

Little McDonald, Kerbs and Paul Lake Improvement District
Meeting Minutes
December 12, 2014
PACC

Board Members Present: Les Konley, Ardell Wiegandt, Glenn Schreier, Bill Putnam, Joe Esser and Dan Gleason

Absent Members: Sue Meyhuber, Roger Neitzke, and Mark Plencner

Guests: Mike Opat Moore Engineering, Jeff Volk Moore Engineering/Little McDonald Lake, Angela Willenbring Kerbs Lake and Charlie Starks, Kerbs Lake

The meeting was called to order at 3:33 PM by Joe Esser.

Agenda was present and Ardell moved to accept the agenda. Seconded by Les.

Less made a motion to approve the November 14, 2014 minutes. Seconded by Dan

Correspondence:

Gavin and Tanya McCary submitted a letter with following concerns:

Process of arriving at potential \$8 million in levies

No Absentee Voting

Lack of Privacy in Voting

Voting for an increase of potentially 50% property Tax

County's Levy Increasing by 20 %

No final estimate in the cost of project

Copy of MN Statue 275.60 or Bond Referendum Ballot Notice

Regg and Myrna Wenass submitted a letter with the following concerns:

Excessive Cost of the project

Many properties owners on fixed income and can't afford substantial tax increase or assessment.

Selling house at reduced valuation because of the affect the assessment has on property taxes.

After some discussion the consensus was it time to start looking at besides fixed amount, lakefront footage and property value what other factors need to considered in an individual assessment. The discussion of assessments was referred to the 429 committee. The committee will develop assessment scenarios that meet the following MN Statue requirements:

- 1) The total amount assessed covers 100% of the project cost
- 2) An individual assessment may not exceed the benefits to Individual Property Owner.

The 429 process will probably require hiring an appraiser to help determine if an individual assessment doesn't exceed the individual benefit.

Ardell updated the board on meeting with Devil's Lake. For Devil's Lake to connect LMKP project at 460 ST with an 18 inch pipe was estimated at \$2.5 million dollars. Angela updated the Devil's Lake Lid on the status funding process. Devil's Lake LID Board is holding an informational meeting on possible venting options on December 13th 2014 at 1 PM at the PACC.

New Business:

The December Financial Statement was reviewed

Les made a motion to approve and was seconded by Ardell. The report and will be posted on the website.

There that will need to be paid before December 31, 2015

- A. Focus \$55.60
- B. PACC \$25.00
- C. Perham Printing \$27. 51
- D. Moore Engineering for Completion of Task 1-4 \$36 072.30
- E. Moore Engineering for Soil Boring \$47, 961.09
(Board was presented copies of the Moore Engineering Invoices)

Mike explained the \$7346 extra cost for Phase II was:

1. High Water Issues when determining Lake Levels on Little Pine and Big Pine
2. Surveying of Happel's Crossing
3. Surveying Long Lake Culvert region

Mike will provide the Finance Committee with an itemized breakdown for Barr Engineering Expenses for Phases 1-4 and the analysis of the Soil Boring.

Ottertail County sent a check for additional \$2782.41 for a LID assessment which was deposited in checking account on 12/10/2014 bringing the balance to \$29, 270.18. To the meet the outstanding bills will require using the line of credit.

EAW Update

Mike updated the Board on the EAW Status.

The DNR has concluded it will not allow infested lake pump water into an infested any lake/river without filtration. This means the project will require some type of filtration system.

The EAW is written in draft and is waiting for a response from the DNR in regards to a technical worksheet submitted by Moore engineering explaining the Drain Tile Filtration System. Currently are awaiting a response from DNR. The DNR isn't required to respond until the public comment period but a response before publishing the EAW would be helpful especially if the drain tile filtration system isn't acceptable method. If the DNR doesn't respond by early January Mike will submit the EAW to Bill Kalar of Land Resource and hopefully by end of January submit the EAW to Minnesota Environmental Quality Board for publication in the EQB Monitor thus starting public comment.

As the environment process the LID Board may want to start continue conversations with the properties owners downstream especially with Rush Lake.

Funding Update:

Angela updated the board on current status of funding.

After the November election she contacted the

Governor's Chief Policy Adviser for flooding and disasters and response wasn't as positive as compared to before the election. The Governor is waiting for the Legislature to lead the way such legislation.

Angel also contacted the Head of Hazard Mitigation Planner and director of the Flood Damage Reduction Program. There was a shortage of almost \$3 million dollars to complete project in 2014 and thus those must be completed first. The LID could apply for funds but is no guarantee on money or the length of time for a response.

There is still a possibility of a bonding bill passed in the 2015 Legislative Session. State representative Bud Nornes is drafting legislation to be included in any proposed bonding bill. If the project is included in a bonding bill Angela will asking for help from both the LID Board and its membership. This may require attending hearing, legislative sessions writing letters or personally contacting state representatives.

Doug Heusch is working with Board of County Commissioners for some possible funding for the project. More information may be available as the County Budgeting Process is completed.

Comments to Board Members on Project

The following is a summary of comments board members and concerns presented by Angela

- Wouldn't it be cheaper to run a culvert from Paul/Rusch to Little Mac?
- The cost of this route is now as much as the initial East route to the Otter Tail river. Why?
- Concerned with cost.
- We should have a closed ballot for voting. Concern that people were intimidated when voting? Why wasn't there absentee voting
- There was not enough time to answer questions at the general meeting. We stymied comments. We have paid \$226,000 for ditch 25. No water has been drained yet. This has been money thrown away.

- Appears there has been some confusion as to what they voted on at the November 1st meeting. "We mean we passed a blank check?"

- The LMKP LID hasn't heard from Devils Lake for many years and they are wondering when and how they entered back into the picture.
- The LID Board is trying to ram this project through and only tell the membership what they want to hear.
- With an assessment of \$30,000, they are not sure they will see that much benefit.
- They want to know what their specific assessment will be and are not happy with the uncertainties.

After some discussion it was recommend:

1. There should be a newsletter update to member reviewing 429 Process and difficulties of determining costs for the project
2. Refer the balloting concerns to the By Laws Committee

The next LID Board Meeting will be January 16, 2015 at the PACC.

Les made a motion to adjourn at 6:25 PM Second by Ardell

Bill Putnam, Acting Secretary