

**MINUTES OF THE REGULAR MEETING OF BOARD
MEMBERS OF
LAKE WASHINGTON SANITARY DISTRICT
December 12, 2005**

1. Call to Order

Jerry Kallheim called the regular meeting of the Board to order at 7:00 p.m. on Monday, December 12, 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 05.151: Member Zuhlsdorf moved to approve the agenda. Upon a second from Ed Fahrforth, the 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 November 28, 2005 Regular Meeting

Resolution 05.152: Member Bieraugel moved to approve the minutes of the November 28, 2005 Regular meeting. Upon a second from Art Zuhlsdorf, the motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

5. Officers Reports

a. Chairperson – Larry Maruska

- Absent.

b. Vice Chairperson – Jerry Kallheim

- Attended the Joint Meeting of Townships on December 12, 2005 at 6:00 p.m. at Marysburg Church Hall, Madison Lake, Minnesota. Ed Fahrforth and Jerry Kallheim were reelected to the Board of Managers of the Lake Washington Sanitary District.

c. Treasurer – Art Zuhlsdorf

- Art Zuhlsdorf Reported the beginning balance of the checking account as of today December 12, 2005 is \$1,717,302.79 which includes deposits of \$6,029.81 received from utility billing, \$2,111.70 received from Le Sueur County for the 2005 tax levy, \$5,183.31 received from Blue Earth County for the 2005 tax levy, \$37,438.08 received for pre-paid Assessments, and \$5,417.78 received from Northland Securities for bond residual. The balance also includes a charge from US Bank for checks in the amount of \$15.95
- Received invoices from Pettipiece & Associates in the amounts of \$1,854.87 and \$2,438.60.
- Received an invoice from The Free Press in the amount of \$335.65.
- Received an invoice from Benco in the amount of \$181.50
- Received an invoice from Hickory Tech in the amount of \$123.49.
- Received an invoice from GM Contracting in the amount of \$314,450.03.
- Bills totaling \$319,384.14.

Resolution 05.153: Member Zuhlsdorf moved to approve payment of the bills from Pettipiece & Associates, The Free Press, Benco, and Hickory Tech, and upon receipt of funds from PFA approve the payment of the GM Contracting Bill. Upon a second from Ed Fahrforth, the motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

- The balance of the checking account after payment of the bills will be \$1,712,368.68.
- The November 2005 financial statements were distributed and reviewed.

Resolution 05.154: Member Zuhlsdorf moved to approve the November 2005 Financial Statements. Upon a second from Ed Fahrforth, the motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

d. Secretary – James Deike

- Received information from the League of Minnesota Cities regarding insurance coverage changes for 2005-2006.
- Received from US Bank the new Pledge Agreement for Collateral. The book value as of November 30, 2005 being \$2,556,941.28.
- The Special Assessment Roll was certified to Le Sueur, and Blue Earth Counties on November 30, 2005.
- Received correspondence from Mike Karp for the Joint Meeting of Township for the meeting on December 12, 2005.

- Received a Notice of Public Hearing from the Le Sueur County Planning and Zoning Commission for December 21, 2005 hearing. Items on the agenda within the District Boundary: John Lynch requesting the County grant a Variance to allow the applicant to plat and construct dwellings within 1000-foot setback to an existing feedlot. Donald Anderson requesting the county grant a Variance to allow the applicant to construct an addition 10 feet from the property line and 26.5 feet from the road right-of-way.
- Received a copy of a letter sent to GM Contracting from Mary Klein requesting reimbursement for property damage.
- The balance of the 2005 tax levy after receiving the funds from the Counties is, \$6,904.85.

6. Open Forum for Constituents

- None.

7. Old Business

a. Construction Progress

- Report from Del Vulcan

Project Construction Progress:

425 (100%) Grinder Stations installed.
 424 (99.8%) Grinder Stations connected to houses
 424 (99.8 %) Lateral Lines Bored into place
 100 % of Collection Main Bored into place
 100 % Force Main bored into place
 98.5 % Lift Stations completed

The project reached substantial completion on 25 November 2005. As of today all but 1 property is connected to the sewer system. Due to the property owner waiting until the absolute last minute to locate where he wanted the grinder station, one lateral remains to be bored in. That will happen when the bore crew comes back to work on the two new Baker subdivisions. That work is scheduled for this month. The Washington Blvd lagoon is excavated out and old sewer plant building is demolished.

On 7 December the two pumps at Lift Station # 2 stalled out and would not pump. Schwickerts had the lift station manually pumped that night and the next day. On 9 December a new pump was installed at the lift station and it worked satisfactorily. The two original pumps at this lift station will be modified this week with different propellers. During the night of 8 December the pumps at lift station # 1 stalled out due to a spike

in electrical power. On 9 December the pump settings were adjusted upward to handle such spikes. The pumps are working as designed now.

Due to the recent snowfall and extreme cold weather, the contractor has terminated clean up and leveling of black dirt around the grinder stations until next spring. The current punch list is attached and will be completed next spring.

b. Negotiations with the City of Mankato to amend the Interconnection Agreement

- Jon Peterson distributed a Draft of a Resolution for the City of Mankato. The Draft was also sent to Mike Karp for review.

c. Consider a RV dumping station at the County Park

- Del Vulcan feels the sewer system is engineered to handle any additional flow that may be generated from the County Park proposal. Regulating and monitoring the input into the system would be required.

d. Discuss Assistant to the Treasurer position

- Jim Deike reported receiving only one proposal for the position, however, the bonding requirements are not known at this time.

e. ACH for receiving sewer billing payments

- Art Zuhlsdorf reported having a meeting with Beth Pooley, and a representative from US Bank. There are a variety of applications that may benefit the District. Reviewing daily transactions, receiving payments from property owners, manage check fraud, wire transfer maintenance, and the ability to issue payments electronically. All of the applications associated with the ACH have monthly fees. A minimum of 50 property owners would be required to utilize the system efficiently, and it was suggested finding out from property owners their interest in the ACH program.

f. Washington Boulevard Repair

- Jerry Kallheim will contact the Chairman of the Washington Boulevard Association to set up a meeting discussing the Districts involvement, if any, in the repair of the private section of Washington Boulevard.

g. Discuss Special Assessment Hearing

- This item was not discussed.

h. Review Calendar of Events

- This item not discussed

i. Other

- No other old business.

8. New Business

a. Discuss Changing Meeting Date

- The next meeting date is Monday December 26, 2005, which is the day after Christmas and the celebrated day for most businesses to be closed. However, the 26th is not a legal holiday for purposes of the public meeting law.

Resolution 05.155: Member Zuhlsdorf moved to change the next meeting date and time to be held at 6:00 p.m. on Tuesday December 27, 2005, and directing the secretary to post the change of meeting Notice at the respective Township Halls. Upon a second from Ed Fahrforth, the motion passed by a vote of 4 in favor, 0 against, 0 abstained, and 1 absent.

b. Frequently Asked Questions

- Beth Pooley prepared and distributed a report on the questions that have been asked by property owners. She requested the Board to review the report and make any changes need. The list of questions will be mailed with the next monthly sewer usage billing, to assist property owners.

c. Other

- No other New Business.

9. Discuss Agenda for December 27, 2005 Meeting

- The agenda will be set this week.

10. Adjournment

Member Zuhlsdorf moved to adjourn the meeting. The meeting was adjourned at 8:49p.m.

Respectfully Submitted,

/s / James Deike

James Deike

Secretary of the Lake Washington Sanitary District