



August 2, 2023

Dear Lake Shamineau Riparian Property Owner,

The primary purpose of this mailing is to advise all property owners of the Lake Shamineau Lake Improvement District (LSLID) of the **hybrid Annual Meeting which will be held on August 26, 2023, beginning at 9:00 a.m. The meeting will be held online. If you are not able to view it online or prefer to attend in person, arrangements have been made for viewing at Scandia Valley Town Hall with a Board member in attendance.** To sign up for the online meeting, send an email to Fred Comb at fred@homeinspectionsofmn.com to receive an invitation and instructions to join the meeting. The agenda will be provided on the website and will be sent electronically to those that sign up for the online meeting.

The Lake Shamineau Lake Improvement District (LSLID) is using Survey and Ballot Systems (SBS) from Eden Prairie, MN to administer the voting process. Using the Morrison County property information and the Establishment Order to determine eligible voters, SBS has sent you this voting information. The LSLID Order of Establishment has been followed and no property or group of properties under the same ownership will have more than one vote. Property with multiple owners, trustees, or officers for a property, shall have one collective vote. This mailing includes:

- This letter to Property Owners,
- Voting Instructions and Voting Ballot,
- Candidate Information Sheet,
- 2024 Budget Sheet, and
- Return envelope.

Note that you can either return your vote directly to SBS using the paper ballot and enclosed envelope **OR** you can vote online. No in-person voting will be available. SBS has provided contact information for questions regarding the voting process. SBS will provide the tabulation of the voting. Since there will be no in-person voting, we have adjusted the deadlines to allow property owners to vote after the Annual meeting with deadlines as follows:

- **Paper Ballots need to be postmarked by August 30, 2023.**
- **Online voting will close on August 30, at 11:59 p.m.**
- **Audited tabulation results will be available after 6 PM on September 7.**

This mailing includes all the questions that will be voted on and includes sufficient detail to assist with your voting decisions whether you vote by mailing a paper voting ballot or online. We also encourage you to visit the LSLID website at LakeShamineauLID.org.

Following is the agenda for the annual meeting that will be held online on August 26 at 9:00 a.m.:

1. Welcome and Review of Code of Conduct
2. Approval of the Minutes of the 2022 Annual Meeting
3. Treasurers Report
4. Review of 2023 LID Activities
5. Review of Proposed 2024 LID Work Plan including High-Water Outlet Project Plan
6. Review of 2024 Budget
7. Forum for Candidates Nominated for Director Positions
8. Audience Questions and Comments
9. Other Business for Future Meetings
10. Adjournment by Chair

Note that a hybrid Public Hearing to consider the making of the Lake Shamineau High-Water Outlet Project was held on Tuesday, June 27th at 4 PM. This meeting included updated information regarding the High-Water project with Mike Opat from Houston Engineering conducting a presentation. The presentation from the hearing is on the LID's website at LakeShamineauLID.org.

LID Election of Directors

There are two Permanent Residency Board of Director seats open for election. 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 with their lake address listed as their primary residence.

There are **four nominees for the two (2) open Permanent Residency seats** for the Board of Directors. In addition, you can write-in the name of your choice for either of the two available seats. On the Ballot that you have received from SBS, you will be voting for **Two (2) of the following permanent residency candidates:**

- Bob Ingle (Incumbent Board of Director)
- Duane Hendricks
- Linda Card
- Russ Holland
- Write-In: _____
- Write-In: _____

LID 2024 Budget Information:

A detailed budget sheet has been included with this mailing which provides a description of the budget items and estimated charge amounts. There are three LID Budget items for voting. The items are summarized below and described in more detail in the attachments.

Vote 1: Does the voter approve the expenditure of \$42,000 for the 2024 Non-Project Operations Budget? *This voting item includes administrative and other operational items for the LID.*

Vote 2: Does the voter approve the expenditure of \$26,000 for the 2024 Aquatic Invasive Species (AIS) Project Budget? *This voting item includes AIS control, surveys, and ambassador program.*

Vote 3: Does the voter approve the expenditure of \$250,000 for the 2024 High-Water Outlet Project for Start-up, Testing and Operations? *This voting item includes the one-time costs for testing, calibration, and startup expenses as well as legal, fiscal, and administration expenses for bonding, and the expenses related to the final hearing. The operational costs for the high-water outlet includes electricity, service maintenance, and monitoring downstream water elevations.*

LID Project Updates

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 Flood Hazard Mitigation grant funds. The grant funds were included in the late session appropriations bills. 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. Pausing the High-Water Outlet project could jeopardize the State funding.

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 2020, 74% the LID membership approved a voting item to "Establish project to construct outlet". 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, bid, and contract documents that are being 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. Thanks to Bob Ingle, Patricia Tvedt, Duane Hendricks, Pat Held, and Russ Heiling for their assistance with this important task.
- The LID held a hybrid Public Hearing on an improvement to lower the water level on Lake Shamineau on June 27, 2023. At the Public Hearing, the LID Board considered and approved ordering the improvement and directed the engineer to prepare plans and specs for bidding. The presentation from the hearing is available on the LID website.

Next project steps include:

- As this letter goes to print, bids for construction will have been issued and the selection of the contractor for construction will likely be made in the coming weeks.
- Obtain temporary financing for construction of the project.
- Complete project construction, including start-up, testing, and calibration.
- 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	Completed
3	Assessment Hearing	Order Improvement and direct engineer to prepare final plans and advertise for bids	Completed June 27, 2023
4	Bidding and Contract Award	Advertise for bids, open bids, tabulate, and award contract	July-August 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.

Lake Elevation: The DNR continues to monitor the Lake Elevation and post it on the DNR website. The elevation reading as of 7/14/23 was 1276.41 or 1.31 feet over the Ordinary High High-Water Level (OHWL). As a comparison, the elevation was 1.18 above the OHWL in October 2022 and 1.34 above the OHWL in August 2021. The Morrison County Sheriff has continued to maintain the 300’ No Wake Zone around the lake due to the high water level.

Communications: The LID Board of Directors have been providing communications through mailings, newsletters, and postings to the website. LID Board meetings are announced on the LSLID website, are open to the public, and notes are posted on the website.

The LID website (LakeShamaineauLID.org) is the official source of information and meeting announcements and includes information such as project information, financial information and reports, and other information that may be of interest to property owners.

Plan to attend the hybrid Annual Meeting on August 26th at 9:00 AM and be prepared to listen, learn, and ask questions. Vote by either returning your ballot in the mail, or by voting online.

Thank you for your support,

Rick Rosar, Bob Koll, Fred Comb, Bob Ingle, and Patricia Tvedt

Lake Shamaineau Lake Improvement District Board of Directors

Cindy Kevern

Administrator

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

Lake Shamineau Lake Improvement District - LSLID

2024 Budget Sheet

Note: The estimated charges provided below are based on the 2024 Budget amounts included in each vote and the parcel/user density information currently available.

VOTE 1 Non-Project Operations Budget:

Administrative Expense – including:	\$15,000
<ul style="list-style-type: none"> • Finance – (e.g. accounting, annual audit) • Voting Service • Meetings, Mailings, and Notices 	
Communications and Project Management	\$12,000
Legal and Liability Insurance (MCI) expense	\$9,000
Water Quality Testing – RMB Laboratory	\$500
Floating Bog Mitigation	\$500
Contingency	<u>\$5,000</u>
Total 2024 Non-Project Operations Budget	<u>\$42,000</u>

Vote 1: This voting item includes administrative and other operation costs for the LID. The administrative expense includes the audit expense to meet State Auditor requirements. The insurance cost estimate anticipates the outlet operations.

Estimated 2024 per Parcel Charge rate (based on estimated 328 parcels) = \$118.18
 Association 2024 per User Density Charge (20% of Parcel Charge) = \$23.64
 Commercial 2024 per User Density Charge (20% of Parcel Charge) = \$ 23.64

VOTE 2 Aquatic Invasive Species (AIS) Project Budget:

AIS Project costs include:	
<ul style="list-style-type: none"> • Eurasian Watermilfoil Control (SCUBA pulling and Herbicide treatment) • Planning, permits, public notice, pontoon rental • AIS surveys • Ambassador program • Contingency 	\$16,000 \$1,500 \$3,500 \$12,000 <u>\$3,000</u>
AIS Project Expense	\$36,000
Less Estimated AIS Grants	<u>\$10,000</u>
Total 2024 Aquatic Invasive Species (AIS) Project Budget	<u>\$26,000</u>

Vote 2: This voting item includes AIS control, surveys, the ambassador program, a contingency in the event additional AIS treatments are needed, and an estimate for AIS grants.

Estimated 2024 per Parcel Charge rate (based on estimated 328 parcels) = \$73.16
 Association 2024 per User Density Charge (20% of Parcel Charge) = \$14.63
 Commercial 2024 per User Density Charge (20% of Parcel Charge) = \$ 14.63

VOTE 3 High-Water Outlet Project Budget for Start-up, Testing and Operations

Start-up, testing, and operational costs include:

- Start-up, Calibration and Testing of High-Water Outlet \$30,000
- Legal, fiscal and administration \$100,000
- Operational Costs (high-water outlet) \$100,000
- Contingency \$20,000

Total 2024 High-Water Outlet Project Budget for Start-up, Testing and Operations **\$250,000**

This voting item includes the one-time costs for testing, calibration, and startup expenses as well as legal, fiscal, and administration expenses for bonding and the expenses related to the final hearing. The operational costs for the high-water outlet includes electricity, service maintenance, and monitoring downstream water elevations.

Estimated 2024 per Parcel Charge rate (based on estimated 328 parcels) = \$703.44

Association 2024 per User Density Charge (20% of Parcel Charge) = \$140.69

Commercial 2024 per User Density Charge (20% of Parcel Charge) = \$140.69

Lake Shamineau Lake Improvement District (LSLID) Candidate Information Sheet

On the enclosed voting ballot (or using the online option), **only vote for two (2) of the following four (4) candidates** OR you can write-in the name of a permanent residency candidate of your choice for either of the two available seats:

Candidate: Bob Ingle (Incumbent Board Member)

Lake Address: 34294 Aztec Road, Motley, MN 56466

In 1986 we purchased our property on the lake and at that time the lake level was 2 feet below the Ordinary High Water Mark (OHW) of 1275.1. By May 2020 the lake level had risen 5 feet and we had lost 15 feet of shoreline. Realizing that the loss of shoreline was likely going to continue we decided to build across the road and tear down our little cabin that we enjoyed “on the lake”.

Lake Shamineau Association Membership Chair from 2013 to 2016

Lake Shamineau Emergency Task Force 2019 to 2021

After another spirited LSLID meeting in the fall of 2019 I was stirred into action. Frustrated by the delays in a solution to the flooding we formed a group. Bob Koll suggested some folks to contact and our group created a strategy to move water away from the lake while a permanent solution could be found. We discovered what we think caused much of our influent water but due to the rules that protect our wetlands and clean water, we were unable to reverse changes that had been made to our watershed. After 2 years on the LSETF it was clear to me that we needed a permanent solution that was allowed under current regulations and that property owners downstream would support. We now have that solution and I firmly believe it's the answer to years of frustration. I'm thankful to the LSLID and the LSETF and off lake land owners that allowed us easements and support this project. Thanks to all of the permitting agencies and local government folks that contributed to our efforts. It's time to move on folks. Let's really give Lake Shamineau the outlet it needs to prevent further flooding in the future. With \$3,000,000 of the DNR's Flood Mitigation Grant money this is no time to pause this project.

Lake Shamineau Lake Improvement District Director 2022, 2023

As I write this, according to the last DNR reading, we are still 1.51 feet above the OHW and after drought conditions last year and this year. I believe in facts not fiction as some would like you to believe. Please vote for me and let's keep this project moving!

Candidate: Duane Hendricks

Lake Address: 33919 East Shamineau Drive, Motley, MN 56466

Lake Shamineau has had extremely high water for the past 10 years, this has had a big negative impact on the quality and beauty of our lake. It has damaged many cabins, homes, trees, shorelines, sewers and etc. It is critical that we get the water level under control and restore the quality and beauty around the entire lake. Whether the high water has had a direct effect on your property or not we all have some responsibility to resolve the high water issue to maintain the quality of the lake, trees, shoreline, home, and cabins. After many years of review a pumping plan has been developed to resolve the water level issue. I support this project for the betterment of the lake! Thank you

Candidate: Linda Card

Lake Address: 4651 Cantleberry Road, Motley, MN 56466

I have lived the community my entire life. I have lived on Lake Shamineau as a full time resident for 22 years, prior to that I was a seasonal resident for 18 years. Growing up, my parents had property on the lake.

I obtained my Master's Degree in Education and served the Public School's, teaching and coaching, for 34 years. I taught Community Education youth sports. I taught Continuing Education Classes for the University of St. Thomas. I am married and we have one daughter.

I would be happy to serve on the LSLID Board because I am passionate about the future of our lake. I promise to serve property owners with objectivity, honesty and transparency. I promise to be responsive to questions and concerns. Because I take accountability to others very seriously, I will do my part to research and evaluate all aspects of issues that arise. I am here to represent all property owners and to find solutions that are fair to all.

It is obvious all property owners are concerned for our beautiful lake. Many years ago, we saw rising water and our lake was in need of a solution for the high lake level.

An Emergency Task Force was created, by the LSLID Board, and has been successful in restoring most of the natural outlet for the water. The lake is noticeably decreasing in water level.

It has been and continues to be my opinion that the pumping project must be paused, but not necessarily abandoned, to re-evaluate the necessity of such a project due to cost and financial difficulties imposed on property owners.

We need to continue the work with Aquatic Invasive Species.

I look forward to introducing myself at the in-person Annual Meeting.

Candidate: Russ Holland

Lake Address: 33851 East Shamineau Drive, Motley, MN 56466

Work with all-

Background: 2007 moved here full-time. 16 years. Teacher and coach for 42 years. I am married to Jill for 54 years and we have 2 kids.

I look to the future to be one of the best lakes in the area. I will react to all questions responsively and concerns.

We must evaluate all parts and concerns due to the cost financial difficulties imposed on property owners.

We must continue the work on all Aquatic Invasive Species.

Motley -- Lake Shamineau -- A great place to live -- All Year Round.