

Duluth/North Shore Sanitary District – Board of Managers

Meeting # 152 7:00 A.M September 18, 2012

French River Lutheran Church

Board Members Present: Kevin Bovee, Dean Korri, Scott Smith, Angela Braud, Katie Kuettel
Board Members Absent: None
Others Present: Mia Thibodeau, Eric Appelwick, John Fischer, Becky McNamara, Terri, Wick, Tom Pfeffer, John Bowen, Charles Furlong

1. The meeting was called to order at 7:10 A.M. by **K. Bovee**.
2. **Approve Agenda:**
 - I. **Motion** to approve Agenda by **S. Smith**. **Second** by **K. Kuettel**. **Motion** passed unanimously.
3. **Meeting Minutes:**
 - I. The minutes of the regular meeting # 151, August 21, 2012, **Motion** to approve the minutes by **K. Kuettel**. **Second** by **S. Smith**. **Motion** passed unanimously.
4. **Public Comments/Input:** None
5. **Communications/Correspondence:** None
6. **Treasurer's Report:** Scott Smith

Payment of Bills:

- I. **S. Smith** discussed the bill back to the Nokomis. **E. Appelwick** stated the system was cleaned due to increased pump hours, which indicated possible plugging of the sewer line. **E. Appelwick** also discussed the invoice to repair the curbstop that was inoperable. **Motion** to pay bills by **S. Smith**. **Second** by **K. Kuettel**. **Motion** passed unanimously.
- II. **Motion** by **S. Smith** to bill back the Nokomis for \$599.50.
B. McNamara stated \$589.39 was from NTS. **Second** by **K. Kuettel**.
Motion passed unanimously.
- III. **S. Smith** discussed a \$150.00 fee to the title companies for formal assessment quotes. **M. Thibodeau** stated it becomes a fee the title companies will charge back to the seller and/or buyer. **Motion** made by **K. Bovee** to charge \$150.00 to title companies for formal assessment quotes. **Second** by **S. Smith**. **M. Thibodeau** stated that there should be a written policy. **B. McNamara** and **M. Thibodeau** will work on a policy for next month's meeting. **Motion** tabled.
- IV. **S. Smith** discussed delinquent accounts that will be certified to taxes. Fees for delinquent accounts, anything above and beyond the annual debt service fee that gets certified to taxes, would be \$100 per \$1000 if the client is delinquent, with a \$100 minimum. **B. McNamara** suggested the fee not exceed 100% of what is being certified. There was discussion about an exemption to the fee in hardship cases. **B. McNamara** and **M. Thibodeau** will draft a written policy.

- V. Discussion of bill backs. **B. McNamara** stated that payment agreements are in place to pay down the bill backs. When regular payments are made no interest is charged. When payments are not made they start getting assessed finance charges and can be a candidate for certification. Bill backs processing takes time and could be a candidate for a fee. **E. Appelwick** will talk to restaurants and get them on a preemptive maintenance schedule.

Budget

- I. **B. McNamara** presented the 2013 budget summary. Proposed monthly rate for 2013 is to remain at \$70.00. The proposed debt service fee is a reduction from \$925 to \$875. These figures are based on operations and maintenance budget, professional services estimates, minimum balances needed in each fund, timing of cash flow for large payments, and potential capital expenditures. Those rates with our current volume, not anticipating any growth or decrease in the district, have acceptable tolerance within each of these funds. Discussion of Capital funds. **K. Kuettel** noted that the 2013 budget is \$27,000 less than the 2012 budget. **B. McNamara** noted that because Knife River is not paying their billed rate, a cushion was left in the budget. **J. Fischer** asked about the number of users in the system. **B. McNamara** reported 424: 19 commercial, 5 city, 398 residential and 1 double residential. **Motion** made by **K. Kuettel** to adopt the 2013 budget as proposed with the monthly rate of \$70 and the debt service fee of \$875. **Second** by **D. Korri**. **Motion** passed unanimously.

KRLSD

- I. **B. McNamara** stated that the formula the Board adopted last year will be used for 2013.
- II. Discussion of need for an outside lawyer and conflict of interest. **Motion** made by **K. Kuettel** for **S. Smith** to consult with John Bray first. If a conflict of interest is present then Ken Butler would be second choice. **Second** by **S. Smith**. **Motion** passed unanimously.
- III. **Motion** made by **K. Kuettel** to set the Knife River Larsmont Sanitary District rates for 2013 at \$6.46 per 1000 gallons according to the formula approved in 2012. **Second** by **S. Smith**. **Motion** passed unanimously. **K. Bovee** will send correspondence to KRLSD about 2013 rates.

7. Legal Issues: Fryberger, Mia Thibodeau

- I. **K. Bovee** is the only board member up for election.

8. Engineer's Report: Ayres and Associates, Tom Pfeffer

- I. **T. Pfeffer** reported putting DNSSD infrastructure mapping into GIS database. **T. Pfeffer** discussed the correspondence from Sandra Beck with the Minnesota Department of Health regarding eight sites where sewers are too close to the wells. The Department of Health needs to further assess a few alternatives proposed. This will be at Ayres' expense.

9. **Operations Committee: Dean Korri, John Bowen**

- I. **J. Bowen** noted that the flow is up in August 2012. **E. Applewick** stated that the submersible area velocity probe was not working properly.

10. **Operations Report: NTS, Eric Appelwick**

- I. **E. Appelwick** reported that Anthony Aucoin is now the representative for FEMA. He wants estimate for Ryan Road and the retention tank, all labor and contractor vendors. Estimate is \$3,485.00.
- II. **E. Appelwick** reported yearly routine maintenance is complete. WW Goetsch will perform routine maintenance and replace seals in the pumps. There will be increased cost for supplies. In addition they will also replace gasket on pump #2. Inspecting completed on 20% of main line valves, 70% completed on individual pumps. Update on 8901 Superior Street. They were going to hook up electrical, did not inspect control box until opened. Box was damaged in shipping. NTS provided a supplier to get box replaced.
- III. **E. Applewick** reported on RVs parking next to grinder stations, possibly dumping sewage. John Bowen suggested putting a seal on the grinder. It would be noticeable if seal was broken. **M. Thibodeau** reported that it is an ordinance violation referring to Section 8.2 recreational camper waste, definition of sewage.

11. **New Business: None.**

12. **Old Business: None.**

13. **Other: None.**

14. **Adjourn: Motion** to adjourn the meeting by **K. Bovee**. **Second** by **S. Smith**. **Motion** passed unanimously at 9:17 A.M.

Minutes Approved by:

 11.20.12
Chair Date

 11/20/2012
Secretary Date

Next Meeting Date: The next meeting will be held at 7:00 am at French River Lutheran Church on October 16 th.