**Moose Lake Windemere Area Sanitary Sewer District**

**Approved Regular Meeting Minutes**

**June 26, 2024**

**@ MLWSSD Office**

1**.**  The Regular Meeting of the Moose Lake Windemere Sanitary Sewer District was called to order immediately following the closing of the Special Meeting. Meeting was called to order at 5:46 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 Executive Director Darla Hall, Jake Steen Larken Hoffman Attorney for Sand Lake Resort, Erin Lambert, Attorney for Sand Lake Resort and Mia Thibodeau, Fryberger, Buchanan, Smith & Fredrick Attorney for the District.

2. Approval of Agenda: Superintendent Contract and Permit Application/Application for Sewer Service items were moved up under guests as item e. and f. Motion by Nielsen second by Lourey to approve the agenda as amended. Motion carried 5/0.

3. Guests: Mia Thibodeau, Fryberger, Buchanan, Smith & Frederick and Jake Steen, Larken Hoffman, Attorney Sand Lake Resort

 a. Capacity Allocation Agreement – SLR: Attorney Jake Steen presented the Capacity Allocation Agreement. Engineers for SLR provided an estimate of 1,300 gpd additional capacity that would be needed over and above the current estimated flow rate of 8,700 gpd to accommodate the design of the new facility. Hall questioned the number identified as current use. Several different estimates on gpd at the current resort had been provided by the engineers in the past. Attorney Lambert explained that the number is based on the number of beds in the new facility which would be less beds than the current resort is using. The Agreement would allow the District to approve the connection request subject to the condition that neither the Resort nor any other District users shall connect additional ERU’s to the System until the District has confirmed that the Flow and Load of discharge are within the permitted capacity of the Treatment Agreement whether such confirmation is through an increase in capacity or verification of usage. If the District is unable to issue the service connection permit for the additional ERU’s under the connection request earlier of opening of the new resort or prior to January 1, 2026, the parties would agree that the resort may connect with the City’s Consent, the discharge shall not exceed 8,700 gallons per day, and SLR would install a meter to monitor the flows. Kuster stated the meter would be removed once the additional ERU’s are issued. Board discussed the 8,700 gallons per day as baseline rate. It was noted that the number would be 10,000 gpd with an additional 1,300. Board discussed adding additional language regarding SLR paying overage charges if over the base line flow rate. The Agreement contains Exhibit A in which the City would provide consent for SLR to discharge the additional 1,300 gallons per day as well as Exhibit B to include SLR’s engineers report on flow estimates.

The cost for connections fees were identified in the Agreement. Board asked that this item be removed as it has not been formalized yet. Attorney Thibodeau advised the Board that the District Ordinance sets the rates. If the Board decides to deviate from what is currently charged, SLR would need to request a variance and the Board would need to make findings as to why they are reducing the fee.

Motion made by Engstrom second by Strandlie to conditionally approve the Capacity Allocation Agreement with Sand Lake Resort subject to the changes identified and with final approval by Attorney Thibodeau and Board Committee members Kuster and Lourey. Motion carried 5/0.

 b. Rate Study – City of Moose Lake: Item discussed at the Special Meeting. The board will review the rate study and make a list of items in question.

 c. Mediation – Wastewater Treatment Agreement: Attorney Thibodeau advised that the MN Office of Administrative Hearings only allows one party to be billed for services of mediation. Since the Board requested mediation related to the Treatment Agreement, a Mediation Fee Agreement was drafted and signed by the City of Moose Lake providing that the cost of mediation will be a shared cost between the parties. Motion was made by Strandlie second by Lourey to authorize Chairman Kuster to enter into and execute the Mediation Fee Agreement with the City of Moose Lake and sign the Request for Administrative Law Judge Services. Motion carried 5/0.

 d. Letter Pine County Holding Tank Removal – 33-0123-000: Attorney Thibodeau discussed the letter that was to be sent to the property owner located at 33.0123.000 requiring removal of a holding tank that was authorized by Pine County to be installed. The property owner has a parcel with several RV campers on it and had submitted a permit, along with the connection fee to connect a bathhouse to the municipal sewer. District required property owner to get easements from neighboring properties as well a permit from Windemere Township for the bathhouse. Instead, Pine County allowed the individual to install a holding tank for the RVs. The property is located in the shoreland area. Board had made a previous motion to have the Attorney send a letter requiring the property owner to remove the tank and connect to the system when capacity is available. Discussion took place concerning the issue of lack of capacity at this time and the actual process that took place when Pine County authorized this illegal connection. Board agreed to stay with the motion to require the property owner to remove the holding tank as it was not authorized by the District and RV campers are not allowed to connect to the sewer line. A bathhouse would need to be installed with a permit from Windemere Township. Discussion of timeline to allow property owner to disconnect was discussed and Board discussed possibly a 90 day time frame to remove the holding tank. Mia indicated that the property owner has the opportunity to request a hearing which can happen at a regular board meeting. Attorney Thibodeau and Hall will prepare a letter to submit to the property owner requiring removal of the tank and giving an appropriate timeline.

 e. Permit Application/Application for Sewer Service: Attorney Thibodeau reviewed the proposed Application for Sewer Service and new Permit Application. Mia advised the application process puts the homeowner in line for sewer service when it becomes available and is based on the Board’s findings of whether sewer service is available or not. If sewer is available, the permit application would be completed by the homeowner as well as the contractor doing the work and homeowner will need to bring in the building permit from respective township before the permit can be issued and/or the District needs to verify with township. If it is found that the sewer system is unavailable upon submittal of the Application for Sewer Service and the homeowner does not want to wait until it becomes available, the homeowner would need to get a permit from the respective county for an onsite system and supply to the Board. Board can put conditions in the Application for Sewer Service indicating how long until they would be required to connect to the sewer system when it becomes available, etc. Motion was then made by Nielsen second by Strandlie to adopt the Homeowner Application to Determine Availability of Sewer as well as the Contractors and Homeowners Permit Application forms. Motion carried 5/0. District will begin using and following the protocol for these applications immediately.

 f. Superintendent Contract – Review/Approval: Attorney Thibodeau advised that the draft of the Superintendent Contract has been submitted to their office for review and consideration. Board was advised of any risk that may be involved in hiring an employee versus contracting for the position. The contractor oversees setting his own hours as well as providing coverage 24/7, similar to Peoples Service and other service providers. The contractor, Brett Collier, Water Control, LLC, is obtaining proper insurance and will be billed as a 1099 independent contractor. Attorney Thibodeau will finish reviewing the contract and provide a copy to the District for approval and adoption at the next meeting, with the contract becoming effective July 1, 2024.

4. Approval of Minutes:

 a. Regular Meeting Minutes – May 15, 2024: Motion by Nielsen second by Engstrom to approve the MLWSSD Regular Meeting Minutes of May 15, 2024, as written. Motion carried 5/0.

 b. Special Meeting Minutes – May 20, 2024: Motion made by Lourey second by Strandlie to approve the MLWSSD Special Meeting Minutes of May 20, 2024, as written. Motion carried 5/0.

 c. Special Meeting Minutes – May 22, 2024: Motion made Strandlie second by Engstrom to approve the MLWSSD Special Meeting Minutes of May 22, 2024, as written. Motion carried 5/0.

 d. Special Meeting Minutes – May 30, 2024: Motion made by Engstrom second Strandlie to approve the MLWSSD Special Meeting Minutes of May 30, 2024, as corrected. Motion carried 5/0.

5. Executive Directors Report

 a. Directors Vacation/Sick Time Policy – Adopt Policy: Board reviewed the vacation/sick time off policy. As written, the policy does not allow any carryover from year to year. Nielsen made motion second by Strandlie to adopt the policy of 130 hours per year for vacation, illness and holiday hours, with a maximum of 40 hours to be carried forward from one year to the next. In addition, at year end any hours worked more than 1040 hours each calendar year, Hall will earn .125 paid time off hours to be added to the following year. Motion carried 5/0.

6. Superintendents Report: See written report as prepared by Superintendent Keith Newman. Keith contacted Joe Janson at MRWA about calibrating the lift stations. He has been busy but will schedule sometime this summer.

Paul Wellman contacted Keith about putting in a park model on his back lot along West Sunny Beach Road. He was advised what the costs would be as no assessment has been paid and also of what the current restrictions are for connection.

Quality Flow was on site to check Station C as one pump did not appear to be pumping. No clogging was found. It is believed to have been airlocked. They checked Kenwood pumps as well and found a partial clogging in both pumps.

Keith revisited the Czech property on Olson Drive. It was discovered that they absorbed a narrow lot adjacent to their lake lot where they want to build a new dwelling. The absorbed lot has a stub that had paid an assessment and was in use for years. The home there was raised, and stub capped. Keith discussed whether the Czech should be able to connect his new house like a disconnect/reconnect rather than being on the list waiting for capacity. Board discussed and Hall noted that the property has been disconnected for some time. The two lots mentioned have been combined into one lot. Board determined that the Czech property will have to wait until capacity is available since the other property has been capped for several years.

Permits Issued:

 2024-002 – Kotek Builders on behalf of Russell Wagner at 94708 Sunny Beach Road – Parcel 33.5798.000. Permit issued for new connection. This was approved in January 2023.

Certificate of Compliance:

2024-003 – Terri Vogel 33969 S. Sand Road 33.0270.00 – point of sale

2024-004 – Sharon Fitzgerald 36573 Pine Grove Lane 33.5120.000 disconnect/reconnect

2024-005 – Russell Wagner 94708 Sunny Beach Road 33.5798.000 disconnect/reconnect

Superintendent Newman worked with new contractor, Brett Collier during the month of May. Board agreed to have Newman continue to work with Collier for the next three months on permits, point of sale etc. Motion made by Lourey second by Engstrom to pay Newman $50/per hour billed in ¼ hour increments for a not to exceed amount of 10 hours per month for the next three months to assist Contractor Brett Collier as needed. Motion carried 5/0.

7. Treasurers Report: Treasurer Nielsen reviewed the profit and loss statement and balance sheet for the month of May 2024. Nielsen had reviewed the bank statements and reconciliation and found the books to be in order. The balance in checking as of May 31, 2024, was $38,718.79. Claims submitted for today include check numbers 12841 thru 12859 as well as two EFT payments for payroll tax for a total amount of $38,272.99. Director Hall noted that the legal bill is for the months of both April and May and that no overage fees were submitted to the City of Moose Lake for the month. The District is still withholding overages from October, November, December, January, and May for a total amount of $1,899.80. Motion made by Strandlie second by Engstrom to approve the Treasurers Report as well as payment of the claims to include two EFT payments and check numbers 12841 thru 12859 for a total amount of $38,718.79. Motion carried 5/0.

 a. CD – Investments coming due July 2024: Northwoods Credit Union CD is coming due in July. The current rate is at 5.20% for 60 months. First National Bank has a 60 month at 4%. If the rate holds at Northwoods Credit Union, the District will let it roll over into a new CD. Nielsen reported he will investigate taking out another CD with cash on hand later this year.

8. Old Business

 a. Flow Numbers – May 2024: Average gallons per day for the month of May were 88,633.

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

9. New Business: None

10. Adjourn: Motion by Engstrom second by Strandlie to adjourn the meeting. The motion carried and the meeting adjourned at 8:10 p.m.

Minutes by Darla Hall, Executive Director