

Clear Lake Sewer Study-2009

During the spring of 2009, CLBA Board members continued to get questions from lake residents about pollution sources and the future of a public sewer project for Clear Lake. So the CLBA board continued to discuss the issue at spring monthly meetings. The CLBA Board decided it needed to address the questions about the public sewer. Those issues include the need for additional information about costs and the need to investigate other sources of funding, besides the DENR wastewater loan program. Some lake residents have recommended we investigate the possibility of a joint sewer project with other entities.

The CLBA Board had been told that Lake City has been studying a sewer system for their community and that some residents of Roy Lake were interested in a wastewater solution for their lake. This spring members of the board met with representatives from Lake City and Roy Lake to discuss the concept of a joint wastewater project. (There were 15 people present at the first meeting and 18 at the second meeting.) About the same time we discussed a joint meeting, we contacted a state legislator about the possibility of economic stimulus funds for wastewater projects. At two meetings in Lake City, the concept of a joint project was discussed. With respect to costs, a joint project would probably result in some savings on construction costs, but the biggest savings would be on the maintenance side. Individual sewer systems each require a lagoon control structure, maintenance people, part-time treatment plant operator, etc. A joint facility would reduce maintenance costs greatly. The CLBA Board also learned that wastewater project stimulus money was available, but was not sure about the timelines to get the funds.

At the Lake City meeting, Kirk Hansen and Phil George were invited by Terry Helms to attend a meeting in Aberdeen with DENR staff to discuss funding for a Lake City sewer project. Helms and Associates had completed the engineering plans for a Lake City sewer project, and they represented Lake City at the meeting. Because Lake City has only a limited number of users, the DENR staff was interested in hearing about the regional sewer project concept. Both DENR staff and Helms and Associates agreed that the regional concept could make sense since the distances between the users and a potential lagoon site would be minimal and there would be some cost savings. Hansen and George told the DENR staff that cost was an issue for the residents of Clear Lake, and they wanted to know about funding sources. The DENR timelines for the wastewater project stimulus funds would be impossible to meet for any new project not already in the final planning stages. However, even though the DENR staff could not guarantee any future funds, they thought loan funds would be somewhat easier to obtain in the near future, once the current stimulus-funded projects are underway. In addition, DENR staff said that the CLBA could request a small community planning grant from DENR. (In the past, the CLBA has not qualified for the planning grant.) The planning grant provides funds to help pay for the costs of an engineering study. DENR said they would review plans for any new sewer project on different scenarios, including no new sewer system, individual projects and finally a combined regional project scenario.

A second source of funding for sewer projects is USDA-Rural Development. So Kirk and Phil met with Rural Development staff to talk about potential funding sources. Rural Development

provides both grants and loans. However, grants go only to communities with median household incomes below the statewide average. (Lake City has a very low median household income and qualifies for grants.) We learned that Rural Development does not look at just the total cost of the project. They are more concerned about the monthly rate which has to be charged users to pay for project maintenance and loan repayment. In other words, sewer users would not have to come up with individual construction costs for the public sewer. Their monthly rate would include the repayment of loans for construction costs. Rural Development looks carefully at projects from the monthly rate perspective. Rural Development staff said that they believe the next 2-3 years would provide the best opportunities for funding, since they would have access to large amounts of dollars. After 2-3 years, they expect to go back to state allocations and smaller pots of money for projects. On another positive note, Rural Development and DENR work together to provide the best funding package for each project.

During the last week in April, CLBA board members and other lake residents met with Banner Engineering of Brookings. The CLBA board wanted to investigate other public sewer project engineering possibilities and to see if this firm knew of other funding solutions which would lower costs for lake residents

About the same time as these meetings were taking place, individual lake residents have been asking board members about conducting an engineering study to determine a better estimate of sewer project costs. Those residents were willing to make donations to get the study done. At our April monthly meeting, the CLBA board decided to apply for a small community planning grant to help pay for an engineering study. The grant will reimburse the CLBA for only 80 percent (up to \$6,000) of the engineering study costs. An engineering study meeting the requirements of the DENR planning grant will cost around \$10,000. The CLBA Board wanted to raise \$1,500-\$3,000 from lake resident donations to get the best information available about the costs of a Clear Lake sewer project. Once the Board heard that DENR has approved our small community planning grant application, they would ask lake residents for donations. Costs are a critical factor in deciding if a project should move forward. If decisions about the future of the lake are going to be based primarily on project cost, it is time to get the best cost estimate available.

In June, the CLBA Board received approval for a DENR small community planning grant (\$6,000) to conduct a preliminary engineering study of the requirements for a Clear Lake public sewer system. Helms & Associates will conduct engineering and surveying work at the lake this year. They will be contacting lake residents about water use to help determine wastewater flows and holding public hearings to gather input on a lake sewer system. Helms staff will determine the system requirements and estimate the costs of various public sewer systems.

Since the planning grant will pay for only a part of the total cost of the pre-engineering study (\$10,000), the CLBA Board asked lake residents to donate funds to help pay the remaining costs. The Board had already heard from 10-15 residents about their plans to make donations. Some residents have mentioned a \$100 donation. However, the Board will take donations of any size. Lake residents were asked to send a check to the CLBA mail box or give a check to their board representative. The CLBA treasurer will track of the funds donated for this purpose. As of the end of September, about \$3,700 has been raised to help defray the costs of the study.

Members of the CLBA Board of Directors met with Corey Helms of Helms and Associates on October 8 to discuss the Clear Lake Pre-engineering study. The study is part of a small community planning grant that the CLBA received from the Department of Environment and Natural Resources this summer. The grant provides funds to help pay for part of the costs of a pre-engineering study for a public sewer system. The study will determine the feasibility and costs for a Clear Lake public sewer system. The study will include several alternatives for Clear Lake. It is scheduled to be completed by January 1, 2010.

As part of the pre-engineering study, Helms and Associates staff will conduct an engineering survey of the lake. They will be on-site for parts of the next three weeks. They will survey Clear Lake topography and the location of roads, houses and septic tanks. Since the surveyors will need to survey the location of septic tanks, a red flag will be placed at known locations of septic tanks. The CLBA Board of Directors will be helping the surveyors to locate the septic tanks.

Corey Helms indicated that they will conduct two public input meetings as part of the study. The exact dates and locations have not been determined, but they are tentatively planned for October and February. Corey indicated that Roy Lake has also received a small community planning grant for a pre-engineering study. As mentioned in a previous correspondence to lake residents, the possibility of a regional public system has been discussed with Roy Lake residents and Lake City officials. That possibility will be included as one of the alternatives for a Clear Lake public sewer system.