

Little McDonald, Kerbs, Paul Lake Improvement District
Board of Director's Meeting Minutes, (approved)
Wednesday, January 22, 2020, Perham Area Community Center

Agenda item:

1. Introductions: Board Members attending: Jim Nigg, Blair Anderson, Bill Putnam, Dan Gleason, Denny Davidson, Boone Caughey, Steve Kulik, Steve Nelson, attending electronically, Mark Plencner. Consultants, attending electronically, Pat Downs, Amy Benz, Tara Oftendorf, Moore Engineering, John Shockley, Ohnstad Twichell Law Firm.

Guests attending, Doc. Kupferschid, Paul Lake, Angela Willengbring, Kerbs Lake.

There were no introductory comments from the guests.

OLD BUSINESS:

2. Blair A. made a motion to approve the minutes of the December 11, 2019, Board of Director's meeting. Second from Denny D., motion carried 9-0.
3. Brad Helmeke, CPA, provided the Board of Directors a Preliminary Financial Report of the LMKP-LID General Operating Expenses from December 3, 2014 through December 31, 2019. This covers the time span that Bill P. has served as the LMKP-LID treasurer. Account balances agree. Additional follow-up will be provided when ready. LMKP-LID's fiscal year ended 12-31-2019.

Bill P. informed the Board that the Chapter 429 expenses of 2019 will need an audit. The State of Minnesota will require this audit as the LMKP-LID had revenues exceeding state guidelines that trip this type of audit. Many LID residents have prepaid their 429 Outlet Project assessment resulting in the additional income received in 2019. Boone C. will check with an auditing firm in Staples and Fergus Falls to get a price quote. The Board wants this audit to be completed by the LMKP-LID membership meeting in July of 2020 when a new treasurer will take over the financials.

4. The two wells on the Steve Johnston property will be sealed and capped in March or April when weather permits. The Johnston's are fine with this.
5. A recent billing by Otter Tail County regarding the Outlet Project and the county's expenses relating to the Project will be reviewed and provided to the LID when completed. Rick West, Public Works director is looking into this matter.

The Public Works Committee will be meeting with the Schock family in late January regarding concerns the Schock's have about the LMKP-LID. The Board was briefed on this matter.

A request was made of the LMKP-LID to share the results of our zebra mussel lake testing from the summer of 2019. Barr Engineering is working with a client on the iron range of Minnesota and have visited our pump house with plans to use a similar process. Jim N. contacted RMB Labs and gave RMB Labs permission to release the testing results.

NEW Business:

6. Project Engineer's report. Chad Engels was not able to attend due to illness. Pat Downs reported on an Operation and Maintenance Plan and presented a

Memorandum on the application being prepared for presentation to the DNR for the necessary permits for an Outlet/Navigation Channel between Kerbs and Little McDonald Lakes. The Board discussed the financial piece to Operation and Maintenance Plan and the Outlet/Channel LID Committee will work to further refine this plan. John S. advised the Board that approval of the revision can happen with a web-page posting of a Board of Director's meeting. This meeting will require a posting three days in advance of a tele-communications meeting. This meeting will happen when revisions are made and the Board has time to review. Moore Engineering consultants Amy B. and Tara O. reviewed the Memorandum. Additional revisions will be necessary before the application is made to the DNR.

7. Project Coordinator's Report. Pat D. stated that the Chapter 429 financial process is basically completed. A few outstanding bills remain. A complete financial report on the LMKP-LID Outlet Project was available and will be posted on the web-page.

8. Treasurer's Report, Bill P. presented General Operating bills for the following: Arvig, \$41.43, LREC, \$455.03, NW Services, \$800.00, Forum, \$28.30, Photo Magic, \$48.30, Otter Tail County, \$1027.01 and the PACC. An interest payment to Midwest Bank for bond interest of \$25,897.25 will be due in February. A motion to approve bill payment was made by Boone C. with a second by Steve K. Motion carried 9-0. Moore Engineering had supported invoices for the Original Outlet Project, Task Order 11 and General Operating funds totaling \$10,043.50 and \$4,035.00. A motion was made by Blair A., second from Denny D. for payment. Motion passed 9-0.

Boone C., member of the finance committee, presented information on the possibility of a bookkeeper type position to handle the daily LID billing and entry of financials into an accounting system. With a new treasurer needed in July of 2020, this is one possibility for the Board to consider. Continued discussion of this is needed before a recommendation can be made to the LID residents.

9. Committee Working Groups Reports:

a. Chapter 429 is almost complete. Some LID residents made complete assessment payments after the deadline date. Their checks were returned with a letter of explanation.

b. Outlet Operations, Denny D. reported that the pumps are still turned off. Recent conversations with Kevin F. of Otter Tail County indicated that the Otter Tail River watershed continues to have high water levels and it may be some time before downstream lakes return to below OHW levels.

Denny also stated that the connections between Paul and Rusch and Rusch and Little Mac are frozen. The agreement between Paul Lake and the LID states that when the Outlet Pumps are off the control system between Paul and Little Mac have the restrictions put back in place in the control system. The Operations Committee recommended to the Board that if and when we can pump again this winter that we pump down Little Mac as much as possible and the open the gates to the Paul lake system when the culverts thaw out this spring, and allow Paul and Little Mac to equalize in water level. Thawing of the culverts with steam would be a costly operation. Denny

explained that this is all part of the learning curve we presently are on to completely understand our Outlet operation.

- c. Kerbs Outlet/Navigation channel. This was covered in item 6.
 - d. Legislative update, Angela Willingbring. The necessary connections with State Legislators has started and the LID is optimistic about our chances of receiving funding. The Legislative effort will continue and intensify as the legislative session moves forward.
10. Nominations committee, two Board members have served two consecutive, three-year terms. Dan G. and Bill P. will be departing in July. The nominations committee and replacement members will be discussed at the February meeting.
 11. The next LMKP-LID meeting will be held Wednesday, February 26, 3:00 P.M. at the Perham PAAC.
 12. A motion to adjourn was made by Blair A., with a second from Steve N., Motion carried 9-0. Meeting adjourned at 4:37 P.M.