



June 9, 2023

Lake Shamineau Lake Improvement District (LSLID) Members,

The High Water Outlet Project has reached an important milestone. The LID has signed agreements with all landowners for use of their property required for the route. Houston Engineering has completed the final design, delivered a feasibility report, and created the bid and contract documents for the selection of a contractor. The LSLID Board of Directors has scheduled a 429 Assessment Hearing and the notice of the hearing to all Lake Shamineau Property Owners is enclosed in this mailing which includes an estimated assessment for your parcel(s).

The purpose of this letter is to advise all Lake Shamineau Property Owners of the following:

1. Provide notice to Property Owners of **a hybrid Public Hearing on an improvement to lower the water level on Lake Shamineau that will be held on June 27, 2023, beginning at 4:00 PM.** The meeting will be held online; to receive a meeting invitation, send an email prior to the meeting date to Fred Comb at fred@homeinspectionsofmn.com. The Scandia Valley Town Hall (3518 320th Street, Cushing, MN 56443) will be available if you would like to view the meeting and a Board member will be in attendance. At the meeting, information on the Lake Shamineau High Water Outlet Project will be provided.
2. Provide an announcement that nominations for two Permanent Residency Board of Director seats are open. Instructions for submitting nominations are below. Please note that nominations **must be received by July 6, 2023.**
3. Provide the meeting time and location of a **hybrid Annual Meeting, which will be held on Saturday, August 26, 2023, beginning at 9:00 AM.** The meeting will be held online; to receive a meeting invitation, send an email prior to the meeting date to Fred Comb at fred@homeinspectionsofmn.com. The Scandia Valley Town Hall will be available if you would like to view the meeting and a Board member will be in attendance. The LID will again be using Survey and Ballot Systems (SBS) from Eden Prairie, MN to administer the voting process.
4. Provide an update on recent Lake Improvement District (LID) activities.

Public Hearing Information:

The Board of Directors of the Lake Shamineau Lake Improvement District will meet on **June 27, 2023 at 4:00 PM** to consider the making of the Lake Shamineau High Water Outlet Project and consider approving the maximum total assessment portion of the project cost. The total estimated cost of the project is \$5,550,000. The total amount to be specially assessed by the LSLID to the properties within the LSLID is estimated not to exceed \$2,220,000. A reasonable estimate of the impact of the special assessment has been included in the cover letter of this mailing.

In addition, \$3,330,000 of the project cost will be funded through a standard charge to property owners as defined in the Establishment Order for the LSLID. The assessment fee, combined with standard charge, is the total estimated cost that can be financed by the property owner for an estimated 10-15 years. Note that any State funding received will reduce the amount assessed and/or charged to the property owners.

The methodology for the assessment fee is based on three tiers:

- The first-tier fee accounts for the direct benefit to the property owner and each fee is determined by building elevation, with lower elevation parcels paying slightly more than higher elevation parcels; and lake front footage with parcels that have more lake shore frontage paying more than properties with less frontage.
- The second-tier fee accounts for the indirect drainage benefit to the property owner and each fee is determined by the average elevation of the parcel, with lower average elevation parcels paying slightly more than higher elevation parcels.
- The third-tier fee is tied to the overall benefit to the properties within the LID with an equal assessment to each parcel.

All assessment elevation and lake frontage calculations are by the foot (or fraction thereof) using parcel information from Morrison County Land Services. For the assessments, the fees for commercial parcels are calculated the same as residential parcels. This mailing utilized the mailing addresses on record with the Morrison County Auditor's office. Contact the County if you have had a change in your mailing address.

Recap of Project Details:

Total Project Cost:	\$ 5,550,000.00	338 Properties
Total LSLID Charge Amount:	\$ 3,330,000.00	60.0%
Standard Charge:	\$ 9,364.46	(Estimated per Parcel Charge rate)
Total LSLID Assessment Amount:	\$ 2,220,000.00	40.0%
Maximum total assessment:	\$ 10,992.13	
Est. Average total assessment:	\$ 6,587.54	

Board of Director Nomination Information:

- There are two Permanent Residency Board of Director seats open for election in 2023. The list of responsibilities below highlights examples of the duties of the five Directors. The newly elected directors will take office approximately four weeks after being elected, for a two-year term.
- The two open permanent residency seats require that the nominees be permanent residents. Permanent residency requires that your lake address be your primary residence.
- You may nominate yourself or another Lake Shamineau property owner that meets the requirements.
- For each nomination, submit the name of the nominee, confirmation of their residency status, their mailing address, their email address, and their phone number. We will verify that the nominee meets all required residency and property ownership requirements and contact each nominee for background information.
- ***Submit nomination information no later than July 6, 2023, to: LSLID, PO Box 394, Motley MN 56466 OR send an email to LSLIDBD@gmail.com.***

The following are examples of the responsibilities of the five-member, volunteer LSLID Board of Directors.

- Attend and present at LSLID Board meetings, at Morrison County Board Meetings, and at various other meetings with the DNR, Soil and Water, other counties, engineering firms, etc.
- Prepare for and present at the Annual Meeting including handouts, presentations, etc.
- Coordinate LID projects (AIS, Ambassador, High Water Outlet, etc.).
- Answer emails and phone calls.
- Complete documentation and track financial information including accounting for expenses.
- Coordinate with Morrison County for determining charge and assessment information.
- It is helpful to be familiar with email, Outlook, Word, PowerPoint, and Excel.

2023 Annual Meeting and Voting Process:

The Lake Shamineau Lake Improvement District Annual Meeting will be held on Saturday, August 26, 2023, at 9:00 a.m.

The meeting will be held online; to receive a meeting invitation, send an email prior to the meeting date to Fred Comb at fred@homeinspectionsofmn.com. The Scandia Valley Town Hall will be available to view the meeting and a Board member will be in attendance. The LID will again be using Survey and Ballot Systems (SBS) from Eden Prairie, MN to administer the Budget and Director voting process. During the first week of August, SBS will send a separate mailing to you with the Voting Instructions and Voting Ballot, the Candidate Information Sheet, the 2024 Budget Sheet, a letter from the LSLID Board of Directors, and a return envelope. Note that the mailing from SBS will be the only mailing that you will receive regarding the voting process. Following is additional voting information:

- For the mailing, SBS will be using the Morrison County mailing list of eligible voters.
- You will be able to either return your vote directly to SBS using the paper ballot and enclosed envelope, or you will be able to vote online.
- There will be no in-person voting available.
- Instructions for online voting will be included in the mailing.
- SBS will provide the tabulation of the voting.

Update on recent LID activities:

1. **Aquatic Invasive Species (AIS):** The LID has received notice that the Morrison County AIS Grant has been approved for 2023 in the amounts of \$13,700 with the categories of: AIS Survey and Hand Harvesting-\$3,500.00; AIS Signage update at the lake accesses-\$200.00; AIS Watercraft Ambassador Program-\$10,000.00. The LID plans to continue their successful program for control of Aquatic Invasive Species including: a targeted survey of the lake to determine areas for treatment, use of herbicide treatments as required, and the use of scuba divers for hand pulling.
2. **LSLID Ambassadors:** The LID has hired Ambassadors that will staff the two landings to educate boat launch users about the cleaning and draining of boats and trailers as well as disposition of used bait. The program started on May 13th (opening fishing) and continues through September 4th (Labor Day). Inspectors typically work 4-to-6-hour shifts on Fridays, Saturdays, Sundays, and holidays.
3. **DNR Grant: GREAT NEWS!!** The LSLID has received news that the Lake Shamineau High Water Outlet Project will receive up to \$3 Million through DNR Grant funds. The grant funds were included in the late session appropriations bills that were recently signed by Governor Walz. The language included in the bill states, "...to construct publicly owned capital improvements necessary to prevent or alleviate flooding outlined in the Lake Shamineau High Water Mitigation Project". The grant will require the LID to complete a state contract that will be worked on in the next few weeks. The funds require a local match and will be used to reduce the final amount to be assessed and charged to the property owners by up to one-half of the currently estimated amounts. Note that final amounts will not be known until after construction is complete.

Thanks to Rep. Kresha for his support of the High Water Outlet Project and his work to secure funding. As Rep. Kresha stated recently, " I am honored to vote for your project and to have carried this year over year. This is an important project and will affect so many good people." Thanks also to Sarah Psick, the lobbyist for the lake project, she worked hard to ensure that the legislation continued through the process. Thanks also to all that sent letters, called legislators, and attended hearings. It was a team effort to get this accomplished!

4. **Floodplain Maps:** The LID Board was invited to a floodplain meeting with the DNR and Morrison County. In the meeting, the DNR stated that final Floodplain maps are estimated to take effect in 2024. The LID will be considering whether an appeal will be made after the maps are final and the pumping project is operational.
5. **High Water Project:** The goal of the Lake Shamineau High Water Outlet Project is to determine a solution to the high water problem that is the most feasible, cost-effective, and timely, and will minimize ongoing maintenance and future operating costs. In August 2022, the LID Membership approved a voting item to: "Approve an increase in the local cost to Construct High-Water Outlet from \$3,350,000 to \$5,550,000 if State funding is not secured to be sufficient to complete the project."

The High Water Outlet Project Plan includes construction of a lake outlet structure and pumping station adjacent to the shoreline at the west end of the lake. From the pumping station, the water will proceed westerly eventually reaching Fish Trap Creek, which becomes part of Todd County Ditch 41 at the properties adjacent to the railroad bridge and continues to the Long Prairie River. A map of the pumping site and water flowage route has been posted to the website.

Following are recent project updates and milestones:

- The LID has signed agreements with all landowners for the use of their property required for the route.
- Houston Engineering has finalized the project design and agency approvals.
- Houston Engineering has developed construction plans to include the final design of key project features.
- Houston Engineering is developing plans, bid, and contract documents that will be utilized in issuing bids and selecting the contractor for construction.
- Houston Engineering has completed a feasibility study to define the recommended project, estimated costs, and suggested funding strategy for capital and operating costs. The report also advises that the proposed improvement is necessary, cost-effective, and feasible.

- For assessment calculations, an assessment methodology model was used that was developed by an assessment committee that included two board members, three additional property owners, and with input from the LID attorney, and Houston Engineering.
- The LID has set the date for the 429 Assessment Hearing with notice published in the newspaper and enclosed in this mailing. Property Owners should note that notices have been sent to the address on record with Morrison County. At the Public Hearing, the LID Board will consider ordering the improvement and whether to direct the engineer to prepare plans and specs for bidding. A reasonable estimate of the total amount to be assessed and a description of the methodology will be available at the hearing.

Next project steps include:

- Issue bids and select the contractor for construction.
- Obtain temporary financing for construction of the project.
- Complete project construction, including testing, calibration, and startup.
- After construction, bonds will be issued, and a final Public Hearing will be held to finalize the assessment process and amounts.

High Water Outlet Project Schedule – Estimated Timeline:

	Project Task	Description	Est. Completion*
1	Finalize approvals and Right of Way	Finalize approvals from all agencies; prepare ROW documentation	Completed
2	Detailed Design, Finalize Right of Way	Final plans, bid and contract documents	June 2023
3	Assessment Hearing	Order Improvement and direct engineer to prepare final plans and advertise for bids	June 27, 2023
4	Bidding and Contract Award	Advertise for bids, open bids, tabulate, and award contract	Summer 2023
5	Financing	Finalize temporary financing	Summer 2023
6	Construction	Contractor to determine schedule to meet specified milestones and completion dates	Begins Fall 2023
7	Final construction	Testing and Start Up	2024 (Month TBD)
8	429 Assessment Hearing	Second hearing with final assessment and charge amounts	2024 (Month TBD)
9	Charges and Assessments	Property Owners receive notice of the Charge and Assessment amount for their property; Property owner will have ability to finance the amount due for an estimated 10-15 years	2025 (Month TBD)

*The above dates are estimated and the final timeline for construction will depend on lead times for construction materials.

Be sure to visit the LSLID website, LakeShamaineauLID.org, for updates, meeting notices, elevation readings, financial information, documents, and other information. Note that the feasibility report discussed above is also located on the website. Send your email address to LSLIDBD@gmail.com to subscribe to our electronic newsletter. Be sure that your mailing address is up to date with the Morrison County Auditor’s Office as we use the County property information for our mailings.

Thank you for your support,
Rick Rosar, Bob Koll, Fred Comb, Bob Ingle, and Pat Tvedt
Lake Shamaineau Lake Improvement District Board of Directors

Cindy Kevern
Administrator

Email: LSLIDBD@gmail.com | **Website:** <https://LakeShamaineauLID.org>