

2008 Harbor Lights Repair Project Report

Sanitary District #1

Town of Lyndon - Sheboygan County

Project Description: *In the Harbor Lights resort area, there are two sections of sewer main that have sagged and represent a potential for major service disruption in the event of a break in the main. Project planning for repairs was initiated in 2008. Repair work will likely extend into 2010.*

1) Harbor Lights Court - Main located between Manholes #6 and #6A - Sag has existed since 1991 and it continues to worsen, MH # 6A should be 8 inches higher than MH #6 but it has sunk approximately one foot whereby MH #6A is currently 4 inches below MH #6; thus the sewage has to flow uphill to reach MH #6.

2) Harbor Lights Road - Main located between Manholes #4 and #5 underneath the road. This main serves the entire Harbor Lights area and Circle Drive. A portion of this main had to be reinstalled with piling support when the system was originally built due to soft soils and settling.

| Account Balances | |
|---------------------------------------|-------------------|
| Asset Accounts | <u>12/31/2008</u> |
| 1. Harbor Lights Repair Sinking Fund | 2,900.16 |
| 2. MMIA - Unused Loan Funds | <u>83,257.19</u> |
| Total Asset Accounts | 86,157.35 |
| | |
| Liability Accounts | |
| 1. Liability - NEBAT Loan | <u>90,000.00</u> |
| Total Liability Accounts | 90,000.00 |
| | |
| Total Assets minus Liabilities | (3,842.65) |

| Project Income & Expense | |
|---|-------------------|
| INCOME | <u>12/31/2008</u> |
| 1. Harbor Lights Sinking Fund Interest | 0.16 |
| 2. Interest Income on Unused Loan Funds | <u>477.17</u> |
| Total Income | 477.33 |
| | |
| EXPENSES (Funded by NEBAT Loan) | |
| 1. Bank Loan Application Fee | 250.00 |
| 2. Interest Expense on NEBAT Loan | 0.00 |
| 3. Project Payouts | |
| 12/1/08 - Invoice #10035.001 | |
| A. Subsurface Exploration | 2,770.00 |
| B. Contract Documents | 892.50 |
| C. Permit Submittals | 2,970.50 |
| D. Reimbursable Expenses | <u>336.98</u> |
| | <u>6,969.98</u> |
| Total Project Expense | 7,219.98 |
| | |
| Net Project Expense (Expense minus Income) | 6,742.65 |

| Financial Notes |
|--|
| A. Interim Financing Established with National Exchange Bank & Trust on 11/13/08 |
| B. Interest only Interim Loan is for one year at 4.6% interest, payable quarterly |
| C. MMIA - Unused Funds from Interim Loan earning 4.6% interest |
| D. District will pursue long term financing through DNR Clean Water Funding Program |
| E. Sinking Fund Reserve started in 2008 as means to reduce future long term financing payments |