

**MINUTES OF THE REGULAR MEETING OF BOARD
MEMBERS OF
LAKE WASHINGTON SANITARY DISTRICT
January 9, 2006**

1. Call to Order

Larry Maruska called the regular meeting of the Board to order at 7:00 p.m. on Monday, January 9, 2006, 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, Art Zuhlsdorf, and Larry Maruska.

3. Review and approval of agenda

Resolution 06.01: Member Kallheim moved to approve the meeting agenda. Upon a second from Robert Bieraugel, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

4. Review and Approval of the Minutes of the December 27, 2005 Regular Meeting

Resolution 06.02: Member Kallheim moved to approve the minutes of the December 27, 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.

5. Officers Reports

a. Chairperson – Larry Maruska

- Attended a meeting of the Lake Jefferson's/German Advisory Board. That Board would like to attend the next District meeting January 23, 2006.

b. Vice Chairperson – Jerry Kallheim

- No Report.

c. Treasurer – Art Zuhlsdorf

- Art Zuhlsdorf Reported the beginning balance of the checking account as of today January 9, 2006 is \$1,744,600.29 which includes

deposits of \$4,757.42 received from utility billing, \$3,072.62 received from the State of Minnesota for the 2005 tax levy, \$27,032.23 received for pre-paid Assessments, and \$314,450.03 Received from PFA.

- Received invoices from Pettipiece & Associates in the amounts of \$1,935.92 and \$1,709.70.
- Received an invoice from Benco in the amount of \$315.00.
- Received an invoice from GM Contracting in the amount of \$60,303.80.
- Bills totaling \$64,264.42.

Resolution 06.03: Member Zuhlsdorf moved to approve payment of the bills from Pettipiece & Associates, and Benco, 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 5 in favor, 0 against, 0 abstained, and 0 absent.

- The balance of the checking account after payment of the bills will be \$1,680,335.87.
- The Year End Budget comparison, and 2005 financial statements were distributed and reviewed.

Resolution 06.04: Member Zuhlsdorf moved to approve the December 2005 Financial Statements. Upon a second from Ed Fahrforth, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

d. Secretary – James Deike

- Reported the District digital recorder is not functioning, and has been sent in for repair.
- Sent a Letter to Michelle Mettler, Le Sueur County Zoning Assistant Administrator regarding the Boards position on the Variance application from John Lynch.
- Received Christmas cards from Bolton & Menk, and Pettipiece and Associates.
- Received from the State of Minnesota a request for the 2005 financial information from the District. The correspondence has been forwarded to Abdo Eick and Meyer.
- The book value of the collateral as of December 30, 2005 at the Federal Reserve is \$2,620,145.85.
- Received a copy of a letter to David and Jackie Arpin from Pettipiece and Associates.
- Received an ISSS Permit application from the DNR.
- Received copies of letters to Steve Heidecker, and Randy Hodapp from Mike Karp.
- Received a copy of a letter to Mary Kline from Mike's Backhoe Service, Inc.

6. Open Forum for Constituents

- None.

7. Old Business

a. Construction Progress

- Report from Del Vulcan

The project reached substantial completion on 25 November 2005. As of today all but 1 property are connected to the sewer system. That property is scheduled to have the lateral line bored into place this week as the contractor completes installing the collection system into the new subdivision added at the end of the project. Final clean up of yards and review of the work completion list is scheduled for next spring after the snow melts.

Construction Schedule:

1. The contractor is installing the collection pipe and laterals in Bakers two subdivisions this week.
 2. Final clean up will occur next spring after the snow melts.
- Work Change Directive No. 5 was distributed and reviewed. This Directive is in the amount of \$4,279.00 and does not increase the contracted construction cost. Approval of the Directive is recommended by Bolton & Menk, Inc.

Resolution 06.05: Member Fahrforth moved to approve Work Change Directive No. 5. Upon a second from Art Zuhlsdorf, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

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

- No Report.

c. Consider a RV dumping station at the County Park

- Member Fahrforth will contact Don Reek from Le Sueur County, inviting him to attend a meeting.

d. Discuss Assistant to the Treasurer position

- Julie Hiniker was interviewed for the position.

e. ACH for receiving sewer billing payments

- There were been 14 responses received from property owners in favor of the ACH service. Treasurer Zuhlsdorf will continue to research the possible use of ACH.

f. Washington Boulevard Repair

- Jerry Kallheim has contacted Gordy Struss from the Washington Boulevard Association. Mr. Struss will let the Board know when he could attend a District Meeting.

g. Discuss Special Assessment Hearing

- This hearing will be held after June 2006.

h. Review Calendar of Events

- The calendar was reviewed adding the Supplemental Assessment Hearing.

i. Other

- Discussed building permits issued by the Counties, the secretary was asked to invite Kathy Brockway, and Herb Wenkel to the first meeting in February.

8. New Business

a. Appointment of Officers for the ensuing year

- Larry Maruska nominated Ed Fahrforth for Chairperson. There being no other nominations, a vote was called resulting in the appointment.
- Jerry Kallheim nominated Larry Maruska for the Vice-Chairperson. There being no other nominations, a vote was called resulting in the appointment.
- Jerry Kallheim nominated Art Zuhlsdorf for Treasurer. There being no other nominations, a vote was called resulting in the appointment.

b. Designate Official Newspaper

Resolution 06.06: Member Fahrforth moved to designate the Mankato Free Press to the Official Newspaper of the District. Upon a second from Art Zuhlsdorf, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

c. Select Official Depository

Resolution 06.07: Member Bieraugel moved to name US Bank as the Official Depository for the District. Upon a second from Ed Fahrforth, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

d. Discuss Bylaw and Procedural Changes

- No changes are needed at this time.

e. Annual appointments to administrative positions

Resolution 06.08: Member Fahrforth moved to appoint Jim Deike as the District Secretary for 2006. Upon a second from Jerry Kallheim, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

Resolution 06.09: Member Zuhlsdorf moved to appoint Julie Hiniker as the Assistant to the Treasurer for 2006. Upon a second from Ed Fahrforth, the motion passed by a vote of 5 in favor, 0 against, 0 abstained, and 0 absent.

f. Assign Committee Duties to Board Members

- Appointments will be made at the January 23, 2006 meeting.

g. Other

- Reviewed the Letter to Property Owners.

9. Discuss Agenda for January 23, 2006 Meeting

- The agenda will be set this week.

10. Adjournment

Member Bieraugel moved to adjourn the meeting. The meeting was adjourned at 8:30p.m.

Respectfully Submitted,

/s/ James Deike

James Deike

Secretary of the Lake Washington Sanitary District