

GREATER RAMSEY WATER DISTRICT REGULAR MEETING

August 8, 2019

DIRECTORS PRESENT: Doug Mohr, Jay Klemetsrud, Allen Johnson, Les Windjue,
Paul Becker, David Hovendick, Gilbert Black

OTHERS PRESENT: Nels Halgren, Sally Herda – GRWD; Kevin Kuntz, Brian Hanson –
City of Crary; Oswalds Bay/West Bay Heights area – see listing

The meeting was called to order at 7:55 a.m. by President Mohr at the District office.

Minutes from the July 9, 2019 regular meeting were reviewed. Motion by Windjue, seconded by Black to approve minutes. All directors voted aye and **motion carried**.

Manager Report

- **City of Crary – delegation from City to discuss water system** – Crary auditor Kevin Kuntz and Alderman Brian Hanson met with the directors to officially request GRWD take over the City water system, maintenance and billing. At present, Crary has 57 accounts. The water mains (4”) were placed in 1974 with the connection of the curb stops done following main line installation. The service lines to the curb stop are 2” black poly and this pipe has been found to be brittle, causing breaks over the years. Crary’s delegation stated most of the lines from the curb stop to the main have been replaced over the years. Crary is responsible from the main to the curb stop with the resident’s responsible from the curb stop into their home. A map of the water system was brought to the meeting. GRWD will make a copy of the map to assist in evaluating the system. Crary has 1 paved street. Current monthly base rate to the residents is \$10, along with a non-dedicated \$6 reserve. The base rate would likely at least double to be consistent with other users on the system. Crary has upgraded their water meters to a radio read, but the system has not been working properly with the software. Meters read in gallons. The radio read system would integrate into GRWD’s system. Maintenance, water breaks and customer billing were discussed. The City has easements for the curb stops and the process for assigning them to GRWD was discussed along with the question of whether a transfer of the system to GRWD would require a vote of the residents. Halgren stated that he, along with Lacina would like to evaluate the infrastructure. Also discussed was use of fire hydrants and means to access the hydrant at the Crary booster station in event of fire. Halgren stated that the fire departments had been given keys for the padlocks and will help arrange for a key box for the fire department’s use. A proposal for transfer of water service will be put together by GRWD for consideration at the next meeting. An initial target date of January 1 was discussed.
- **Oswalds Bay project report** – Several applicants interested in obtaining water service were present for this discussion. Halgren reported a total of 53 membership have been paid on the project, but did not receive paid membership from one of the developers. A power point presentation was shown that started with the State grant funding, map of service area, membership breakdown, construction costs and payback, and project summary. An 11% reduction across the board of the SWC grant funding was made to allow all water systems with a project in this biennium to be funded. GRWD is one of the Districts having funding allocated, but needs to request the funding as part of the project development process. Due to the one development not participating in the project, a map was viewed for the original line routing and the potential of routing the line in the right of way. Mr. Foss told Halgren that he wouldn’t hold up the project, but didn’t want the membership and monthly fees. If some of the line is able to be plowed in,

it could save on the construction cost of the project. All Season's Water Users District has a line close to this area and there might be an option of them serving these users as the paid memberships are on the west end of the proposed service area. However this is in a low pressure area of their system and they would likely need to do some line paralleling. Payment of the local cost share was discussed and those present were asked if they were willing to pay higher monthly bills to make the project work. Repayment of the local cost share was based on a 15 year option; a 20 year repayment basis could be considered. Those in attendance stated their desire to move forward with this project stating that they may not have an opportunity in the future for rural water service if they decline the project at this time. They also stated the water quality in the proposed project area is very poor, has odor and is damaging to their appliances. Motion by Klemetsrud, seconded by Johnson to move ahead with the project with or without the easement and to adjust rates if necessary to make the numbers work. All directors voted aye and **motion carried**. Halgren will get an informational letter out and will let the new members know when the membership checks will be deposited.

- **Bulk rate planning/Tolna City commission meeting Sept 9, 2019** – With a possibility of taking over Crary's water infrastructure, they would no longer be subject to the bulk base rate review for adjustment. Tolna has indicated that they may be interested in turning over the line to GRWD from the treatment plant to the City. There has been interest in a hookup being made on this line and would enable GRWD to service this potential account. A meter pit would need to be installed to meter Tolna's usage and would impact the cost of the water to the City as GRWD's distribution costs would be increased. Halgren will attend the upcoming commission meeting in Tolna and offer a proposal addressing both the base rate and cost of water and once approved by Tolna would then be approved by the board. The remaining bulk services would go the budget committee for recommendation.
- **Future project discussion** – Line paralleling to help in areas of low pressure was discussed as a future project for funding in the next biennium.

Office Manager Report

- **Accounts Payable** – Motion by Black, seconded by Hovendick to authorize payment of the accounts payable. **All directors voted aye and motion carried.**

	<u>WATER</u>	<u>SEWER</u>
TOTALS	97,456.56	36,388.72

- **Financial report** – Office manager's report was reviewed. Water from NRWD was shut off on July 31. Financial report was reviewed for the month of July. Motion to approve the financial report was made by Becker, seconded by Windjue. All directors voted aye and **motion carried**.
- **CD rate renewal** – Quotes for the recently renewed CD were reviewed.

There being no further business, the meeting adjourned by motion at 10:08 a.m.

Minutes Approved: _____ September 5, 2019

Doug Mohr, President _____ (signed)

Sally Herda, Office Manager _____ (signed)