

TOWN OF SILVER CREEK SPECIAL MEETING
STEWART RIVER SUBORDINATE SEWER SERVICE DISTRICT
January 29, 2015

A special meeting of the Town Board of Silver Creek was held on Thursday January 29, 2015 at 7:00 p.m. at the Town Hall for the purposes of discussing the Stewart River Subordinate Sewer District and to review and approve Board Resolution 2015-2 that is in support of our State Bonding application for the construction of the Stewart River Subordinate Sewer District sewer system.

Hoops called the meeting to order at 7:10 p.m.

Members present were: Mike Hoops and Greg Hull, supervisors; Frederick R. Whitney, Clerk. Supervisor Lampart was absent.

Discussion followed as to the overall SRSSD project, the Bond Application and process, the updated cost estimates provided by Wenck Engineering via an email, and the Board Resolution.

Copy of the Wenck Engineering email dated 01-23-2015:

Gents,

I worked on the application today and revisited the cost estimate. The new state capital appropriation cost estimate is \$14.9 million. This does not include money that has already been spent. Julie stated that the cost estimate should include the inflation schedule multiplier as listed within the application under item (10). There is not a new schedule for 2015 so I used the one for 2014. The multiplier is 19.6% (coincidentally similar to what Rep Dill was telling us to increase). \$14.9 million equals the old estimate multiplied by 19.6%. To truth this, I revisited the cost estimates this morning. I included additional inflation on manufactured products and adjusted other unit prices. I came up with \$14.4 million; so pretty close.

I will be out next week attending training conventions. When I return to the office the first week of February I will finish the application; mostly just the funding portion. I have attached the DRAFT application for your review.

Eric

The Clerk updated the Board regarding the "project funding order":

- If the State Bond money is approved, we are to use those monies first.
- Then, we are to utilize any grant funding.
- Finally, a PFA loan is used for the remainder of actual project costs.

If the actual costs come in under the estimates, the PFA loan will be less, and state bonding monies are not returned. If the actual costs come in over the estimates, either the PFA loan is increased, (with Board approval), or the project is cancelled entirely.

Board Resolution 2015-2 was read:

THE TOWN OF SILVER CREEK
RESOLUTION IN SUPPORT OF FUNDING FOR THE STEWART RIVER SUBORDINATE SERVICE DISTRICT PROJECT
Resolution No. 2015-2

Whereas, The Town of Silver Creek, Lake County, has created the Stewart River Subordinate Service District along State Highway 61 from the East side of Two Harbors to the Silver Creek Cliff Tunnel; and

Whereas, the majority of existing individual Subsurface Sewage Treatment Systems (ISTS; aka septic systems) that are currently in service along this corridor are noncompliant or holding tanks; and

Whereas, these noncompliant ISTS are not protecting the public health, safety and waters of the state; and

Whereas, the Stewart River Subordinate Service District's mission is to construct a new wastewater collection and treatment system to serve up to 131 residential and four commercial connections; and

Whereas, the Town of Silver Creek has completed preliminary project design and Facilities Planning; and

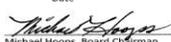
Whereas, the Town of Silver Creek is currently seeking financing for the project; and

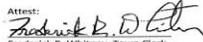
Whereas, the Town of Silver Creek has established this project as it's number one priority.

NOW, THEREFORE, BE IT RESOLVED, that the Town of Silver Creek hereby supports the Stewart River Subordinate Service District project and Bonding Bill Request to help said project.

BE IT FURTHER RESOLVED, that the Town of Silver Creek authorizes the proper Town Officials to submit an application to the office of the Minnesota Management and Budget for the 2015 Capital Budget Bonding Bill Request.

Adopted: January 29, 2014
Date


Michael Hoops, Board Chairman

Attest:

Frederick R. Whitney, Town Clerk

Moved by Board Member Greg Hull, supported by Board Member Mike Hoops, that the above resolution be adopted:

Ayes: 2
Nays: 0
Absent: 1
Abstain: 0

Hull made a motion, second by Hoops, approving the cost estimates of \$14.9 Million and the Board Resolution 2015-2 which is "In Support of Funding for the Stewart River Subordinate Service District project". Motion carried.

Roll Call vote:

Aye – Supervisor Hoops and Hull

Nay – None

Absent – Supervisor Lampart

Abstain – None

There being no further business, meeting adjourned at 7:29 p.m. upon motion by Hull, second Hoops. Motion carried.

Respectfully submitted,
Frederick R. Whitney, Clerk