



Lewisville Minnesota - Funding Request Fact Sheet

BACKGROUND

The City of Lewisville is in desperate need of new city-wide sewer and water system including road reconstruction due to the age and condition of these facilities. The City conducted an analysis of these facilities and determine they are in extremely poor condition and need to be replaced ASAP. In fact, the roads are at a point as shown on the attached pictures that grass is growing up through the roads throughout the City to a point where they literally are mowing the streets !!!

There are numerous reasons why they have turned to the State of Minnesota for financial assistance including the fact that the City is most definitely strapped financially due to the following **recent catastrophe** –

The City recently needed a new wastewater treatment plant (WWTP) due to its age and condition which they undertook. They paid to have the project designed and hired a contractor to construct the new WWTP at a cost of \$2,800,000. Unfortunately when they turned on the switch to the new WWTP **it did not work !!** The contractor ultimately went bankrupted so the City had no means to get reimbursed for this loss. In turn they had to pay for the WWTP project to be redesigned and rebuilt the very next year at an additional cost to the City of \$3,000,000; the 2nd WWTP is working just fine. This very unfortunate situation and **financial hardship** has financially strapped us in our current and future financial obligations in the City and left the residents and City with no funds or capacity to pay for the new sewer, water or roadway facilities. The City has indebtedness of \$1,028,000.00, the City's reserves are very low due to ongoing replacement of sewer line hook-ups that are now failing due to the project that failed. The City residents are already being charged high for property taxes with the City's tax rate already at 127.07%.

PROPOSED PROJECT

In order to replace the old and antiquated sewer, water and roadway facilities, the City of Lewisville proposes to complete the following project at a cost of \$6,000,000 which the City is willing to pay for a portion of this project (10% of the project costs or \$600,000) for a **net request from the State of \$5,400,000** –

Project –

- 1) Replace the entire 60-year-old sanitary sewer system with 10,000 linear feet of 8" PVC sewer including new manholes



- 2) Replace the entire 60-year-old watermain system with 10,000 linear feet of 6" PVC watermain including new gate valves and hydrants.
- 3) As part of replacing the sewer and watermain project, the City proposes to repave all streets within the City which are also 60-years-old.

Reasons for the Request –

- 1) The City is in dire financial situation due to having to pay for 2 new WWTP's as described above.
- 2) City of Lewisville has one of the highest utility rates (sewer plus water) in Minnesota at an average monthly rate of \$120/month/resident.
- 3) City of Lewisville has one of the lowest MHI at \$47,750.
- 4) Sewer and water facilities are over 60 years old and have to be replaced due to their condition and age.
- 5) Lewisville is literally mowing their roads due to their age and condition.
- 6) Inflow and Infiltration in their sewer system.
- 7) Freezing water tower.
- 8) Lead services throughout City due to their age and cast iron watermain – need to be replaced due to health concerns.

Financial - The fundamental reason for this \$5.4 million request is due to the fact that our community is financially strained due to having to pay for 2 WWTP's. In addition, the current pandemic has especially been hard on Greater Minnesota communities for businesses, economic development and jobs. Our current financial situation prohibits our community from being able to fund these projects.

Pictures of Roads – Please see the condition of our city streets as shown on the attached pictures.

Thanks you for your support and consideration of our request !!

City of Lewisville



Above picture shows grass growing right up the cracks in the street.



Above picture is a street view of the cones and the grass growing in the street.



Closer view of the cracks in the street that are blocked off by cones so no traffic drives on it to prevent further damage to the street.



Closer up view of the cracks in the street.