

**MINUTES OF THE REGULAR MEETING OF BOARD  
MEMBERS OF  
LAKE WASHINGTON SANITARY DISTRICT  
August 8, 2005**

**1. Call to Order**

Jerry Kallheim called the regular meeting of the Board to order at 7:00 p.m. on Monday, August 8, 2005, at the Lake Washington County Park Community Building, 47102 Washington Park Road, Kasota, MN 56050.

**2. Roll Call**

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

**3. Review and approval of agenda**

*Resolution 05.98:* Robert Bieraugel moved to approve the agenda. Seconded by Art Zuhlsdorf. Motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

**4. Review and Approval of the Minutes of the July 25, 2005 Meeting**

*Resolution 05.99:* Robert Bieraugel moved to approve the minutes of the July 25, 2005 Regular meeting. Seconded by Ed Fahrforth. Motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

**5. Officers Reports**

**a. Chairperson – Larry Maruska**

- No Report.

**b. Vice Chairperson – Jerry Kallheim**

- No Report.

**c. Treasurer – Art Zuhlsdorf**

- Art Zuhlsdorf Reported the beginning balance of the checking account as of August 8, 2005 is \$58,188.15, which includes a deposit of \$321.90 received from utility billing. \$668,620.30 was received from PFA on July 28, 2005 and the check to GM Contracting was sent.
- Received an invoice from The Free Press in the amount of \$105.80.

- Received invoices from Pettipiece & Associates in the amounts of \$835.03, and \$498.90.
- Received an invoice from Bolton & Menk in the amount of \$26,233.35.
- Received an invoice from Blethen Gage & Krause in the amount of \$5,672.17.
- Received an invoice from GM Contracting in the amount of \$294,811.47.
- Bills totaling \$3,449.59.

*Resolution 05.100:* Art Zuhlsdorf moved to approve payment of the bills received from The Free Press, Pettipiece and Associates, Bolton & Menk, and Blethen Gage & Krause. And to approve payment of the GM Contracting bill upon receipt of funds from PFA. Seconded by Ed Fahrforth. Motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

- Balance of the checking account after payment of the bills is \$24,842.90
- The July 2005 financial statements were distributed for review.

*Resolution 05.101:* Art Zuhlsdorf moved to table the approval of the financial statements until the August 22, 2005 meeting. Seconded by Ed Fahrforth. Motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

**d. Secretary – James Deike**

- Received calls from four property owners regarding the monthly billing and payment of late fees.
- Received a letter from Lisa Johnson 3718 Sioux Lane regarding the monthly billing and payment of late fees.
- Received the monthly report from the Federal Reserve Bank, the book value of the collateral is \$942,984.49.
- Received a letter from the Minnesota Pollution Control Agency regarding the Proposed Rule Amendments to Chapter 7077.
- Received the Affidavits of Publication from the Free Press for the publishing of Resolution 05.84, and Ordinance 2005-3.
- Received Notices from the Le Sueur County Planning and Zoning Commission for public hearings to be held on August 11, 2005, August 17, 2005. Conditional Used Permits were requested by Thomas Stapleton, and Roger Huettl. A Variance was requested by Marilyn Birbeck.
- Received a copy of the letter sent by Jon Peterson of Bolton and Menk to Mike Urban of GM Contracting.

## 6. Open Forum for Constituents

- None.

## 7. Old Business

### a. Budget Committee Report

- Art Zuhlsdorf reported the committee is should increase the amount for accounting fees, and the committee is waiting for the 2006 amounts from Pettipiece and Associates, and Bolton & Menk.

### b. Construction Progress

- Project Construction Progress: 296 (88%) Grinder Stations installed but not connected to houses.
  - 179 (42%) Grinder Stations connected to houses
  - 300 (70 %) Lateral Lines Bored into place
  - 90 % of Collection Main Bored into place
  - 100 % Force Main bored into place
  - 75 % Lift Stations completed

The project remains on schedule to be completed within the contract period. The waste water treatment building was shut down on the 31<sup>st</sup> of July. The sewage inside the treatment plant is being taken to the Mankato treatment facility for treatment. The contractor is working with the Minnesota Pollution Control Agency to permanently close the facility. All collection piping on the East, South, and West sides of the lake are pressure tested. Crystal Cove, Jessica Drive, and Limberdink Road properties were connected and pumping to the system this last month. The connection crew will begin connecting properties in the Squirrels Nest Road area on Monday the 8<sup>th</sup> of August.

#### Construction Schedule:

1. Connection crew will connect properties to the system in the Squirrels Nest Road area.
2. Grinder pumps will be dug into place along the North Shore this coming month starting on the West side of county road 103.
3. The black dirt crew will continue to grade and clean up the properties on the South side of the lake.

The boring crew and road connection crew are off site for a couple of weeks.

Home owner electrical wiring continues to be a problem. There are too many home owners who do not have their electrical wiring done. This is causing delays to the project.

- Del Vulcan Distributed Work Change Directive number 3. Approval of \$400.00 from the Construction Allowance.

*Resolution 05.102:* Ed Fahrforth moved to approve Work Change Directive Number three for the \$400.00 fro the Construction Allowance. Seconded by Robert Bieraugel. Motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

- The Agreement of Understanding Regarding the Granting of Easement for Utility Purposes with the changes approved at the August 5, 2005 Special meeting was signed.

**c. Negotiations with the City of Mankato to amend the Interconnection Agreement**

- No Report.

**d. Bonding**

- The District will need to sell General Obligation Sewer Revenue Bonds for completion of the project. Northland Securities will place the Bond upon approval from the District.

*Resolution 05.103:* Member Bieraugel moved the Authorizing the Sale of Approximately \$940,000 General Obligation Sewer Revenue Bonds, Series 2005A. Upon a second by Ed Fahrforth, the motion was passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent. (Complete Resolution attached)

**e. Discuss Preliminary Hearing for Public Comment**

- Table until the August 22, 2005 meeting.

**f. Letter to Property Owners**

- Ed Fahrforth discussed the information that will be contained in the letter to Property Owners. The letter will be prepared for approval at the August 22, 2005 Meeting.

**g. Other**

- No Other Old Business.

**8. New Business**

**a. Other**

- Discussed Resolution needed Ordering Preparation of Final Assessment Roll.

*Resolution 05.104:* Member Zuhlsdorf moved to have the Final Assessment Roll of the 2003 Sanitary Sewer Improvement Project be Prepared. Upon a second by Robert Bieraugel, the motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent. (Complete Resolution attached)

**9. Discuss Agenda for August 22, 2005 Regular meeting**

- The agenda will be set this week.

**10. Adjournment**

Art Zuhlsdorf moved to adjourn the meeting. The meeting was adjourned at 8:12 p.m.

Respectfully Submitted,

/s/ James Deike

James Deike

Secretary of the Lake Washington Sanitary District

RESOLUTION NUMBER 05-104  
RESOLUTION ORDERING PREPARATION  
OF FINAL ASSESSMENT ROLL  
2003 SANITARY SEWER IMPROVEMENT PROJECT

WHEREAS, on August 11, 2003, the Board of Managers of Lake Washington Sanitary District (the "District") ordered the 2003 Sanitary Sewer Improvement Project (the "Project") be made as proposed in the Facility Plan and Feasibility Study, and Amendment No. 1 to the Facility Plan and Feasibility Study prepared by Bolton & Menk, Inc.; and

WHEREAS, by resolution dated March 22, 2004, the Board of Managers of the District approved the final plans and specifications for the Project, as prepared by Bolton & Menk, Inc. and as approved by the Minnesota Pollution Control Agency and as approved by the City of Mankato, and thereafter advertised for bids for the Project; and

WHEREAS, by resolution dated June 21, 2004, the Board of Managers of the District awarded the contract for the construction of the Project to GM Contracting, Inc.; and

WHEREAS, the Board of Managers of the District has previously determined that the cost of the Project will be specially assessed against every assessable lot, piece or parcel of land within the District; and

WHEREAS, the Project is nearing completion and it is necessary to prepare the assessment roll for the Project.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Board of Managers of the District hereby ratifies its previous determination that the entire cost of the Project will be specially assessed against every assessable lot, piece or parcel of land within the District, and that the District will not pay any of the cost of the Project.
  
2. The Secretary of the District, with the assistance of and in conjunction with the District's engineers and financial consultants, namely Bolton & Menk, Inc. and Pettipiece and Associates, LLC, respectively, be and are hereby directed to prepare a proposed Final Assessment Roll for the Project and to calculate the proper amount to be specially assessed against every assessable lot, piece or parcel of land within the District, without regard to the cash valuation thereof, all in accordance with the provisions of Minnesota Statute section 429.051, and shall present the same at the regular meeting of the Board of Managers of the District on September 26, 2005, or at such earlier date as the Final Assessment Roll shall be completed for consideration by the Board of Managers.

3. Upon acceptance thereof, the proposed Final Assessment Roll shall be filed with the Secretary of the District and shall be open to public inspection.

Dated this 8<sup>th</sup> day of August, 2005.

LAKE WASHINGTON SANITARY  
DISTRICT

By: /s/ Jerry Kallheim  
Its: Vice Chairman

ATTEST:

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

I, James Deike, Secretary of the Lake Washington Sanitary District, do hereby certify that the foregoing resolution was moved for adoption by Board member Zuhlsdorf and seconded by Board member Bieraugel and, upon vote being taken thereon, the foregoing resolution was adopted by a vote of 4 in favor and 0 against, with 1 absences or abstentions.

Dated this 8<sup>th</sup> day of August, 2005.

/s/ James Deike  
James Deike, Secretary

**EXTRACT OF MINUTES OF A MEETING  
OF THE BOARD OF MANAGERS OF THE  
LAKE WASHINGTON SANITARY DISTRICT, MINNESOTA**

**HELD: AUGUST 8, 2005**

Pursuant to due call and notice thereof, a regular meeting of the Board of Managers (the "Council") of the Lake Washington Sanitary District (the "District"), Le Sueur, and Blue Earth Counties, Minnesota, was duly called and held in the Lake Washington County Park Community Building, Kasota, Minnesota on August 8, 2005, at 7:00 P.M.

The following members were present: Robert Bieraugel, Ed Fahrforth, Art Zuhlsdorf, and Jerry Kallheim.

and the following were absent: Larry Maruska

Member Bieraugel introduced the following resolution and moved its adoption:

*RESOLUTION NO. 05.103*

**RESOLUTION AUTHORIZING THE SALE OF APPROXIMATELY  
\$940,000  
GENERAL OBLIGATION SEWER REVENUE BONDS, SERIES 2005A**

WHEREAS, the District has an upcoming issuance of approximately \$940,000 General Obligation Water Revenue Bonds, Series 2005A (the "Bonds") and

WHEREAS, the District desires to effectuate the transaction with Northland Securities Inc, when the financing plan and documents are in place and market conditions are appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers of the Lake Washington Sanitary District, Minnesota as follows:

1. The Board of Managers is hereby authorized to approve the sale of certain Bonds to Northland Securities when market conditions warrant and on such date and at such time as Northland Securities, Inc advises.
2. The Board of Managers will meet to adopt the necessary approval resolution drafted by bond counsel on September 12, 2005 at 7:00P.M.

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers of the Lake Washington Sanitary District, Minnesota as follows:

The motion for the adoption of the foregoing resolution was duly seconded by Member Fahrforth, and upon voted being taken thereon, the following voted in favor thereof: Robert Bieraugel, Ed Fahrforth, Art Zuhlsdorf, and Jerry Kallheim.

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted on, August 8, 2005.

/s/ Jerry Kallheim  
Vice-Chair

Attest:

/s/ James Deike  
District Secretary

**CERTIFICATION**

STATE OF MINNESOTA

)SS

COUNTY OF LE SUEUR

I, the undersigned, being the duly qualified and acting District Secretary of the Lake Washington Sanitary District, Le  
minutes thereof on file in my office and that the same is a full, true and correct transcript thereof  
insofar as said minutes relate to the topic described in the title of the resolution set forth in the  
extract.

WITNESS my hand officially, August 8, 2005

/s/ James Deike  
District Secretary