

Lake Orono Restoration and Enhancement (LORE) project

Proposed Orono Lake Improvement District (OLID)



"Lakes cannot manage themselves."

QUESTIONS & ANSWERS



Lake Orono
Improvement
Association

Lake Orono Water Quality Committee

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Questions & Answers

Lake Orono Restoration and Enhancement (LORE) project questions

Q. How much will the restoration project cost?

- A.** The cost estimate is from \$3,000,000 to \$3,500,000; to be paid by stakeholders as follows:
\$750,000 from lake property owners, approx. 23% of the cost (in 1998 it was 50%)
\$1,500,000 from the State general obligation bonds, approx. 46%
\$1,000,000 to \$1,250,000 from sales tax (or a levy) and City funds, approx. 31%

Q. How will lake property owners pay and how much will it cost them?

- A.** Similar to when the lake was dredged in 1998, lake property owners will be assessed through a unit system. The current calculation of cost per unit is \$4,527.38 including estimated interest over a five-year period. However, the ultimate amount could be between \$4,000 to \$5,000 depending on the final number of units that share the cost, interest rate and interest period.

Q. Do lake property owners all pay the same number of units?

- A.** As in 1998, a unit will be one per household unless you own lake property that is over 10 acres in total. In addition, commercial properties and the City of Elk River will pay a larger number of units, like before.

Q. Am I also considered a City resident and responsible for the City-wide payment portion?

- A.** Yes, as in 1998 that cost will be nominal and even more so with the local sales tax option.

Q. Is the City of Elk River guaranteeing their project funding even if the half-cent sales tax increase gets turned down?

- A.** As reported in the 8/8/18 Star News, the City has a "Plan B" if its \$35 million local option sales tax referendum doesn't pass to instead use a levy to pay for project bonding. No one wants to lose the \$1.5 million from the state and we have five years to claim that money.

Q. Did the sediment exceed contamination levels in testing?

- A.** No; the sediment is good reusable soil.

Q. Are there ways to further reduce the costs?

- A.** That remains to be seen. It primarily depends on the bids received for the construction costs. In addition, with the last dredging in 1998 volunteers performed some of the tasks that were in their professional capacities and that may be possible this time too.

Q. Are there fisheries and wildlife habitat improvements in the project?

- A.** Yes. Specifics will be provided in a future document. There is currently \$200,000 allocated in the budget for these enhancements.

Q. Where are the boundaries for the property tax assessment?

- A.** All of the property abutting the lake. Specifics are currently being determined.

Q. How would the Fox Haven lake access outlot be assessed?

- A.** We believe the Homeowners Association would be assessed one unit for the shared lake parcel, and that the association would decide how to charge out the cost to members.

Q. If the LORE project is approved, what are the timelines?

- A.** The current proposed timelines are: Lake drawdown from Sept. 23-Oct. 23, 2019 and the Construction timeline is December 2019-June 2020.

- Q. Has the water quality committee looked into other ways of dredging the lake?**
- A.** Yes, hydraulic dredging has also been looked into. It is normally used for water bodies that don't have a dam which enables a lake to be lowered relatively easily. It is also questionable as to if practical sites for water settling and deposit are available close enough to the lake. For a lake with a dam we are simply going to get more bang for our buck doing a drawdown.
- Q. Are there plans for doing any dredging in the lower part of the lake?**
- A.** As far as dredging, there aren't any areas that we are currently looking at, but we aren't ruling anything out. For longer-term project planning, we are continuing to monitor all parts of the lake. The DNR will not permit sediment removal to more than the lake's historic baseline depths. However, we should be monitoring changes in the entire lake and creating action plans as needed.
- Q. During the period of time when the lake is drawn down can shore property owners do shoreline projects?**
- A.** Yes, it is encouraged to do shoreline protection projects that would be approved by the DNR and the City of Elk River. Our Lake Orono Water Quality Committee (LOWQC) is discussing creating a shoreline restoration educational program for the drawdown to be led by the Soil and Water Conservation District and City of Elk River with the DNR as a partner.
- Q. Why a drawdown in the fall?**
- A.** That time of year will cause the least amount of fish loss and the slow draw down will cause fish and wildlife to relocate gradually. There was no formal assessment of the fisheries around the dredging in 1998, but the DNR stocked the lake in 1999. This time it is planned to take a survey before and after to help maintain or improve fishing in the lake. Additionally, we are optimistic that a winter freeze on the exposed sediment will result in mortality of curly-leaf pondweed turions (the reproductive "seeds" of this invasive plant). This would hopefully result in a lake-wide reduction in curly-leaf pondweed.
- Q. What is the expected drawdown level?**
- A.** It is planned to be a drawdown of approximately three to four feet. Much lower than that starts to risk disrupting fish and wildlife.
- Q. Where do you plan to put the sediment?**
- A.** The city has identified three locations within seven miles. There may also be additional or closer deposit areas proposed by interested parties when soil reuse is bid.
- Q. Are there any chances of securing any more funds from the state?**
- A.** Nick Zerwas, our MN House Representative, indicated at our LOIA Annual Meeting this year that he would like to continue to pursue money to reduce ongoing lake management and enhancement costs to constituents.
- Q. If we never dredged what would the lake look like?**
- A.** It would gradually fill in and become just channels of the Elk River.
- Q. Why do I have to sign a petition?**
- A.** The City of Elk River and DNR now requires that, for such a large-scale project, its citizens sign a petition to request their properties be assessed to fund it. The petition that the lake association is circulating is for a Lake Improvement District (LID) which will include the restoration project and the capacity to fund ongoing lake maintenance; otherwise two separate petitions would need to be signed—one for the restoration and one for the LID.

Q. Will there be another opportunity for me to voice my opinion?

A. Yes. There will be at least one public hearing and possibly additional information sessions.

Q. Has the lake been dredged before the 1998 project?

A. A few residents have said that some dredging was done when the dam was replaced in 1978. However, we cannot find records to corroborate that. It may be because some fill was used for the spillway and limited dredging occurred to supply material to fill that area.

Proposed Orono Lake Improvement District (OLID) Questions

Q. What is a Lake Improvement District (LID)?

A. It is a local governmental unit (LGU), a political subdivision, established by resolution of a county board, city council or by the Commissioner of the DNR. A LID allows for greater local involvement in lake management activities.

Q. How is it different from a lake association?

A. A lake association is a more informal and fluid organization. It is very flexible, has a lot of discretion in what it can do, and can change its activities easily. A LID is government, and as such it is highly structured and formal. Lake associations are voluntary, but membership in a LID is required if you own property in its boundaries.

LIDs usually grow out of lake associations and are usually formed to formally take on projects that have become too extensive or expensive for a lake association. They often have the same active players in them, but they are two entirely distinct organizations and their activities should be kept separate.

LIDs can only engage in the kinds of activities that its property members and parent government (in this case the City of Elk River) has authorized it to do, and those activities have to be related to improving the lake.

Q. Why is a LID being proposed?

A. It is a method the legislature has provided to fund lake issues locally. It provides consistent funding for projects, and spreads the costs among all lake property owners. In addition, for things like herbicide control, with sufficient funds and approval the entire lake can be treated, rather than the limited percentage that is now allowed by the DNR.

Q. How is a LID structured?

A. It has a board of directors of five to nine people—we are proposing that ours will be five (one from each of the lake districts and one at-large member). For the first year they will be appointed by the City and thereafter elected by the LID members at its annual meeting. Each property owner is a member of the LID. The annual meeting must be in July or August.

Q. Who is eligible to sign the lake restoration and LID petition?

A. Up to two owners of each property within the proposed Orono Lake Improvement District are eligible to sign the petition, and all signatures will be verified by an authoritative source (City and/or County). By signing the petition, you are not agreeing to specific fund amounts as that has yet to be determined (for either LORE or annual lake maintenance). If you do not sign, your vote will be counted as “No.” For a LID to file an application package for City approval, 50 percent of the property owners plus one need to sign for it to be proposed.

Q. How many properties and property owners would be LID members?

A. That is still being finalized but the current counts are approximately 181 properties with 284 property owners listed in the County tax system as eligible signers.

Q. What happens if we do not get a LID?

A. To fund the LORE project, 50%+1 of lake property owners would still need to sign a petition to be assessed to fund the project. For lake annual maintenance, we would continue have to rely on much appreciated but not predictable funds like grants and donations to treat public waters and occasionally scramble for funds for other projects like we have been doing to date. We would likely not have sufficient funds to gain DNR approval for larger lake-wide treatments of curly-leaf pondweed or broader treatment of algae.

Q. How much will a LID cost lake property owners per year?

A. Think of it like a Home Owners Association (HOA) for the lake. It is estimated that after the initial assessment for the LORE project (currently projected to be \$4,000 to \$5,000 paid over 5 years), it will be approximately \$100-\$200 per year depending on the projects that have been approved by its members. By statute, any proposed project over \$5,000 must be approved by the membership at its annual meeting.

Q. What type of projects could a LID approve and fund?

A. The following are samples of some things it could address:

- Help fund restoring Lake Orono by dredging approximately 130,000 cubic yards of sedimentation impairments and reuse the good soil
- Expand curly-leaf pondweed remediation to all infested public and private areas lake-wide (approx. 85 acres) and develop a plan to treat algae
- Improve water clarity and quality in Upper and Lower Lake Orono by further pinpointing harm sources and implementing a reduction plan
- Manage fisheries, habitat and maintain or improve their quality
- Have funds in place to protect Lake Orono from future additional invasive species and provide for future AIS management
- Provide consistent funding to create a DNR-approved vegetation management plan that could permit us to treat more than the 15% of the lake that is currently allowed
- Promote continued point-intercept surveys to measure success of herbicide treatments and monitor lake vegetation changes
- Fund consistent lake depth testing to measure sedimentation reoccurrence
- Aid in creating a lake maintenance fund that complements other funding sources to periodically remove accumulation from a sediment catch basin every five to eight years

Q. I live on the lower lake. Why would I want to approve a restoration project and a LID?

A. The lake has several issues. One is the sedimentation, but if it proceeds into the lower lake you will be affected and it currently hampers everyone's use of the upper lake. There are several other issues, i.e., the turbidity and excess nutrients in the lower lake (that in part causes worse water clarity and quality in the lower lake), maintain the fisheries and wildlife throughout, preservation for future generations, and maintain property values. In addition, you will be helping by spreading the costs thereby making it less expensive for all.

Q. How will LID fees be approved and collected?

A. LID fees must be tied to budgets for specific goals that benefit the lake and are approved by LID members at their annual meeting. The plan must then also be approved by the overseeing government entity and the DNR. Fees, as with other local government taxes, levies and assessments would be collected by the County through property taxes.

Q. How do all lake property owners benefit from a LID?

A. The following are example of benefits for all:

- Sustainable funds to address ongoing concerns/needs, rather than scrambling for funds
- Predictable funds support longer-term project planning and additional costs savings
- Maintain property values
- Enjoy a cleaner, clearer and safer-to-navigate lake for all types of activities (boating, waterskiing, swimming, kayaking, fishing, etc.)
- Protect the Mississippi River by maintaining Lake Orono as a settling basin to keep sediment and sediment-bonded nutrients from flowing downstream
- Help ensure the enjoyment of nature, fish and wildlife for current & future generations
- Maintain our reservoir as a quality lake that is close to the Twin Cities and its amenities
- Everyone pays, everyone benefits

Q. Who assumes legal responsibilities for the actions of a LID and are lake property owners directly liable?

A. The LID Board assumes all legal responsibilities for activities undertaken by the LID and should maintain proper liability insurance as part of its annual budget. In the event a lake improvement district is terminated or fails to meet its obligations, its responsibilities and liabilities pass to the government entity that established the district. The LID is also responsible for preparing an annual report to the overseeing government entity with a copy to the DNR.

Q. How do all lake users and community members benefit from both LORE and the OLID?

A. All Elk River residents who use Lake Orono will enjoy a cleaner, clearer and safer-to-navigate lake that will provide better recreational opportunities and improve wildlife habitat. A managed lake will also maintain and improve its value as a community economic asset. Absent dependable multi-party funding to manage water quality and address sedimentation, existing aquatic invasive species (AIS) will proliferate and recreational water activities; water quality; general lake, human and wildlife health; and appearance will suffer.

Q. Why wouldn't all of the properties upstream of Lake Orono be members of the LID? What they do/don't do affects the lake (e.g. shoreland erosion, land runoff), so why shouldn't they pay too?

A. Under [Minnesota Statutes 103B.521 Subdivision 1](#) the boundaries of the proposed LID are encouraged to be as consistent as possible with natural hydrologic boundaries, which we are following as established by the DNR. Also, the direct benefits to properties owned within LID boundaries from the establishment of the lake improvement district must be stated. It is true that all properties upstream can impact the lake, but improvements that are made to the lake itself do not directly benefit upstream properties. As far those properties providing funding assistance, that was part of the rationale for receiving \$1,500,000 from the State for LORE and also why we are seeking additional ongoing assistance with Representative Zerwas.

What if I have more questions?

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