

**MINUTES OF THE REGULAR MEETING OF BOARD MEMBERS
OF LAKE WASHINGTON SANITARY DISTRICT
AND
PUBLIC HEARING
FINAL ASSESSMENT
October 24, 2005**

1. Call to Order

Larry Maruska called the regular meeting of the Board to order at 7:00 p.m. on Monday October 24, 2005, at the Kasota Community Center, 200 North Webster Street, Kasota, MN 56050.

2. Roll Call

Present: Robert Bieraugel, Ed Fahrforth, Jerry Kallheim, Art Zuhlsdorf, and Larry Maruska.

3. Review and approval of the agenda

Resolution 05.134: Member Bieraugel moved to approve the agenda. Upon a second from Jerry Kallheim the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

4. Old Business

a. Change Order #4

- Change Order #4 was distributed and reviewed. Jon Peterson explained the reasons for the additional expense.

Resolution 05.135: Member Fahrforth move the approve Change Order #4 increasing the project cost in the amount of \$25,160.08. Upon a second from Jerry Kallheim the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

b. Consider resolution regarding amendment of proposed assessment roll

- The original assessment roll did not include the amount in Change Order #4. The Board determined the total amount should be included in the Final Assessment.

Resolution 05.136: Member Fahrforth move to Amended the Proposed Assessment Roll to include the \$25,160.08 in the Final Assessment Roll. Upon a second from Robert

Bieraugel the motions passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.
(Complete resolution attached)

5. Review and approval of Minutes of October 10, 2005 Minutes

- This item for consideration later in the meeting.

6. Public Hearing on Final Assessment

a. Open Public Hearing

- Larry Maruska opened the Public Hearing at 7:15.

b. Introduction and Presentation by Chairperson

- Larry Maruska introduced the Board Members, the Board staff, and the consultants involved in the project.

c. Summary of Procedures by Mike Karp

- Mr. Karp explained the reason for the Public Hearing. The procedures the Hearing will follow, the manner in which property owners will be able to appeal the assessment, and outlined the options for the assessment to be paid.

d. Presentation by Bolton & Menk, Inc.

- Mr. John Peterson explained how the individual assessment amounts were arrived at. The assessments included Construction Costs, Non-Construction costs, and the individual property owners varying costs.

e. Public Commentary

- Larry Maruska opened the floor for public comment.
- Mr. David Arpin, 7050 De Mar Estates, asked the amount of his total assessment, and when the project will be completed. Mr. Arpin's property was connected on October 10th, and his Final Assessment has been determined. The project completion date is October 31st.
- Mr. Rich Draheim, 4450 Washington Boulevard, asked about the procedure to add a grinder station to a vacant lot. Mr. Del Vulcan will determine if this addition to the project is possible and report back to Mr. Draheim.
- Mr. Paul Sonnek, 1513 Squirrel's Nest Road had several construction issue questions.
- Mr. Jim Amlie, 2120 Limberdink Road, questioned the amount of his total Assessment, and hand delivered a letter reserving his right of

appeal. The Board will consider the objections from Mr. Amlie and determine if there should be an adjustment to his Final Assessment.

- Mr. Greg Germscheid, 5212 Island View Heights, had several questions that were construction related.
- Mr. Richard Lundin, 4460 Washington Boulevard, asked why most of his adjacent property owner's assessment had different assessment amounts. It was explained to Mr. Lundin, that each property has different lengths of lateral lines, depths of the Grinder Stations, and septic tank issues, that change to cost of the individual assessment. Mr. Lundin also had construction issue questions.
- Mr. Bruce Klugherz, 2116 Limberdink Road, had billing questions.
- Ms. Mary Kammerdiener, 6027 ½ Connor road, had billing questions.
- Mr. Steven Biehn, 29153 North Shore Drive, asked how his assessment was arrived at. It was explain to Mr. Biehn the method in which to total assessment was determined. Mr. Biehn also had billing questions.

f. Close Public Hearing

- Upon no further public comments, Larry Maruska closed the Public Hearing at 8:01 p.m.

7. Officers' reports

a. Chairperson – Larry Maruska

- Larry Maruska requested Approval of the Minutes of October 10, 2005 Regular Meeting.

Resolution 05.137: Member Bieraugel moved to approve the Minutes of the October 10, 2005 Regular Meeting. Upon a second from Art Zuhlsdorf the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

b. Vice-Chairperson – Jerry Kallheim

- No Report

c. Treasurer – Art Zuhlsdorf

- Treasurer Zuhlsdorf reported the beginning balance of the checking account of \$635,033.22, which included deposits from utility billing in the amount of \$3,198.06, and Hickory Tech Utility Easement payment in the amount of \$1,487.50.
- Received an invoice from Beth Pooley in the amount of \$80.60.
- Received an invoice from James Deike in the amount of \$148.59.
- Received an invoice from Hickory Tech in the amount of \$92.72.

- Received an invoice from Benco in the amount of 162.87.
- Received an invoice from League of Minnesota Cities in the amount of \$3,064.00.
- Received an invoice from Bolton & Menk in the amount of \$19,361.96.
- Received an invoice from Blethen Gage and Krause in the amount of \$3,851.10.
- Bills totaling \$26,761.38.

Resolution 05.138: Member Zuhlsdorf moved to approve payment of the bills. Upon a Second by Robert Bieraugel, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

- The ending balance of the checking amount after payments are made is \$608,271.38.

d. Secretary – James Deike

- No Report.

8. New Business

a. Consider Resolution Adopting Assessment Roll

Resolution 05.139: Member Bieraugel moved to adopt revisions to proposed Assessment Roll 2003 Sanitary Sewer Improvement Project. Upon a Second Received from Art Zuhlsdorf the motion was passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent. (Complete resolution attached)

Resolution 05.140: Member Zuhlsdorf moved to approve the Final Assessment Roll correcting the date in paragraph 2 from 2005 to 2006. Upon a Second received from Robert Bieraugel the motion was passed by a vote of 5 in favor, 0 against, 0 abstained and 0 absent. (Complete resolution attached)

b. Time extension request by GM Contracting

- Due to additional grinder stations, and the increase in the amount of Main collection pipe, GM Contracting has asked Bolton & Menk for an extension for completion of the project. The Board will review and consider at a future meeting.

9. Adjournment

Member Bieraugel moved to adjourn the meeting. The meeting was adjourned at 9:26.

Respectfully Submitted,

/s/ James Deike

James Deike

Secretary of the Lake Washington Sanitary District

RESOLUTION NO. 05-136

**LAKE WASHINGTON SANITARY DISTRICT
RESOLUTION AMENDING PROPOSED ASSESSMENT ROLL
2003 SANITARY SEWER IMPROVEMENT PROJECT**

WHEREAS, on October 4, 2005, the Board of Managers of Lake Washington Sanitary District (the "District") adopted the proposed assessment roll for the 2003 Sanitary Sewer Improvement Project; and

WHEREAS, subsequent to the adoption of the proposed assessment roll, the Board of Managers of the District were notified by Bolton & Menk, Inc., the engineering consultants for the District, and by Pettipiece and Associates, LLC, the financial consultant for the District, of the existence of Change Order No. 4, that was not accounted for in the proposed assessment roll; and

WHEREAS, the Board of Managers has previously determined that 100% of the costs associated with the 2003 Sanitary Sewer Project shall be specially assessed against the lands and properties benefited thereby; and

WHEREAS, the Board of Managers has determined that the costs related to Change Order No. 4 shall not be included in the assessment roll for the 2003 Sanitary Sewer Improvement Project as may be finally adopted by this Board of Managers, to the extent that the costs related to Change Order No. 4 shall cause the aggregate amount of the assessment to exceed the amount of \$7,389,875.92.

NOW THEREFORE, BE IT RESOLVED, that all costs related to Change Order No. 4 for the 2003 Sanitary Sewer Improvement Project shall not be included in the assessment roll as may be finally adopted by the Board of Managers of the District, to the extent that the costs related to Change Order No. 4 shall cause the aggregate amount of the assessment to exceed the sum of \$7,389,875.92.

Dated this 24th day of October, 2005.

LAKE WASHINGTON SANITARY
DISTRICT

By: /s/ Larry Maruska
Its: Chairman

ATTEST:

By: /a/ James Deike
James Deike
Its: Secretary

I, James Deike, Secretary of the Lake Washington Sanitary District, do hereby certify that Resolution No. 05-136 was moved for adoption by Board member Fahrforth and seconded by Board member Bieraugel and, upon vote being taken thereon, Resolution No. 05-136 was adopted by a vote of 5 in favor 0 and against, with 0 abstained.

Dated this 24th day of October, 2005.

/s/ James Deike
James Deike, Secretary

RESOLUTION NO. 05-139

**LAKE WASHINGTON SANITARY DISTRICT
RESOLUTION ADOPTING REVISIONS
TO PROPOSED ASSESSMENT ROLL
2003 SANITARY SEWER IMPROVEMENT PROJECT**

WHEREAS, on October 24, 2005, the Board of Managers of Lake Washington Sanitary District (the "District") held a public hearing at 7:00 p.m. at the Kasota Community Center, 200 North Webster Street, Kasota, MN 56050, for the purpose of hearing all persons who had questions, concerns or grievances regarding the amount of the proposed assessment for the properties benefited by the 2003 Sanitary Sewer Improvement Project; and

WHEREAS, the Board of Managers received input at the hearing from concerned citizens and from the consulting engineers for the District, namely Bolton & Menk, Inc., and from the financial consultant for the District, namely Pettipiece and Associates, LLC; and

WHEREAS, as a result of the input received, certain revisions have been recommended to the proposed assessment roll by Bolton & Menk, Inc. and by Pettipiece and Associates, LLC.

NOW THEREFORE, BE IT RESOLVED, as follows:

1. That the changes to the proposed assessment roll, as recommended by Bolton & Menk, Inc. and Pettipiece and Associates, LLC are hereby approved and adopted.

2. That the revised assessment roll, incorporating the changes to the proposed assessment roll as recommended by Bolton & Menk, Inc. and Pettipiece and Associates, LLC, a copy of which is attached hereto and made a part hereof, is hereby adopted as the official assessment roll for the 2003 Sanitary Sewer Improvement Project.

Dated this 24th day of October, 2005.

LAKE WASHINGTON SANITARY
DISTRICT

By: /s/ Larry Maruska
Its: Chairman

ATTEST:

By: /s/ James Deike
James Deike
Its: Secretary

I, James Deike, Secretary of the Lake Washington Sanitary District, do hereby certify that Resolution No. 05-139 was moved for adoption by Board member Zuhlsdorf and seconded by Board member Bieraugel and, upon vote being taken thereon, Resolution No. 05-139 was adopted by a vote of 0 in favor 0 and against, with 0 abstained.

Dated this 24th day of October, 2005.

/s/ James Deike
James Deike, Secretary

RESOLUTION NO. 05-140

**LAKE WASHINGTON SANITARY DISTRICT
RESOLUTION ADOPTING ASSESSMENT ROLL
2003 SANITARY SEWER IMPROVEMENT PROJECT**

WHEREAS, the Board of Managers of Lake Washington Sanitary District (the "District") has, pursuant to notice duly given as required by law, met, heard and passed upon all objections to the proposed assessment roll for the 2003 Sanitary Sewer Improvement Project, adopted by the Board of Managers pursuant to Resolution No. 05.126; and

WHEREAS, a public hearing on the proposed assessment roll was held on Monday, October 24, 2005 at the Kasota Community Center, 200 North Webster Street, Kasota, MN 56050 at 7:00 p.m., for the purpose of taking public comment upon the proposed assessment roll; and

WHEREAS, as a result of supplemental information received from Bolton & Menk, Inc., the consulting engineers for the District, and from Pettipiece and Associates, LLC, the financial consultants for the District, and as a result of the objections, if any, received at the hearing, the proposed assessment roll was revised and the revised assessment roll for the 2003 Sanitary Sewer Project is attached to this Resolution.

NOW THEREFORE, BE IT RESOLVED, by the Board of Managers of the District as follows:

1. The revised assessment roll, a copy of which is attached hereto and made a part hereof, is hereby accepted and adopted and shall constitute the special assessment against the lands and properties identified therein, and each tract of land and property identified therein is hereby found to be benefited by the 2003 Sanitary Sewer Improvement Project.

2. The assessment adopted by the foregoing resolution shall be payable in equal annual installments extended over a period of 18 years, the first of said installments to be payable with the general taxes collectible during the year 2006, and shall bear interest at the rate of 3.81% per annum from the date of adoption of this Resolution. To the first installment shall be added interest on the entire assessment from the date of this Resolution until December 31, 2006. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

3. The owner of any of the lands or properties identified in the revised assessment and so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole assessment on such property or land with interest accrued to the date of payment, to the Treasurer of the District, except that no interest shall be charged if the entire assessment is paid within thirty (30) days from the adoption of this

Resolution; and such person may, at any time thereafter, pay to the County Treasurer the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 of the year of payment, or interest will be charged to December 31 of the next succeeding year.

4. The Secretary of the District shall forthwith transmit a certified duplicate copy of the revised assessment roll to the County Auditor of Le Sueur County, and to the County Auditor of Blue Earth County, to be extended on the respective tax lists of such counties.

5. The Secretary of the District shall mail to each owner of the lands and properties described in the revised assessment roll a notice stating the amount of the adopted assessment, the right of the property owner to prepay the entire assessment, the time within which prepayment may be made without assessment of interest, and the rate of interest to be accrued if the assessment is not prepaid within the required time period.

Adopted by the Board of Managers of Lake Washington Sanitary District this 24th day of October, 2005.

LAKE WASHINGTON SANITARY
DISTRICT

By: /s/ Larry Maruska
Its: Chairman

ATTEST:

By: /s/ James Deike
James Deike
Its: Secretary

I, James Deike, Secretary of the Lake Washington Sanitary District, do hereby certify that Resolution No. 05-140 was moved for adoption by Board member Zuhlsdorf and seconded by Board member Bieraugel and, upon vote being taken thereon, Resolution No. 05-140 was adopted by a vote of 5 in favor 0 and against, with 0 abstained.

Dated this 24th day of October, 2005.

/s/ James Deike
James Deike, Secretary