

LAKE WAPOGASSET & BEAR TRAP LAKE SANITARY DISTRICT

MEETING MINUTES, May 13, 2019

The May meeting of the LWBT Sanitary District was called to order by President Dave Erspamer at 7:00 in the District Office.

Commissioners present: Dave Erspamer, Commissioner-President; Mark Tryggestad, Commissioner-Treasurer; Dennis Badman, Commissioner-Secretary; Mark Jacobson, Commissioner.

Employees present: Heidi Erspamer, Neil Pickard and Chad Ruff.

Guest present: Barry Eklund, Dennis Gille, Adam Honl, Ryan Hanson, Les Mateffy, Lorri Reik, Steve Stewart, Sue Stewart.

Minutes of the April meeting were approved as distributed on a motion by Commissioner Tryggestad and a second by Commissioner Jacobson. Motion passed. Publication of the open meeting notice was acknowledged.

TREASURER'S REPORT

Total income for the month of February was \$5,085 and total expenses were \$24,946. Our net income for the month was - \$19,861.

OPERATIONS REPORT: Office

Heidi reported that in addition to monthly and quarterly reports that were due since our last meeting, she has also been working on items related to the South Shore Court Development project.

OPERATIONS REPORT: Maintenance

Neil provided a written maintenance summary for the board. He reported that the Grinder at 810 Wapogasset Lake Lane went out, and as such we updated the entire station (brackets, valves, pump, control panel and switches). This was a \$10,000 repair. A sink hole was reported at 778 South Shore Drive. We inspected our pipe by running a camera through it to look for possible breakage in the line. We determined that this was not a Sanitary District issue. The area around Lift Station #12 still needs ground repair from the work we did there last month. We spoke with a landscaper regarding lawn repair; however, the wet ground is making it difficult to get landscaping equipment into the area. In terms of upcoming maintenance projects: we have work to do on Lift Station #12 and we are currently researching options to address these issues; we are also researching companies to seal wet wells for influent ground water; and we are making progress with our flow meter installation.

OLD BUSINESS

Weed Harvesting. The harvester is out of storage and staff is doing as much maintenance as possible while it is on dry land. We are also hoping to get the signage on the machine before it gets on the water. We are hoping to have 6 to 8 operators this year and are again planning for long work days, as we never know how long the harvesting season will last. Neil added that something to consider down the road would be the purchase a barge for transporting the weeds to the offloading sites.

South Shore Court Developer's Agreement & Easements. Commissioner Erspamer, by way of review, reminded the board that the Developer's Agreement for this project was approved at our last meeting, subject to compliance with our lawyer's recommendations. Since that time, a change has occurred on the project, with Dennis Gille now stepping into the role as Developer; and thus, some language needs to be changed in the DA to reflect this (specifically around "owners" and "developer" responsibilities). Commissioner Erspamer commented; and District Engineer, Les Mateffy, concurred that there is an advantage of having Dennis in this role, as he is the contractor and also carries the insurance for this project. Heidi added that in preparation for tonight's meeting, she took a first pass at making the "owner"/" developer" edits on the document. Lorri Reik offered to type these edits. Copies of Heidi's edits were available at the meeting. Commissioner

Badman said that our attorney should look over Heidi's edits. Commissioner Erspamer summarized by saying that in addition to the aforementioned changes, both attorneys (those representing the District and Joyle Anderson) still have concerns about Joyle Anderson and Greg Anderson signing the Developer's Agreement as, owners where in fact the property is owned by a Trust and they should be signing in their capacity as Trustees. Commissioner Jacobson concurred and added that since the land is owned by a Trust and that is how it is recorded, then that is how it has to be signed. Dennis Gille added that Attorney Byrnes is working with Joyle Anderson to take care of the ownership issues that have been identified. Commissioner Erspamer made clear that the recent change in the Developer's Agreement will not impact the board's previous vote to accept the DA. He entertained a motion by Commissioner Tryggestad and seconded by Commissioner Badman to reaffirm the previous vote subject to resolving the language issues, including who has authority to act as signers for the Anderson property. Motion passed. Dennis Gille added that all the easements were recorded with the Registrar of Deed this afternoon. Heidi responded that there are still unresolved issues with the Anderson Easement.

Eagle Crest Cove Lawn Repairs. District Engineer, Les Mateffy had an opportunity to look at the lawn and driveway damage done to during our Lift Station #12 repairs. He believes that installing varied pavers (which allow grass to grow through) along the driveway to the lift station would make the lift station more accessible. Our goal is to get in there, do our work and get out again without leaving a mess. Commissioner Erspamer asked Les about the related issue of water run-off toward the lift station. Les referenced correspondence from 1999 when the development/developers were informed about this problem (grading toward the lift station). As these were not issues prior to adding the townhouses, Les anticipates that there will be some negotiation of cost sharing for the remedies. Steve Stewart asked Les where the water was coming from and Les responded "all around", adding that "it is like a bog there". Steve also asked about grading and if dirt was supposed to be up to the top of the cap. Les responded that lift stations are typically designed so the pipes stick out 1 to 1 ½ feet. At this lift station, it is flush to the ground. Steve did not see any problem with fixing the grade and keeping it below the cap level. Commissioner Tryggestad reminded everyone that our top priority is to repair the damage we did to the driveway/lawn; with the paver and regrading projects coming later. Commissioner Badman already has a bid on the driveway & lawn repair. The District has also been in contact with another landscaper. Les will look into the pavers. As a final thought, Steve asked the board about the feasibility of moving the electric box from the lift station. Les and the board both responded that this wouldn't be feasible, as the radio system needs to be in close proximity to the lift station. They also added that to move an entire lift station would be cost prohibitive.

NEW BUSINESS

2018 Audit Report. Adam Honl from Carlson SV attended the meeting to present the Sanitary District's annual audit report. He hit the "high points" by summarizing that there were no misstatements in our financial statements and the District received an Unqualified Opinion from the auditors, which is the top one. He added that our financial position continues to be consistent from year-to-year. Comments/recommendations from Mr. Honl included: periodical back reconciliation review by a board member, need for a fraud prevention policy, a reminder that our loan agreement would like a separate bank account for the harvester, and a suggestion to consider adding a second bank entity for our accounts. During our discussion, Commissioner-Treasurer Tryggestad commented that using one bank has resulted in better rates. He also added that even though we don't have a separate bank account for the harvester, it does have a separate budget and income and expenses are tracked separately in Quickbooks. Going forward, the District plans to continue with the annual weed harvesting assessment; noting that as our equipment ages there will be a greater need for repairs, replacement and upgrades (e.g. a barge for offloading weeds as recommended by staff). We also hope to continue to add summer harvesting staff. Commissioner-Treasurer Tryggestad wrapped up our financial discussion with a reminder that our plant is aging and as such, we will continue to upgrade a lift station each year. Also, we need to begin thinking about the funding for major projects down the road, such as those related to our ponds.

Commissioner Tryggestad moved to adjourn at 8:05. Seconded by Commissioner Jacobson and passed. Our next Sanitary District meeting is scheduled for Monday, June 3rd at 7:00 p.m. in the District office.

Respectfully Submitted, Heidi Erspamer, Recording Secretary