

## Duluth/North Shore Sanitary District – Board of Managers

Meeting # 84

Date: January 10, 2007

Board Members Present: Lars Fladmark, Kevin Bovee, Mary Ann Sironen, Katie Kuettel

Board Members Absent: Scott Smith

Others Present: Eric Appelwick, Missy Kesanen, Nate Grayson, Duane Harold & John Kessler

Minutes to: Jim Anklam, Eric Appelwick, Mike Appelwick, Dan Belden, Bruce Berg, Kevin Bovee, John Bowen, Clare Carpenter, Jeff Cook, City of Duluth, Duluth City Council, Duluth Township, Lars Fladmark, Jane Gilbert-Howard, Scott Harder, Duane Herold, Laurie Johnson, Al Katz, John Kessler, Lakewood Township, Don McTavish, Mel Olson, David Pierson, John Schifsky, Dick Sigel, Mary Ann Sironen, Mary Frances Skala, Scott Smith, Kurt Soderberg, George Sundstrom, Carol Surine and Nelson Thomas

Minutes by: Missy Kesanen

Item	Discussion	Conclusion/Actions
Roll Call	A quorum of Board members is present.	
Agenda	<b>Motion by M.A. Sironen and seconded by K. Bovee to approve the agenda. Unanimously approved.</b>	
Minutes	2 corrections to be made to the December minutes by M.A. Sironen and then she will send out. M.A. will send out an email request that those wishing to keep receiving email notices of the monthly minutes do so by responding, all others will no longer received these emails. <b>Motion by K. Kuettel and seconded by K. Bovee to approve the December minutes with corrections. Unanimously approved.</b>	
Treasurer's Report	<ol style="list-style-type: none"> <li>1. L. Fladmark distributed the Request to Pay Outstanding Invoices. <ul style="list-style-type: none"> <li>• Question on payment to Shelton Excavating. Work related to Nokomis. E. Appelwick has been working with them and they possibly will be paying for ½ of the amount.</li> </ul> </li>   <li>2. The Rates and Charges committee met regarding the French River Hatchery. They currently have 3 grinder pumps on their property. They did not agree with the new rates that they would be charged (\$63.00 for the unit plus all flows over vs. \$66.00 per month per grinder pump). The Rates and Charges committee recommendation to the Board is that they would be charged \$66.00 each for two grinders per month if they would sign an agreement on the third grinder that they be responsible for repairs/maintenance to the third grinder. The only other property that is like this would be Fladmark Rentals and they will sign the same agreement.</li> </ol>	<p><b>Motion by M.A. Sironen and seconded by K. Kuettel to pay invoices as listed on Request for Payment. Unanimously approved.</b></p> <p><b>Motion by K. Bovee and seconded by K. Kuettel that the Board accept this recommendation. Unanimously approved.</b></p>

	<p>3. A “Draft” Financial Report (20 Year Projected Cash Flow Analysis) and spreadsheet was handed out to all Board members. L. Fladmark requested that E. Appelwick make a schedule to be given to each Board member that includes the dates that payments will be due for all current outstanding debts/loans. Normally the payments are made in February and August of each year. L. Fladmark requested that each Board member study this report before the next Board meeting. A five year budget needs to be implemented. L. Fladmark with pursue a 40 year vs. 20 year amortization with Scott Harder.</p> <ul style="list-style-type: none"> <li>• Levy amount for 2007 \$374,303.00</li> <li>• Tax assessment receivable per year \$136,520.00</li> <li>• User charges were calculated at \$36.00/month.</li> </ul> <p>L. Fladmark requested that E. Appelwick contact the St. Louis County Auditor and get the following information:</p> <ul style="list-style-type: none"> <li>• Total assessed valuation of the D/NSSD</li> <li>• Tax consequence of a \$100,000.00 home If in 2008 the tax levy were to be \$735,000.00</li> </ul> <p>The recommendation from the Rates and Charges committee was to raise the hook-up fee from \$8,480.00 to \$15,000.00 plus a 3% increase in that fee per year. This way the District will get the money up from rather than over 20 years.</p> <p>L. Fladmarks proposal to the Board was to appoint K. Bovee to the Rates and Charges Committee to replace himself.</p>	<p><b>Motion by M.A . Sironen and seconded by K. Kuettel to approve the hook up fee increase. Unanimously approved.</b></p> <p><b>Motion by K. Kuettel and seconded by M.A. Sironen to appoint Kevin Bovee to Rates &amp; Charges. Unanimously approved.</b></p>
Public Comments -None		
Updates	<ol style="list-style-type: none"> <li>1. I&amp;I – nothing at this time</li> <li>2. Easements – There is a new one to be signed (Giddings Properties/Safe Harbor Estates)</li> <li>3. KRLSD – nothing at this time</li> </ol>	
Communications/Correspondence-None		
Legal Issues	<ol style="list-style-type: none"> <li>1. 2007 Bylaws are ready for approval and signatures.</li> <li>2. Meeting dates/times – 2<sup>nd</sup> Wednesday of each month at 7:00 am</li> </ol>	
Engineer’s Report	<ol style="list-style-type: none"> <li>1. Ryan Road Odor Issues – N. Grayson stated again that the “pigging” will be performed in the Spring of 2007.</li> <li>2. Frontier Pipeline Change Order B-13 “Hot Taps” – was approved at a previous Board meeting but never was paid. (\$6,161.40).</li> <li>3. Letter was sent to WLSSD regarding the flowmeter issue.</li> </ol>	

Operations Report	<p>E. Appelwick distributed the Superintendent Report to the Board.</p> <ol style="list-style-type: none"> <li>1. Basement backup – 5457 NS Drive, possibly due to a low voltage from the house. This is the 3<sup>rd</sup> time NTS has been there this year and each time the alarm has been burned out. This however was the first time that there was water in the basement. E. Appelwick installed a meter to monitor during the next 24-48 hours. K. Bovee suggested that E. Appelwick get Agate in there to check the service.</li> <li>2. Restoration List – N. Grayson has done a drive-through and E. Appelwick will do one more before submitting this list to the Board.</li> <li>3. Outstanding October Invoice – There was a mix-up and the October NTS invoice was never paid, that is why it was included in this month’s request for payment.</li> <li>4. Nokomis line repair – needs to be dug up and investigated.</li> <li>5. Mr. Skip Hildebrant wants to shut his pump off for the winter months because he does not want to pay the \$5.00/month meter reading fee. <b>The Board will not allow any commercial customer to shut off their pump for any reason.</b></li> <li>6. First pump changeout was performed over the holidays on Alseth Road.</li> <li>7. Odor Control – ordering more to have on hand. Media at LS #1 was discarded and replaced with the media from 47<sup>th</sup> Ave. E.</li> <li>8. 3% Increase for NTS Invoice – As per the contract, each year the amount increases by 3%.</li> </ol> <p>K. Bovee asked about the Accounts Receivable Outstanding 61+ - E. Appelwick explained that this amount is mostly the balance due for Clayton Kerr’s account. M.A. Sironen asked what the time frame was for when an account is past due and put on to their taxes. E. Appelwick said he would check into and let her know. This is the second year that accounts past due have been added to tax statements.</p>
New Business	<ol style="list-style-type: none"> <li>1. Billing Policy (Home Vacancy) – E. Appelwick received a call from an individual about the monthly charge (\$63.00) when someone has passed away. <b>The Board reaffirmed that they will not allow shut-down for any reason.</b></li> <li>2. Record Retention Policy – E. Appelwick stated that recordings of monthly meetings must be kept for one year.</li> </ol>
Old Business	<ol style="list-style-type: none"> <li>1. Weed control – tabled until next meeting</li> <li>2. Sigford Litigation – L. Fladmark received a summons to appear in Small Claims Court. He will be going on January 25, 2007.</li> </ol>
Meeting adjourned at 8:45 a.m. The next meeting is at 0700 at French River Lutheran Church on February 14, 2007.	

Approved (2-14-07): \_\_\_\_\_  
Chair

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Secretary