OTWMD

Otter Tail Water Management District

Event: The OTWMD monthly board meeting

Location: Community Center Building, Ottertail, MN.

Date: Feb 12, 2020

Time: 4:00pm

Officers present: Adm. Kvidt, Chairperson Johnson, Sec. Dean, Treas. Young.

Board members present: Com. Erwin

Board members absent: Com. Bleichner, Com. Damrau, Com. Jones & Com. Wheeler.

Guest: Loren Hawes

Agenda:

1. **Meeting** was called to order by Chair Johnson at 4pm.
2. **Minutes:** Minutes were sent by email prior to meeting. Motion made to accept the minutes by Com. Erwin & 2nd by Com. Young. Motion passed.
3. **Treasurer's Report:** Unforeseen issues prevented the report from being distributed. Will be reviewed next month.
4. **Pay Bills:** Bills were presented by Adm. Kvidt. Motion Com. Erwin; 2nd by Com. Dean to pay the bills.
5. **2020 budget:** handed out to be reviewed.
6. **MOWA:** Motion by Com. Dean; 2nd by Com. Erwin to join MOWA. Motion passed.
7. **Board Positions:** Opening for treasurer. Board reappointments: president and secretary. Nancy Johnson will continue as president and Cindy Dean as secretary. Awaiting approval of facetime meeting attendance.
8. **Cybersprout:** Board reviewed work done…liked what they saw.
9. **MCIT:** error corrected.
10. **Yearly tasks:** creating a timeline journal of all necessary tasks.
11. **Scott Ellingson:** designer fee is $600.
12. **Internal transfer:** $6500 for 28389-28403 drainfield.
13. **Rearing pond update:** reached their goal
14. **Derrick Du:** postponed
15. **Manholes:** research required: immediate cost future cost reduction. Tabled.

Administrator's report

1. **MOWA: great informational conference involving people from Minnesota**
2. **Tests: Awaiting results of Intermediate test. If pass..take advance in May, if not retake in April.**
3. **39762 & 30659: replaced pumps.**
4. **131 Bay View: clog was the owner's responsibility as it was between the house and tank.**

Otter Tail Water Management District Monthly Meeting

Meeting Date: February 12th, 2020

Next Meeting Date: March 11th, 2020

Agenda:

1. Open Meeting
2. Approval of Minutes from Last Meeting
3. Treasurer Report
4. Pay Bills
5. 2020 OTWMD Budget Hand out
6. Does the OTWMD want to become a MOWA Member. Yearly fees are $240 for an individual or $340 for an organization. I think we would only need an individual membership.
7. Bob Young is stepping down as Treasurer from the board. He will be staying on the board as member. Do we have any volunteers wanting to take his place as treasurer? Harold Wheeler said he would if there are no other takers.
    a. Board position reappointments needed. Need to appoint/reappoint Nancy Johnson as Chair and Cindy Dean as Secretary.
    b. I am waiting to here back from Chad Miller/OTC if board members can be present via skype or conference call for meetings.
8. CyberSprout is nearing completion of our website and would like our opinion/feedback on how it currently looks. I have made a couple of changes from the original to make it more relate to the OTWMD. Board members thoughts?
    a. I told them I would let them know our thoughts after this meeting.
9. The check to MCIT for $40.00 is due to an error in last months renewal fee to them. I shorted them $40.00 so I sent in the difference earlier this month.
10. I am working on creating a yearly list that needs to be done each year and the time of year it needs to be completed. Nancy Johnson stated she wanted a copy of this, and I will make sure to forward one to each of the board members when it is complete. This is for the budget, yearly reappointments of commissioners for chairperson, secretary and treasurer and similar things.
11. Scott Ellingson, Designer, sent out a list of his fees for 2020. His designs will now cost $600.00.
12. I made an internal transfer this month from the money market account to the tanks and line account in the amount of $6500.00. This is to cover the install of a new septic system last fall that we just received the bill for from Brogard Plumbing and Heating. This was a replacement drainfield for 3 dwellings located between 28389-28403 West Wagon Wheel Loop.
13. Rearing Pond Update?
14. Derrick Du and myself have agreed to move his skype/conference call with the board members to the March meeting due to half of the board being gone for this meeting. This is about his septic system monitoring device and pilot ideas with the district.
15. Does the OTWMD was to bring all our active old systems manholes to surface? This would make maintenance easier and cheaper in the long run. Also, service calls for plugged baffles and any other type of maintenance would be immensely easier and faster through 24 inch manholes instead of a 6 inch inspection pipe. Some of these manholes are currently buried up to 4 feet under the ground.

a. Tyler Scheidecker from Hawes Pumping would be willing to come to a meeting to talk about this issue in the future if we would like him too.

Administrator Report:

1. I went to the MOWA conference in Mankato on January 28th and 29th. I was able to finish all my continuing education at this conference by sitting and listening to various guest speakers. I sat in on classes talking about designer procedures for type 3 systems, freeze up issues, designers open forum, and many others. This was a great way to learn about other parts of the state and how they handle governing/operating septic systems.
    a. Next year's conference is in Alexandria and would be very beneficial to attend again.
2. On February 5th, I re-tested down in St. Cloud for the Intermediate exam. I will find out in a couple of weeks whether I passed or not. If not, I will have to retake the class in April. If I passed, I would only have to take the Advanced class in May. They are both located in Alexandria. I will sign up for these after I figure out which ones I need to take for sure. Loren would have to be on call during these training times so I will have to ask him about the dates as well.
3. The district replaced two pumps this month. One was at 39762 County Highway 1 and the other was at 30659 State Highway 78. I assisted Brogard Plumbing in these replacements. Hawes Pumping had to pump the tanks before they could be replaced. Brogards and Hawes bills are on the monthly bill sheet.
4. On February 9th I received a call from 131 Bay View Road while on-call that weekend that the toilets in the dwelling were not flushing. I visited the property that afternoon and determined that that there is a clog in the line between the house and tank. This is the homeowner's responsibility to take care of.

Otter Tail Water Management District Accounts Payable

2/12/2020

Balance in General Account on Date of Monthly Meeting	$	19,393.41	2/11/2020
Deposits made between January & February Monthly Meeting	$	942.89	2/10/2020

General Fund Bills:Febraury 2020			**Amount:**	**Check Number**	**Paid Date/Check Date**	
Alex Kvidt	Monthly Salary	$	3,705.27	**46527**	2/12/2020	
Alex Kvidt	On-call/Balance of Salary	$	412.08	**46528**	2/12/2020	
Alex Kvidt	Rent	$	375.00	**46529**	2/12/2020	
Alex Kvidt	Mileage	$	237.80	**46530**	2/12/2020	
Medica	Alex Kvidt Insurance	$	318.32	**ACH**	2/4/2020	
Further	Alex Kvidt HSA	$	291.66	**ACH**	1/17/2020	
Loren Hawes	On-call	$	472.18	**46531**	2/12/2020	
Loren Hawes	Mileage	$	-			
PERA	Contribution	$	911.51	**ACH**	2/7/2020	
US Treasury	Federal Tax Deposit	$	1,696.15	**ACH**	2/7/2020	
MN Dept of Revenue	State Tax Deposit	$	300.00	**ACH**	2/7/2020	
Verizon	Cell Phones	$	112.12	**ACH**	1/29/2020	
CYBERsprout	Website Building	$	1,260.00	**46532**	2/12/2020	
Minndak	Computer Service	$	30.00	**ACH**	1/13/2020	
Minndak	Computer Service	$	30.00	**ACH**	2/11/2020	
MCIT	Annual Fee that was missed last month	$	40.00	**46526**	1/16/2020	Already sent this check in before deadline
MPCA	License Renewal	$	400.00	**46533**	2/12/2020	
	Subtotal:	$	10,592.09			

Bank Card Charges					
Adobe Acrobat	Computer Program	$	16.17	**ACH**	2/3/2020
Arvig	Internet/Phone	$	96.18	**ACH**	1/27/2020
	Subtotal	$	112.35		

Credit Card Charges					
Quickbooks Online	Book Keeping Program	$	12.50	**Credit**	1/3/2020
Amazon	2 Portable External Hard Drives	$	128.82	**Credit**	1/5/2020
Battle Lake Standard	Vehicle Gas	$	41.37	**Credit**	1/12/2020
Deluxe	W-2 Forms	$	87.45	**Credit**	1/19/2020
Battle Lake Standard	Vehicle Gas	$	45.56	**Credit**	1/23/2020
Hilton Garden Inn	MOWA Hotel Stay	$	263.90	**Credit**	1/31/2020
	Subtotal	$	579.60		
Check for Credit Card Charges from General Account	To: First National Bank	Amount:	$579.60	**46534**	2/12/2020

	Amount in account at Meeting Date:	**$**	**2,610.82**		2/10/2020
Pumping Fund Fees					
Hawes Pumping	Monthly Pumping	$	370.00	**367**	2/12/2020
	Subtotal:	$	370.00		

	Amount in account at Meeting Date:	**$**	**7,896.45**		2/10/2020
Tanks & Lines Fees					
Gopher State 1 Call	Locate Calls	$	8.10	**1622**	2/12/2020
Gopher State 1 Call	Annual Fee	$	50.00	**1623**	2/12/2020
JD Locating	Locates	$	114.00	**1624**	2/12/2020
Brogard Plumbing Inc	Replace Pumps	$	160.00	**1625**	2/12/2020
Brogard Plumbing Inc	Replace System at 38389-38403 W Wagon Trail Loop	$	5,603.46	**1626**	2/12/2020
.	**Subtotal:**	$	5,935.56		

	Amount in account at Meeting Date:	**$**	**2,849.93**		2/10/2020
Pumps & Controls Fees					
	Subtotal:	$	-		

Total Bills Per Month $ 17,589.60

Proposed 2020 General Budget

2019 General Budget & Exp. To Dec. 31, 2018 & 2020 Budget

Item	2019 Expenses to Date	Remaining Expenses	Budget 2019	Budget 2020	
1.Medical Insurance/HSA	$ 20,118.11	$ -	$ 10,680.00	$ 7,500.00	
2. Audits	$ 6,825.00	$ -	$ 6,500.00	$ 7,500.00	
3. Legal Services	$ -	$ -	$ 1,400.00	$ 1,500.00	
4. Postage, Office/misc. espenses,Computer Programs,Tools & Safety Equipment	$ 16,344.65	$ -	$ 3,000.00	$ 4,000.00	
5. Rent	$ 6,625.00	$ -	$ 8,300.00	$ 4,500.00	
6. Payroll Taxes	$ 21,728.10	$ -	$ 7,500.00	???	This is included in payroll calculations
7. Training	$ 487.62	$ -	$ 2,000.00	$ 2,000.00	
9. Fuel-mileage paid	$ 3,800.00	$ -	$ 3,200.00	$ 3,000.00	
10. Board Compensation	$ 5,202.62	$ -	$ 3,400.00	$ 5,500.00	
11. Payroll Full Time	$ 83,786.83	$ -	$ 105,885.00	$ 68,000.00	
12. Payroll Part time/ on call	$ 9,107.30	$ -	$ 11,700.00	$ 15,000.00	
13. Permit MPCA & Licenses	$ 400.00	$ -	$ 425.00	$ 425.00	
14.Vehicle Deprciations Fund	$ 4,000.00	$ -	$ 4,000.00	$ 4,000.00	
16. Phones/Internet	$ 2,279.20	$ -	$ 2,500.00	$ 2,500.00	
17. Locator Services	$ 10,564.55	$ -	$ -	$ 12,000.00	
18. Website	-			$ 4,000.00	
19. Pera	$ 6,000.00			$ 7,000.00	
Total	$ 191,268.98	$ -	$ 170,490.00	$ 137,425.00	

1 Includes PERA and MCIT Insurance

2 Includes rent at Rollie's, Alex's and rented office and storage unit

3 includes Alex's Wage, On call wages at $60 per day and $31.62 per hour Health Insurance and HSA,
Rollies & Lori's Wages earned through May of 2019, and Loren On Call wages at $100 per day and $25 per hour

4. The 2019 budget overages were: Med. Insurance/PERA/HAS; Audits; Miscellaneous Expenses/Postage/Tools/Safety Equipment; Payroll Taxes; Board Compensation; Phone/Internet; Locator Services
Most of these things should be better in line this year. Since it will be more of a standard year with getting back to the normal amount of people working as in the past.

2019 Expense of Special Funds & Projected 2019 Income with User Fee Changes

Fund	Expenses 12/31/19	Remaing Expenses	2019 Income	2020 Income with rate inceases
Pumping ($8.00 increse in 2020)	$ 63,467.50	$ -	$ 36,365.00	$ 48,657.50
Tanks & Lines	$ 53,229.65	$ -	$ 46,916.00	$ 53,275.00
Pumps and Controls	$ 16,216.30	$ -	$ 19,775.50	$ 22,234.00
Totals	$ 132,913.45	$ -	$ 103,056.50	$ 124,166.50

(1) 2013 -75 tanks & 25 lift stations pumped & cleaned plus 13 cluster filter tanks & the filters $18,300.

(2) 2014- 70 tanks & 90 lift stations pumped & cleaned plus 13 cluster filter tanks & the filters $25,600.

(3) 2015- 105 tanks &110 lifts were pumped &cleaned plus 13 cluster filter tanks & filters $11,445.00

(4) 2016- 195 tanks &112 lifts were pumped &cleaned plus 13 cluster filter tanks & filters $34,878.00

(5) 2017 tank & lift pumping &cleaned plus 13 cluster filter tanks & filters $48,860.00

(6) 2018 tank & lift pumped & cleaned , plus the13 cluster filter tanks & filters $50,600.00

(7) 2019 tanks & lift pumped & cleanred, plus the 13 cluster filter tanks & filters, 320 systems pumped on active maintenance. $63,467.50 spent on pumping in 2019. Includes Freeze ups and breakdowns

(8) 2020 Tanks & Lift pumped & Claened plus 13 cluster filter tanks & Filters, 315 systems to be pumped on active maintenace. Estimated cost at $52,000 at 2019 prices for regular maintenance pumping. Plus any breakdowns/freezeups that may happen during 2020.

All active systems are now being pumepd on a 3 year cycle.

There were 5 pumps replaced in 2019. 2 Rebuilt pumps were used and 3 new pumps. There are 10 new pumps in inventory that are new as of 2019. Costs of those pumps was $10,234.80.

Estimate to replace 10 pumps in 2020 at between $866.67 & 1110.29 per pump plus labor cost.

Ordered new floats and still have a lot left for a cost of $1408.00 in 2019. Replaced 21 floats in 2019. Expect to Replace about the same next year. Cost to replace a float is my hourly rate for labor($31.63) plus cost of float($38.50) plus wire connectors cost($.60).

Item	Projected 2020 Income/General Fund	2019 Income to Date
Administration Fees (no raise)	$ 91,236.00	$ 80,933.00
General Maintenance (no raise)	$ 80,652.00	$ 71,754.00
Old Assessments/ Delquents fees interest	$ 3,800.00	$ -
Del. Fees & Penalties to Gen. Fund from 2019	$ 25,000.00	$ 28,400.00
Interest for Gererals funds to end of year rates	$ 220.00	$ 220.00
Permits & Inspections	$ 16,000.00	$ 16,200.00
PERA assistance, Repairs, Tech Assistance	$ 1,300.00	$ 1,300.00
MCIT Insurance refunds to be received	$ 1,200.00	$ 1,225.00
Total	$ 219,408.00	$ 200,032.00
Income to Date		$ 200,032.00
Projected General Income	$ 219,408.00	
General budgeet Expense projected for 2020	$ 137,425.00	
Projected balance in General Fund	$ 81,983.00	

1. Permits and Inspections Total 2019 $16,200.00

Permit fees are $350.00 per permit and inspection fees are $250.00 per system inspected

There are 5 systems that the district needs to replace/update in 2020. Estimates costs are from $6,000 to $10,000 per system. With some more that will probably fail inspection this next construction season.

District should plan on spending $50,000 dollars or more on replacement systems in 2020.

User Fee Increases (No increase in 2014 & 2016)	2015	2017	2018	2019	2020	$ 8.00
Pumping Fund	$ 1.00	$ -	$ -	$ 1.00	$ -	
General Meintenance Fund	$ 2.00	$ 2.00	$ 2.00	$ -	$ -	
Tank & Line Fund	$ -	$ 2.00	$ 2.00	$ 2.00	$ -	
Pumps & Controls Fund	$ 2.00	$ 1.00	$ -	$ -	$ -	
Administration Fee Fund	$ -	$ -	$ -	$ 2.00		

Projected User Fee Total Income for 2020: $296,349.00

Rates need to be raised next year to cover pumping fund and installation of new systems. Price of installations is going up and we need to adjust for those increases.

Yearly to Do List for OTWMD:

1. **January**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Re-appoint board members to their positions. (Chairperson, Treasurer, Secretary)
   - **c.** Present Yearly Budget to the Board
   - **d.** Do end of the year reporting for MPCA.
   - **e.** Renew insurance through MCIT.
   - **f.** Renew Nationwide Bond.
   - **g.** Complete PERA Exclusion Report
   - **h.** Prepare W-2s and 1099's
   - **i.** File Quarter 4 Tax Reports and MN State Unemployment Report
   - **j.** Send out notification to new property owners about their septic system and history of the district.
   - **k.** MOWA Yearly Conference is generally this month.

2. **February**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Prepare and pull information for annual audit.
     - i. Get this information to the auditor when it is requested.
   - **c.** Review Ordinance. Update as needed.
   - **d.** Review OTWMD Operating Manual. Update as needed.
   - **e.** Renew licenses for MPCA.

3. **March**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Hire lawn care service to mow Cluster Drainfields. (Jakes Lawn Service)
   - **c.** Hire locator service for Gopher One Requests. (JD Locating)
   - **d.** Contact Vendors and request a current copy of their insurance for our files.
   - **e.** Prepare pumping list for pumpers for active maintenance pumping for the year. Distribute list to pumpers when complete.

4. **April**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Construction season: keep up on
     - i. Inspections
     - ii. Maintenance of systems
     - iii. New installs
   - **c.** File federal and State 1st quarter tax reports and MN State Unemployment report.

d. Remove concrete blankets from Cluster sites and store for next season.
e. Deliver copy of As-builts to JD Locating for locates for the year.

5. May

a. Prepare for monthly meeting by creating agenda and accounts payable list:
    i. Print checks/make sure all bills are paid
    ii. Complete PERA, IRS, and State Withholding Payments
b. Construction season: keep up on
    i. Inspections
    ii. Maintenance of systems
    iii. New installs
c. Prepare pumping letters for passive owners. Send to 1/3 of passive properties each year to recommend having their systems pumped.
d. Turn on any pumps that may have been turned off for the winter months.

6. June

a. Prepare for monthly meeting by creating agenda and accounts payable list:
    i. Print checks/make sure all bills are paid
    ii. Complete PERA, IRS, and State Withholding Payments
b. Construction season: keep up on
    i. Inspections
    ii. Maintenance of systems
    iii. New installs
c. Collect First Check from county for yearly user fee.

7. July

a. Prepare for monthly meeting by creating agenda and accounts payable list:
    i. Print checks/make sure all bills are paid
    ii. Complete PERA, IRS, and State Withholding Payments
b. Construction season: keep up on
    i. Inspections
    ii. Maintenance of systems
    iii. New installs
c. File federal and State 2nd quarter tax reports and MN State Unemployment 2nd quarter report.

8. August

a. Prepare for monthly meeting by creating agenda and accounts payable list:
    i. Print checks/make sure all bills are paid
    ii. Complete PERA, IRS, and State Withholding Payments
b. Construction season: keep up on
    i. Inspections
    ii. Maintenance of systems
    iii. New installs
c. Set user fees for next year's user fee.

9. **September**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Construction season: keep up on
     - i. Inspections
     - ii. Maintenance of systems
     - iii. New installs
   - **c.** Start preparing for next years budget. Present to board at the end of the year.
   - **d.** Set user fees for next year's user fee.
   - **e.** Prepare Excel Spreadsheet for user fees to send into county.

10. **October**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Construction season: keep up on
     - i. Inspections
     - ii. Maintenance of systems
     - iii. New installs
   - **c.** Send User Fee's into County to be put on Property Tax Statements.
   - **d.** Collect Second Check from county for yearly user fee.
   - **e.** File Federal and State 3rd quarter tax reports and MN State Unemployment 3rd quarter report.
   - **f.** Complete budget preparations for the upcoming year.
   - **g.** Place concrete blankets over cluster septic tanks to protect from freezing for the winter months.
   - **h.** Turn off any pumps that may need to be turned off for the winter.

11. **November**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Construction season: keep up on
     - i. Inspections
     - ii. Maintenance of systems
     - iii. New installs
   - **c.** Talk to current auditor and obtain engagement letter for annual fiscal audit from the firm who is completing the outside audit.
   - **d.** Order New W-2, W-3, 1099 and 1096 forms.

12. **December**
   - **a.** Prepare for monthly meeting by creating agenda and accounts payable list:
     - i. Print checks/make sure all bills are paid
     - ii. Complete PERA, IRS, and State Withholding Payments
   - **b.** Start on annual MPCA Reports
   - **c.** Re-hire on call employee.