

VNP Clean Water Joint Powers Board Meeting

Wednesday November 18, 2015

10:00 a.m.

Cook Land Building

AGENDA

1. Welcome and Introductions
2. Public comments
3. Approve minutes of the October 21, 2015
4. S.E.H. Update
5. Project Funding Status
6. Advisory Board Representative Updates
 - A. Kabetogama
 - B. Ash River
 - C. Crane Lake
 - D. Koochiching
 - E. VNP
 - F. DNR
 - G. MPCA
7. Other Business
8. Next meeting date



MEMORANDUM

TO: Voyageur's National Park Clean Water Joint Powers Board (VNPCWJPB)

FROM: Sara Christenson, Randy Jenniges, and Gary Cerkvenik

DATE: November 18, 2015

RE: VNPCWJPB Update Information - November 2015
Koochiching and St. Louis Counties, Minnesota
STLCO 124128

Board Meetings

The last meeting held was at 10:00 A.M. at the St. Louis County Land Department building on October 21, 2015. See the attached draft meeting minutes for details.

Action Requested: Motion to approve the minutes of the September meeting.

Kabetogama

We'll be holding a public meeting for the Pucks Point District members to ask questions regarding the project. The meeting is Thursday, November 19 at 7 pm.

PFA funding for this project requires a response from each member of the Sanitary District to gauge level of commitment for the project (desire to connect to the system). A Final Commitment Card was sent to all members. See Final Commitment Card, attached.

Township Board plans to award all three projects, Collection, Pretreatment, and Dispersal, at the Township Meeting on December 1.

Township/District is currently working on applications for other project funding, including MN Rural Water Loan and Clean Water Legacy Fund grant.

- See the Final Commitment Card attached.

Ash River

The next conference call with the DNR will be schedule once soil analysis is completed.

Crane Lake

Centralized

- The Handberg Road Extension project is nearing completion. The contractor is finishing the electrical and pump tests. Over the winter the district will look into connections to the forcemain along Handberg Road. The project is projected to come in under budget.

Decentralized

- The District continues to move forward with decentralized system options and further updates can be provided by the Chairman.

Island View

- No significant updates from the last meeting. The Army Corp and State Bonding requests are in and discussed at the last meeting.

PROJECT FUNDING

<u>FUNDING SOURCE</u>	<u>AMOUNT</u>
KOOCHICHING COUNTY	\$30,000
KOOCHICHING COUNTY	\$400,000
MN STATE BONDING 2010	\$100,000
MN STATE BONDING 2014	\$7,817,800
MN LEGACY	\$1,000,000
<u>FUTURE ASSESSMENTS</u>	<u>\$3,500,000</u>
SUBTOTAL FUNDING	\$12,847,800
ESTMATED PROJECT COSTS	\$16,900,000
SHORTFALL	\$4,000,000 - \$6,000,000

Project Funding Status

- Gary Cerkenik to discuss.

Advisory Board Representative Updates

- Voyageurs National Park
- Minnesota Pollution Control Agency
- MN Department of Natural Resources
- Bear Island Association

Meeting Dates

- Action Requested: Propose and approve an upcoming meeting date for October or November.

Invoices

- Action Requested: Propose and approve the SEH Inc. and Costin Group Invoices.

If you have any questions regarding these items, please do not hesitate to contact any of us.

Sara Christenson
218.322.4513

Randy Jenniges
320.229.4378

Mike Larson
218.305.4722

Gary Cerkenik
218.741.0139

schristenson@sehinc.com rjenniges@sehinc.com mlarson@sehinc.com gcerk@me.com

Cc: VNPCWJPB Advisory Committee, Koochiching and St. Louis County Environmental Services staff, Project Area residents (upon request)

Att: VNPCWJPB Minutes from October 21, 2015, Kabetogama Final Commitment Card, SEH Invoice, The Costin Group Invoice
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VNP CLEAN WATER JOINT POWERS BOARD MEETING October 21, 2015

The monthly meeting of the VNP Clean Water Powers Board was held at the Cook Land Department on October 21, 2015. The meeting was called to order at 10:00 p.m. by Chairman Pavleck. Board member present were commissioners Ecklund, Rukavina, and Pavleck. There were no comments from the public.

A motion by Commissioner Rukavina and seconded by Commissioner Ecklund to approve the September 16, 2015 minutes. All voted in favor.

Randy and Gary (via phone) discussed the status of our Federal funding request. There have been State letters of support sent out and Gary recommended that the board send a letter to Congressman Nolan requesting his support. A motion was made by Commissioner Ecklund and second by Commissioner to have the JPB send a letter to the Congressman requesting his support. All voted in favor. At the state level the process continues to get the project on the State bonding bill.

Kabetogama. The new bids have been received it looks like the \$80/EDU target will be made. Work continues on getting the project back on track.

Koochiching. Dale Olson reported that there have been numerous letters of support sent in about the project. The Federal and State funding decision will determine when the project will be able to be completed.

Ash River. Work continues with DNR and St Louis County on the land exchange. Anticipate soil testing results to be available in January.

Crane Lake. The Handberg Road expansion is in the final completion states with punch list items being taken care of. The ISTS management program is in its final stages for implementation. A meeting was held at the USFFS office in Cook to discuss ISTS management of Federal leases in the East Bay area

MPCA. Mike Kennedy provided an introduction and background on the process to work the \$2 million dollar Legacy funds. A three year work plan will be established to include a 25% funding match. The funds will be divided between Island View (\$1M), Kabetogama (\$940K) and Crane Lake (\$60K).

The meeting was adjourned at 11:20 and the next meeting is set for 10.00 at the Cook Land Office building on November 18th.

Submitted by: Rob Scott, secretary

Kabetogama Township

Pucks Point Subordinate Service District

FINAL Commitment Card

Community Collection and Treatment System

In September 2015, Kabetogama Township bid the Wastewater Collection, Treatment, and Dispersal projects. The bids were favorable, and in order to move forward with construction and secure the project funding through MN Public Facilities Authority (PFA), the Township Board needs to know your final intent on whether or not you plan on connecting to the community collection and treatment systems. This includes the easement process, though easement documents will be distributed at a later date.

Funding sources for the project and preliminary estimates are as follows:

Point Source Implementation Grant (through PFA):	\$1,161,200.00
Clean Water Legacy Grant:	\$940,000.00
Iron Range Resources and Rehabilitation Board Grant:	\$250,000.00
Small Community Grant (through PFA):	\$1,553,651.00
Small Community Loan (through PFA):	\$446,349.00
Minnesota Rural Water Association Loan:	\$123,973.80
Other Levied Township Sources:	\$45,548.20

As you can see, over \$3.9 million grant dollars were secured for the project, nearly 88% of the project costs. The Township Board will be adopting an Ordinance in the near future setting user fees for monthly billing to the District members for repayment of the loan portions of the project funding. In order to secure the funding, we need a response from you.

Your Commitment Includes:

- Monthly billing is currently estimated at \$88.70/mos. for capital and operating and maintenance costs, at 100% participation of 70.4 equivalent dwelling units (EDUs). Monthly billing is estimated at \$90.58/mos. at 90% participation and \$99.99/mos. at 75% participation. Note that payment of capital costs will be required for all District members on a monthly basis. Only those that hook up to the system as part of the project will pay monthly operation and maintenance costs. As a result, operation and maintenance costs will increase on a per EDU basis if participation is less than 100%. *Please also note that if you choose not to connect at this time, a connection fee, estimated currently at \$7,850, will be charged to you at the time of future connection. Those connecting now, as part of the project, will not pay a connection fee. Connection to the system will be required in the future, based on County Ordinance, at time of non-compliance of your existing system or at point of sale.*
 - The monthly costs noted above assume immediate upfront payment by DNR for their capital expenses over the 20-year period. The monthly fees will be higher until DNR makes their capital payment. These fees are estimated at \$97.14/mos. at 100% participation, \$102.02/mos. at 90% participation, and \$111.43/mos. at 75% participation. The DNR is required to connect and pay the fee according the legislative language in the last two year's state bonding bills.
- Access for system construction, including grinder pumps and low pressure forcemain, includes hook-up to existing service pipe and electrical breaker. Please note that if the proposed tank is in a location other than your existing tank, the property Owner will be responsible for installation of the service pipe to the new tank.

Benefits:

- Quality of Lake Kabetogama (reduction of nitrogen and phosphorus leaching into the lake).
- Odor issues on Pucks Point reduced/eliminated.
- Increase in property value and reduction in system maintenance.
- Compliant systems for transfer of property ownership.
- Improved water quality for those with wells.
- No future connection fee if connecting as part of the project.

PLEASE SEE SIGNATURE PAGE ON OTHER SIDE

Kabetogama Township is requesting property owners' FINAL commitment on whether to connect to this project. **At least one of the owners of your property must sign the commitment. A failure to respond means a NO Commitment.**

What are your intentions to connect to and sign an easement for Community Collection and Treatment System Project?

Please check ONE:

- Yes, I am / We are **IN** favor of connecting to the project.
- No, I am / We are **NOT** favor of connecting to the project.

Parcel ID Number (if known): _____

Property Address: _____

Property Owner: _____ (signature) _____ (print name)

Return in enclosed self-addressed stamped envelope to:

**SEH
1200 25th Avenue South
PO Box 1717
St. Cloud, MN 56302-1717**

Alternately, scan and email to cmarcusen@sehinc.com, or bring to public meeting on November 19, 2015.

Deadline to deliver: Friday, November 20, 2015 (Must be postmarked by Thursday, November 19, 2015).

Please feel free to contact us with questions:

Colin Marcusen
Project Manager/Engineer – SEH, Inc.
320.229.4359
cmarcusen@sehinc.com

John Stegmeir
Township Board Chair
218.875.3304
johnstegmeir@yahoo.com

A Public Meeting will be held at Kabetogama Township Hall on Thursday, November 19, 2015 at 7:00 p.m. to discuss this project.