

Lake Delhi GO Bond & Dredging

Public Q&A from the September 16 Trustee Meeting

Below is a summary of the questions asked by the public during the September 16 meeting. The questions and answers have been shortened and cleaned up for easier reading, but are based on what was discussed during the meeting.

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1. What areas of the lake are being considered for dredging?

Public question asked: What areas of the lake are they looking at dredging?

Right now, the main areas being discussed are **Linden Acres/the old island area, the Maples, and the Cedars/North Beach area.**

These aren't necessarily the only areas that could be dredged. The engineers will look at the lake more closely and help determine where dredging is most needed and where the money can have the biggest impact.

2. Is any dredging being done for the Old Chicago development?

Public question asked: Is any of this dredging being done for the new Old Chicago development?

No. The dredging connected to the proposed development is separate from this project and would be paid for by the developer.

The trustees said taxpayer money would not be used to dredge the new cove for the development.

3. Is dredging the Maples worthwhile?

Public question asked: Is it worth dredging the Maples if the narrow corner is still going to be a pinch point?

The trustees said the shallow area they're looking at is farther downstream from that corner and isn't expected to be as large of a project as some of the other areas.

There was some general discussion about where the majority of the dredging could happen, but nothing has been finalized yet.

4. Has a sediment trap near Bailey's Bridge been considered?

Public question asked: Have they looked at dredging farther upriver near Bailey's Bridge to catch sediment before it gets into the lake?

Yes. Sediment traps have been looked at before.

A smaller option was studied in the past but wasn't considered large enough to make much of a difference. A much larger sediment trap has also been discussed.

This is something the engineers can look at again as part of the overall project.

5. Where will the dredged material go?

Public question asked: Where will all of the material they dredge out of the lake go?

That hasn't been completely figured out yet.

The Lake District owns some property that may be able to hold dredged material, but engineers still need to determine how much it can actually handle. Additional property may also be needed.

This is an important part of the project because the farther the material has to be moved, the more expensive dredging becomes.

6. Are these the only areas that could be dredged?

Public question asked: Are the three areas already mentioned the only places that would be dredged?

No. They're basically starting points.

Other coves and shallow areas could be added once the engineers have a better picture of sediment levels, costs, access and where the dredged material can go.

7. Why vote on the bond now if dredging won't start right away?

November elections are the only date allowed for General Obligation referendums for all entities in Iowa.

There's a lot that has to happen before actual dredging can begin—engineering, permits, planning, finding places for dredged material and so on.

The trustees said election timing also played a role. Under current Iowa law, there are limited opportunities to put this type of bond question on the ballot.

Another reason they gave was wanting to transition from the current dam debt into the dredging project while keeping the existing debt-service levy in place. Proposed bond issue can only be voted on with the November general election.

8. Does the bond have to be paid off in 10 years?

Not necessarily. The current financial plan is based on a **10-year repayment period**, but the trustees said GO bonds can legally be financed for longer.

They chose to model it over 10 years because they don't want to still be paying for this round of dredging when the lake may be ready for another round.

9. Will the entire \$9.2 million be borrowed at once?

No.

The **\$9.2 million is the maximum amount voters would be authorizing**. The Lake District could borrow smaller amounts as the project moves along.

For example, they could borrow enough to cover engineering and early expenses first, then borrow more later when actual dredging begins.

10. Could dredging spread zebra mussels or other invasive species?

This concern was brought up because zebra mussels appeared after the previous dredging project.

There wasn't a definite answer about whether dredging equipment had anything to do with their introduction. The trustees said it's something that should be considered as the project moves forward.

11. What happens to the lake and water quality during dredging?

There will be some temporary cloudiness or **turbidity** because dredging stirs up sediment.

During the previous dredging project, piping ran through parts of the lake to move the material. The trustees said the pipes were marked and could be moved or lowered when work wasn't happening.

People were still able to use the lake, although there were areas affected by the work.

12. Will the \$5.43 levy continue before dredging starts?

Yes, that's the plan being discussed.

The goal is to keep the existing **\$5.43 per \$1,000 debt-service levy** in place rather than letting it go away and then asking taxpayers to establish another levy later.

The Lake District could initially borrow a smaller amount for engineering and planning and then borrow additional money as needed.

13. Could taxpayers be paying before actual dredging begins?

Yes.

There will be engineering, permitting and other expenses before dredging actually starts, so there could be a period where project money is being spent but there isn't dredging equipment on the lake yet.

14. Why haven't property owners heard more about the referendum?

Several people brought this up.

There was concern that not everyone uses Facebook, checks the website or regularly reads meeting minutes—especially people who don't live at the lake full-time.

The trustees agreed communication needs to continue and discussed Facebook, flyers, mailings and additional public information.

They also pointed out that, as trustees, they need to provide factual information rather than campaign for a yes or no vote.

15. How much was the bond for rebuilding the dam?

The borrowing for the dam project was \$6,090,000 and done in 2011. There was also discussion about other money that went toward rebuilding the lake and dam, including county and state funding and money raised by the community. **\$3,000,000 from the County, \$5,000,000 from the State and \$1,700,000 raised by donations from the community.**

16. Will the County or State be asked to help pay for dredging?

Yes, the trustees said they plan to have those conversations.

They talked about how outside funding helped with the dam project and said they would like to explore similar partnerships.

At this point, though, **there isn't any county or state funding committed to the dredging project.**

17. What about archaeological/Native American concerns on the disposal property?

The trustees said they've worked through that issue with the appropriate tribes.

There is an identified area that needs to be avoided, but the rest of the property may still be usable.

The engineers will need to look at the property more closely to figure out how much material it can hold.

18. How much did the Lake District pay for the disposal property?

\$350,000 plus cost of preparation of the site.

19. What's the arrangement with the Old Chicago development and lake frontage?

There was quite a bit of discussion about this.

The trustees explained that the Lake District has dealt with shoreline/frontage requests from property owners before. In this case, the developer paid for frontage/access, and some property is expected to eventually be transferred back to the Lake District.

They also said properties in the development that receive lake access would have to become part of the Lake Delhi Taxing Lake District and pay Lake District taxes.

20. How many homes are planned for the Old Chicago development?

A firm number wasn't given during the meeting.

The trustees said they've seen a concept for the development and that it would likely happen in stages.

21. How much has the Linden Acres/old island area filled back in?

They didn't have an exact current number.

The area was dredged to around six feet during the previous project, but portions have filled back in quite a bit.

There was also discussion about previous lake-depth mapping. The expectation is that engineers will want updated measurements so they can compare current depths and see where sediment has built up.

22. Will detailed engineering information be available before the vote?

Not all of it.

The engineering firm was just selected at the September meeting, so a lot of the detailed work still needs to happen.

The trustees said they hope to have more information, drawings and explanation from the engineers available at the October public meeting.

23. Why not complete the engineering before asking voters to approve the bond?

This came up several times and was one of the bigger concerns raised during the meeting.

Some residents felt the Lake District should use money it already has to complete the engineering first. That would give voters a more specific plan showing **where they're dredging, how much they're dredging and what it's expected to cost** before asking for up to \$9.2 million.

The trustees said their reasons for moving forward now include the timing of the current dam debt, wanting to keep the existing \$5.43 levy in place and the limited election dates available under Iowa law.

They also stressed that approving the bond doesn't mean they have to borrow the entire \$9.2 million.

24. How much money does the Lake District collect from its tax levies?

During the discussion, the **\$4 levy** was said to bring in around **\$650,000 per year**, while the **\$5.43 debt-service levy** brings in around **\$888,000 per year**.

Together, that's roughly \$1.5 million annually.

The trustees explained that those funds also go toward existing debt and the ongoing costs of operating and maintaining the dam and Lake District.

25. Why not raise the existing \$4 levy instead?

The trustees said they can't. The **\$4 levy is already at its maximum**. The \$4.00/\$1,000 of tax levy is limited under IA Code 357E (code that establishes the Lake Taxing District).

The \$5.43 levy is different because it's specifically a debt-service levy. In order to continue collecting it after the dam debt is paid off, the Lake District needs to have debt associated with another project.

26. Why authorize up to \$9.2 million without a detailed project plan?

The trustees said the important wording is **“up to” \$9.2 million**.

Voter approval would give the Lake District the ability to borrow as much as \$9.2 million, but it wouldn't require them to borrow all of it.

They also pointed out that dredging is expensive and costs have increased significantly since the lake was last dredged.

Some residents still felt they would be more comfortable voting after seeing a detailed engineering plan and cost breakdown.

27. Can the public see detailed Lake District expenditures?

This came up as a concern.

The trustees said meetings, minutes and financial information are public. The concern was more about making it easier for people to see detailed expenditures—who was paid, how much and what the payment was for. Trustees are looking to add additional information regarding financials onto the lakedelhi.org website.

28. How much money is currently in the General Fund?

The balance discussed at the meeting was approximately **\$2.3 million**.

29. Why not use some of the \$2.3 million for engineering first?

This was another major point of discussion.

The suggestion was that the Lake District could have hired engineers earlier, developed a detailed dredging plan and then gone to voters with more information.

The trustees again pointed to the timing of the current debt and their goal of keeping the \$5.43 debt-service levy in place.

They acknowledged the concern but said moving forward with the referendum now was the approach they had chosen.

30. What happens if the bond doesn't pass?

One suggestion from the public was to use available Lake District funds to finish the engineering, identify exactly what needs to be done and potentially bring another proposal back to voters later.

The trustees listened to the suggestion, but **no decision was made about what they would do if the referendum doesn't pass.**

31. Can residents sign up to receive Trustee meeting agendas?

Yes.

Residents can sign up to receive meeting information electronically. Contact Laurie Kramer lauriekramer54@gmail.com to be added to the lake email list.

Monthly Trustee meetings can also be attended through Zoom.

32. Could other areas, such as Schneider's Cove, eventually be dredged?

Possibly.

The trustees said the three areas being discussed aren't the final list. Engineers could identify other coves or shallow areas that make sense to include.

Cost will be a big factor, especially whether there's a nearby place to put the dredged material.

33. Will people still be able to use the lake during dredging?

Yes, but there will probably be some inconvenience and temporary restrictions.

During the last dredging project, equipment and piping were moved when possible to keep areas accessible. The piping was marked and could sometimes be lowered when work wasn't happening.

There was also discussion about possibly putting limits into the dredging contract to reduce disruption during busy boating times.

34. How long is the dredging season?

The discussion suggested dredging could potentially happen for **10–12 months of the year**, rather than just during boating season.

That could allow more work to happen during the quieter months.

The actual dredging schedule hasn't been determined yet.

35. Can the meeting recording be shared with the public?

The trustees said the meeting was being recorded and agreed to look into sharing the public-question portion.

This came up as another way to get information to people who couldn't attend.

36. What other debt does the Lake District currently have?

The main debt discussed was the debt from rebuilding the dam.

Previous dredging-related debt has already been paid off. See minutes for other debt on website lakedelhi.org

37. Where can residents find information from the Trustees?

Residents were directed to the **Lake Delhi website** for Trustee information, meeting notices and related documents.

They also discussed making it easier for people to sign up for meeting notices and receive information directly.

38. How was the \$9.2 million amount calculated?

The number was based on what the Lake District believes it can support while keeping the existing **\$5.43 debt-service levy**, along with around **\$250,000 per year from the existing \$4 levy**, over a modeled 10-year period.

The Lake District's taxable valuation also factors into the calculation.

The \$9.2 million is the **maximum amount that could be borrowed**, not necessarily what will actually be borrowed or spent.