

Lake Shamaineau Lake Improvement District - LSLID 2020 Budget and Voting Information

VOTE 1 Non-Project Operations Budget:

Administrative Expense – including:	8,000	
• Mailings to members – (e.g. printing, envelopes, labels, postage)		
• Meetings – (e.g. handouts, publishing notices)		
• Communications and Finance – (e.g. comm tools, accounting, PO Box)		
Legal and Liability Insurance (MCI) expense	4,500	
Water Quality Testing – RMB Laboratory	1,000	
Floating Bog Mitigation	500	
Inflow Study – (i.e. study wetlands, culverts, ditches, that flow into Lake Shamaineau)	4,000	
Reserves and contingencies	<u>4,515</u>	
Total 2020 Non-Project Operations Budget		\$22,515

Estimated annual per Parcel Charge rate (based on estimated 373 parcels) = \$53.80*

Association annual per User Charge (35% of Parcel Charge) = \$18.83*

Commercial annual per User Charge (35% of parcel Charge) = \$18.83*

* Estimated as of August 2019 per current establishment order

VOTE 2 Aquatic Invasive Species (AIS) Project Budget:

AIS Project costs include:

• Eurasian Water Milfoil Control includes SCUBA pulling & Herbicide treatment	23,000	
• Planning, permits, public notice, pontoon rental, lodging	1,028	
• AIS surveys	3,500	
• Ambassador program	<u>7,000</u>	
AIS Project Expense	34,528	
Less Estimated County AIS Grant	<u>(8,000)</u>	
Total 2020 Aquatic Invasive Species (AIS) Project Budget		\$26,528

Estimated annual per Parcel Charge rate (based on estimated 373 parcels) = \$61.00 *

Association annual per User Charge (35% of Parcel Charge) = \$21.35 *

Commercial annual per User Charge (35% of Parcel Charge) = \$21.35 *

* Estimated as of August 2019 per current establishment order

VOTE 3 High-Water Outlet Project Budget for Pre-Construction and Operations

Pre-construction and operational costs include:

• Prepare final plans and specs, bid and contract documents, bid review and permit costs	37,000	
• Finalize permitting, legal, fiscal, administrative and right-of-way	39,850	
• Land easements and associated costs	50,000	
• Initial Operations and Maintenance budget (assuming pumping Operations begin in the September 2020)	15,000	
• Contingency 10%	<u>14,184</u>	
Total High-Water Outlet Project Budget for Pre-Construction and Operations		\$156,034

Estimated annual per Parcel Charge rate (based on estimated 373 parcels) = \$373*

Association annual per User Charge (35% of Parcel Charge) = \$130*

Commercial annual per User Charge (35% of Parcel Charge) = \$130*

* Estimated as of August 2019 per current establishment order

******See Reverse Page for High-Water Outlet Voting Information (Vote 4 and Vote 5)******

2020 Budget and Voting Information, cont.

VOTE 4 Establish Project to Construct High-Water Outlet¹:

High Water Project cost includes:

- Project Construction based on Lowest Cost Route Alternative as of August 2019 1,811,475
- Contingency 10% 181,000
- Construction Engineering 74,000
- LSLID legal, fiscal, administrative 25,000

Establish Project to Construct High-Water Outlet¹

\$2,091,475

Estimated per Parcel Charge rate (based on estimated 373 parcels) = \$4,998*

Association per User Charge (35% of Parcel Charge) = \$1,749*

Commercial per User Charge (35% of Parcel Charge) = \$1,749*

* Estimated as of August 2019 per current establishment order

See High-Water Outlet Project Plan, Cost and Timeline Attachment (Tan) for more detail information.

¹**Note:** *This voting item includes an estimate of construction costs, construction engineering and legal, fiscal and administration expenses required to construct a High-Water Outlet. This estimated cost of construction is based on the lowest cost route alternative in WSN's Preliminary Opinion of Probable Construction Cost dated July 18, 2019. Approval of this item is required to move the High-Water Outlet Project into construction as early as 2020.*

The costs above do not account for any possible grant funds, including the DNR Flood Hazard Mitigation grant which may reduce costs by up to 50%. The funding of this item is subject to approval of the County Board and the determination of the charging methodology and possible bonding. Costs could be financed through a bonding process to allow property owners to pay their per parcel charge over time. If a bonding process is used and the property owner chooses to pay their charge over time, this cost including any applicable interest, could be spread over an estimated 8 to 12 years.

Vote 5: Does the voter authorize the LSLID Board of Directors to seek delegation of authority from the Morrison County Board of Commissioners to exercise the powers of a city to finance a Lake Shamineau High-Water Outlet Project (such powers may include the levy of special assessments; the imposition of rates and charges; and the issuance of bonds) according to MN statutes chapters 429 and 444?²

²**Note:** *This voting item will allow the LSLID to seek approval from the County Board to bond and finance the High-Water Outlet project and also provide flexibility to determine the charge methodology and to allow property owners to pay their charge over an estimated 8 to 12 years. The High-Water Outlet Project requires approval at the August 2019 Annual Meeting and the approval of the County Board and may be financed by a combination of user charges, ad valorem taxes or special assessments. Approval of this item is required to provide the ability to seek approval of the County Board to establish the funding mechanism for construction of the High-Water Project outlet as early as 2020.*