

CENTRAL LAKES REGION SANITARY DISTRICT
Meeting October 5, 2006

In the minutes of the September 7, 2006, meeting the levy for 2007 was set at \$75,000.00. This compares to \$50,000.00 in 2006 and \$85,000.00 in 2005.

The project continues to be in three phases:

Phase I: Lobster Lake Area

Phase II: Brandon Township Area

Phase III: Miltona and Irene Area

Phase I, report was give on recent meeting between representatives of CLRSD and ALRSD to discuss working together. As a result a resolution was passed stating that CLRSD Board formally requests that the ALRSD consent to treat wastewater generated by users of the proposed Lobster Lake wastewater collection system subject to such conditions as may be agreed upon by the parties and that the CLRSD Board also requests that the ALSAD consent to operate and maintain the proposed Lobster Lake wastewater collection system subject to such conditions as may be agreed upon by the parties. This resolution will be forwarded to ALSAD for there consideration.

Phase II, WSN reported on work being done in the area to determine what are the various alternatives for providing sewer in the area.

Phase III, WSN is working on design of treatment facility, design of collection system and land easements. An appraisal of land for the treatment facility will be done shortly. Bonds were issued for \$1.1 million on Sept. 21 to cover the interim financing of the Survey and Design of the project. The estimated cost of the project is \$19.4 million. A question and answer sheet was reviewed. A resolution was passed for CLRSD to apply for a loan from Minnesota Water Pollution Control Revolving Fund in the amount of \$19.406 million or the as-bid cost of the project. This consisted of a series of questions submitted by concerned Miltona Township citizens that met on Oct. 2, 2006.

Pat Conway reviewed a number of financial issues.

1. The status of the application with the WIF Fund should be known next week.
2. The application for a grant from TMDL was denied.
3. Information on the PFA loan was reviewed
4. He explained various conditions of obtaining funding from USDA and feels that this may be an option for Phases I and II. Projected rates could be in the 2 1/2 to 3 1/2 range with up to a 40 year amortization. In order to qualify for these loans certain income levels must be maintained. It was agreed to proceed with a salary survey for Phase II to determine if this phase would qualify. This was also was discussed for Phase I and was tabled to a later meeting.

Next Meeting will be November 2, 2006 at 7:30 pm at the Leaf Valley Town Hall.