

Little McDonald, Kerbs, Paul Lake Improvement District
Board of Director's Meeting, August 24, 9:00 A.M., Perham Area Community Center
Chapter 429 Special Assessment Hearing Minutes (approved)

The Special Assessment Hearing was called to order at 11:00 A.M. by Chairperson Jim Nigg. The agenda was approved with a motion made by Al Bierdeman and a second by Darrell Nordick. Item numbers used in the minutes will correspond with item numbers on the agenda.

1. Introductions of Board members and consultants were made with Board member Mark Plencner attending electronically
2. LMKP-LID Board Attorney John Shockley reviewed the Chapter 429 Hearing process as listed in items 3a through 3f

3a. LID member Trent Swanson made a motion to go to a Public Hearing, second from Roger Neitzke. Motion carried.

3b. Project engineer, Chad Engels, reviewed the Outlet Project to the Otter Tail River including the 5.4 miles of pipe installed, the Paul Lake connection improvements, pumping and filtration systems, construction time line, and project contractors are all from Minnesota. Chad also presented information on the pump station contents, pumping data, lake levels and operation and maintenance. Project Coordinator, Pat Downs, provided information on the annual project costs and total project costs.

3c. Attorney John Shockley addressed the Assessment District Development and gave a detailed breakdown of the three-tier assessment methodology.

3d. Public Comment. This portion of the meeting was recorded for Chapter 429 Committee members and Board members to be able to re-evaluate member concerns. Some LMKP-LID members provided written statements regarding their parcels and assessments. The Following LID members gave oral presentations of their concerns. Dr. George Kupferschmidt, Larry M., representing the Harris parcel, Roger Meyer, Conrad Mac, Ron Metzger, Marlys Mills, Joel Schrock, Erv Tolkinen, Jeff Jones, Dawn Edval, Mike Riley, Terry Ziegler.

3e. A motion to close the Public Hearing was made by Blair Anderson with a second from Boone Caughey. Motion carried and Hearing was closed.

3f. The Chapter 429 Committee will review all written and oral presentation concerns and present an update to the Board of Directors at a future date. A motion was made by David Dunning with a second by Ardell Wiegandt to adjourn the meeting. Motion passed and meeting adjourned at 11:54 A.M.

Board Meeting, Chapter 429 Special Assessment Hearing

Agenda

Call to Order:

1. Introductions: Board Members, Jim Nigg, Blair Anderson, Bill Putnam, Dan Gleason, Denny Davidson, Boone Caughey, Steve Nelson, Steve Kulik, Mark Plencner
Consultants: John Shockley, Ohnstead-Twicheil Law Firm, Chad Engels, Project Engineer, Pat Downs, Project Coordinator, Moore Engineering
2. Special Assessment Hearing Procedure-John Shockley
3. Assessment Hearing
 - a. Motion to go into Public Hearing
 - b. Presentation Report by Engineer
 - c. Presentation Report by Attorney
 - d. Public comments-Please state your name and property address
 - e. Motion to close Public Hearing.
 - f. Discussion by Board on Proposed Assessment Roll.
4. Adjourn

Little McDonald, Kerbs, Paul Lake Improvement District
Board of Director's Meeting, August 24, 9:00 A.M., Perham Area Community Center
Chapter 429 Special Assessment Hearing Minutes (not approved)

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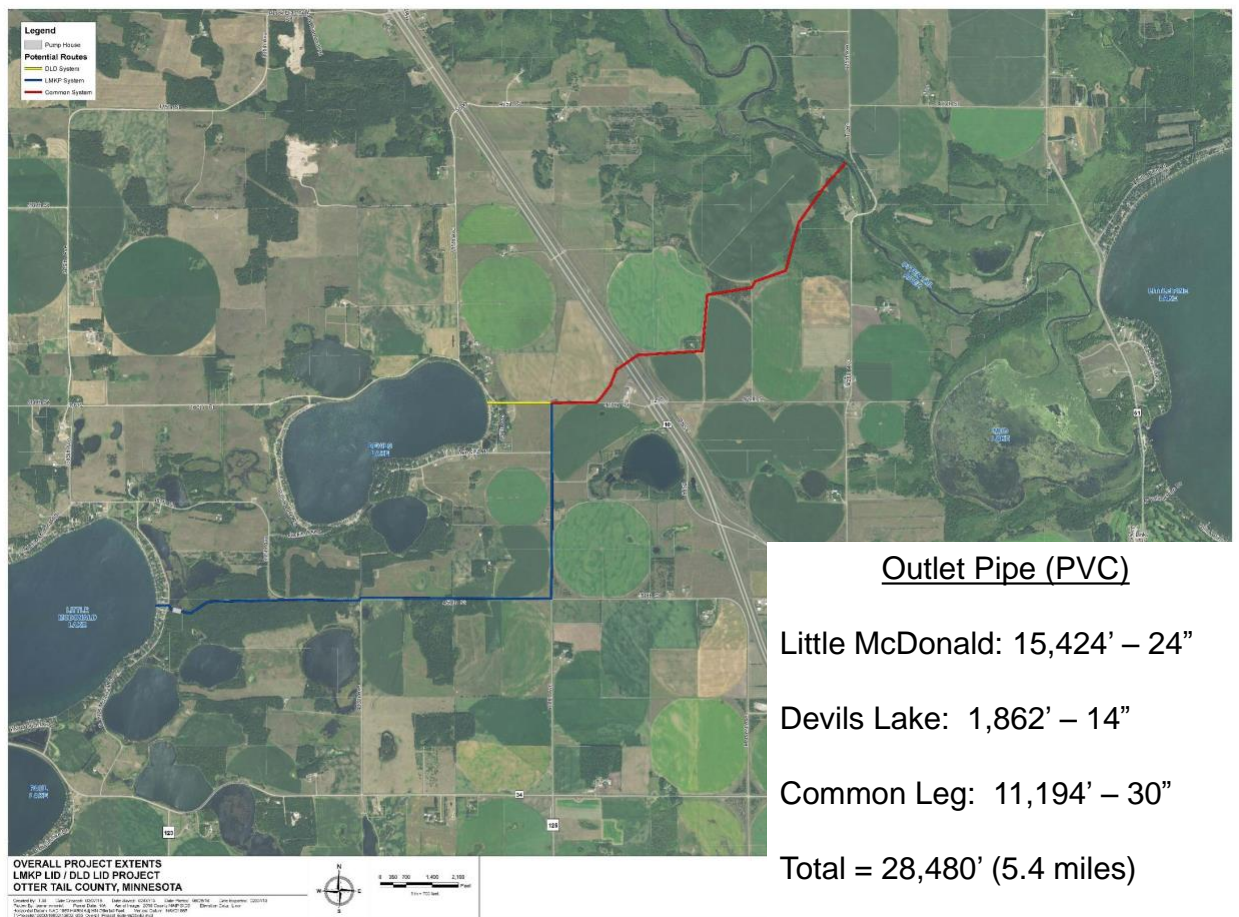
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LMKP Pump Outlet to Otter Tail River

- **Construction Timeline**

- Bids opened on October 3, 2017
- Contracts awarded October 24, 2017
- Construction
 - November 2017 – October 2018
 - Substantial Completion – Oct 2018
 - Pumps operational – September 2018
- Re-seeding and final clean-up in 2019
- Final Completion – August 1, 2019 (Sellin Bros.)



Outlet Pipe (PVC)

Little McDonald: 15,424' – 24"

Devils Lake: 1,862' – 14"

Common Leg: 11,194' – 30"

Total = 28,480' (5.4 miles)

Paul Lake Connection Improvements



Little McDonald Lake

- OHW = 1355.6
- Pump Outlet

Rusch Lake

- OHW = 1356.2
- Control Structure (24")

Paul Lake

- OHW = 1356.7
- Control Structure (24")

LMKP Pump Outlet to Otter Tail River

- Pumping & Filtration System:
 - Combined discharge to Otter Tail River
 - Maximum Permitted Flow = 20 cfs
 - DLD LID = 5 cfs
 - LMKP LID = 15 cfs
 - LMKP System designed to 17 cfs
 - Operates optimally at 14 to 15 cfs



Outlet
Pipe

Filters

Pumping Data

- Pumps Start: Sept 5, 2018
 - Sept 5th through 26th, pumps ran intermittent with testing and calibration – Sept 26 pumps run 24/7
 - Ran thru Jan, 2019. – Off 4 weeks for filter maintenance (Mid Jan to Mid Feb)
 - Ran thru March 23, 2019
 - Downstream Levels are high – Pumps off
 - Pumping resumes – August 1, 2019
 - Downstream levels are allowable

Project Contractors

- Sellin Bros. – LMKP Outlet Pipe, Pump Station Inlet Pipe and Paul Lake Connections
- Geislinger & Sons – LMKP Pump Station
- Crow River – Devils Lake and Combined Outlet

Operation & Maintenance:

- Project Owner/Operator = Otter Tail County
- Operating Plan
 - Downstream water levels
 - Gauges on Little Pine, Big Pine, Otter Tail River and Rush
 - Water Quality (Dissolved Oxygen)
 - AIS (Testing Required June – Sept)
 - Elevation (LMKP lakes)
- Pumps can be operated during the winter

Little McDonald Lake Levels



Peak Elevation – 2011

53" above OHW
1360' (+ 4.4')

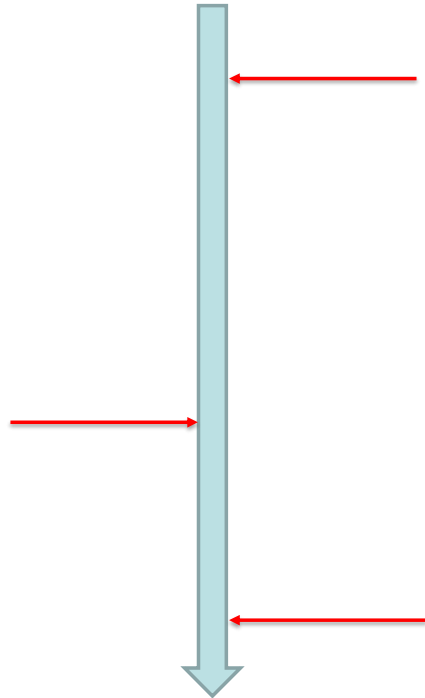
Pumps Start - Sept 5, 2018

30" above OHW
1358.1'

Current Level

10.8" above OHW
1356.5'

OHW = 1355.6'



Operation & Maintenance:

- LMKP LID hired North West Services (Mike Kurkowski) to maintain the LMKP system
 - Handling routine & preventative maintenance and repairs for pumpstation, pipeline and Paul/Rusch Lake connections
 - Annual contract

Operation & Maintenance: (Annual)

- **Electricity - off-peak power rates**
 - \$49,500 (9 months of operation) (\$5,500/month)
- **Maintenance-Service Contract/Operations**
 - \$20,000
- **Insurance**
 - \$9,000
- **AIS Testing & Phone Line** (for the alarm system)
 - \$3,500
- **Property Maintenance & Locating Costs**
 - \$3,000

LMKP/DLD Total Project Cost

- Budget Review: (East route)
 - Opinion of Probable Costs: \$11.8 million
 - LMKP \$7.3 million - DLD & Common \$4.5 million
 - State of MN Funding:
 - \$10.0 Million
 - Estimated Final Costs:
 - DLD LID & Common Leg= \$4.3 million
 - LMKP LID System= \$7.15 million
 - **Total Project Cost = \$11.45 million**
 - **Amount Assessed to LMKP LID \$1.459 million**

Assessment Methodology

Project Amount	\$1,459,000.00	
Total Target Amount (Check)	\$1,459,000.00	
Total Assessment Collected	\$1,459,000.27	
All Parcels		
	No FF Cap	Front Ft Cap
Total Assessed Minimum	\$2,642.04	\$2,703.30
Total Assessed Maximum	\$7,320.19	\$6,985.77
LID Parcels		
	No FF Cap	Front Ft Cap
Total Assessed Minimum	\$2,642.04	\$2,703.30
Total Assessed Maximum	\$7,320.19	\$6,985.77

Ordinary High Water		
Little McDonald (1929)	1,355.60	
Kerbs (1929)	1,355.60	
Paul (1929)	1,356.70	

Tier I - LID Benefit				35%
Level I Percentage				
Level I Target Amount	\$510,650.00			
Level I Total Amount	\$510,649.64			
	No FF Cap	Front Ft Cap	Count	
Level I Minimum	\$643.92	\$654.13		
Level I Maximum	\$4,300.62	\$2,799.05		
Little McDonald	\$335,249.83	\$339,488.02	239	
Kerbs	\$46,421.59	\$42,099.69	24	
Paul	\$128,978.22	\$129,062.38	86	
Not Lake Front Prop	\$0.00	\$0.00	0	
Total Count			349	
Front Footage Benefit				15%
Front Footage Cap	250	Feet		
Building Elevation Benefit				20%
Building Cat I (0 - X)			100%	
	4			
Building Cat II (X - Y)			66%	
	8			
Building Cat III (Y or Greater)			33%	

Tier II - Drainage Benefit				30%
Level II Percentage				
Level II Target Amount	\$437,700.00			
Level II Total Amount	\$437,700.81			
			Count	
Level II Minimum	\$898.77			
Level II Maximum	\$2,723.54			
Little McDonald	\$306,208.09	232		
Kerbs	\$22,469.25	23		
Paul	\$109,023.47	84		
Not Lake Front Prop	\$0.00	0		
Total Count		339		
Parcel Elevation (Ave.) Benefit				
Parcel Cat I (0 - X)	4	100%		
Parcel Cat II (X - Y)	8	66%		
Parcel Cat III (Y or Greater)		33%		

Tier III - Overall LID Benefit				35%
Level III Percentage				
Level III Target Amount	\$510,650.00			
Level III Total Amount	\$510,649.82			
			Count	
Level III Minimum	\$1,463.18			
Level III Maximum	\$1,463.18			
Little McDonald	\$349,700.02	239		
Kerbs	\$35,116.32	24		
Paul	\$125,833.48	86		
Not Lake Front Prop	\$0.00	0		
Total Count		349		

Assessment Methodology

- **Tier 1(35%)** – Actual Benefit to the LID Property owner
 - 20% - Building Elevation
 - 0-4 ft = 100%
 - 4-8 ft = 66%
 - >8 ft = 33% (all properties above this level are equally protected from rising water)
 - 15% - Front footage benefit -Front footage is capped at 250 ft.
- **Tier 2 (30%)** – Parcel elevation (indirect drainage benefit)
 - Average height of parcel(Properties with wetlands were reviewed and adjusted if there was a significant height variation where the wetland significantly lowered the average height)
 - Damage to roads, infrastructure, and parcel will be abated
 - 0-4 ft = 100%
 - 4-8 ft = 66%
 - >8 ft = 33%
- **Tier 3 (35%)** – overall benefit to the LID
 - Equally assessed to all
 - Based on overall water quality as a result of not tearing down shoreline, banks, trees.