

CENTRAL LAKES REGIONAL SANITARY DISTRICT

April 5, 2007

This was the first meeting since February 1, 2007, as the March meeting was cancelled due to the weather conditions.

Wayne Becker gave a detailed Treasurer's Report for the past two months. This included summaries of the three accounts, General Fund, Construction Fund and the Debt Service Fund along with a list of claims for approval. The largest expenditures are to WSN for engineering. Dan Folsom stated that they are on schedule and on budget for the Phase III project.

Bruce Kimmell from Springsted Incorporated led a detailed discussion on how and what would be the payments for users in the Phase III project. This included a breakdown of what a user would pay in User Fees, Property Taxes and Assessments each year for twenty years along with what the payments would be homes with five different Taxable Market Values.

The following are examples using various assumptions: the total payment for years 2007 – 2033 on a house with a Taxable Market Value of \$200,000.00 would be \$22,160.00 with a Net present Value @ 2.5% of \$16,387.00. A house with a Taxable Market Value of \$400,000 would be \$23,916 with a Net Present Value of \$17,906. The total annual cost for a house with a Taxable Market Value of \$21,180 in 2009 (assessment, property tax and user fee) would be \$1,055. These figures are very comparable to earlier estimates even though construction costs are up due to an interest rate of 1% on funding. (We are waiting for pdf files that will provide additional details. We will share those as soon as we receive them.)

John Strand from Rural Development explained various programs that are available from his organization. Due to necessity of the project compared to others and income levels of participants, grant funds are limited leaving only loan funds available. He stated that CLRSD could continue to pursue funding through his organization, but he could not guarantee if and when any funds would be available.

PHASE I

It was agreed to proceed with an income survey of all permanent residents of Lobster Lake (if you are eligible to vote in Moe or LaGrand Township, you will receive an income survey form) to determine if any grants funds are available for this phase. This will be conducted ASAP. Students from the University of Morris working with Rural Development will be doing this. A certain percent of all surveys must be returned and of those a certain percent must be below an income level established by Rural Development. ALL RESIDENTS WHO RECEIVE A FORM ARE ENCOURAGED TO RETURN IT ASAP. More information will be available later.

Recent meetings with ALASD have been very positive and draft agreements are in the process for processing the collection of material from Lobster Lake along with

maintaining the LL system. ALASD will also be operating the mechanical plant and maintaining the treatment system for Phase III. Representatives from CLRSD will be attending the April meeting of ALASD to work on final details.

CAPITAL VISIT

Recently Jerry Haggegeniller, Dan Folsom, Wayne Becker, Jim Barrett and John Stone visited the Capital and Senator Coleman's office. A report was given on these visits. At the capital they visited Representatives Otremba and Westrom and Senator Ingebritsen. Bills have been introduced in both the House and Senate to provide financial assistance both from the state and other state related organizations to CLRSD. The bills are HF 2222 and SF 1600. Check the legislative report for current status. On the Federal level, CLRSD has submitted a \$20.5 million Federal FY2008 Appropriations Request to Senator Coleman and Representative Peterson. Everyone is encouraged to contact their Senator and Representatives asking for their support. Lobster Lake owners from out of the State of Minnesota are especially encouraged to contact their Senators and Representatives.

Next month's agenda will include a review of the proposed assessment policy.

If you have any questions, contact one of the following:

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