

Howard Bend Levee District
12685 Dorsett Road, PMB 277
Maryland Heights, MO 63043-2100

November 7, 2022

To: Howard Bend Levee District Landowners

Re: Assessments for 2022

The Board of Supervisors for the Howard Bend Levee District is required to set the annual assessment amounts for the coming year by August 31st for the maintenance and operations of the District, and September 30 for the installment payments for bonds. The bonds pay for improvements to the flood protection system for the entire District, which includes enhancements to both the river and the flank (creek) levees. The Creve Coeur Airport sub-district bonds also include the sanitary sewer infrastructure and the pump system which is now under construction and scheduled to be completed in June 2023.

As you will, or have already seen, the assessment increases for 2022 are quite substantial. The increases affect all land owners within the District with the exception of the additional infrastructure and pump assessments only within the Airport sub-district. This is primarily the result of three issues.

First, we experienced a record rainfall of approximately 12 inches in 8 hours on July 26 that exceeded a 500 year event. The flank levees effectively handled this immense flow of water draining it into the Missouri River very quickly, which fortunately was at a low flood stage. However, the tremendous flow of water at the discharge gate scoured out the west bank on the river side of the gates necessitating immediate emergency repairs. An evaluation was made and remediation plans were prepared, competitive bids were taken, and within several days of the emergency the repair was completed. The cost of repairing the damage was \$200,000 which necessitated additional assessment and accounts for approximately 7% of the total 15 % increase.

Secondly, we are now entering our peak years of bond payment obligations. As we have previously communicated, due to the lack of property development over the years, the debt had been re-financed in order to keep the payments manageable for land that was primarily agricultural. This year is the first of 6 peak years, thereafter the bond payments will be greatly reduced.

Third, litigation against the District by Hollywood Casino remains ongoing despite genuine attempts by the District to negotiate an end to it. Therefore, the Casino continues to pay their assessments under protest requiring the St. Louis County Collector of Revenue to withhold release of those funds until a final resolution is reached. We anticipate that they will again protest payment of these funds this year so we have had to allow for that in our budget. We are hopeful that in the next year we can bring an end to this ongoing situation either by successful negotiation or by trial.

We sincerely regret that this increase has become necessary. We will continue doing everything within our power to manage and deal with District issues and developments to the benefit of all landowners.

Sincerely



Ed Ortman
President, Howard Bend Levee District

Supervisors: Jim Carver, Tom Ott, Kenneth Franklin, Michael Towerman