REGULAR MEETING OF THE BOARD OF TRUSTEES OF
THE IOWA GREAT LAKES SANITARY DISTRICT
July 8, 2025, 3:00 P.M.
DISTRICT OFFICE, MILFORD, IOWA

President Hoppe called the meeting to order at 3:00 p.m. Trustees; Andres, Kuhlman, Clary and Camozzi were present. Others present were Josh Pope, Steve Anderson, and Tim Oswald.

Oswald presented information to the Trustees on sewer rental rates and levy rates for the general fund operations. Oswald was working on how to transfer funds to a capital/contingency fund and also keeping a balanced amount of cash on hand for the general fund operations. Oswald recommended a 4% increase a year for the next five years. Based on this, the increase for a standard single-family house would see around $6.00 increase per year. Oswald also recommended setting up a separate account for the capital/contingency funds to keep these funds and expenses separated from the general and construction funds. Anderson stated that the mixing of these funds creates issues for figuring out arbitrage with the bond proceeds. Anderson further explained that capital expenditures, such as new truck purchases, cause issues with the rating from Moody's. The separation of these funds is a little more work on the staff's part but makes the use of the fund's cleaner.

Trustees directed Anderson to set up the capital/contingency funds with United Community Bank and to roll the current CD at United Community Bank into this new account. Anderson will have this set for the next Trustees meeting.

Trustees reviewed the proposed Procedures for Capacity Request. The main discussion on the proposed policy was on the number of days for the engineers to review and provide a letter. The draft has 60 days for a review to provide a letter. The Trustees discussed that this needs to be a shorter window. The discussion was between 15 days and 30 days. Trustees asked Pope generally how long it would take to get an evaluation completed. Pope felt that majority of these could take around 15 days. Pope stated that Bolton and Menk run the model and then present that information to Nate Hanson and Steve Anderson to verify that the model is what is seen in the system. Most cases the model is fitting with what the IGLSD staff sees in the field. When the model and the field observations don't match up is when Bolton and Menk want to do further investigation. The Trustees discussed this further. The procedure needs to have a 15-day window for evaluation. If the engineers need more time to further investigate concerns, then that request shall be provided for a discussion at the following Trustees meeting.

Trustees wanted to discuss the shop, lab and office project progress with Bolton and Menk. The project was supposed to be substantially completed in March of 2025 and based on the last schedule from Woodruff Construction, they are scheduled to be completed at the end of September 2025. The Bolton and Menk contract agreement for the construction phase of the project is close to being exceeded. The Trustees wanted to know what the plan is to get the project completed. A question was asked by the Trustees, whether the liquidated damage is keeping pace with the additional engineering costs. Pope stated he believed it was keeping up with those costs. The Trustees stated that it is the engineers position to keep this project moving and it does not seem to be getting the contractor on the Shop, Lab, and Office project moving. Pope stated that a letter was sent to Woodruff Construction that the project had exceeded the substantial completion timeline, and the liquidated damages can be enforced on the project. Anderson stated this does not seem to be a motivational factor in getting the project completed quicker. Trustees asked if there was a way in the future to have the liquidated damages increase the longer the project goes outside of the contracted times. Pope was not sure if that was legal. Trustees also asked in future contracts that we require if a project goes over and the engineers don't enforce and the District cannot get liquidated damages, that the additional costs for the engineers are not paid out. Anderson stated he would have to ask both of those questions to legal, for an opinion.

Trustee Andres introduced Resolution 2025-12, "RESOLUTION AMENDING RESLOUTION FOR ESTABLISHING A PROCEDURE ON SEWER CONNECTIONS AND INTO THE IOWA GREAT LAKES SANITARY DISTRICT IN HAYWARDS BAY & ALEXANDER BEACH" and moved that the same be adopted. Trustee Camozzi second the motion to adopt. The roll was called and the vote was, AYES: Andres, Kuhlman, Clary, Camozzi, Hoppe: NAYS: None. Whereupon, the President declared the resolution duly adopted.

Anderson provided an update on private sewer collection systems that the District staff are working around the lakes area. The groups we are working on have inflow and infiltration issues that need to get resolved. The groups we are working with include North Templar Park Association, South Templar Park Association, Monarch Cove, Lakeside Lutheran Camp (East Okoboji), and Cutty's.

Anderson gave an update on future construction projects that are in the design phase. The District is looking at bidding improvements to Loch Knolls, improvements at Templar Park State Park, Haywards Bay sewer extension, sewer extension on Sunrise Drive all in one project. These are smaller projects that we have tried to bid some of these out and can't get bidders on them individually. The hope is all the projects together will get someone to bid on the contract.

Anderson stated that the Center Lake Improvement and Protective Association members went out to get the annexation petition signed. This group wants to see Center Lake improved and know the septic systems in this area are impacting water quality on the lake. Anderson did warn that they may not be happy with these properties being annexed into the Sanitary District. Trustees understood but stated that the Iowa Great Lakes Sanitary District was primarily established for improve and protection of water quality in the area lakes.

Trustee Camozzi introduced RESOLUTION 2025-13 entitled, "RESOLUTION GRANTING THE PETITION FOR ANNEXATION OF LAND INTO THE DISTRICT" and moved that it be adopted. Trustee Clary seconded the motion to adopt, and the roll being called thereon, the vote was a follows: AYES: Andres, Kuhlman, Clary, Camozzi, Hoppe; NAYS: None. Whereupon, the President declared said Resolution duly adopted.

Camozzi had researched information on ground penetrating radar and through this would be a good tool for the District to consider having for doing locates and for finding other utilities around the Sanitary District facilities. Anderson saw a demonstration with this equipment over 10 years ago and it worked really good in a city parking lot. Anderson will reach out to a couple of companies and see if we can get a demonstration here locally.

Trustees approved the Consent Agenda as follows:

- Minutes for June 10, 2025
- June Financial Statement
- Approved bill and transfers:
    - General Fund:
        - Expenses of $408,500.45
        - Transfer from General Fund Savings to General Fund Checking in the amount of $145,000.
    - Construction fund:
        - Expenses of $906,380.98
        - Transfer from Construction Fund Savings to Checking in the amount of $900,000.
    - Bond Fund:
        - Expenses of $3,200
- Partial Payment Applications:

    - Partial Payment Application #25 for Project 2021-03 Shop, Lab, Office Improvements in the amount of $417,576.07
    - Partial Payment Application #6 for Project 2023-03 Force Main Improvements Project in the amount of $176,168.92
- Monthly Operations Report for April and May 2025

(Kuhlman/Camozzi); all ayes.

The meeting was adjourned by Motion. (Clary/Andres).

_____ ATTEST: _____

Kae Hoppe, President Chad Clary, Clerk