



MEMORANDUM

TO: Kabetogama Town Board Members

FROM: Sara Lindberg & Colin Marcusen
Project Engineers

DATE: August 1, 2013

RE: Puck's Point SSD Engineering Updates
SEH No. KABET 119468 14

This memo shall serve to provide you with updates on the PPSSD engineering items for the regular meeting on August 6, 2013.

Project Costs

Discussion:

- Total Project Cost Discussed at July 23 meeting: \$2,366,100, plus approximately \$50,000 in land acquisition costs.
- Additional cost to connect two properties at the south end of the project range from \$160,000 to \$200,000. Lower cost to connect through Moosehorn Resort, but easements would be required.

Funding

Discussion:

- Grant dollars will be exhausted by the original project costs (without addition of the two properties on the south end). Therefore all additional project costs will be added to the Small Communities Program loan – 1% loan over 20 years.
- Comparison of monthly user rates with and without the two properties on the south end added into the project costs:
 - Monthly user rates based on a \$2,366,100 project: \$58 - \$70 per ERU.
 - Monthly user rates based on a \$2,566,100 project: \$62 - \$80 per ERU.
- Recommended that the connection of the two properties on the south end be included in the bidding documents as an Alternate. If bid numbers are lower than estimated costs, or if land acquisition costs are lower than anticipated, may be able to connect the two properties and keep rates around \$58-\$70 per ERU/month. If costs are too high, properties should not be connected and should not be charged monthly fees.

Schedule

Discussion:

SEH will continue with preparation of design documents as discussed at the previous meeting. The plans and specifications are anticipated to be submitted to MPCA near the middle to end of October, 2013. Construction is planned to begin in the spring of 2014.

Additional Information

- Members of the sanitary district will be responsible for connection of their sanitary sewer pipe to the new septic tank located on or near their property. Estimated piping costs for a typical single family home are \$1,500 to \$3,000. Costs are highly dependent on the type of soil, or lack of soil, encountered in the area.
- Residents with existing septic tanks and dispersal systems will be responsible for removal or abandonment of the systems. There will be some instances in which a new tank will replace an existing tank and become part of the new collection system. In this case, the existing tank removal is included in the project cost.

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

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Cc: Mary Manninen, Township Clerk and Jill Kiner, Township Treasurer
Enc: Probable Costs, Preliminary Project Schedule