

Lake Shamineau Lake Improvement District Annual Meeting - August 27, 2022



**Lake
Shamaineau LID
Annual Meeting**

**Welcome and
Introductions**

**Rick Rosar,
Chair,
LSLID Board**

Board Members:

Rick Rosar, Chair

Bob Koll, Vice-Chair

Fred Comb, Treasurer

Tim Rice, Secretary

Bob Ingle, Director

Administrator:

Cindy Kevern

Lake Shamaineau LID Annual Meeting

Meeting Agenda (Rick)

1. Welcome and Review of Code of Conduct
2. Approval of Minutes of 2021 Annual Meeting (Board Approval)
3. Treasurer's Report (Board Approval)
4. Review of 2022 LID Activities
5. Proposed 2023 Work Plan
 - *Including High-water Outlet Plan - Houston Engineering*
6. Review of 2023 Budget
7. Candidate Forum
8. Other Business
9. Questions and Comments
10. Adjourn



Lake Shamineau LID Annual Meeting

Meeting Code of Conduct (Rick) -

- Participants should wait to be recognized and speak one at a time. Raise your hand (using the Zoom Reactions feature), send chat to indicate that you wish to speak, or let a Board member know at Scandia Valley Town Hall.
- If you are on a phone, send an email or text to LSLIDBD@gmail.com to let us know you have a question.
- Mute all cell phones, *mute online audio* and please be quiet so the audience can hear the speakers.
- Be respectful and wait to be called on to speak. Be brief and please keep your questions to the topic under discussion.
- ***When asking questions, participants should state their name and their property address on Lake Shamineau when called on to speak. Questions will be answered during specified times during the presentation***
- Should any participant become disrespectful or distracting, they will be asked to leave the meeting.

Lake Shamineau LID Annual Meeting

Additional Meeting Information (Rick)

- Note that all participants should utilize their first and last name as their Zoom username if you want to ask a question or make a comment.
- To change your username on Zoom, click the participants icon in the toolbar, find your current name and click more, click rename, reenter your correct name, click OK.
- *Thanks to Morrison County for having a deputy present at the Scandia Valley Town Hall.*

Lake Shamineau LID Annual Meeting

(Rick)

Mailings to Lake Property Owners:

- Letter mailed on August 3 with Ballot information. Mailed by Survey and Ballot Systems (SBS) including Ballot, Candidate Information Sheet, 2022 Budget Sheet. The mailing also included a letter with announcement of Annual meeting, LID and High-Water Outlet Project updates.

July 27th Informational Meeting

- Update Lake Owners on High-Water West Outlet Project, the Annual Meeting and Voting
- Meeting Slides and Recording of Meeting is on the LID Website

Annual Meeting Information

- Agenda posted on website and attached to meeting invitation
- Meeting Slides and Recording will be posted to the LID Website.

Lake Shamineau Annual Meeting

Approval of
2021 Minutes.
Minutes located
on website.

Motion and
Second from a
Board Member
for approval.

Roll Call Vote.

Lake Shamineau Lake Improvement District (LSLID) Annual Meeting minutes for August 28, 2021

“Board members present Rick Rosar, Bob Koll, Fred Comb and Tim Rice. Also present LSLID administrator Cindy Kevern.

Chair Rick Rosar opened the meeting at 9:02 am, introduced the board, reviewed the agenda, code of conduct, process for asking questions, mailings that have gone out to property owners and availability of information presented at the August 5th informational meeting....”

Note: Full text of minutes located on the LID website.

Lake Shamineau Annual Meeting

(Fred) Treasurer Report as of 7/31/22

Lake Shamineau Lake Improvement District (LSLID) - Treasurer Report

Month to Month - Bank Statements - as of 7-31-22

Prepared by: Fred Comb, Treasurer

REVENUE	January	February	March	April	May	June	July	August	September	October	November	December	ACTUAL	BUDGET
Tax Assessment - 1st half						\$ 172,670.97							\$ 172,670.97	\$ 162,500.56
Morrison County Misc Payment(s)	\$ 3,318.80												\$ 3,318.80	
MCIT - Insurance Dividend/Refund													\$ -	
Tax Assessment - 2nd half														\$ 162,500.56
MN-DNR FDR Grant													\$ -	\$ -
MN-DNR Supplemental AIS Grant														
Morrison County AIS Grant	\$ -	\$ -	\$ 13,700.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,700.00	\$ 10,000.00
Total Revenue	\$ 3,318.80	\$ -	\$ 13,700.00	\$ -	\$ -	\$ 172,670.97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,689.77	\$ 335,001.12
EXPENSE														
Non-Project Operations Budget:														
Admin Expense - Meetings, Printing, Postage, Publish, Finance, etc.	\$ 133.57	\$ 378.00			\$ 253.72	\$ 4,487.15							\$ 5,252.44	\$ 10,000.00
Communication and Project Management		\$ 1,000.00	\$ 600.00			\$ 1,600.00							\$ 3,200.00	\$ 7,000.00
Legal and Liability Insurance		\$ 1,468.00											\$ 1,468.00	\$ 15,000.00
Water Quality Testing							\$ 370.00						\$ 370.00	\$ 500.00
Floating Bog Mitigation													\$ -	\$ 500.00
Reserves and Contingencies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00
Total Operations	\$ 133.57	\$ 2,846.00	\$ 600.00	\$ -	\$ 253.72	\$ 6,087.15	\$ 370.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,290.44	\$ 38,000.00
Aquatic Invasive Species (AIS) Project Budget:														
Eurasian Milfoil Control incl SCUBA Pulling & Herbicide													\$ -	\$ 20,000.00
Planning, permits, public notice, pontoon													\$ -	\$ 1,500.00
AIS surveys													\$ -	\$ 3,500.00
Ambassador Program - public access staffing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 229.50	\$ 1,249.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,479.00	\$ 15,000.00
Total AIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 229.50	\$ 1,249.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,479.00	\$ 40,000.00
HighWaterOutlet Project Budget for Pre-Const & Operations:														
Planning, Design, EAW Process, Permit Application Process	\$ -		\$ 3,000.00										\$ 3,000.00	
Soil Borings and Investigation	\$ -												\$ -	
County Ditch and Petition Process	\$ -	\$ 1,300.00											\$ 1,300.00	
Engineering plans, specs, bid docs, review	\$ 67,169.33				\$ 5,602.50		\$ 42,802.75						\$ 115,574.58	\$ 100,000.00
Permitting, legal, fiscal, admin, right-of-way	\$ 18,388.00	\$ 669.50	\$ 2,629.50		\$ 8,088.50	\$ 1,244.50	\$ 1,977.50						\$ 32,997.50	\$ 50,000.00
Operational Costs (water removal or diversion operations)													\$ -	\$ 80,000.00
Contingency	\$ -		\$ -	\$ -	\$ -	\$ -	\$ 27,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,000.00	\$ 27,000.00
Total High Water Project	\$ 85,557.33	\$ 1,969.50	\$ 5,629.50	\$ -	\$ 13,691.00	\$ 1,244.50	\$ 71,780.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179,872.08	\$ 257,000.00
Total Expense	\$ 85,690.90	\$ 4,815.50	\$ 6,229.50	\$ -	\$ 13,944.72	\$ 7,561.15	\$ 73,399.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,641.52	
BANK														
Beginning Balance	\$ 137,006.93	\$ 54,634.83	\$ 49,819.33	\$ 57,289.83	\$ 57,289.83	\$ 43,345.11	\$ 208,454.93	\$ 135,055.18						
Ending Balance	\$ 54,634.83	\$ 49,819.33	\$ 57,289.83	\$ 57,289.83	\$ 43,345.11	\$ 208,454.93	\$ 135,055.18							

Lake Shamineau LID Annual Meeting

Treasurer's Report
(Fred Comb)

Revenue

(No revenue received
in July)

Lake Shamineau Lake Improvement District (LSLID) - Treasurer Report

Month to Month - Bank Statements - as of 7-31-22

Prepared by: Fred Comb, Treasurer

REVENUE	ACTUAL	BUDGET
Tax Assessment - 1st half	\$ 172,670.97	\$ 162,500.56
Morrison County Misc Payment(s)	\$ 3,318.80	
MCIT - Insurance Dividend/Refund	\$ -	
Tax Assessment - 2nd half		\$ 162,500.56
MN-DNR FDR Grant	\$ -	\$ -
MN-DNR Supplemental AIS Grant		
Morrison County AIS Grant	<u>\$ 13,700.00</u>	<u>\$ 10,000.00</u>
Total Revenue	\$ 189,689.77	\$ 335,001.12

Lake Shamineau LID Annual Meeting

Treasurer's
Report (Fred
Comb)

Expense

Motion and
Second from a
Board Member
for approval.

Roll Call Vote.

EXPENSE	JULY	ACTUAL	BUDGET
Non-Project Operations Budget:			
Admin Expense - Meetings, Printing, Postage, Publish, Finance, etc.		\$ 5,252.44	\$ 10,000.00
Communication and Project Management		\$ 3,200.00	\$ 7,000.00
Legal and Liability Insurance		\$ 1,468.00	\$ 15,000.00
Water Quality Testing	\$ 370.00	\$ 370.00	\$ 500.00
Floating Bog Mitigation		\$ -	\$ 500.00
Reserves and Contingencies	\$ -	\$ -	\$ 5,000.00
Total Operations	\$ 370.00	\$ 10,290.44	\$ 38,000.00
Aquatic Invasive Species (AIS) Project Budget:			
Eurasian Millfoil Control incl SCUBA Pulling & Herbicide		\$ -	\$ 20,000.00
Planning, permits, public notice, pontoon		\$ -	\$ 1,500.00
AIS surveys		\$ -	\$ 3,500.00
Ambassador Program - public access staffing	\$ 1,249.50	\$ 1,479.00	\$ 15,000.00
Total AIS	\$ 1,249.50	\$ 1,479.00	\$ 40,000.00
HighWaterOutlet Project Budget for Pre-Const & Operations:			
Planning, Design, EAW Process, Permit Application Process		\$ 3,000.00	
Soil Borings and Investigation		\$ -	
County Ditch and Petition Process		\$ 1,300.00	
Engineering plans, specs, bid docs, review	\$ 42,802.75	\$ 115,574.58	\$ 100,000.00
Permitting, legal, fiscal, admin, right-of-way	\$ 1,977.50	\$ 32,997.50	\$ 50,000.00
Operational Costs (water removal or diversion operations)		\$ -	\$ 80,000.00
Contingency	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00
Total High Water Project	\$ 71,780.25	\$ 179,872.08	\$ 257,000.00

Lake Shamaineau LID Annual Meeting

Review of 2022 Activities

Aquatic Invasive Species (AIS) (Rick)

- In 2021, there were several areas found with dense EWM. These areas were treated with herbicide.
- Freshwater Scientific Services surveyed portions of the lake on two different dates in 2022.
- The first survey on June 28th focused on areas that EWM has been found in the past. The second survey on August 4 included a recheck of treated plots, and a wider search of vegetated areas throughout the lake.
- When EWM was found, the location was marked, the water depth was recorded, and the density of growth was rated. In the 2022 survey, EWM was not found in the areas that were previously treated in 2021, which indicates that the herbicide used, and timing of the application was effective in controlling this genetic strain of EWM.

Note: EWM stands for Eurasian Water Milfoil

Lake Shamineau LID Annual Meeting

This shows the EWM plants located in the surveyed plot. The EWM found were in the northwestern portion of the lake.

Note: EWM stands for Eurasian Water Milfoil



Score	Visual	Rake
1	Light / Solitary plants	1-2 stems
2	Moderate / Scattered dense patches	3 to 9 stems
3	Dense / Uniform dense growth	10+ stems

— Surveyed Path

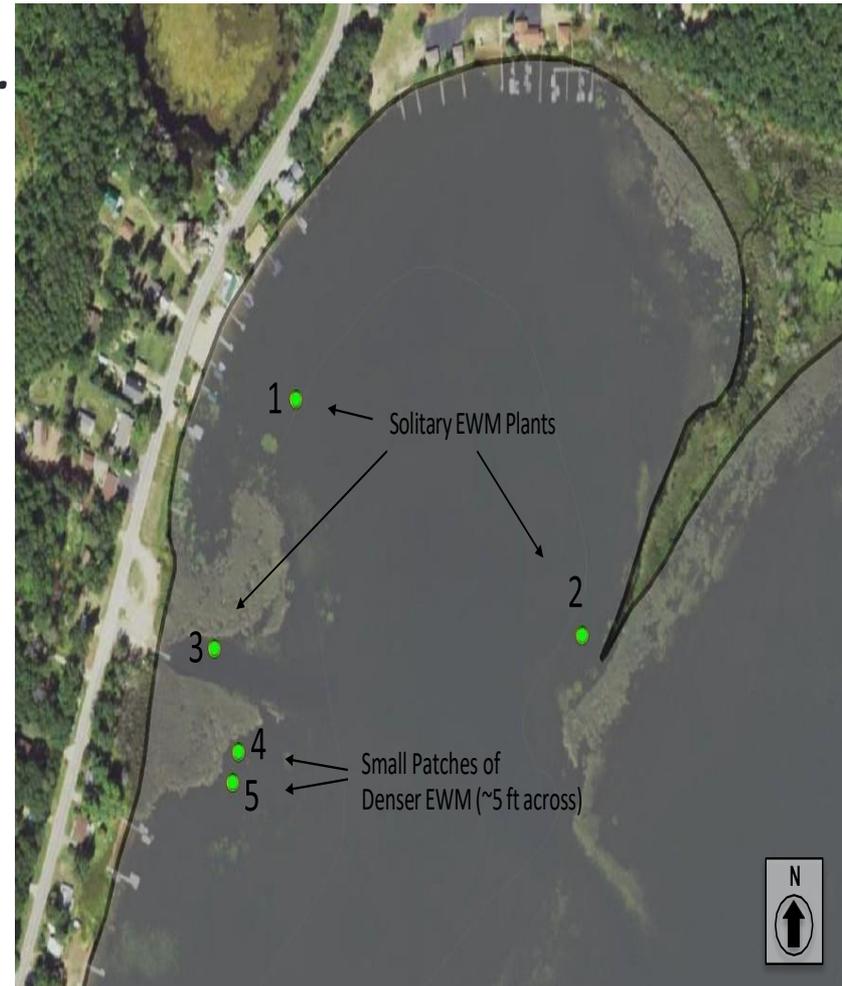
▭ Surveyed Plot

EWM Density (1-3)



Lake Shamaineau LID Annual Meeting

- ***No substantial areas of Eurasian Water Milfoil (EWM) found in 2022.***
- Few individual plants found in the NW bay that appear to be hybrid watermilfoil.
- Small patch of EWM (probably not hybrid) found along edge of cattails just south of the western public boat access.
- These areas are most likely too small to warrant herbicide treatment but can be hand pulled.
- We will be scheduling scuba divers to hand pull the EWM found.
- The finding will be reviewed after the divers are complete to decide if herbicide treatments are warranted.



Lake Shamaineau LID Annual Meeting

Review of 2022 Activities

Aquatic Invasive Species (AIS) cont. (Bob)

- Morrison County AIS Partnership Grant
- State AIS Grant
- Ambassador Program at both landings
- Brochures
- Public Access Signage
- Annual Sampling for Zebra Mussels and Spiny Waterflea – Results Show No Infestations (per DNR)

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Review of 2022 Activities

Communications

- ***Board of Directors Board Meetings***
 - Board Meetings have been held through the year. Four are regularly scheduled meetings and others are held as special meetings
 - Meetings are announced on the website, held online, with a viewing opportunity at the Scandia Valley Town Hall.
 - Meetings are open to the public and notes are posted on the website.
- ***Periodic Electronic newsletters***
- ***Mailings through US Mail have been sent out to Property Owners over the past year***
- ***NEW LID website***
 - ***LakeShamaineauLID.org***
 - Includes Information on Board and LID meetings, project information, financial information and reports, and other information that may be of interest to property owners.
- ***Send questions or comments to***
LSLIDBD@gmail.com

Lake Shamineau LID Annual Meeting

Review of 2022 Activities (Cindy)

Financial Information

- Budget information mailed to property owners and presented at Annual Meeting
 - Property owners are provided with the budget for the following year for approval.
- Morrison County Board Approves Budget
 - Approved budget is posted on the LID website.
- Financial Report is completed at the end of each calendar year
 - Provided to Morrison County and report is posted on the LID website.
- Quarterly Treasurer Reports posted to website
 - Treasurer Reports reviewed and approved at Board Meetings. These amounts are included in meeting minutes which are posted on the LID website
- Inquiries regarding financial detail
 - If you have questions or are looking for specific financial information, send an email to LSLIDBD@gmail.com

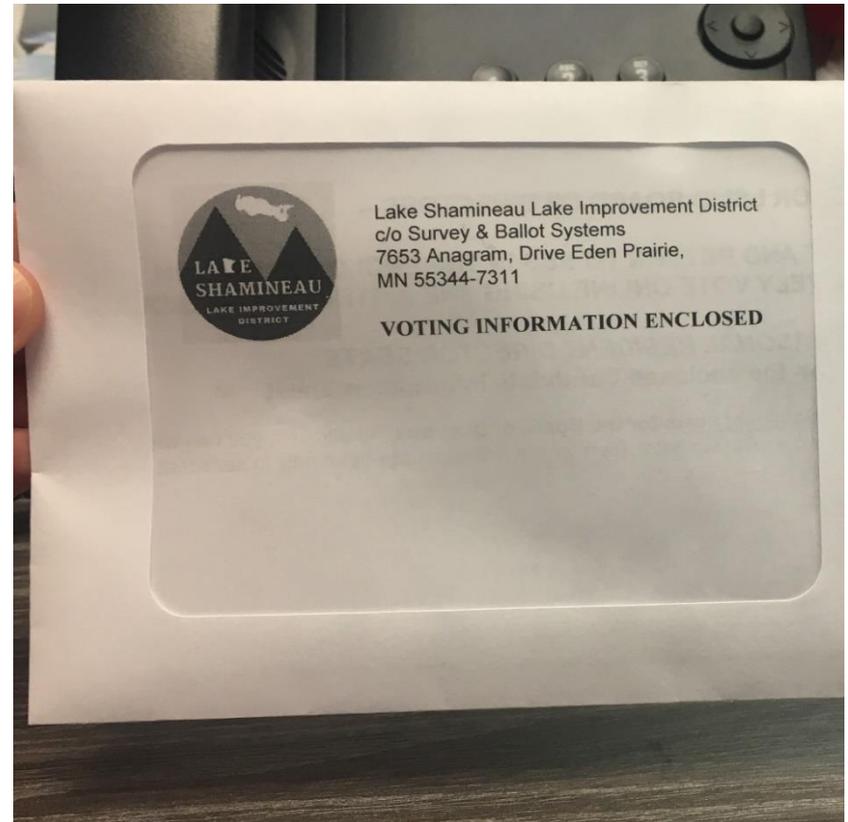
Lake Shamineau LID Annual Meeting

Voting Process (Cindy)

LSLID used Survey and Ballot Systems to administer Voting Process:

- Voting Materials Mailed on August 3
- Voting process includes opportunity for mailing ballots OR online voting.
- NO in-person voting.
- **Paper Ballots need to be postmarked by August 31**
- **Online Voting closes on August 31**
- Online Tabulation of results will be available on Sept 7

Example of Ballot Envelope



Lake Shamineau LID Annual Meeting

Review of 2022 Activities

High-Water Outlet Project

- Great progress has been made
- We recently received approved permits from the MN DNR, MN DOT and Morrison County
- Next Slides provide information on the project
- Picture is from Spring 2022



Lake Shamineau High-Water Project



Background

- Shamineau is a 1434-acre lake located east of Hwy 10 in Morrison County
- There are approximately 300 homes, cabins and commercial properties on the lake
- The lake is closed watershed basin with no outlet
- There have been increasing water levels for many years
- Water has risen over 7 feet since 1962
- Lake is now 1.96 feet over the Ordinary High-Water Level (OHWL)
- The rise in the water is caused by higher-than-normal precipitation and the lake having no natural outlet

Note: Some that have been on the lake 50 or more years believe that there was a natural "outlet" at one time which has been blocked by development and road construction.

High Water Outlet Project - Background

- Routes and project options have been analyzed for pumping water out of Lake Shamineau
- Engineers provided guidance on options with engineering and environmental analysis of alternatives
- West option through Ditch 41 was determined to be most feasible and cost effective.
- If left to naturally overflow in uncontrolled fashion, water from Lake Shamineau would flow downstream within watershed area of Ditch 41 and Long Prairie River
- Construction of Project will move water downstream in more controlled manner, water quality can be managed, and adverse impacts can be avoided.



Flooding Summer 2022

High Water Outlet Project

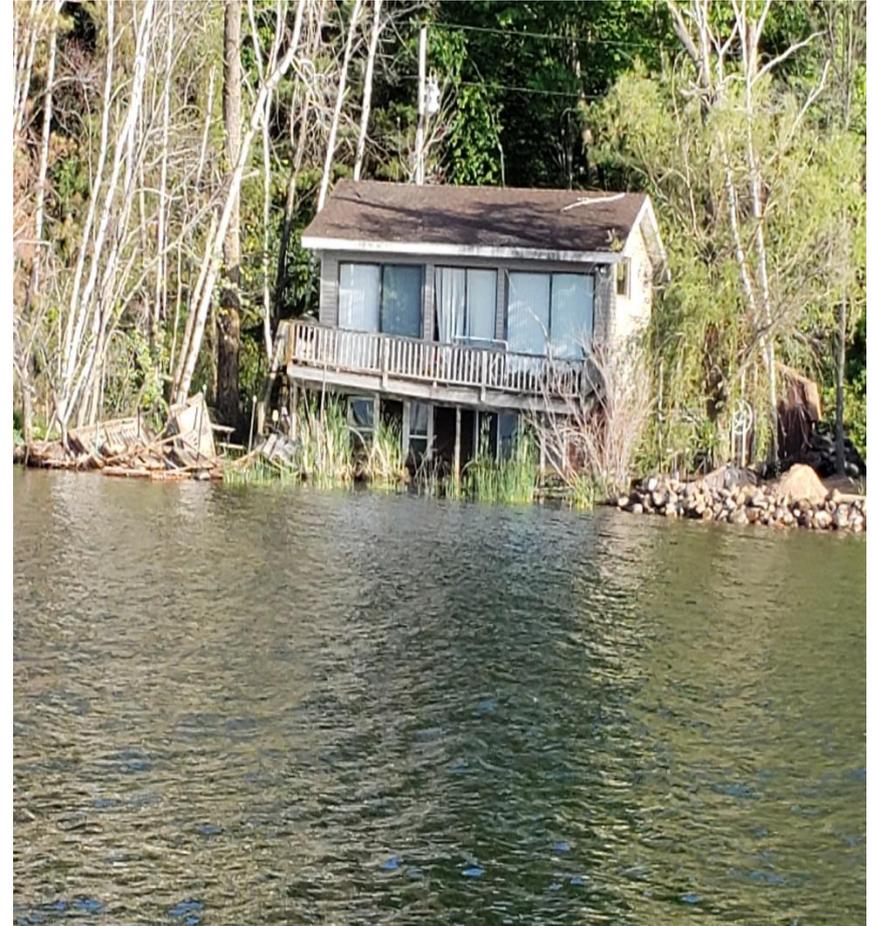
- August 2020 – Approval by LID Membership of High-Water Outlet project with 74% approval.
- Board has worked to complete preliminary design and route, wetland delineation, surveys, soil borings, groundwater monitoring
- ***Project is only weeks away from final design!***
- Meetings with local DNR have been held regularly to provide updates and discuss technical information.
- Informational Meeting held July 27, 2022 – Slides and recording on website.



Picture of cabin at end of Pine View Blvd 2022

High Water Outlet Project

- Purpose of High-Water Project is to establish a maximum operating level
- Project includes the installation of a lake outlet structure and pumping station at the west end of the lake
- Water will then flow west, eventually to Ditch 41, flowing to the Long Prairie River (route will be reviewed later in presentation)
- The LSLID has worked closely with property owners along the route, including those along Todd Co. Ditch 41, to ensure our project is not detrimental to their property
- The LSLID has obtained agreements for easements with Morrison and Todd County property owners west of Highway 10; agreements from landowners near the lake in Morrison County are in process and close to completion.



High Water Outlet Project Update

There has been tremendous progress on the project!

Petition to utilize Ditch 41 in Todd County was approved on Oct. 13th

An Operations and Maintenance plan has been developed and has been approved by the DNR.

A wetland delineation has been completed and approved by agencies.

Technical tasks including groundwater monitoring, soil borings, surveys, electrical design has been completed

Environmental Assessment Worksheet was completed and approved on January 17, 2022

Good News! In the last month we received approved permits from MN DOT, MN DNR, and Morrison Co.



Lake Shamineau LID Annual Meeting

Review of 2022 Activities – High Water Project

**Mike Opat, Project Manager
Houston Engineering**

**Review of the
High-Water Outlet Project**



High Water Outlet Timeline

The chart provides an estimated timeline for project completion.

Note that the dates are estimated and the final timeline for construction will depend the timing of the approval of the funding (Votes 3 and 4 and/or State Funding), completion of agency permitting, and lead times for construction materials.

	Project Task	Description	Est. Completion Period
1	Receive Positive Votes on Vote 3 and 4	Finalize local LID and state funding	September 2022
2	Finalize approvals	Finalize approvals from all agencies	November 2022
3	Detail Design, Right of Way	Plans, bid and contract documents	December 2022
4	429 Hearing	Hold 429 Hearing for Project Approval	December 2022
5	Bidding	Issue bidding docs and select contractor	February 2023
6	Financing	Finalize financing for construction	Winter 2023
7	Construction	Start construction of West Outlet	Spring/Summer 2023
8	Pumping Begins	Testing and Pumping	TBD
9	Bonding	Issue Bonding for financing	TBD

High-Water Outlet Project

West-Outlet Project Budget

- As previously noted, the 2021 Budget included a Vote 4 at a cost of \$3,350,000 to establish a project to construct a High-Water Outlet was approved in August 2020 with 74% voting in favor of the budget question.
 - ❖ (The legal counsel for the LSLID has advised that the LSLID will not need to hold another membership vote for the Lake Shamineau High Water Outlet Project and has also advised that these funds cannot be used for an alternate project.)
- Project costs have since increased and detail of the increases are included on page 5 of the letter to Property Owners dated August 3, 2022 and will be reviewed later in this presentation with the review of the 2023 Budget.
- The LSLID Board is working with legislators for funding for the project from State bonding. If State funding is received, it will be utilized to reduce the local cost to the Lake Shamineau property owners.

High Water Outlet Project

New Cost Estimate included with Vote 4

Do you approve of 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? A “Yes” vote means that you approve of an increase to the local cost of the High-Water Project. A “No” vote means that you want the local cost of the Project to be capped at its previously approved amount of \$3,350,000 which will result in an indefinite delay in the project until State or other funding will be available.

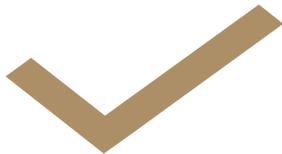
The increased cost to construct a High-Water Outlet includes:

- | | |
|---|----------------|
| • Project Construction based on Engineer’s opinion of probable cost | 4,300,000 |
| • Engineering | 250,000 |
| • Land Rights (including easements and outlet fee) | 250,000 |
| • Administrative, fiscal, legal | 150,000 |
| • Other (utility relocations, electrical service, wetland credits) | 50,000 |
| • Contingency (at 11%) (to be charged only if needed) | <u>550,000</u> |

Total High-Water Outlet Project Budget

\$5,550,000

Lake Shamineau LID Annual Meeting



2023 Work Plan
(Rick)



Aquatic Invasive Species (AIS)

Vegetation Survey

Chemical Treatments

Hand Pulling and Monitoring

Ambassador Program

Signage and Brochures at Lake
Access Points

Apply for AIS Morrison County
Partnership Grant

Lake Shamaineau LID Annual Meeting

2023 Work Plan

Other Items of Interest

- Newsletter Communications - Sign Up to Subscribe
- Continued Mailings to provide updates
- Accounting and Finance
 - Treasurer Reports Posted
 - Financial Audit in process
- Postings on NEW Website:
 - LakeShamaineauLID.org



Lake Shamineau LID Annual Meeting

Review of 2023 Budget

Vote 1

2023

Non-Project Operations Budget

1 Non-Project Operations Budget:

Administrative Expense – including:	10,000
• Mailings to members – (e.g. printing, envelopes, labels, postage)	
• Meetings – (e.g. handouts, publishing notices)	
• Finance – (e.g. accounting, PO Box)	
• Voting Service	
Communications and project management	7,000
Legal and Liability Insurance (MCI) expense	15,000
Water Quality Testing – RMB Laboratory	500
Floating Bog Mitigation	500
Reserves and contingencies	<u>5,000</u>
Total 2023 Non-Project Operations Budget	<u>\$38,000</u>

Vote 1: This voting item includes administrative and other operation costs for the LID. The insurance cost estimate anticipates the outlet operations.

Estimated 2023 per Parcel Charge rate (based on estimated 332 parcels) = \$105.74

Association 2023 per User Density Charge (20% of Parcel Charge) = \$21.15

Commercial 2023 per User Density Charge (20% of Parcel Charge) = \$ 21.15

Note: The estimated charges provided below are based on the 2023 Budget amounts included in each vote and the parcel/user density information currently available.

Lake Shamineau LID Annual Meeting

Review of 2023 Budget

Vote 2

2023

Aquatic Invasive Species

(AIS) Budget

2 Aquatic Invasive Species (AIS) Project Budget:

AIS Project costs include:

- | | |
|--|---------------|
| • Eurasian Milfoil Control including SCUBA pulling and Herbicide treatment | 20,000 |
| • Planning, permits, public notice, pontoon rental | 1,500 |
| • AIS surveys | 3,500 |
| • Ambassador program | <u>15,000</u> |

AIS Project Expense

\$40,000

Less Estimated AIS Grants

10,000

Total 2023 Aquatic Invasive Species (AIS) Project Budget

\$30,000

Vote 2: This voting item includes AIS control, surveys, the ambassador program, and includes a reduction for AIS grants.

Estimated 2023 per Parcel Charge rate (based on estimated 332 parcels) = \$83.48

Association 2023 per User Density Charge (20% of Parcel Charge) = \$16.70

Commercial 2023 per User Density Charge (20% of Parcel Charge) = \$ 16.70

Lake Shamaineau LID Annual Meeting

Review of 2023 Budget

Vote 3

2023 High- Water Outlet Project Budget for Planning and Operations

3 High-Water Outlet Project Budget for Planning and Operations

Planning and Operational costs include:

- | | |
|--|---------------|
| • Engineering | 100,000 |
| • Legal, fiscal, and administrative | 50,000 |
| • Operational Costs (high-water outlet) | 100,000 |
| • Contingency (for unanticipated cost increases) | <u>45,000</u> |

Total 2023 High-Water Outlet Project Budget for Planning and Operations	<u>\$295,000</u>
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Vote 3: This voting item includes the High-Water Project planning expenses for 2023 including engineering, legal, fiscal, and administrative expenses prior to construction and includes temporary financing costs. The operational costs for the high-water outlet includes initial operation costs for such items as electricity, service maintenance, and monitoring downstream water elevations.

Estimated 2023 per Parcel Charge rate (based on estimated 332 parcels) = \$820.82

Association 2023 per User Density Charge (20% of Parcel Charge) = \$164.16

Commercial 2023 per User Density Charge (20% of Parcel Charge) = \$164.16

Lake Shamineau LID Annual Meeting

Review of Budget

Establish Project to Construct High-Water Outlet

4 High-Water Outlet Project Budget

Do you approve of 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? A “Yes” vote means that you approve of an increase to the local cost of the High-Water Project. A “No” vote means that you want the local cost of the Project to be capped at its previously approved amount of \$3,350,000 which will result in an indefinite delay in the project until State or other funding will be available.

The increased cost to construct a High-Water Outlet includes:

- | | |
|---|----------------|
| • Project Construction based on Engineer’s opinion of probable cost | 4,300,000 |
| • Engineering | 250,000 |
| • Land Rights (including easements and outlet fee) | 250,000 |
| • Administrative, fiscal, legal | 150,000 |
| • Other (utility relocations, electrical service, wetland credits) | 50,000 |
| • Contingency (at 11%) (to be charged only if needed) | <u>550,000</u> |

Total High-Water Outlet Project Budget **\$5,550,000**

Vote 4: This voting item includes all construction materials, labor, engineering, land rights, administrative, fiscal, legal, and other costs required for the high-water outlet. A contingency has been included in the budget due to current market trends and will be charged only if needed.

Lake Shamineau LID Annual Meeting

Vote 4 cont.

NOTE –The 2021 Budget included a Vote 4 at a cost of \$3,350,000 to establish a project to construct a High-Water Outlet. This budget item was approved in August 2020 with 74% voting in favor of the budget question. Project costs have since increased and detail of the increases are included on page 5 of the letter to Property Owners dated August 3, 2022. The LSLID Board is working with legislators for funding for the project from State bonding. If State funding is received, it would be utilized to reduce the local cost to the Lake Shamineau property owners.

Estimated Charge rates for \$5,550,000 High-Water Outlet Budget:

Estimated per Parcel Charge rate (based on estimated 332 parcels) = \$15,442.41

Association per User Density Charge (20% of Parcel Charge) = \$3,088.48

Commercial per User Density Charge (20% of Parcel Charge) = \$3,088.48

These high-water outlet costs will be financed through a bonding process to allow property owners to pay their per parcel charge over time. The cost including any applicable interest, could be spread over an estimated 8 to 15 years or more.

Cost Increases for High Water Project

The increase in project costs is in large part due to inflation with rising costs of materials and labor due to the COVID pandemic and rising fuel costs. The project requires over 2 linear miles of pipe and the increase in the price of oil has resulted in substantial increases in the price of the required pipe because the resin required to produce the pipe is petroleum based. More pipe is needed for the project due to design changes required by agencies.

The cost of the pump and control panels has increased. There is an increased demand on these types of materials and supplies due the number of projects around the country.

Additional reviews by the DNR, MN DOT, townships, Soil and Water, etc. has required additional design changes to the lake inlet, a new piping requirement under Highway 10, design changes for road right of way, design changes to avoid wetland areas and the acquisition of wetland credits.

Cost Increases for High Water Project, cont.

Cost increase information has been included in the Letter to Property Owners that will be mailed on August 3rd.

The original cost estimate included a contingency for unanticipated costs. The revised estimate includes an increase in the contingency to accommodate the rapidly increasing prices of materials and labor.

Other Considerations: There is currently a 30-week lead time on PVC pipe and a 14-week lead time for pumps. Houston will continue to research options and cost savings. Lead times can be mitigated if the LSLID acquires materials and supplies as funding is available, perhaps even prior to the bidding process.

Lake Shamaineau LID Annual Meeting

Candidate Forum –

There is one candidate for the permanent residency seat. She will speak for up to 3 minutes.

Permanent Residency
Candidate:

- Patricia Tvedt

Note – Vote for One (1) candidate (including write-ins)



Lake Shamaineau LID Annual Meeting

Candidate Forum –

There are three (3) candidates for the two (2) seasonal residency director seats. Each candidate will speak for up to 3 minutes.

Seasonal Residency Candidates:

- Fred Comb (incumbent)
- Rick Rosar (incumbent)
- Thomas Schuler

Note – Vote for Two (2) candidates (including write-ins)



High-Water Outlet Project

Answers to Commonly Asked Questions:

How much has the water elevation changed?

According to the DNR elevation readings, since the Fall of 2021, the lake has risen .45 feet or approx. 5.4 inches; and from August 2021 the elevation, the lake has risen .62 feet or approx. 7.4 in.

Lake Shamineau

Elevation Readings (*data from MN DNR*)

Date	Elevation	Feet Above OHW	Notable Events
9/6/1962	1270.55	-4.55	<i>Lowest Recorded Reading</i>
4/24/2017	1276.09	0.99	
7/11/2017	1275.92	0.82	
8/26/2017	1276.28	1.18	Positive Vote for High-Water Project
10/14/2017	1276.38	1.28	
5/13/2018	1276.51	1.41	
7/1/2018	1276.87	1.77	
8/23/2018	1276.37	1.27	Positive Vote for High-Water Project
10/5/2018	1276.09	0.99	
5/21/2019	1276.84	1.74	
7/1/2019	1277.13	2.03	
8/31/2019	1276.82	1.72	Positive Vote for High-Water Project
10/6/2019	1277.52	2.42	
5/26/2020	1278.08	2.98	<i>Highest Recorded Lake Level</i>
7/21/2020	1277.96	2.86	
8/30/2020	1277.76	2.66	Positive Vote for High-Water Project
9/20/2020	1277.52	2.42	
4/14/2021	1277.55	2.45	
8/26/2021	1276.44	1.34	Positive Vote for High-Water Project
10/16/2021	1276.61	1.51	
5/24/2022	1277.20	2.10	
8/19/2022	1277.06	1.96	

OHW = Ordinary High Water

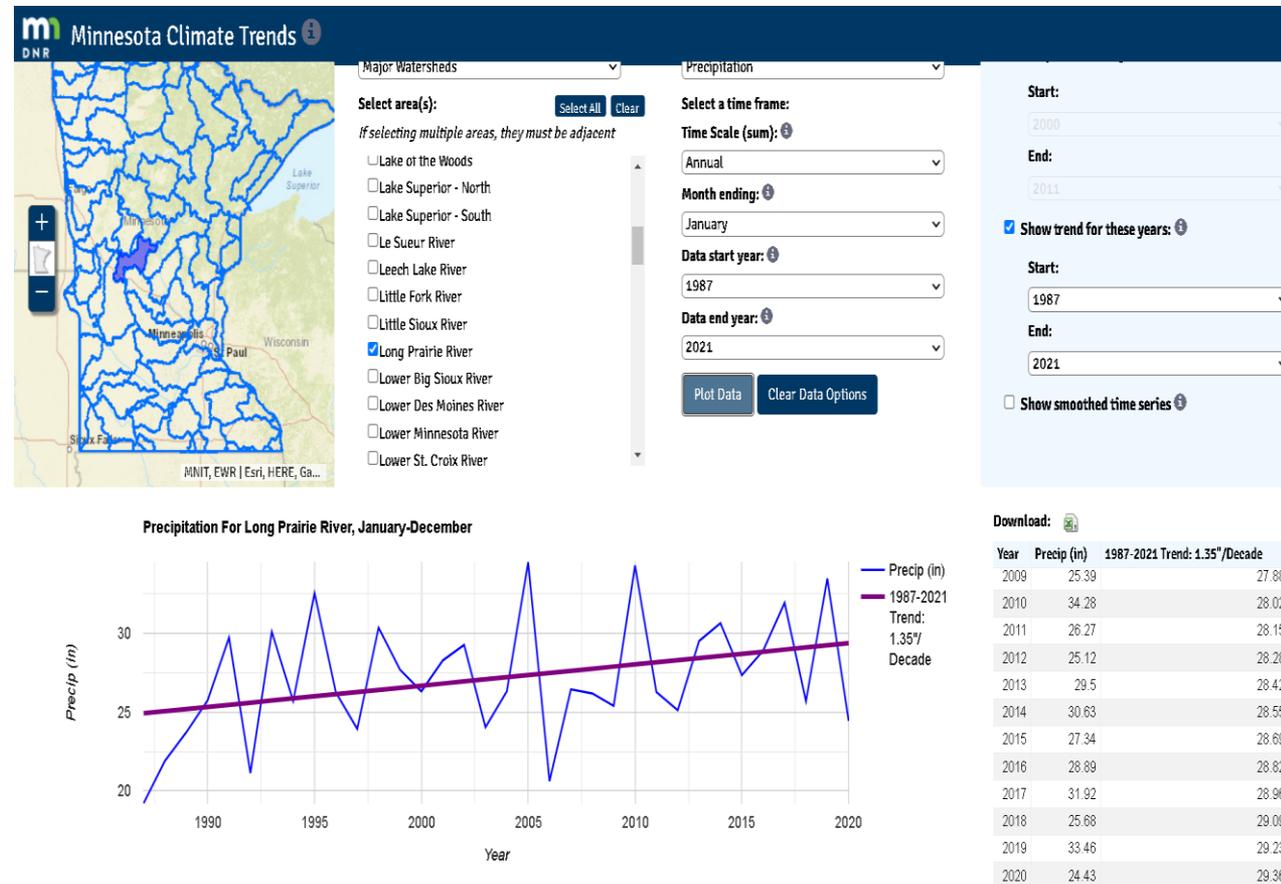
The OHW Level for Lake Shamineau is 1275.10

High-Water Outlet Project

Answers to Commonly Asked Questions:

What are the climate trends that may be affecting lake levels?

According to the DNR, “Heavy rains are now more common in Minnesota and more intense than at any time on record. Long-term observation sites have seen dramatic increases in 1-inch rains, 3-inch rains, and the size of the heaviest rainfall of the year.....Climate projections indicate these big rains will continue increasing into the future.”



High Water Project

Answers to Commonly Asked Questions

How much has been spent on Engineering Costs to Date?

Firm	Time Period	Project	Expense	DNR Reimb.	Net Expense
Houston	2017-2018	Initial West Outlet Plan	\$42,573		\$42,573
WSN	2019-2020	Infiltration Plan	\$198,700	\$65,000	\$133,700
Houston	2020-2021	Current West Outlet Project	\$191,257	\$52,000	\$139,257
Houston	2021-2022	Current West Outlet Project	\$190,562		\$190,562
Total			\$623,092	\$117,000	\$506,092

Note – Information and data from the first west outlet project and the infiltration project has been re-used in the current High-Water West Outlet Project.

High Water Outlet Project

Answers to Commonly Asked Questions

Why is the project taking so long?

- It has taken time to complete the agreements with landowners for easements, with additional changes required to the technical design and route plan.
- The petition process with Todd County took longer than expected.
- Additional reviews by the DNR, MN DOT, Soil and Water agencies, townships and Morrison County has required additional design changes to the lake inlet, a new piping requirement under Highway 10, design changes for road right of way, design changes to avoid wetland areas, etc
- The LSLID Board worked with legislators for funding for the project from State bonding but unfortunately since bonding has not yet been approved, additional approval to increase local funding of the project will be needed.



Senate bonding committee on visit to Lake Shamineau during summer 2021.

Answers to Commonly Asked Questions

- **How much will the property owners be charged in 2023?**
Each year, a budget is developed, and property owners vote to approve the budget. If Votes 1, 2, and 3 are approved this year, the charge for a Residential Property Owner will be \$1010.04 in 2023.
- **What will be the cost to the residential property owner if Vote 4 – High Water Outlet Project is approved?**
As noted on the previous slides, the cost of the High-Water Project has increased to \$5,550,000. The Estimated per Parcel Charge rate (based on estimated 332 parcels) is \$15,442.41. These high-water outlet costs will be financed through a bonding process to allow property owners to pay the cost over time.

Note that any State funding received will reduce the above cost to property owners.

Answers to Commonly Asked Questions

How will the bonding process work?

These high-water outlet costs will be financed through a bonding process to allow property owners to pay in three ways:

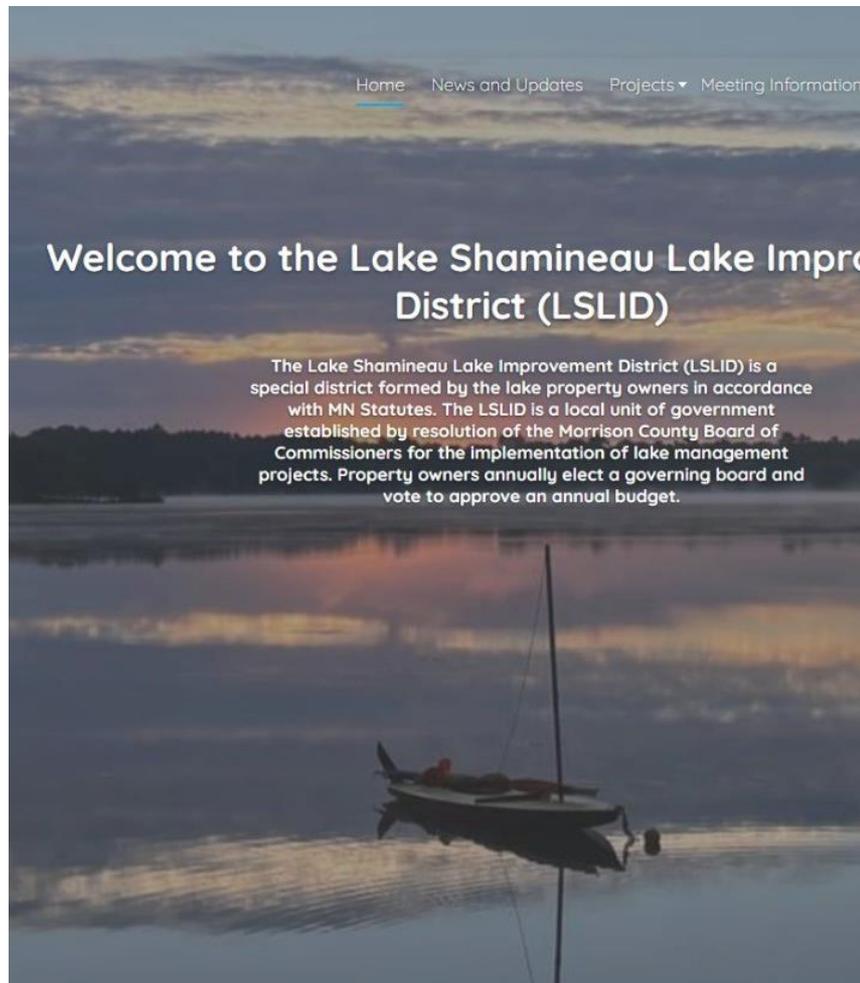
1. Pay the entire amount with no interest after the assessment is approved.
2. Pay over time with a yearly installment of principal and interest each year. The time period not yet been determined; may be 10, 15, 20 or more years
3. The property owners may also pay off the remaining balance at any time during the term of the repayment .

The bonding will not occur until construction is completed – estimated for 2023, so the charge will not occur until 2024.

- **Why do we need to approve the funding with Vote 4 now?**

Vote 4 includes the maximum amount of the project of \$5,550,000. Approval is needed now for the project to move forward to final design, bidding and construction. The project is only weeks away from moving forward to these final steps, and without approval there will be an indefinite delay in the project.

Answers to Commonly Asked Questions



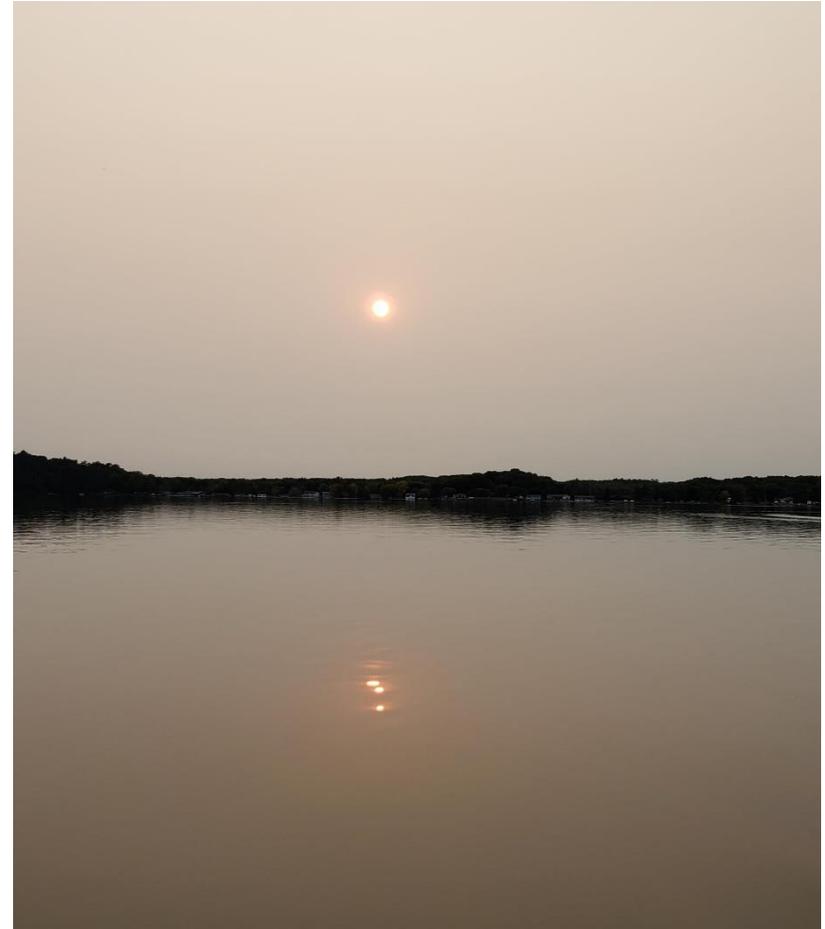
- **I heard that the State has stopped the project. Is this true?**
No. The MN DNR and the MN DOT have recently approved the required permits for the project.
- **When the permits are received, will they be posted?** The permits will be posted as required by the permitting agencies.
- **Where can I find more information on the project?**
The **NEW** LID website includes information regarding engineering reports, financial information, and other information that may be of interest to property owners.

Website: LakeShamineauLID.org

Lake Shamaineau LID Annual Meeting

Other Business

- Be sure to VOTE – through mail-in or online
- *The 2023 Annual Meeting will be held on August 26, 2023*
- Visit the LID website for more information. Documents and notes, meeting recordings, PowerPoint presentations, etc are posted on the website.
- Sign Up to Subscribe to the Newsletter to receive periodic email update (subscriber email addresses are kept confidential).
- ***Don't forget the 300' No Wake Zone on the lake.***



Lake Shamaineau LID Annual Meeting



Next Steps

- The PowerPoint presentations and recording of the meeting will be posted to the website
- **Voting open until August 31**
 - ✓ Paper Ballots need to be postmarked by August 31
 - ✓ Online Voting closes on August 31
- Online Tabulation of results will be available the evening of Sept 7
- **Questions:** Send email to LSLIDBD@gmail.com

Lake Shamineau LID Annual Meeting

Open Forum for Comments and Questions (Rick)

- Raise your hand (through Zoom feature) to indicate that you have a question or comment **OR** let a Board member at Scandia Valley town Hall that you wish to speak.
- Wait to be recognized to speak
- ***When asking questions or making comments, participants should state their name and their property address on Lake Shamineau when called on to speak.***
- Lake Owners will have priority for questions and comments
- Be concise and respectful
- ***Limit your time to 2 minutes or less (Fred Comb will be timing)***



MEETING ADJOURNMENT
