

**Clear Lake/Clearwater Sewer Authority  
Regular Meeting Minutes  
December 16, 2021**

**CALL TO ORDER**

Chair Goenner called the meeting to order at 6:06 p.m. at Clear Lake City Hall.

**ROLL CALL**

- Present: Chair Goenner, Members Petty, Lawrence, and White.
- Absent: Ranum.
- Staff Present: Director Smythe, Operator Forsell.
- A quorum was declared present.
- Guests Dave Anderson from Kennedy & Graven and Rich Ragatz, Chris Psihos from Ideal Energies were present.

**1. APPROVAL OF AGENDA**

**MOTION** by Lawrence to approve agenda as presented, seconded by White, all voted aye. **MOTION CARRIED 4-0.**

**2. PUBLIC FORUM**

None.

**3. CONSENT AGENDA**

- a. **Approval of Claims/Accounts Payable for September 2021**
- b. **Approval of Claims/Accounts Payable for October 2021**
- c. **Approval of Claims/Accounts Payable for November 2021**
- d. **Approval of Minutes from October 21, 2021 Regular Meeting**
- e. **Res 2021-05 – Declining Waiver of Statutory Tort Limits**

**MOTION** to approve the Consent Agenda as presented was made by Lawrence, seconded by Petty, all voted aye. **MOTION CARRIED 4-0.**

**4. OLD BUSINESS**

**a. Solar Proposals**

- There was a brief outline of the discussion from the workshop meeting and the two options being considered, build a solar facility with Ideal Energies or subscribe to a solar garden for credits through IPS Solar.
- **MOTION** by Lawrence to work with the Board attorney to hire an independent consultant to provide an analysis of the two alternatives, with a cost cap of \$5,000 for the consultant, seconded by White, all voted aye. **MOTION CARRIED 4-0.**
- Members directed staff to work with the local assessor and/or a local realtor to get a quick appraisal or estimated fair market value (cost of \$100-\$150) for the sale of two acres of the sewer authority's property.

**5. NEW BUSINESS**

- a. **Res 2021-06 – Approval of 2022 Budget**

The Board discussed the budget and the large proposed rate increase. Smythe explained that part of the problem is that there isn't a set formula for future capital purchases. As a result, the proposed rates increase dramatically when there are capital items in the budget and drop dramatically when there aren't any. Staff recommend allocating a set amount of capital in the budget each year to smooth out the large variances. There was considerable additional discussion about the Capital Improvement Plan and the fact that it seems to be out of date. Smythe will sit down with Forsell next summer to give it a comprehensive update and formulate a plan for a capital allocation amount that will address needs and smooth out changes.

**MOTION** by Lawrence to approve the budget as presented but to set the rate increase at 30% and use surplus to fund the remaining planned capital expenditures, seconded by White, all voted aye. **MOTION CARRIED 4-0.**

**b. Res 2021-07 – Approving Promotion of Jon Forsell**

**MOTION** to approve by Lawrence, seconded by White, all voted aye. **MOTION CARRIED 4-0.**

**c. Approving Cell Phone Use Policy**

Members discussed the proposed written policy. Operator Forsell stated he will use his personal phone and accept a stipend rather than use a Sewer Authority issued device.

**MOTION** by Lawrence to approve policy but change cell phone stipends to \$40 per month for personal devices, seconded by Petty, all voted aye. **MOTION CARRIED 4-0.**

**d. Authorize Purchase of Pump**

Forsell requested authorization to purchase a pump to replace one that is failing. It is out being rebuilt right now. We will keep the rebuilt one as a backup once a new one is received. Low bid is \$12,586, but Forsell will try to get another bid as well.

**MOTION** by Lawrence to purchase pump per the low bid of \$12,586 or the lower amount if another lower bid is received, seconded by White, all voted aye. **MOTION CARRIED 4-0.**

**e. Other Business**

None.

**6. REPORTS**

- Smythe reported that Strande's retirement luncheon is on Monday, December 20 at noon.
- Forsell reported that there is an ongoing issue with some heating equipment at the plant. The equipment keeps going out and setting off alarms, although it has been repaired more than once. There is some question about whether it is under warranty. Forsell would like to purchase another heater for the room as a backup/supplemental heat source. The estimated cost is about \$5,000, but he does not yet have quotes for the install and only has one bid for the heater.
- **MOTION** by Petty to authorize up to \$5,000 for a new heater but must obtain 2-3 bids and up to \$1,500 for electrical installation, seconded by Lawrence, all voted aye. **MOTION CARRIED 4-0.**
- Forsell reported that retiring operator Strande is willing to assist with projects or emergency work at a rate of \$25.00/hour, if needed in the future. The Board had some concerns, but took it under advisement. Staff to bring back to Board if needed in the future.
- Chair Goenner had some questions about claims costs. Staff confirmed uniform allowance amounts and that payments to IRS and Department of Revenue are for payroll taxes. Staff will check on payment of \$1,633.50 with a comment of "binders". Smythe believes this is a combined payment that includes the monthly Director Services costs, but will verify.

7. **NEXT MEETING DATE**

- Tony's retirement luncheon will be Monday, December 20, 2021 from 12:00 – 1:00 p.m. at Clear Lake City Hall.
- Next regular meeting will be February 17, 2022 at 5:30 p.m. at Clearwater City Hall.

8. **ADJOURN**

**MOTION** to adjourn by Lawrence, seconded by White, all voted aye. **MOTION CARRIED 4-0.**  
Meeting adjourned at 7:50 p.m.

ATTEST:



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Annita M. Smythe, Director

APPROVED:



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Tim Goenner, Chair