**Moose Lake Windemere Area Sanitary Sewer District**

**Approved Regular Meeting Minutes**

**February 26, 2025**

**@MLWSSD Office**

1**.**  The Regular Meeting of the Moose Lake Windemere Sanitary Sewer District was called to order by Chairman Byron Kuster at 5:35 p.m. Members present included: Vice Chair Paula Engstrom, Treasurer Eric Nielsen, and Clair Strandlie. Others present included: Superintendent Brett Collier, Water Control LLC; Executive Director Darla Hall; Attorney Mia Thibodeau; Jake Steen, Larkin Hoffman; and Jeff Kirk, Moose Lake Township resident. Board Member Bruce Lourey was absent from the meeting.

2. Approval of Agenda: Item a. Township Annual Meetings was added under New Business. It was noted that the agenda had January 18th listed for the minutes but it should have been January 15th,. Motion made by Strandlie second by Engstrom to approve the agenda as amended. Motion carried 4/0.

3. Approval of Minutes:

 a. Motion by Nielsen second by Strandlie to approve January 15, 2025, Organizational Meeting Minutes of the MLWSSD as written, motion carried 4/0.

 b. Motion by Strandlie second by Engstrom to approve January 15, 2025, Regular Meeting Minutes of the MLWSSD as written, motion carried 4/0.

4. Guests: Attorney Mia Thibodeau, Fryberger, Buchanen, Smith, Fredrick representing the Board and Attorney Jake Steen, Larkin Hoffman, representing DSLR, LLC, were both present at the meeting to discuss the matters related to the Sand Lake Resort Capacity Allocation Agreement.

a. Revisit Application to Determine Availability of Sewer – DSLR: - Revoke based on recent capacity allocation Resolution by City – TABLED

b. New Application to Determine Availability of Sewer – DSLR: Finding of facts based on City Council Action of 1300 gpd for DSLR - TABLED

c. Capacity Reservation Agreement DSLR, LLC, Dated July 31, 2024: Board was presented with a new Capacity Allocation Agreement for DSLR, LLC aka (CAA). Attorney Thibodeau explained the CAA is necessary based on the City of Moose Lake’s recent Resolution 24-12-02 which provides allocation of 1300 gpd of treatment volume to the District for exclusive use by DSLR. Attorney Thibodeau, Chairman Kuster, Treasurer Nielsen, and Director Hall have all been involved in the drafting of the CAA. Attorney Jacob Steen, Larkin Hoffman, and Mark Lambert have reviewed, and Steen indicated they were agreeable with the terms set forth with very minimal changes.

Attorney Thibodeau went on to explain the language in the CAA. Basically, it states that DSLR has applied for Service Connection to allow for expansion of the Resort, consisting of 15 equivalent residential units (ERUS) and the connection request consists of 40 dwelling units (greater than six dwelling units) in a single structure with only one service connection. The Board will own, install, and maintain a water meter to meter the well water to the Resort that will discharge wastewater to the public sewer. The Superintendent will take monthly readings. Measuring of the well water flow is easier to measure and more cost effective than installing a flume. It was stated that a separate line would split off for irrigation and hot tub use. Attorney Steen stated they are estimating around 83 gpd of wastewater per unit. The base line flow rate in the CAA is based on flow estimate of current use at 8,700 gpd plus 1,300 gpd for the additional 15 ERU’s. If the measured flow is in excess of the baseline flow rate and the District is assessed an excess flow charge under the treatment agreement with the City of Moose Lake for overages, DSLR shall reimburse the District for that portion of the excess flow charge. The Capacity Allocation Agreement also requires DSLR to inspect and televise the line every ten years.

It was noted that this Capacity Allocation Agreement revokes the previous Capacity Reservation Agreement dated July 31, 2024. Hall questioned the reserved capacity of a total of 10,000 gpd to DSLR. If DSLR is anticipating 83 gpd per unit and 10,000 gpd is reserved, how does the District get that back for other users if the Resort doesn’t need it? The attorney’s explained the Capacity Allocation is only for the 1300 gpd that the City allocated strictly to the resort.

District Ordinance #2 Establishing Rates and Charges for the Sanitary Sewer District – Mia discussed language changes to District Ordinance #2 which is the Ordinance that establishes rates and charges for the District. To deal with short-term rentals a new use is being added which allows for the Board to review ERU assignments annually and if it results in an increase flow or load the user shall pay any required connection fee and/or user charges. New use shall mean the redevelopment of a property for a different residential, non-residential, commercial, or industrial use. Section 5.01 updates the current connection fee to the 2025 rate of $6,660 with an annual 3% increase.

A section has been added to include language dealing with the user being responsible for materials and installed cost of the service lateral, any grinder pump station etc.

The proposed language has been added to address the Connection Fee for Non-residential Users with six or more dwelling units in a single structure with only one Service Connection that shall be 75% of the current year Connection Fee per ERU for a Non-residential User if the Total estimated Flow for each dwelling unit is less than 260 gallons per day. The reason behind the proposed language is that one lateral line is less maintenance and less possible I&I entering the system and also more dwelling units in the single structure provide more efficiencies. Additional language changes include increasing the late fee to 8% per year and charging users for recording fees and administrative costs on variances. Board questioned if a public hearing needed to be held before adopting the changes to the Ordinance. Attorney Thibodeau indicated that the Ordinance just needed to be published.

Motion was made by Strandlie second by Engstrom to adopt the Moose Lake and Windemere Area Sanitary Sewer District Ordinance No 2 Establishing Rates and Charges for the Sanitary Sewer District with the proposed edits as discussed and approved for a summary of Ordinance #2 to be published in the official newspaper of the District. Motion carried 4/0.

Capacity Allocation Agreement:

Motion by Engstrom second by Strandlie to approve the Capacity Allocation Agreement with DSLR, LLC contingent on legal review, fees paid, current version of the plans, and forms received. Motion carried 4/0. The Board will sign off on the other applications, MPCA Permit, etc., once the other documents are received and payment for the connections fees is submitted either at the next regular Board meeting or at a special meeting if necessary.

Mia will send a copy of the Capacity Allocation Agreement to the Attorney Robert Kringler, City of Moose Lake prior to sign off by the District and DSLR.

d. Permit Application DSLR, LLC – 15 ERU’s:TABLED

e. MPCA Permit Application for Extension/Relocation – DSLR, LLC: TABLED

5. Executive Directors Report:

 a. City of Moose Lake – City Response to Boards Request for Arbitration: Hall reviewed the February 19, 2025, response from Attorney Robert Kringler with the Board. The City did not accept the last offer the Board proposed for an ERU fee. They made a final counter offer to avoid arbitration and litigation. If the Board is not willing to settle for this offer the City wants to move directly to binding arbitration with the same Administrative Law Judge, Judge as was used in mediation. Board discussed their last offer made to the City. It was noted that the final offer the City made is actually higher than the previous final offer the City made. Board discussed and will attempt to make one final counter offer. Board is not agreeable to binding arbitration with the same Administrative Law Judge. Chairman Kuster, Nielsen, Hall and Attorney Thibodeau will prepare a response to the City Attorney with the final offer. If the City does not accept the offer, the Board will move on to non-binding arbitration as stated in the current contract.

 b. Authorization for Debit Card – MLWSSD: Director Hall, stated that the current computer program Microsoft is a monthly payment that can only be paid by credit card which the District does not have. She currently pays with her personal credit card and gets reimbursed monthly. With her leaving, the District needs to have some form of payment to continue the plan. She is seeking approval to take out a debit card in MLWSSD name for making the reoccurring payment. To limit exposure, the debit card daily limit is set at $15.00 per day. Motion by Engstrom second by Strandlie to approve taking out a debit card at FNB for MLWSSD. Motion carried 4/0.

 c. Authorization to enter into IT Agreement with 218 TEK, LLC: Director Hall explained that with the renewal of the Microsoft program and her leaving the District the need for computer support was discussed. At this time all emails and company files and documents are sent to the cloud. For protection purposes it is recommended to have an IT person oversee such accounts to prevent documents from being deleted or destroyed, etc. In addition, if the District moves to online payments for sewer billing, they will be dealing with other people’s credit card information which poses risk. Hall stated that she had Treasurer Nielsen review an Agreement proposal from Bobby Dorman of 218 Tek, LLC. It is a year service contract for IT services for everything from Microsoft program, helping with printer issues, problems with the billing program, QuickBooks, emails etc. The cost is $150 per month. Motion by Engstrom second by Nielsen to approve the one-year contract with 218 Tek, LLC, for IT services starting February 1, 2025. Motion carried 4/0. Hall reported that today’s claims will include a payment for the month of February services as well as the month of March as she did have 218 Tek do work for the District in February.

 d. Review Applications and Schedule Interviews for Executive Director and 8 month Review of Superintendent. Board discussed the Superintendents 8 month review. Collier stated that he will be out of town on vacation and will not be at the next Board meeting. Board will schedule the review sometime later in March or April. Board reviewed the applications for the Executive Director position. Hall to contact those selected in the first round and see if they may be available March 14th otherwise sometime the week of March 22nd . Hall will advise the Board of the date and time when its scheduled and post proper notice.

 e. Schedule Special Meeting with DSLR, LLC early March 2024: Board did not schedule a special meeting at this time. It is believed the remaining items for Sand Lake Resort can be addressed at next regular board meeting in March.

6. Superintendents Report: Brett Collier Water Control, LLC: See written report as prepared by Superintendent Collier. District was contacted by John Raiha as he purchased a property by the golf course on Viking Way (Parcel ID 33.5948.00) and he was questioning if it is within 400 feet of the sewer line. Collier checked it out and he is too far from the line to connect.

Superintendent Collier reported there was a power outage on January 21st and he had to restart Lift Stations C and D. Quality Flow was out and replaced the lights on the lift stations.

Collier and Chairman Kuster had a zoom meeting this month with the Engineers reviewing the testing information from the samples that were taken at Lift Station #1 and reviewing options on two different package plants. Kuster reported that one of the options may not work for the District, but they are looking at more information. Brett stated that the sampling requirements that go with constant discharges at package plants are very costly as they require two samples a week, sampling of what goes in and out and can cost $300 for each sample not to mention operation and maintenance costs. Collier stated that treatment ponds are so much less expensive.

Brett reported that he contacted Mark Brown who purchased a property back in October which had not completed the Certificate of Compliance. Brown is currently in Florida but indicated he would be getting it completed. Collier gave him the information again for Abco Plumbing to get the plumbing inspection done. Collier to follow up on.

Permits: None Issued

Certificate of Compliance – None Issued

7. Treasurers Report: Treasurer Nielsen reviewed the profit and loss and balance sheet with the Board for the month ended January 31, 2025. Nielsen had been in and reviewed the bank statements and reconciliations and found the books to be in order. Balance in checking as of January 31, 2025, was $52,322.72. Claims were presented for payment and included check numbers 13001 thru 13025 as well as two EFT payments for payroll taxes for a total amount of $41,410.53. Hall noted that check #13024 was a void check as it was destroyed in the printer. Hall reported that the claims today included the bill from the City of Moose Lake for a separate check #13011 in the amount of $7,125 which is for the $15 ERU charge for 475 connections for the month of January. The City sent an email indicating they based the January bill on 475 as that was the current connection number they had at the time and would adjust in the future once they received the actual count from the District. Board advised Hall to void the check at this time until the terms have been finalized with the City since an agreement has not been reached. Hall noted that she has reimbursement claims submitted for the purchase of a new copier for the office as well as reimbursement for advertisement fees for the employment ad which she put on her credit card. Motion made by Strandlie second by Engstrom to approve the Treasurers Report and payment of today’s claims to include check numbers 13001 thru 13025 as well as the two EFT payments for a total amount of $34,285.53. Check number 13011 in the amount of $7,125 to the City of Moose Lake will be void and the invoice held until further notice. Motion carried 4/0.

 a. CD’s FNB: CD Coming due 3/1/2025 Board already made a motion at previous meeting to take out a new $500,000 60-month CD at 3.45% at FNB. Hall will set up CDs at the bank for signatures.

8. Old Business:

 a. Flow Numbers: Average daily flow for January 2025 was 67,618 gpd

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

9. New Business:

 a. Township Annual Meetings: Township Annual Meetings will be held on March 11th, 2024. Engstrom will be attending for Windemere Township and Kuster will be attending for Moose Lake Township. Hall will prepare a summary of the highlights from 2024 for talking points at the meeting.

10. Adjourn: Motion by Strandlie second by Engstrom to adjourn the meeting, motion carried 4/0 and the meeting adjourned at 7:50 p.m.

Minutes by Darla Hall, Executive Director