

MINUTES OF THE LAKE ANNUAL MEETING OF
BOARD OF MEMBERS OF THE
LAKE WASHINGTON STANITARY DISTRICT
January 8, 2018

1. Call to Order

Chairman Schmillen called the Annual Meeting of the Board at 7:00 p.m. on Monday January 8, 2018 at the Mankato Reginal Airport Conference Room, at 3030 Airport Road, Mankato, MN 56001.

2. Roll Call

Present: Paul Aukes, Jerry Kallheim (via phone) Art Zuhlsdorf, and Bob Schmillen.
Absent: Randy Westman.

3. Review and approval of the agenda

Resolution 18.01: Member Aukes moved to approve the agenda. Upon a second from Kallheim, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

4. Review and approval of the Minutes of the December 11, 2017 Regular Meeting

Resolution 18.02: Member Aukes moved to approve the minutes of the December 11, 2017 Minutes. Upon a second from Zuhlsdorf, the motion passed by a vote of 4 in favor, 0n against, 0 abstaining, and 1 absent.

5. Officers' reports

a. Chair – Bob Schmillen

- Schmillen Spoke with Senator Draheim regarding possible funding from the State of Minnesota for meter upgrading on Lakes Washington, and George. The Senator stated that he would apply for funding through the Legacy fund and/or the Bonding Bill. The District will be sending a formal request.
- Attended a meeting with Treasurer Zuhlsdorf and the City of Mankato to review the rates for sewer processing.

b. Vice- Chair Paul Aukes

- No Report.

c. Treasurer – Art Zuhlsdorf

- Reviewed the Cash activity report for December.
- The cash balance as of December 11, 2017 was \$1,446,872.81
- Bills totaling \$617,797.54 were reviewed.

Resolution 18.03: Treasurer Zuhlsdorf move to pay the invoices, and accept the report. Upon a second from Kallheim, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

- The balance of the checking account after the bills are paid, and payroll deductions, deposits will be \$933,256.54
- Reviewed the December 31, 2017 financial statements.

Resolution 18.04: Treasurer Zuhlsdorf move to approve the December 31, 2017 Income Statement. Upon a second from Aukes, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

Resolution 18.05: Treasurer Zuhlsdorf move to approve the December 31, 2017 Balance Sheet. Upon a second from Aukes, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

d. Secretary

- The book value of the collateral with the Federal Reserve as of December 31, 2017 was \$2,891,001.94.

6. Appointments, Designations, and Assignments

a. Appointment of Officers for the ensuing year

- Nomination for Schmillen for Chairman, a unanimous vote was passed.
- Nomination for Aukes as Vice-Chair, a unanimous vote was passed.

b. Designate the Official Newspaper

Resolution 18.06: Member Aukes moved to designate the Mankato Free press as the Official Newspaper of the District. Upon a second from Kallheim, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

c. Select Official Depository for the District.

Resolution 18.07: Member Aukes moved to designate the Community Bank of Mankato as the Official Depository of the District. Upon a second from Zuhlsdorf, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

d. Discuss Bylaws and Procedural Changes

- No changes needed at this time.

e. Annual appointments to administrative positions.

Resolution 18.08: Member Zuhlsdorf moved to appoint Jim Deike as the District Secretary. Upon a second from Kallheim, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

f. Assign committee members

- Deferred.

g. Other

- Discussed the accounting firm for the District's annual audit.

Resolution 18.09: Member Aukes moved to hire Burkhardt & Burkhardt, Ltd to do the 2017 annual audit. Upon a second from Zuhlsdorf, the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

7. Open forum for Constituents

- None.

8. Old Business

a. Engineering

- None.

b. System Maintenance

- None.

c. Review vendor proposals

- Reviewed 2018 proposals from Blethen Gage & Krause, Burkhardt & Burkhardt, Generator System Services, Inc., Jadd Seppmann & Sons, Pettipiece and Associated, and Wiesjhan Lawn Service.

Resolution 18.10: Member Zuhlsdorf moved to accept the 2018 proposals from, Blethen Gage & Krause, Burkhardt & Burkhardt, Generator System Services, Inc., Jadd Seppmann & Sons, Pettipiece and Associated, and Wiesjhan Lawn Service. Upon a second from Kallheim, to the motion passed by a vote of 4 in favor, 0 against, 0 abstaining, and 1 absent.

d. Discuss a possible association with other Sewer Districts

- Discussed the advantages/disadvantages of aligning with other District to share information.

e. Review 2018 Calendar of Events

- Reviewed Calendar with no change need at this time.

9. New Business

a. Other

- No New Business.

10. Discuss Agenda for the February 12, 2018 Meeting

- The Agenda will be set next week.

11. Adjournment

The Meeting was adjourned at 7:55 p.m.

Respectfully Submitted

/s/ James Deike

James Deike
Secretary