**Moose Lake Windemere Area Sanitary Sewer District**

**Approved Regular Meeting Minutes**

**August 21, 2024**

**@ 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 Kuster, Vice Chairman Lourey, Treasurer Eric Nielsen, Paula Engstrom and Clair Strandlie. Also in attendance were Superintendent Brett Collier, Executive Director Darla Hall, and Erin Lambert, Attorney for Sand Lake Resort.

2. Approval of Agenda: Motion by Engstrom, second by Strandlie to approve the agenda as written. Motion carried 5/0.

3. Guests: None Scheduled

4. Approval of Minutes:

 a. Regular Meeting Minutes – July 17, 2024: Motion by Nielsen, second by Lourey to approve the MLWSSD Regular Meeting Minutes of July 17, 2024, as corrected. Motion carried 5/0.

5. Executive Directors Report

 a. Capacity Reservation Agreement – SLR City Response: Board members were provided with the letter sent by Sand Lake Resort to the City of Moose Lake which included the Capacity Reservation Agreement along with the response to the Capacity Reservation Agreement from the City’s Attorney. City Attorney Kringle had concerns about the Capacity Reservation Agreement being negotiated and executed without the City’s knowledge or input while the City is in the middle of mediation with the District. Kringle also had concerns about the provisions included in the agreement which would limit the ability to impose excess flow charges and penalties. Kringle stated in his correspondence that the City had unconditionally granted 15 ERU’s to the District for the resort in March of 2024. Hall stated that Attorney Thibodeau had contacted Attorney Kringle before the City Council meeting to explain the purpose and reasoning behind the Capacity Reservation Agreement. Attorney Erin Lambert stated that Mark Lambert was present at the City Council meeting and was only allowed to discuss under the public comment period of the meeting. He expressed the concern that SLR is caught in the middle of the issue between the District and the City and that the Capacity Reservation was a way to move forward and present a plan. Hall to talk with Attorney Thibodeau to see where the discussion is at between the attorney’s regarding the Capacity Reservation Agreement. Hall stated that she had received a call from Mark Lambert, SLR, last week concerning the issue. Lambert discussed the District Ordinance and proposed changes that had been submitted by Attorney Jake Steen earlier in the year. Lambert suggested the District look at changing the ordinance language. Hall informed Mark Lambert that the District already reviewed and discussed the proposed ordinance changes. Based on Attorney Thibodeau’s advice the District was not in favor of changing the ordinance language. After much discussion, Hall was directed to follow up with Attorney Thibodeau on the Capacity Reservation Agreement discussions that have taken place between the Attorneys.

 b. Update from Mediation July 24, 2024: Hall provided the Board with a synopsis of the mediation and various proposals that the sub-committee had suggested to the City. The majority of the proposals submitted by the sub-committee were denied. The City was in favor of taking over the service of the customers in Kenwood and Kasper Addition (total of 54). The sub-committee questioned the rate study and its lack of identification of debt service payments paid by the District, but the City provided no explanation or follow-up information to back up the rate study. The City just indicated that the debt service payments were included in the study. The sub-committee did state they wanted some sort of dispute language left in the contract and the City was willing to include language but wanted it more streamlined. Attorney Thibedeau is working on that language. The City also asked that the Board release the over charges that are being withheld as they feel it is a violation of the 2017 Treatment Agreement. The next mediation meeting is scheduled for September 26th at 9:30 a.m. at City Hall.

Chairman Kuster contacted Jeremy Loglin, MPCA, to get more information on the requirements of the MPCA and the SIU Agreement that was being proposed by the City of Moose Lake. Kuster received an email response which was also sent to Phil Entner at the City explaining that SIU Agreements are for industrial customers and that the District is residential wastewater which would not require a SIU Agreement. Loglin explained in the email that the District already has an agreement with the City of Moose Lake to treat its wastewater. Additional language could be added to reflect any testing requirements etc. Based on this information the sub-committee is moving forward with Attorney Mia Thibodeau red lining the current 2017 Treatment Agreement to incorporate the suggested streamlining of the dispute resolution language as well as incorporating recommendations by the sub-committee to resolve some of the issues identified during mediation with regards to joint powers agreement for customer service, rates, etc. Mia suggested the District may want to release the withheld overage charges as an effort in dealing in good faith along with the District’s red-lined version of the Agreement. Motion made by Strandlie second by Engstrom to release the withheld overage charges in the amount of $2,339.82 along with Attorney Thibodeau’s red-lined version of the 2017 Treatment Agreement. Motion carried 5/0. Hall noted that along with the red-lined version, a letter would be submitted explaining the District’s position based on the latest information from the MPCA regarding SIU Agreements.

Mike Bubany, David Drown & Associates has been provided with a copy of the City’s Rate Study along with questions identified by the sub-committee. Bubany is currently reviewing the study and obtaining more information for verification purposes on the proposed rates and if they are appropriate and justifiable in relation to our current contract.

Hall reported that Mark Lambert had expressed concerns on the phone to her about the mediation with the City being scheduled so long after the previous mediation. Lambert suggested the Board may want to get several mediation meetings on the calendar now as they could potentially be cancelled if the parties come to an agreement. This would prevent a delay in scheduling. Board discussed and it was decided if no progress is made at the next mediation session with the City, the District wants to move onto the arbitration process.

Attorney Erin Lambert, SLR, suggested the District may want our attorney to investigate Section 5.1, 5.2 and 5.3 of the 2017 Treatment Agreement. She indicated the language lays out alternative procedures in relation to expansion of the system and discusses denial of capacity by the City of Moose Lake.

 c. Superintendents Contract for Approval and Execution: Hall reported that the Service Contract Agreement for O&M with Brett Collier Water Control LLC has been reviewed by both Collier as well as Treasurer Nielsen and Attorney Thibodeau. Motion made by Lourey second by Strandlie to authorize the Chairman to sign and execute the Service Contract Agreement on behalf of the District. Motion carried 5/0. Contract term is July 1, 2024, to June 30, 2025, with a review in February 2025.

 d. Set Budget Meeting for September: Motion by Strandlie second by Lourey to schedule the Budget Meeting for September 18, 2024, at 5:00 p.m. with the regular meeting immediately following. Motion carried 5/0. Hall to post and publish notice.

e. Update on County/Township Correspondence regarding sewer availability as well as pending connections: Hall provided a copy of a letter that was sent August 14, 2024, to Pine and Carlton County as well as the Zoning Administrator for Windemere and both Township Clerks. The letter explains the District’s issue of the lack of capacity with the City and that the District is unable to allow any connections to the sewer system until an agreement can be reached with the City. The application process for determining sewer availability was explained and the process to follow for future connections was identified. Kuster reported that he attended the Windemere Planning Commission Meeting the prior week and discussed the situation of lack of capacity at this time. Kuster also explained the process to the Planning Commission, so they are aware of what is taking place. Kuster provided Hall with a flow chart explaining the process for future reference. Hall discussed pending connections, some of which go out as far as 2015. Hall informed the Board she sent out letters to individuals that had inquired or requested service and explained the situation of capacity as well as the process for getting on the list for sewer availability. Some of those individuals were just inquiries about connection. Others were starting to build but were advised originally the District needed approval by the City before allowing any connections. Hall reported that as of today she has a list of individuals by date with SLR requests for 15 ERU’s as well as 9 others, two of those are additional requests by Mark Lambert for his personal property. Hall stated to Lambert when he contacted her regarding those two additional connections that they will be added to the list by date received at this time.

The sewer availability process was discussed and whether they should be sent out to each inquiry to fill out. Hall stated that the sewer availability application is only good for 1 year and offers the alternative for a different type of system until it becomes available. Those on the connection list definitely want to connect. If responses are received from the other individuals that were sent letters, they will be added to the list as of the date received unless they choose to install a temporary system. Once the District has capacity available and it is determined by the Board that they can connect, the property owners will be notified. Hall explained that the sewer availability process allows for property owners to have another option should they choose to move forward with their building process at this time. This gives the county’s authority to allow for a temporary system to be installed in our jurisdiction.

6. Superintendents Report Brett Collier Water Control LLC: See written report as prepared by Superintendent Collier. Collier reported that he met with the property owner at 36659 Pine Grove Lane as he is rebuilding his existing cabin and reconnecting his sewer. Keith Newman met with him there to review and answer any questions. Ziegler was on site to do maintenance check on the generator. Collier noted that he had them replace the battery on the generator as well.

Superintendent Collier provided the District with a quote from Quality Flow for installing signal lights on lift stations H, I and E. Collier noted that these lift stations currently do not have the signal lights to notify when the unit is not operating. Cost estimate is $850 plus tax. Quality Flow also provided a quote in the amount of $5,450 for a replacement pump at Lift Station H, which is a submersible grinder. Collier stated at this time he is unsure if it needs the pump replaced or maybe just the starter. Motion was made by Lourey second by Nielsen to approve the quote from Quality Flow for the $6,300 for installation of the signal lights and replacement of the pump at Lift Station H if it is necessary. Motion carried 5/0.

 a. Mike and Sara More – Chestnut Circle Reimbursement: Superintendent Collier reported that the lift station servicing a few homes on Chestnut Circle had a bad circuit breaker that was tripping. Collier had the breaker replaced by Regions Electric however, the More property had what they thought was a sewer line back up and called in Johnson’s Sewer Service. Collier noted that the station does not have any indicator lights on the panel identifying there is an issue. Because the backup was caused by the faulty circuit breaker at the District lift station a motion was made by Engstrom second by Lourey to reimburse Mike and Sara More $375.00 for the service call to Johnsons Sewer Service. Motion carried 5/0.

 b. Quote on Generator Auto Exerciser: Due to the cost of the auto exerciser and the issues of not auto transferring, Superintendent Collier informed the Board he will not be exploring this option but checking the generator manually.

 c. LS# 1 Calibration Update: Superintendent Collier explained the Lift Station #1 calibration. Joe Janson, MRWA had calibrated the station manually with Keith Newman. Collier suggested that the District hire Brad White of Calibration and Controls to calibrate the lift station. Collier noted that this is the same company the City of Moose Lake uses and will provide another method to determine that the controller is reading accurately. Collier will contact Calibration and Controls and set up a time for them to conduct the calibration.

Permits Issued: None issued.

Certificate of Compliance:

#2024-006 Scott Salzer 4606 West Road (63-350-0400)

#2024-007 Roger Carlson 4636 Kasper Road (63-080-0200)

7. Treasurers Report: Treasurer Nielsen reviewed the profit and loss and balance sheet for the month of July with the Board. Nielsen had reviewed the bank statements and reconciliation and found the books to be in order. Balance in checking as of July 31, 2024, was $12,593.94. Claims included for today include check numbers 12881 thru 12904 as well as two EFT payments for a total amount of $42,311.61. Hall commented that today’s claims include the invoice to the MN Office of Administrative Hearings for July’s mediation with the City. Hall reported that she billed the City for their half and the District has already received reimbursement. Motion by Strandlie second by Lourey to approve the Treasurers Report as well as payment of the claims to include check numbers 12881 thru 12904 as well as the two EFT payments for a total amount of $42,311.61. Motion carried 5/0.

It was noted that check number #12759 in the amount of $9.95 from January 2024 to Ace Hardware was voided. Check #12841 in the amount of $46.17 to Paula Engstrom from May 2024 was voided and replaced with check #12905 in the same amount. Hall reported that the two voided checks were lost or misplaced and stated she did not put a stop payment on them as the bank charge would be more than the value of each check.

 a. Overage Charges City of Moose Lake: See above discussion.

8. Old Business

 a. Flow Numbers – July 2024 – Average daily flow was 108,292 gpd. Flows between LS#1 and the flume meter are averaging 818 gpd per home.

 b. Proposed Changes Ordinance/PPM/By Laws – Tabled

9. New Business:

10. Adjourn: Motion was made by Engstrom second by Lourey to adjourn the meeting, motion carried 5/0 and the meeting adjourned at 7:55 p.m.

Minutes by Darla Hall, Executive Director