**Moose Lake Windemere Area Sanitary Sewer District**

**Approved Regular Meeting Minutes**

**September 20, 2023**

**@ MLWSSD Office**

1**.**  The regular meeting of the Moose Lake Windemere Sanitary Sewer District was called to order immediately following the closing of the budget meeting at 5:20 p.m. by Chairman Kuster. Members present included: Chairman 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.

2. Approval of Agenda: Director Hall asked to add an additional item e. Delinquent User Fee’s – Opportunity for Hearing to the Agenda for the October 18, 2023, meeting. Motion by Nielsen second by Lourey to approve the agenda as amended. Motion carried 5/0.

3. Guests: None Scheduled. Hall noted that she received an email from Jordan Duwenhoegger, Law Clerk for Summit Management asking for the agenda for this evenings meeting. She was not sure if he would be attending but explained that nothing related to Sand Lake Resort was on the agenda except informing the Board on the status of the trailer parked in the easement.

4. Approval of the Minutes:

 A. Regular Meeting Minutes August 16, 2023: Motion by Gretsfeld second by Strandlie to approve the Regular Meeting Minutes of the MLWSSD for August 16, 2023, as written. Motion carried 5/0.

 B. Joint Meeting Minutes August 23, 2023: Motion by Strandlie second by Lourey to approve the Joint Meeting Minutes of the City of Moose Lake and the MLWSSD for August 23, 2023, as written. Motion carried 5/0.

5. Executive Directors Report:

 A. City of Moose Lake Rate Increase – 2024: Director Hall, Chairman Kuster and Board Member Lourey met with City Administrator Ellissa Owens, Mayor Ted Shaw and Publics Works Superintendent Phil Entner on August 18, 2023, to go over the City’s budget numbers for the City’s sewer fund for the year 2022 and discuss the rate increase. The City provided the revenue and expense report and stated the budget was running short approximately $373,000. City staff originally recommended a 35% increase to the City of Moose Lake. The City Council suggested the 12% increase. Board reviewed the budget information as provided and it was noted that the numbers were not real clear and included items not related to “jointly used facilities”. Part of the $373,000 deficit includes debt service payments, which the District is already paying on, depreciation and the I&I project. Chairman Kuster recited information out of the District’s Wastewater Treatment Agreement with the City of Moose Lake which specifically indicates the rates are to be based on OM&R shared facilities between the District and the City. They are to be based on the prior year’s expenses and that the basis of the increase should not be an across the board increase of all expenses. The Board agreed the methodology of the rate increase was not acceptable as presented.

Board went on to discuss previous rate increases with the City of Moose Lake. Previous base rate increases were as follows: 2009 rate increase to $2.16/1000; 2017 rate increase to $2.28/1000 and 2022 rate increase to $2.39/1000. The 2024 proposed increase is $2.67/1000. In accordance with the contract the overage rate cannot be increased and is set at $1.46/1000. The City is proposing to increase this amount to $1.71/1000. This rate has never been adjusted. The City proposed to increase this rate back in 2021 to $1.53/1000 but the Addendum as prepared by the City was never approved by the District due to the City wanting a yearly increase on the overage rate as well as the District wanting the City to include language on how the District would be credited back for water usage dealing with the City Frozen Water line policy in the Woodland area.

Gretsfeld left the meeting.

Board discussed the fact that the 12% increase would be acceptable based on inflation but the terms of the contract need to be followed with respect to future increases. A detailed explanation of costs of actual OM&R of shared facilities between the District and the City needs to be provided. Board also discussed solutions on the overage rate and suggested installation of a temporary meter at the Newberry manhole between our LS#1 and the flume meter to document the flow numbers. Since the District had the smoke testing and calibrations done to LS#1 it was suggested the District customers in that area should be at 240gpd and the remainder of the wastewater the City’s responsibility. This would solve the frozen water line issue during the winter months. The City of Moose Lake is scheduled to have smoke testing done October 2, 2023, for their customers between the Newberry manhole and the flume meter. The numbers at the flume meter are still reading extremely high.

After much discussion a motion was made by Nielsen second by Lourey to send the City of Moose Lake a letter indicating they would approve the 12% increase based on the District’s estimation of inflation since 2022 and the City not keeping up with that inflation. Motion went on to include the District would be in agreeance with the $1.71 increase to the overage rate provided the City of Moose Lake agree to charge the District customers between LS#1 and the flume meter the rate of 240/gpd. Motion carried 4/0. It was noted this would solve the City’s frozen water line issue of clear water entering the wastewater stream and the District having to pay for it as well as resolve the issue of I&I issues between Newberry manhole and the flume meter.

 B. Update on Significant Industrial User Agreement w/City: Hall stated she spoke with Attorney Mia Thibodeau regarding the City’s request for the word file of the current contract between the City of Moose Lake and the District. The City’s engineers would like the word document of the contract so they can make changes and add the additional language requirements to meet the MPCA requirements on testing of waste etc. The document would be changed into a Significant User Agreement and the District would have the opportunity to review their changes before approval. Attorney Thibodeau recommended the changes proposed be included as an addendum to the contract and to leave the contract as it is currently written. Board directed Hall to contact Attorney Thibodeau to send an email to the City of Moose Lake indicating the need for an addendum rather than contract changes and limiting the changes to be related to the Significant User Agreement and MPCA requirements.

 C. OM&R Shared Cost Seeking Reimbursement – Allocation: This item is tabled until further information is provided by the City engineers on the percentages of wastewater contributed by major users. It was noted that the City did review the total flow sent in 2022 by the District and the total flow sent to the treatment ponds. The City estimated the District’s flows to be at 18%.

 D. Sand Lake Resort – Trailer in Easement Update: Director Hall received an email from Mark Lambert indicating that the trailer has been moved out of the easement and relocated however Lambert would like to possibly revisit utilizing this area in the future and may come back to the Board to discuss in the future. Hall will send a letter following up on his compliance with moving the trailer. Superintendent Newman confirmed the trailer was moved.

 E. Delinquent User Fee’s – Opportunity for Hearing October 18, 2023, Regular Board Meeting: Director Hall stated that the 3rd Quarter billing was sent out to the customers. Those customers with delinquent accounts were sent letters indicating they had until October 30th to bring their accounts up to date or they would be certified to the 2024 property tax for collection. Hall informed the Board that the delinquent users have the right to request a hearing to discuss their billing with the District prior to certification. The notice requires those wanting a hearing to contact the District office by September 29th if they would like to discuss with the Board at the meeting on October 18th. If any customers decide to utilize this option, Hall will set up for them to be heard at the next Board meeting and post proper notice.

6. Superintendents Report: See written report as provided by Superintendent Keith Newman. Dale Sandberg was on site at the Pine Tree Mobile Park for disconnection of the remaining mobile homes. He was hired by the Park to crush and dispose of all but one of the homes. The house will be the only connection left. Newman noted that during the job the MPCA stopped and shut down the operation until such time that it can be inspected for environmental concerns.

Joe from MRWA was on site to do remaining calibrations of stations and smoke testing in Kasper area. Nothing was found by smoke testing. Keith noted that Joe commented several times what nice condition the District’s system is in.

Keith had a discussion with Tory Johnson regarding a home on Birchview Drive that has lateral issues. It was jetted and opened up but major sagging/standing water. The home is for sale and the seller would like to sell as is. Keith suggested it needs to be corrected and will be sending a correction notice. It was noted that in order for it to be sold funds will need to be put into escrow for the repair at 125% of the cost in accordance with the POS Ordinance. Hall and Newman will work with homeowner/buyer.

Issues continue at Kenwood Lift Station; Quality Flow has been out several times finding pumps clogged due to wipes. Director Hall will send letters to homeowners in that area on both the City side and the District side to advise of smoke testing coming up in October as well as a notice regarding the flushing of wipes. Quality Flow also installed the remainder of signal lights at stations “C” and “G”. Quality Flow also checked on station “E” as that has been reset a couple times, but no issues were found. Chairman Kuster questioned how we know if the pumps are clogged by wipes and suggested this is one advantage of taking daily readings at the station.

Keith had a discussion with Chairman Kuster about the meeting with the City and requested run hour meter readings for each pump at station “1” and Kenwood. It was decided that Keith would read these for a one-month period and turn them in to the District office to see how they compare with the controller.

A. Easement Clearing: Tabled until the fall of 2023.

Permits Issued – #2023-004 Issued to Sandberg Construction on behalf of Earl Tyson/Pine Tree Mobile Park for disconnection of the final four mobile homes.

#2023-005 Issued to Sand Lake Resort for annual maintenance. Notice must be given of each occurrence. First being the removal of mobile home/RV from District easement.

Certificate of Compliance – No Certificates of Compliance issued this month.

7. Treasurers Report: Treasurer Nielsen reviewed the profit and loss and balance sheet with the Board for the month of August 2023. Nielsen had reviewed the financial reports, bank statements and bank reconciliation and found the books to be in order. Balance in checking on August 31, 2023, was $26,597.87. Total claims submitted for today include check numbers 12677 through 12695 with two EFT payments for payroll taxes for a total amount of $43,032.07. Hall noted that check number #12676 issued last month to SFM in the amount of $6.00 for work comp was voided and returned by the company. In addition, check number 12683 was voided due to a printing error. Today’s claims also include payment of treatment fees to the City of Moose Lake for the months of May, June, July and August as well as overages for those months. Motion was made by Lourey second by Strandlie to approve the treasurers report as presented as well as the claims in the amount of $43,032.07 to include check numbers 12677 thru 12695, two EFT payments and the voided check numbers 12676 and 12683. Motion carried 4/0. Director Hall noted the claims sheet shows a negative balance in checking after payment of today’s claims, but she did transfer $10,000 from savings to cover that.

8. Old Business:

A. Flow Numbers – May, June, July and August 2023: Due to Kenwood North sporadic readings the Kenwood Flows were based on 240 gpd per customers for the months of May, June, July and August. Director Hall stated that she received the invoice from the City of Moose Lake, and all were calculated incorrectly. Some invoices were at the wrong base rate, others were calculated using the wrong number of customers in the Kenwood area. In addition, the City submitted a bill for the month of April which had already been paid by the District. She estimated the total corrections to be around $3,000 in errors (some in favor of District, others in favor of City). She notified City Administrator Owens, and the bills were corrected and resubmitted.

May average daily flow 104,975 gpd Overage Charge of $646.63

June average daily flow 77,306 gpd Overage Charge of $705.45

July average daily flow 82,814gpd Overage Charge of $894.16

August average daily flow 72,846gpd Overage Charge of $958.33

B. Proposed Changes Ordinance/PPM/By Laws – Update: Hall informed the Board she has been reviewing the changes as submitted by Attorney Thibodeau and will continue but due to the current pending issues has put it on hold until time permits to follow up on. Hall did note that some of the changes coming from the City of Moose Lake with regards to testing of flows and loads will need to be included in our Ordinance language as well and that information has not been supplied to the District at this time.

9. New Business: None

10. Adjourn: Motion was made by Nielsen second by Lourey to adjourn the meeting. The motion carried 4/0 and the meeting adjourned at 8:47 pm.

Minutes by Darla Hall, Executive Director