

LLWCID Halftime

REPORT

With the calendar year half behind us, let's take a moment to summarize some District issues. Please remember to respond to the lake management poll near the end of the report. We want your input!

I like to ask two questions. Are we doing the right things? Are we doing the things right?

TAX RATE

Per the Texas Tax Code, LLWCID will hold a meeting of the Board of Directors at 1:00 p.m. on Thursday, September 1, 2022, at 402 Cedar Street, Abilene, Texas 79601 to adopt a tax rate for tax year 2022-2023. The state mandated Water District Notice of Public Hearing on Tax Rate appears at the end of the report. The proposed tax rate is \$.3750 per \$100 of value which is a decrease of \$0.005 as the rate continues to decrease as it has since 2010.

The recommended tax rate was determined after a workshop to draft the annual budget for the District's Fiscal Year beginning October 1, 2022 and ending September 30, 2023. In considering the budget and setting the tax rate, the Board considers the balance between the expense of maintaining a safe, secure, and beautiful lake environment against the financial burden which property taxes place upon the District's members. If you have any questions regarding this Notice of Public Hearing on Tax Rate, please call the District office at 325-690-0835 or email llwcid@llwcid.org.

CASH MANAGEMENT

Tax revenue goes into the General fund and covers lake O&M. Two years ago, we combined the Major Improvement Project fund (MIP) with the Capital Improvement Project fund (CIP) to simplify things since one just fed the other. We also established the General Fund Endowment (GFE) as a place to put oil revenues with the interest earned being applied to tax reduction. The MIP fund is maintained at \$500k invested in 6-month CDs (as a Water District, we are very limited by the State in investment options). The GFE current balance is already up to \$105k. Its interest income at today's rates is not dramatic but looking down the road a dozen years, a \$1m balance with higher interest rates can cover a nice piece of operating expenses.

DAM AND SPILLWAY REPAIR

It's natural to step out our back doors and enjoy this wonderful lake without thinking about the responsibility of actually managing a lake and operating a dam. We can look at the spalling, cracks, and missing chunks of the service spillway and know that we have issues. The original spillway was a wooden structure on a stone masonry base. That stone base was later encapsulated in concrete. In 2022 Halftime Report

1975, WTU did repairs on the east 200' and extensive repair on the west 100'. That repair is failing. TCEQ did their 5-year dam inspection and gave us "overall poor condition." In addition to the spillway, there are issues regarding the west headwall, emergency spillway and discharge channel, low-flow outlet, service spillway downstream head cutting and undermining, parapet sealing, and brush and animal control. Unless corrected, these conditions may cause the District to be liable for any downstream damages.

I invited over 25 Texas engineering firms with significant dam experience to answer an RFQ and the Board selected HDR, Inc. as the District's consulting engineering firm based upon their capabilities, experience, familiarity with our conditions, and being the best fit to District needs. HDR is tasked with TCEQ compliance issues, hydrology, design of repairs and improvements, and creation of a functional multi-year O&M plan.

Heather handled the tedious process of writing a grant proposal through TCEQ for a 2022 FEMA High Hazard Potential Dam grant and was awarded \$142,500! Heather is fantastic and will be making another proposal for additional funding in the next round of FEMA grants. These grants are for engineering services and she will be working with HDR on other grants for actual construction. High hazard classification does not mean our dam is in immediate danger. It refers to the possibility of downstream property damage and loss of life. Since we are in an urban area, we are classified as high hazard.

Heather is also getting us back up to speed by updating our Emergency Action Plan (TCEQ requirement) and working with H2O to update our Hazard Mitigation Plan (required by FEMA). She is also coordinating our required 5-year Tabletop Exercise, bringing together District representatives, emergency management personnel from various entities, TCEQ, and our consulting engineers, HDR, as facilitators. The exercise walks participants through a variety of incidents, from observed minor seepage to catastrophic failure, and the needed response and coordination for each type of event.

DROUGHT AND DREDGING

Dredging is an ongoing task and many lakes dredge on 20-30 year schedules. We don't know how much, if any, dredging was done in 1913 with the breach of the dam. WTU dredged 700,000 cubic yards in the 1950s. The District dredged about 700,000 cubic yards in 2004-2007. This indicates that we need to remove about 700,000 cubic yards during a 50 year cycle just to keep up. The District's efforts were a combination of hydraulic dredging and wet mechanical dredging. We are about 20 years into the next 50 year cycle. It's common to dredge incrementally as conditions and opportunity warrant rather than trying to do a whole body at once. The wet mechanical dredging that was \$18 per cubic yard in 2007 is now in the neighborhood of \$38 per yard and thirty years from now can be \$120++ per yard. Incremental hydraulic dredging can be similar cost, depending upon volume and distance. Current hydraulic mobilization cost for Lytle can be pushing \$1m before the first mud flows.

The lake is currently 6' below spillway and we are losing about 10" per month during this hot weather. Long range forecasts into next year do not show any relief. This means we may be able to get equipment into the lake bed for dry mechanical dredging which is a good deal less expensive than other methods and is currently in the neighborhood of \$22 per cubic yard.

Heather is working on a dredging permit through the U. S. Army Corp of Engineers so we can have it in hand if conditions become favorable for dry mechanical dredging and if the District wants to take advantage of it. It may be that we can remove on the order of 200,000 yards without a tax increase. When we see how/if this opportunity unfolds, we'll bring options before the members seeking consensus one way or the other.

FISH KILL

Many have noticed the first wave of the current fish kill. This is due to low oxygen levels caused by heat and shallow water. The big Yellow cats are the first to go as they are most demanding of dwindling oxygen and resources. Heather moved Matt and Ron, our landscape crew, from landscape to removing dead fish and they have removed about 2,000 pounds so far. Another 1,000 pounds wound up at the vulture smorgasbord on the face of the dam and no telling how many just sank. We can't predict when the next wave will happen or what species will be involved. You may have seen on local media that Willow pond had its fish kill a few days ago. Bass pond may already be dead as its algal bloom happened a few weeks ago. Heather is working with Michael Homer, TPWD Inland Fisheries Division District Supervisor. Michael is also working with the City on their lake oxygen issues. Michael's recommendation is dredging and subsurface aeration. Aeration has many benefits in addition to oxygenation and Justin will elaborate below. The District will continue to monitor the fish kill and pick up dead fish. If you have some that need removal, please call Heather at the District number and leave a message.

SHORELINE CLEANUP

The District will have cleanup crews working the shoreline, removing limbs, pipes, bottles, cans, and basically anything that does not belong in the lake bed. These are not normal District employees but will have yellow safety vests so you can identify them as friendly. They will not access the lake through private property without prior permission. If you see them, please consider thanking them for their hard work and toss them a water bottle.

CURRENT HAZARDS

Low water level is exposing several submerged hazards. The District will continue to remove these. While the lake level is this low, operation of recreational powered watercraft is unsafe and should be avoided.

Thank you for the privilege of helping the District. If you have any questions or comments, please contact me at your convenience: Jim McCathren, President jim@mccathren.com
669-2584



LAKE MANAGEMENT

Irrigation:

As Jim mentioned above, the lake is currently at least 6 feet below the spillway and continues to drop. Please remember that the District Policies, Rules, and Regulations prohibit irrigating from the lake once the lake levels have reached 6ft below spillway. Please do your part to help keep what water is left in the lake available for the fish population who have thus far survived.

Hazards Notice:

Please use caution if boating, jet skiing, or swimming in the lake. The low water level has exposed several large limbs and pieces of debris that are difficult to see while on a boat. Red buoys have been tied onto the largest hazards and buoys will continue to be placed onto new hazards as they surface. Our groundskeeping staff is working diligently to remove hazards, however, some trees and limbs are embedded in the lake bottom and will require special equipment for removal. Thank you for your patience and caution!

Lake Management Poll:

You will read below a proposal for lake aeration. In order to determine the District's interest in pursuing and investing in aeration, please send us your opinion via **email** or **text**. Please send an email to llwcid@llwcid.org with either a "Yes, lets do this!" or "I don't think this is necessary." You may also text your response to **325-669-2584**. If you have further questions about lake aeration please do not hesitate to reach out to me and I am happy to assist. Please send your poll responses no later than August 24th. Thanks for taking time to provide your input! Your opinions are necessary for efficient Board meeting discussions and good decision making.

Best,

Heather Henderson

LAKE AERATION

The District is requesting feedback from our members concerning measures to protect the lake's health, namely the quality of the water and the ecosystem it supports such as the species of fish. Lake Aeration is a commonly used tool in lakes similar in size to Lytle Lake for maintaining the health of the lake itself. Aeration Systems enhance oxygen levels in the water, improve the circulation of the water and reduce stratification levels from the surface to the bottom. Why is this important to evaluate for our lake? Low oxygen levels can be harmful to fish and may lead to large numbers of the population dying at once commonly called a 'fish kill'. They can also be responsible for rapid accumulations of algae otherwise known as 'algae blooms'. This rapid accumulation of algae or eutrophication thrives in conditions with low oxygen levels coupled with high levels of nutrients such as nitrogen. These blooms can range from harmless (other than an unsightly discoloration of the water) to damaging to the ecosystem when the algae secretes toxins. Our Bass pond is currently an example of algal toxification and Willow pond is currently an example of an algal bloom on its way to toxification.

Stratification is another common problem in lakes and ponds when aeration is not utilized. If you've ever maintained a fish tank, you understand how quickly issues can take hold when water is not circulated properly.

The pros of aeration as a lake management tool:

- Improved water quality.
- Less odor
- Less muck
- Potential for some mosquito reduction
- Improvement of habitat

The cons:

- Initial cost of \$80k.
- Operational cost of \$150 per month.
- Pipes and diffusers on the lake bed.

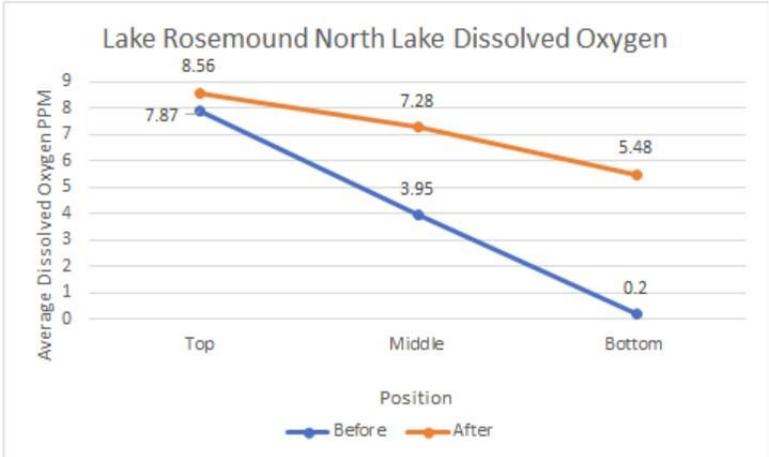
As an example, North Lake Rosemound is a lake the same size as ours and their management includes diffusers and compressors as shown below:



Diffusers and weighted airline are laid on the bottom of the lake. Compressors can be located in the most convenient place. Their noise level is <60 dB, about the same as normal conversation. Lake Rosemound diffusers and compressors look like this:



Their change in O2 levels:



Diffusers work like this (loosely laid in a swimming pool for illustration):



Before and after pics from vendors (red markers are not part of the aeration system):



The column of diffused air can be seen on the surface near the center red marker.

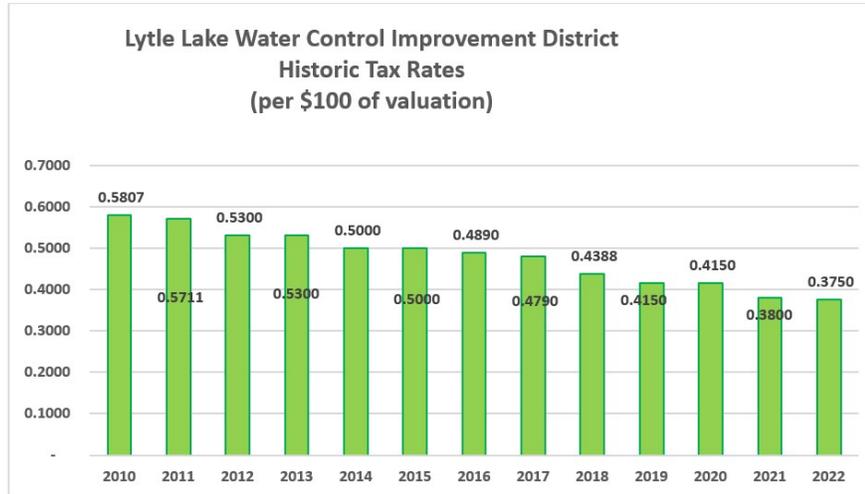


All the foreseeable benefits and risks need to be evaluated which is why this District's Board of Directors is interested in knowing your opinion as part of the information gathering portion of this project.

Thanks,
Justin Crowe

TAX RATE NOTICE

Dear LLWCID Members,



As required by the Texas Tax Code, the Lytle Lake Water Control and Improvement District will hold a meeting of the Board of Directors at 1:00 p.m. on Thursday, September 1, 2022, at 402 Cedar Street, Abilene, Texas 79601 to consider adopting a tax rate for tax year 2022-2023. The state mandated Water District Notice of Public Hearing on Tax Rate appears on the next page. Taxpayers or other residents of the District attending the meeting will be given the opportunity to address the Board regarding the proposed tax rate.

The proposed tax rate is \$.3750 per \$100 of value.

The proposed tax rate would increase total taxes in LLWCID by 6.35%

The proposed tax rate is \$.005 less than last year's rate. However, the appraised value of District property increased 7.8% resulting in a tax increase. Based on these rates and values, taxes will increase on the average homestead value (as determined by the Central Appraisal District) by \$115.04 – a 6.35% increase from last year.

The recommended tax rate was determined by the District's Board of Directors after a workshop to draft the annual budget for the District's Fiscal Year beginning October 1, 2022 and ending September 30, 2023. The Board will vote on the budget at the September 1 Board meeting. In considering the budget and setting the tax rate, it has always been the priority of the Board of Directors to consider and balance the cost and expense of maintaining a safe, secure and beautiful lake environment against the financial burden which property taxes place upon the District's taxpayers, both individually and collectively. Since 2010, the LLWCID tax rate has steadily decreased and is still the lowest rate in the City of Abilene.

If you have any questions regarding this Notice of Public Hearing on Tax Rate, please call the District office at 325-690-0835 or email llwcid@llwcid.org.

Sincerely,

Jim McCathren, President

Water District Notice of Public Hearing on Tax Rate

The Lytle Lake Water Improvement District #1 will hold a public hearing on a proposed tax rate for the tax year 2022 ON September 1, 2022 at 1:00 P.M. at 402 Cedar Street, Abilene, Texas.

Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property. The change in the taxable value of your property in relation to the change in the taxable value of all other property determines the distribution of the tax burden among all property owners.

FOR the proposal: Jim McCathren, Patty Knight, Randy Barnett, Rusty Beard
 AGAINST the proposal: none
 PRESENT and not voting: none
 ABSENT: Justin Crowe

The following table compares taxes on an average residence homestead in this taxing unit last year to taxes proposed on the average residence homestead this year.

	Last Year	This Year
Total tax rate (per \$100 of value)	<u>.380</u> /\$100 Adopted	<u>.375</u> /\$100 Proposed
Difference in rates per \$100 of value	\$ <u>-.005</u> /\$100	
Percentage increase/decrease in rates(+/-)	<u>-1.32</u> %	
Average appraised residence homestead value	\$ <u>476,642</u>	\$ <u>513,650</u>
General homestead exemptions available (excluding 65 years of age or older or disabled person's exemptions)	\$ <u>233</u>	\$ <u>211</u>
Average residence homestead taxable value	\$ <u>\$476,409</u>	\$ <u>513,439</u>
Tax on average residence homestead	\$ <u>1,810.35</u>	\$ <u>1,925.39</u>
Annual increase/decrease in taxes if proposed tax rate is adopted (+/-)	\$ <u>115.04</u>	
and percentage of increase (+/-)	<u>6.35</u> %	

If the proposed combined debt service, operation and maintenance, and contract tax rate requires or authorizes an election to approve or reduce the tax rate the Lytle Control Water Improvement District proposes to use the tax increase for the purpose of Operations and Maintenance.

If the district is a district described by Section 49.23601:

NOTICE OF VOTE ON TAX RATE

If the district adopts a combined debt service, operation and maintenance and contract tax rate that would result in the taxes on the average residence homestead increasing by more than eight percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23601, Water Code.

If the district is a district described by Section 49.23602:

NOTICE OF VOTE ON TAX RATE

If the district adopts a combined debt service, operation and maintenance and contract tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

If the district is a district described in by Section 49.23603

NOTICE OF TAXPAYERS' RIGHT TO ELECTION TO REDUCE TAX RATE

If the district adopts a combined debt service, operation and maintenance, and contract tax rate that would result in the taxes on the average residence homestead increasing by more than eight percent, the qualified voters of the district by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the voter-approval tax rate under Section 49.23603, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

AGENDA
143rd Board Meeting

Call to Order and Invocation

Receive Comments from Public and/or District Members

Minutes of Previous Meetings

- 141st Meeting—July 21st, 2022
- 142nd Meeting—July 28th, 2022

Member Business

- Lytle Way Circle Easement

Critical Business

Financial Report

- General Fund Budget FYE 2023 Approval
- 2022 Tax Rate
- 2022 Audit Firm Approval

President's Report

Other Business

- Randy Barnett Mooring
- Lake Hazards
- Policies, Rules, and Regulations
- Lake Management
- Tittle Park Improvements
 - Deck Update
 - Boat Ramp Improvements Update
- Trespassing Prevention at Pond Crossings

Manager's Report

- Groundskeeper Projects Update
- Shoreline Cleanup
- Board Calendar 2023

Deliberate and act on proposed items for discussion and possible action on the 144th Agenda. *(This discussion is by the entire Board, for the sole purpose of determining if there is sufficient support or merit for placing an Agenda item on a later Agenda. No actual specifics or dynamics of the actual item may be debated / discussed at this time.)*

Adjournment