**Moose Lake Windemere Area Sanitary Sewer District**

**Approved Regular Meeting Minutes**

**May 17, 2023**

**@ MLWSSD Office**

1**.**  The regular meeting of the Moose Lake Windemere Sanitary Sewer District was called to order at 5:30 p.m. by Chairman Kuster. Members present included: Chairman Byron Kuster, Vice Chairman Clair Strandlie, Treasurer Eric Nielsen, Henry Gretsfeld and Bruce Lourey. Also in attendance were Executive Director Darla Hall and Superintendent Keith Newman, Joe Janson, MRWA, City Administrator Ellissa Owens and Public Works Superintendent Phil Entner.

2. Approval of Agenda: Updated agenda presented to Board. There being no changes a motion was made by Nielsen second by Strandlie to approve the agenda as presented. Motion carried 5/0.

3. Guests: Joe Janson, Minnesota Rural Water Association: Joe Janson, MRWA, provided a presentation on what free services MRWA has to offer to paying members of the association. MRWA helps with rates, smoke testing, help with identifying I&I issues, die testing, locating of lines, help with grants and loans, etc. MRWA does have televising available but is only able to reach approximately 185 feet. Janson will be returning in June to conduct manual calibrations of the other lift stations in the District and suggested that this is something the District should look at doing every 6 months especially on the main lift as it can identify pump wear and would allow for the District to budget for replacement if necessary.

Chairman Kuster explained to Joe some of the challenges the District and the City are facing. The main being the difference in flows between the District’s LS 1 and the flow meter. Since both stations have been reviewed and calibrated, smoke testing was suggested for the area as well as sump pump inspections. The District has done sump pump inspections in the Kenwood area but not the Kasper Addition located between LS#1 and the flume meter. Janson suggested this would be a great place to start and follow up smoke testing in the area in the fall when it is dry. Chairman Kuster discussed the fact that the District and the City have been meeting the last several months and asked if Janson would be willing to help the District and the City work towards some resolution on those issues as this could be done without favor or a bias opinion. Janson indicated he would be more than willing to help. In the event the smoke testing identifies homes in those areas, requiring lateral line repair was discussed. It was decided that the District would schedule smoke testing with MRWA to be conducted in the fall and would work on sump pump inspections in the Kasper addition to identify any homes that may be contributing between now and then.

City Administrator Owens stated they have been working with the State Prison on getting some bonding money allocated to be used for lining etc. to address the state facilities I&I. She informed the Board that the current flows from the State are based on water pump data.

a. Rate Increase – 2024: City Administrator Owens discussed the rate increase that was adopted by the Moose Lake City Council in December 2022. The increase is based on a rate study the City had conducted by MRWA and resulted in a 12% across the board increase for all standard residential and commercial customers effective January 1, 2023. She noted that the District’s increase would be suspended until January 1, 2024, to allow for fiscal planning process. The increase would go from $2.39 per 1000 gallon to $2.67 per 1000 gallon. It was questioned whether the state facilities would be paying the same increase. Owens indicated she would need to look into whether that information could be shared as it might not be public information. Owens went on to discuss the issue of putting significant user agreements in place which would be a consistent agreement between all users on the system. District discussed the issue that the rate increase is to be based on OM&R for jointly used facilities which is the cost to service the District customers. Board questioned how the fee could be an across the board rate increase when some of the capital projects included in that rate do not affect the District customers. District wastewater does not go thru all the lift stations or all of the city’s infrastructure. Owens explained that the rate does include the recent lining projects the City has conducted as this is related to pond capacity which affects the District and the City feels is fare and reasonable. Owens stated there have been some items identified that affected the jointly used facilities that have never been billed out as they were not isolated.

Gretsfeld asked when the City will be looking at going to a wastewater treatment plant to accommodate all the other entities in the area. He stated that discussion took place with local legislative members years ago, but nothing has happened. Hall commented the discussions come up every so many years and we have followed up with other entities, such as Willow River, Sturgeon Lake, Kettle River, etc. but no one wants to commit to participation.

Hall questioned the issue of the debt service requirement and how that affects the rate. Owens explained that the new requirement with the debt service is that 105% must be levied to ensure a guaranteed amount to cover debt. City Administrator Owens asked the Board to discuss and if they would like to address the rate increase further, she would set up a meeting with the City Council and the District for further discussions. Owens and Entner thanked the District for inviting them to attend this evening and left the meeting.

The Board discussed further and questioned what the City residents pay for the treatment portion per 1000 gallons. Repairs and maintenance that have been done in the District relevant to our customers and are paid for by our customers alone and not other entities. It was questioned why the District should be paying for repairs to infrastructure and lift stations, that the District waste doesn’t even flow thru. It should only be jointly used facilities.

After much discussion the Board directed Hall to send the City an email indicating the District is not opposed to a rate increase on the portion of the system our waste flows thru but would like additional information before responding on the rate increase. District would like a copy of the rate study and a copy of a billing cycle for both state facilities indicating the total gallons of flow and the per 1000-gallon rate. Treasurer Nielsen asked Hall to provide him with the total fees

paid to the City of Moose Lake for 2022 along with the total flow sent to the City as he would like to do a comparison on what City customers are paying compared to the District. The Board will discuss the information at the next meeting and prepare a response to the City at that time based on the outcome of the information.

The rate increase from the City of Moose Lake also includes an increase to the excess flow rate. In accordance with the District’s contract the excess flow rate is $1.41 and is not an adjustable rate. The City of Moose Lake approached the District to increase it to $1.53 under the previous City Administrator. At that time the District was working with the City of Moose Lake on adopting an addendum to the agreement to deal with the excess flow rate and also the frozen water line issue as some adjustment for that policy should be included in the addendum. That addendum never took place and the District is currently paying the original amount of $1.41 per 1000 gallon of excess flow in accordance with the contract. No adjustment has ever been made to accommodate for excess flow due to the frozen water line policy of the City.

The District currently pays two debt service payments to the City of Moose Lake in addition to our base rate. The percentages were based on the District’s proportionate share at the time the debt incurred. The 2009 debt service for jointly used facilities was based on 16% of flow at that time and the 2015 was based on 13.16% and was for joint debt for main lift repair/replacement and work to the treatment ponds.

4. Approval of the Minutes:

A. Regular Meeting Minutes April 19, 2023: Motion was made by Strandlie second by Lourey to approve the MLWSSD Regular Meeting Minutes of April 19, 2023, as written. Motion carried 5/0.

5. Executive Directors Report:

A. Sand Lake Resort – Trailer in Easement: Director Hall sent a letter to Sand Lake Resort dated May 1st giving 60 days to remove the trailer from the easement (June 30th). Hall received a call from Danielle Hoffman, attorney for Sand Lake Resort indicating that SLR has the camper leased for the season and would like an extension until the beginning of September before being required to move it. Hall sent an email to both Hoffman and Lambert indicating the Board would be discussing it at the meeting this evening and that if they wanted any additional information to present for their request, they should send it prior to the meeting. Hall also stated in the email that the District did take the fact that the trailer may be rented into consideration before sending the letter and that is why they provided 60 days to remove instead of requiring it to be done immediately. Hall reported she did not get a response. The District Ordinance language was reviewed. It was noted that not only is the trailer in the easement, but it was also connected improperly, and a permit was not obtained to connect. Motion was made by Nielsen second by Lourey to have Hall send another letter to SLR indicating that the Board would be willing to extend the date to September 8, 2023, provided SLR is willing to enter into and pay for an agreement drafted by the District’s attorney indicating that the trailer must be removed by September 8th or a daily fine of $100 per day would be imposed until such time that it is removed. The motion went on to include if SLR is not in agreement with this arrangement then the District would abide by the original letter sent May 1st giving 60 days to remove. Agreement must be in place and signed by SLR by June 30th, 2023. Motion carried 4/0 with Gretsfeld abstaining from the vote. Hall to prepare a letter and have the attorney review prior to sending.

B. Property Coffee Lake Road Televised Lateral – POS Ordinance: The District discussed a property that had televising done in July of 2021. The homeowner is questioning if the televising can be used for a current certificate of compliance they would like issued now. Chairman Kuster questioned if perhaps the certificate of compliance could be issued for a period of time based on the July 2021 date as long as the purchaser was aware that the certificate of compliance was not a full five years. Superintendent Newman stated he feels the ordinance refers to point of sale as well as the plumbers report and it would be required to be televised in order to confirm its current condition and not that of a few years ago as a lot can happen in a few years. After much discussion it was decided to have the homeowner supply Keith with the video from July 2021 and plumbers report and Keith would review to see if it is in compliance or not as it may need repairs and televising again before a certificate could be issued. If it is in compliance a certificate will be issued for the remaining period of the five years since the televising was conducted.

C. QuickBooks Upgrade: Hall reported QuickBooks is discontinuing support for the current program. QuickBooks will no longer allow you to purchase the program outright but rather pay for a subscription yearly. Hall will be working with 218 Tek to get the program updated. The estimated yearly cost is approximately $1670 a year including the payroll package.

6. Superintendents Report: See written report as provided by Superintendent Keith Newman. Keith received a few calls that station C was alarming. Keith reported it is a sporadic problem that doesn’t seem to affect the function of the station. Quality Flow will check out the station on their next trip.

Customer along Pine Grove Lane called concerning a backup in his home. Keith checked Station F which was operating properly. Customer was sent information to a couple of companies that deal with lateral line problems.

Homeowner is having trouble getting televising completed due to a second connection on the lateral. She had two different companies try to televise and they hit a turn in the pipe that the camera cannot go around. Keith informed the homeowner if she has the mobile home disconnected it would not be able to be reconnected in the same manner and it would require a separate connection to the main and a connection fee. Keith will review the video and follow up on it.

Superintendent Newman was approached by a homeowner on Pine Grove Lane about the District helping monetarily with the replacement of a culvert on the eastern end of the road. Pine Grove Lane was changed to a private road, so the homeowners are required to pay for the repairs to the road. The District uses this road daily to reach the two sewer stations, G and F. The District is currently plowing the road to get to the stations during the winter months which is costly therefore no contribution will be made toward the culvert.

Keith is working on a point-of-sale certificate of compliance for the Ramberg property as the home is being turned over to a family member.

The permit application the District currently uses was briefly discussed. Hall to make a change to the permit language to indicate a $25 permit is for a repair only and has nothing to do with a disconnect/reconnect.

Permits Issued - None

Certificate of Compliance – several pending at this time.

7. Treasurers Report: Treasurer Nielsen reviewed the financial statement and profit and loss statement with the Board for the month of April. Nielsen had reviewed the bank reconciliations and statements and found the books to be in order. The balance in checking as of April 30, 2023, was $717.15. Claims today are submitted in the amount of $35,751.93 in include check numbers 12615 thru 12631 as well as two EFT payments for payroll tax. Hall noted today’s claims include the liability insurance and workers comp insurance. The City of Moose Lake’s bill is for the months of February, March and April. Hall notified the City of the possibility of an overage charge that was missed on the April invoice which may be included in next month's invoice. A motion was made by Lourey second by Strandlie to approve the Treasurers Report as presented and payment of check numbers 12615 thru 12631 as well as the two EFT payments for a total amount of $35,751.93. Motion carried 5/0.

8. Old Business:

A. Flow Numbers – February, March and April: The following average monthly daily flows were presented: February 66,666; March 73,641; April 140,850. Board also received the yearly flow graphs and precipitation data.

B. Proposed Changes Ordinance/PPM/By Laws – Update: Director Hall informed the Board she sent three pages of information, questions, and changes to Attorney Mia Thibodeau for her review and consideration. Hall asked for a committee to be established to help with the process of reviewing the changes before presentation to the full Board. Nielsen offered to help review the documents and proposed changes.

9. New Business: None to discuss

10. Adjourn: Motion by Nielsen second by Lourey to adjourn the meeting. Motion carried 5/0 and the meeting adjourned at 8:25 p.m.

Minutes by Darla Hall, Executive Director