) minutes is allotted for individuals to briefly discuss a topic of concern or provide comments to the Council.
- 4. EDA Rod Hamilton
 - a. Discussion/Action Hotel
- 5. City Administrator
 - a. Discussion/Action HVAC Replacement (20-29)
 - b. Discussion/Action Pickleball
- 6. Roundtable
 - a. Discussion Commissions/Boards Update
- 7. Adjourn

Mountain Lake Utilities Commission Meeting Mountain Lake City Hall Thursday, March 13, 2025 7 AM

Members Present:

Todd Johnson; Mark Langland; Sue Garloff; Dean Janzen; David Savage;

City Council Liaison Jeff Jack

Members Absent:

Staff Present:

Michael Mueller; City Administrator; Jill Falk; Utility Office Manager; Dave Watkins, Electric Superintendent; Steve Peters; Lineman; Taylor

Nesmoe; Water/Wastewater Superintendent; Scott Pankratz;

Water/Wastewater

Others Present:

Call to Order

The meeting was called to order at 7 AM.

Approval of Minutes and Bills

Motion by Johnson, seconded by Garloff to approve the February 27th Minutes and Check Numbers 24068-24097 (628E-631E). Motion carried.

Electric Department

The bids for the building of the new power plant opened on March 12th. Only two bids came in; WEB construction for \$12.2 million and Tri-State came in at \$12.9 million. The original estimate quoted the building structure cost around \$6 million, as the cost of \$9 million for the generator, switchgear, and transformer would be paid separately. As the bids are double the original engineering estimate, the next step will need to be decided. It is possible to rebid, however, the next set of bids may come out similar. The city and utilities could do the work themselves as the contractor and hire out each job, or the third option would be for construction to be completed to update the current power plant. Also, with generator #2 down and to be retired, there is a penalty of \$150,000 for the loss of capacity. Windom is willing to assist in mutual aid as they have a new generator that is not online yet. The goal is to create a contract between Windom and Mountain Lake and then paying Windom for the assisted capacity instead of paying MISO. This would be pending MISO approval and the total penalty cost for the capacity that has already been credited. Currently, all items related to the generators and new power plant will be tabled until more information is available.

Water/Wastewater Department

The membrane for the R.O. was delivered, but no results from the testing have been available yet. The documents for the R.O. upgrade have also been signed, and that project is moving forward. Nesmoe mentioned that they have been working on inventory and replacing meters. He also said there was minor wind damage to the building at the new ponds. He did notice that the

ponds had begun to produce a smell. Now that the weather has warmed up and the aerators are working properly, the smell should disappear.

City Administrator

Revolve Labs is putting a hold on the new A.I. Center for Mountain Lake. Their investors are interested in a working facility instead of just a concept. The facility at Glencoe is currently being built, however, the final project will not be completed for at least a year. The option for Bitcoin is still available and would only require 8 MWh of electricity. This could bring in \$300,000 in revenue to cover the increased costs of the power plant project. Balzer may be interested in selling their larger building closer to Milk Specialties. Currently, the item is being tabled until the specifics from the bids are reviewed.

Adjourn

The meeting was adjourned at 7:27 a.m.

ATTEST:

Jill Falk, Utilities Office Manager

City of Mountain Lake Regular City Council Meeting Mountain Lake City Hall – 930 Third Ave Monday, March 17, 2025 5:45 p.m.

Members Present:

Andrew Ysker, Darla Kruser, Jeff Jack, Mike Nelson

Members Absent:

Bryan Bargen

City Staff Present:

Michael Mueller City Administrator; Ben McHenry Police Officer

Others Present:

Doug Regehr, Rachel Yoder, Deanna Anderson, John Hall

Call to Order

The meeting was called to order by Mayor Nelson at 5:45 p.m.

Approval of Agenda & Consent Agenda

Motion by Kruser, seconded by Ysker to approve the agenda and consent agenda as presented. Motion carried 4-0.

Bills: Checks # 29095-29120, 1315E-1329E

Payroll: Checks #68675 – 68715

Approve January 13 Lake Commission Minutes Approve January 13 Tree Commission Minutes

Approve February 11 Library Board Minutes, Report & Expenditures

Approve February 24 EDA Board Minutes

Approve February 27 Utilities Commission Minutes

Approve March 3 City Council Minutes
Approve Pow Wow Street Closure Request

Public

Rachel Yoder spoke during the public comment section of the meeting.

City Administrator

John Hall of Handy Heating and Cooling presented his estimate to the City Council for replacing the furnaces and AC units at City Hall with cold climate heat pumps. After some discussion, the Council decided to seek one more estimate from St. James before making a decision.

The item was tabled, and the city administrator will obtain a bid from St. James Electric for the next City Council meeting.

Roundtable

An update was given to the council regarding board and commission meetings.

Adjourn

The meeting was adjourned at 6:33 p.m.

ATTEST:

Michael Mueller, Administrator/Clerk

March Street Department Report

- Remove ash trees at Lawcon Park
- Added gravel to roads and alleys, drug and bladed gravel
- Service axels on 524 KII payloader
- Maintain burn site
- Trim boulevard trees
- Dig graves, 1 traditional, 2 cremations
- Snow removal on 3-5-25
- Replace bad signs (stop, yield and reflective markers)
- Fix asphalt roller/packer (front bearings, bushings, seals)
- Paint shop doors (bathroom and office)
- Pull marker stakes at cemetery
- Plow/push snow and clean sidewalks
- Remove ash trees. 1 at old Casey's turnaround, 1 at campground
- Clean out debris from storm sewers

RESOLUTION NO. 2-25

RESOLUTION APPROVING STATE OF MINNESOTA JOINT POWERS AGREEMENTS WITH THE CITY OF MOUNTAIN LAKE ON BEHALF OF ITS CITY ATTORNEY AND POLICE DEPARTMENT

WHEREAS, the City of Mountain Lake on behalf of its Prosecuting Attorney and Police Department desires to enter into Joint Powers Agreements with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. The Joint Powers Agreements further provide the City with the ability to add, modify and delete connectivity, systems and tools over the five year life of the agreement and obligates the City to pay the costs for the network connection.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Mountain Lake, Minnesota as follows:

- 1. That the State of Minnesota Joint Powers Agreements by and between the State of Minnesota acting through its Department of Public Safety, Bureau of Criminal Apprehension and the City of Mountain Lake on behalf of its Prosecuting Attorney and Police Department, are hereby approved.
- 2. That the Chief of Police, Louis Norell, or his or her successor, is designated the Authorized Representative for the Police Department. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.
- 3. That the City Attorney, Soren Mattick, or his or her successor, is designated the Authorized Representative for the Prosecuting Attorney. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.
- 4. That Michael Nelson, the Mayor for the City of Mountain Lake, and Michael Mueller, the City Administrator, are authorized to sign the State of Minnesota Joint Powers Agreements.

Passed and Adopted by the Council on this 7th day of April, 2025.

CITY OF MOUNTAIN LA	λKE
By: Michael Nelson Its Mayor	
ATTEST:By: Michael Mueller Its City Administrator	

Resolution #3-25

RESOLUTION TO PERMIT GAMBLING

City of Mountain Lake, Minnesota

WHEREAS, an official of the City of Mountain Lake, Minnesota has received a Minnesota Lawful Gambling Application for an Exempt Permit submitted by the Mountain Lake Community Partners on March 31, 2025; and

WHEREAS, the City of Mountain Lake has no objection to the application, which would allow the Mountain Lake Community Partners to conduct a raffle at Mountain Lake City Park in Mountain Lake, Minnesota on Tuesday, June 17, 2025.

NOW THEREFORE, BE IT RESOLVED, that the City of Mountain Lake waives the 30-day waiting period and approves the application with no waiting period; and

BE IT FURTHER RESOLVED that the City of Mountain Lake recommends prompt approval of said application by the Minnesota Gambling Control Board.

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Mike Nelson, N	Mayor			
ATTEST:				
Michael Muell	er City A	Administ	rator/Cle	k

Adopted this 7th day of April 2025.

RESOLUTION #4-25

CITY OF MOUNTAIN LAKE, MINNESOTA

RESOLUTION TO ACCEPT A \$11,000 GIFT FROM THE MOUNTAIN LAKE FIRE RELIEF ASSOCIATION

Whereas, the Mountain Lake Fire Relief Association has a valid license to conduct lawful gambling at "The Den" located in the City of Mountain Lake; and

Whereas, money raised from lawful gambling can be used for 'lawful purposes'; and

Whereas, a contribution to the City of Mountain Lake is a 'lawful purpose' in accordance with MN Statute 349.12, Subd. 25; and

Whereas the Mountain Lake Fire Relief Association has stated its intent to assist the City of Mountain Lake by gifting funds for Mountain Lake's Fire Hall Building Fund.

Therefore, be it resolved that the Mountain Lake City Council accept the gift of \$11,000 from the Mountain Lake Fire Relief Association; and

Be it further resolved that said funds of \$10,000 be reserved for future development of Mountain Lake's Fire Hall Building and \$1,000 to be donated to the Ambulance Fund; and

Be it further resolved that the Mountain Lake City Council thanks the Mountain Lake Fire Relief Association for their gift.

Adopted this 7 th day of April, 2025.			
Mike Nelson, Mayor			
ATTEST:			
Michael Mueller, Administrator/Clerk			



ESTIMATE #221 EXPIRATION DATE Mar 26, 2025

Handy Heating and Cooling

930 Third Ave Mountain Lake, MN 56159

mmueller@mountainlakemn.com

CONTACT US

237 11th St N, PO Box 543 Mountain Lake, MN 56159

(507) 621-1018

Mandyheatandcool@gmail.com

ESTIMATE

15 SEER2 Bosch Heat Pump Systems

Services	qty	unit price	amount
Furnace Installation Labor	4.0	\$1,020.00	\$4,080.00
1- Installation Technician 1-Helper			
Evaporator Coil Installation Labor	4.0	\$330.00	\$1,320.00
1- Installation Technician			
Condenser Installation Labor	4.0	\$680.00	\$2,720.00
1- Installation Technician 1-Helper			

Services subtotal: \$8,120.00

Materials	qty	unit price	amount
Bosch BHG96M060B3B Furnace	1.0	\$3,437.09	\$3,437.09
Bosch BGH96M060 Multipoise Gas Furnace 2-stage gas; 96% efficient ECM multi-speed Blower (Council Chambers)			
Bosch BGH96M080B3B Furnace	3.0	\$3,541.24	\$10,623.72
Bosch BGH96M080 Multipoise Gas Furnace 2-stage gas; 96% efficient ECM multi-speed Blower			

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Bosch BMAC3036BNTD Cased Coil	4.0	\$1,168.29	\$4,673.16
Bosch BMAC Cased Coil			
Bosch BOVA36HDN1M15G Condenser	4.0	\$4,139.22	\$16,556.88
Bosch BOVA 15 SEER2 Heat Pump Condenser Inverter Driven			
Furnace Installation Materials - Furnace Installation Materials	4.0	\$836.87	\$3,347.48
Retrofit ducting Gas line from drop Drain (excludes condensation pump) Venting Temporary electrical reconnect (Electriacian is NOT included and is customer supplied) UL foil tape			
AC Installation Materials - AC Installation Materials	4.0	\$925.25	\$3,701.00
Retrofit materials for replacing an air conditioning system including: Line Set or Cleaning materials if we reuse line set Pad/ Heat Pump Pad Brazing materials Nitrogen testing Safety Necessary for A2L (If applicable) Drain Misc. Materials			

Materials subtotal: \$42,339.33

Subtotal	\$50,459.33
Tax (Minnesota Sales Tax 6.875%)	\$0.00

Total \$50,459.33

20 SEER2 Bosch Heat Pump Systems

Services	qty	unit price	amount
Furnace Installation Labor	4.0	\$1,020.00	\$4,080.00
1- Installation Technician 1-Helper			
Evaporator Coil Installation Labor	4.0	\$330.00	\$1,320.00
1- Installation Technician			
Condenser Installation Labor	4.0	\$680.00	\$2,720.00
1- Installation Technician			

Services subtotal: \$8,120.00

Materials	qty	unit price	amount
Bosch BHG96M060B3B Furnace	1.0	\$3,437.09	\$3,437.09
Bosch BGH96M060 Multipoise Gas Furnace 2-stage gas; 96% efficient ECM multi-speed Blower (Council Chambers)			
Bosch BGH96M080B3B Furnace	3.0	\$3,541.24	\$10,623.72
Bosch BGH96M080 Multipoise Gas Furnace 2-stage gas; 96% efficient ECM multi-speed Blower			
Bosch BMAC2430BNTD Cased Coil	4.0	\$1,168.29	\$4,673.16
Bosch BMAC Cased Coil			
Bosch BOD-36HDN1-M20G Condenser	4.0	\$5,690.89	\$22,763.56
Bosch BOVD 20 SEER2 Heat Pump Condenser 13.00EER2; 9.5HSPF2 Inverter Driven			
Furnace Installation Materials - Furnace Installation Materials	4.0	\$836.87	\$3,347.48
Retrofit ducting Gas line from drop Drain (excludes condensation pump) Venting Temporary electrical reconnect (Electriacian is NOT included and is customer supplied) UL foil tape			
AC Installation Materials - AC Installation Materials	4.0	\$925.25	\$3,701.00
Retrofit materials for replacing an air conditioning system including: Line Set or Cleaning materials if we reuse line set Pad/ Heat Pump Pad Brazing materials Nitrogen testing Safety Necessary for A2L (If applicable) Drain Misc. Materials		£	

Materials subtotal: \$48,546.01

Total	\$56,666.01
Tax (Minnesota Sales Tax 6.875%)	\$0.00
Subtotal	\$56,666.01

The following estiamte is for our 15 SEER2 Bosch heat pump systems. We will resuse the controls for air exchangers. Thank you for allowing us to serve your comfort needs.



ELITE MECHANICAL SYSTEMS, LLC. 2155 1st Ave. N. WINDOM, MN 56101

PH: 507-831-0236

EMAIL: INFO@ELITEMECHANICAL.NET

PROPOSAL

PROPOSAL DATE	BID TO	JOB LOCATION
3/7/2025	City of Mountain Lake	City of Mountain Lake
PROJECT NAME	930 3 rd Ave.	930 3 rd Ave.
HVAC REPLACEMENT	Mountain Lake, MN 56159	Mountain Lake, MN 56159

Cost: \$47,835.65

- Includes equipment, materials, labor & sales tax to replace (4) HVAC Systems. Includes 2-Stage, 97% efficient Bryant® furnaces with matched 2-Stage 16.5 SEER2/10 EER2 Bryant® Air Source Heatpumps. System will be installed to re-use existing economizer system for fresh air into the building. New commercial thermostats will be replaced with digital and programmable thermostats to work with an air source heatpump application. Electrical work that will likely be required to the outdoor unit and thermostats this work can be coordinated by Elite Mechanical Systems on behalf of the City of Mountain Lake, but the billing will be directed to the City of Mountain Lake and is not included in this estimate.
 - o 10 Year Parts Warranty
 - o 20 Year Heat Exchanger Warranty
 - o 10 Year Labor Warranty while Annual Preventative Maintenance Agreement in effect.

TERMS & CONDITIONS: Elite Mechanical Systems, LLC. Offers to furnish the work as described herein for the total cost above, inclusive of all sales tax. Prices quoted are firm for 10 days from the date of proposal but are subject to adjustment if buyer requests changes or delays progress of work. Payment Terms: Net 30 Days

Elite Mechanical Systems, LLC.

3/13/2025 Date

SCHWALBACH Plumbing•Heating•Cooling•Refrigeration 1131 Oxford St. PO Box 265 Worthington, MN 56187 Phane: 507 373 3733

Phone: 507-372-2792

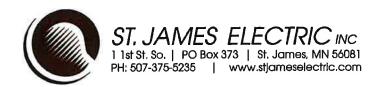
Customer			QUOTE#	78569)	
Name	City of Mountain Lake			Quote Date:	3/10/2025	
Address	930 3rd Ave PO B	OX C		Customer #:	TBD	
City	Mountain Lake	State MN	ZIP 56159	Purchase Order:		
Phone	507-427-2999 Ext. 1 I	mmueller@mountair	lakemn.com	Quote Expires:	4/10/2025	
	Michael Mueller		1			

QTY	DESCRIPTION		TOTAL
1	REPLACE FOUR(4) HVAC SYSTEMS @ CITY HALL	\$	46,941.0
	3 TON SYSTEMS (QTY 3) EFFICIENCY SEER2 17 / HSPF2 8.5		
	COLEMAN 96% AFUE, 60K BTU, SINGLE STAGE FURNACE		
	COLEMAN 3 TON VARIABLE SPEED AIR SOURCE HEAT PUMP **COLD CLIMATE**		
	COLEMAN 3 TON COIL		
	includes outdoor equipment pad/riser, refrigerant line set, gas reconnect with new		
	gas regulators (due to age), condensate lines, venting, Honeywell T6 programmable		
	thermostat, disposal of all existing equipment/materials, install/startup labor		
	**equipment is new R454B refrigerant due to EPA phase out of R410A		
	2 TON SYSTEM (QTY 1) EFFICIENCY SEER2 17 / HSPF2 9.5		
	COLEMAN 96% AFUE, 60K BTU, SINGLE STAGE FURNACE		
	COLEMAN 2 TON VARIABLE SPEED AIR SOURCE HEAT PUMP **COLD CLIMATE**		
	COLEMAN 2.5 TON COIL		
	includes outdoor equipment pad/riser, refrigerant line set, gas reconnect with new		
	gas regulators (due to age), condensate lines, venting, Honeywell T6 programmable		
	thermostat, disposal of all existing equipment/materials, install/startup labor		
	**equipment is new R454B refrigerant due to EPA phase out of R410A		
	WARRANTY:		
	Furnace - 10 years parts / Lifetime Limited Heat Exchanger / 1 year labor		
	Heat Pump - 10 years parts & compressor / 1 year labor		
	OPTIONAL THERMOSTAT UPGRADE		
1	Honeywell IAQ Prestige Thermostat (Qty. 4)	\$	1,965.0
	EXCLUDES ELECTRICAL		

Accepted By	Date

By signing, you are accepting the above description of work and conditions as stated. Any changes must be approved in writing. We reserve the right of void this quote if not accepted within 30 days.

- sales tax is included where applicable



BID

DATE

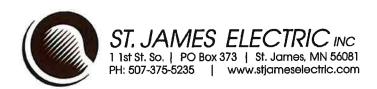
4/2/2025

NAME / ADDRESS

City of Mt. Lake
P.O. Box C

Mt. Lake, MN 56159

FURNACES AND HEAT PUMPS						
	FURNACES AND HEAT PUMPS					
DESCRIPTION	QTY	COST	TOTAL			
REMOVE, RECYCLE AND DISPOSE OF ALL FOUR EXISTING FURNACES ND AIR CONDITIONERS.						
INSTALL NEW 96%, 2-STAGE GOODMAN GDVT96 FURNACES.						
INSTALL NEW 17.2 SEER2, 2-STAGE GOODMAN GLZT7CA COLD LIMATE HEAT PUMPS.						
INSTALL NEW GOODMAN CAPTA INDOOR REFRIGERANT COIL.						
INSTALL 5" AIR CLEANER FILTRATION SYSTEMS.						
INSTALL NEW THERMOSTATS.						
RE-CONNECT EXISTING DUCT SMOKE DETECTORS.						
RE-CONNECT EXISTING ECONOMIZES FOR BUILDING VENTILATION ND "FREE" COOLING.						
INCLUDES ALL ELECTRICAL WIRING, NECESSARY PERMIT, AND ISPECTION FEES.						
HESE COLD CLIMATE HEAT PUMPS USE THE NEW R-32 EFRIGERANT. THIS IS A SINGLE COMPONENT REFRIGERANT AND HAS EEN TESTED TO BE MORE EFFICIENT THAN THE PREVIOUS R-410A LEND OR THE NEW R-454B BLEND. IT MEETS THE NEW STANDARDS OR LOWER GWP REFRIGERANTS, AND HAS ALREADY BEEN PROVEN HROUGH MANY YEARS OF USE IN OTHER COUNTRIES.						
TAGES OF COOLING: 1 STAGE ECONOMIZER + 2 STAGES OF HEAT UMP = NET 3 STAGES						
TAGES OF HEATING: 2 STAGES OF HEAT PUMP + 2 STAGES OF GAS URNACE = NET 4 STAGES						



BID

DATE

4/2/2025

NAME / ADDRESS

City of Mt. Lake
P.O. Box C

Mt. Lake, MN 56159

BID NUMBER / JOB DESCRIPTION					
FURNACES AND HEAT PUMPS					
DESCRIPTION	QTY	COST	TOTAL		
WARRANTIES: THESE UNITS COME STANDARD WITH LIFETIME WARRANTY ON THE HEAT EXCHANGER AND 10 YEARS ON ALL OTHER PARTS WHEN INSTALLED IN A RESIDENCE. INSTALLED IN A COMMERCIAL APPLICATION, THESE WARRANTIES ARE REDUCED TO 20 YEARS HEAT EXCHANGER AND COMPRESSOR, 5 YEARS FOR ALL OTHER PARTS. (NOTE, MOST HVAC EQUIPMENT HAS THIS TYPE OF REDUCED WARRANTY WHEN INSTALLED IN A COMMERCIAL APPLICATION. THE LIFETIME WARRANTY MEANS FOR THE LIFE OF THE ORIGINAL INSTALLING HOMEOWNER. THIS WOULD BE IMPOSSIBLE TO QUANTIFYING IN A COMMERCIAL SITUATION.) THIS BID INCLUDES \$2,200 VALUE OF ELECTRICAL WIRING OF ALL FOUR SYSTEMS INCLUDING SMOKE DETECTORS, THERMOSTATS, AND ECONOMIZERS. BASE PRICE	1	46,658.00	46,658.00		
TOTAL			\$46,658.00		



ELITE MECHANICAL SYSTEMS, LLC. 2155 1st Ave. N. WINDOM, MN 56101

PH: 507-831-0236

EMAIL: INFO@ELITEMECHANICAL.NET

PROPOSAL

PROPOSAL DATE	BID TO	JOB LOCATION			
4/4/2025	City of Mountain Lake	City of Mountain Lake			
PROJECT NAME	930 3 rd Ave.	930 3 rd Ave.			
HVAC REPLACEMENT	Mountain Lake, MN 56159	Mountain Lake, MN 56159			

Scope of work: Replace four existing HVAC Systems. All options include equipment, materials, labor & sales tax for a full system replacement including all components. Linesets will be replaced, not flushed, to avoid contamination and premature system failure. We propose to re-use existing economizer system for fresh air into the building. New commercial thermostats will be replaced with digital and programmable thermostats to properly control air source heatpump applications. Electrical work that will likely be required to the outdoor unit and thermostats – this work can be coordinated by Elite Mechanical Systems on behalf of the City of Mountain Lake, but the billing will be directed to the City of Mountain Lake and is not included in this estimate.

Option 1: \$44,835.00

<u>Furnace</u>: Payne 96% Efficient System. Features Variable Speed ECM Motor with 2-Stage operation for more cost-effective heating and even-temperature control a single stage system. 10 Year All Parts Warranty. Lifetime Heat Exchanger Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

<u>Air Source Heatpump</u>: Payne® 17 SEER2/10.2 EER2 System. Single Stage operation with variable speed compressor with true inverter that stages by actual outdoor air temps and return temps, not by timing as other brands offer. This is a cold climate heatpump efficiently heats down to 20 degrees F, although current natural gas prices show cost-based decision switch over point to be 40 degrees F. 10 Year All Parts Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

Option 2: \$47,835.65

<u>Furnace</u>: Bryant 97% Efficient System. Features Variable Speed ECM Motor with 2-Stage operation for more cost-effective heating and even-temperature control a single stage system. Perfect Humidity technology removes more moisture than a standard furnace during cooling operation. 10 Year All Parts Warranty. Lifetime Heat Exchanger Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

<u>Air Source Heatpump</u>: Bryant® 18 SEER2/12.4EER2 System. 2-Stage operation for more cost-effective heating and additional humidity control during cooling. This system features a variable speed compressor with true inverter that stages by actual outdoor air temps and return temps, not by timing as other brands offer. This is a cold climate heatpump efficiently heats down to 20 degrees F, although current natural gas prices show cost-based decision switch over point to be 35 degrees F. Condensing unit has hail guard over coil for added protection. 10 Year All Parts Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

Option 3: \$57,800.00

<u>Furnace</u>: Bryant 97% Efficient System. Features Variable Speed ECM Motor with 2-Stage operation for more cost-effective heating and even-temperature control a single stage system. Perfect Humidity technology removes more moisture than a standard furnace during cooling operation. 10 Year All Parts Warranty. Lifetime Heat Exchanger Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

<u>Air Source Heatpump</u>: Bryant® 20 SEER2/12.4EER2 System. Fully variable operation for more cost-effective heating and additional humidity control during cooling. This system true inverter that stages by actual outdoor air temps and return temps, not by timing as other brands offer. This is a cold climate heatpump efficiently heats down to 20 degrees F, although current natural gas prices show cost-based decision switch over point to be 35 degrees F. Condensing unit has hail guard over coil for added protection. 10 Year All Parts Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

Option 4: \$67,925.00

<u>Furnace</u>: Bryant 98.3% Efficient System. Features Variable Speed ECM Motor with fully modulating system for more cost-effective heating and even-temperature control a single stage or two stage system. Perfect Humidity technology removes more moisture than a standard furnace during cooling operation. 10 Year All Parts Warranty. Lifetime Heat Exchanger Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

Air Source Heatpump: Bryant® 23 SEER2/12.7EER2 System. Fully variable compressor with extreme cold operation for more cost-effective heating and additional humidity control during cooling. This system true inverter that stages by actual outdoor air temps and return temps, not by timing as other brands offer. This is a cold climate heatpump efficiently heats down to 0 degrees F cost effectively with a suggested switch over point at -5 degrees F based on natural gas prices. Condensing unit has hail guard over coil for added protection. 10 Year All Parts Warranty. 10 Year Labor Warranty upon execution of annual maintenance inspections to ensure no premature failure.

TERMS & CONDITIONS: Elite Mechanical Systems, LLC. Offers to furnish the work as described herein for the total cost above, inclusive of all sales tax. Prices quoted are firm for 10 days from the date of proposal but are subject to adjustment if buyer requests changes or delays progress of work. Payment Terms: Net 30 Days

Elite Mechanical Systems, LLC.

4/4/2025

Date