

LAKE METIGOSHE RECREATION SERVICE DISTRICT
REGULAR MEETING
Service District Building
May 13, 2023

Bryan Schweitzer called the meeting to order at 10:01 AM

Directors Present: Valerie Zwak, Mike McIntee (remote), Kathy Garbe, Jill Watson, Bryan Schweitzer, Allen Boettcher (remote), Verdell Lund, Randy Conway (remote)

Directors Absent: Mike Nehring

Others present: Mike Hall, Bob Tretebas, Chad Strand, Brian Hiles (remote), Dave Lakefield

Agenda:

Kathy Garbe made a motion to approve the agenda. Jill Watson seconded the motion. All in favor. Motion carried.

Minutes:

Verdell Lund made a motion to approve the April 8, 2023 minutes as emailed. Valerie Zwak seconded the motion. All in favor. Motion carried.

Financial report: Chad Strand

Valerie Zwak made a motion to approve the monthly financials and pay the bills as presented. Kathy Garbe seconded the motion. All in favor. Motion carried.

Guests Communications:

Brian Hiles was present to field any questions from the board.

- Question from Mike McIntee: Who absorbs the cost of materials if unit prices increase before project completion? Answer: All material costs included in the bid are locked in with the signing of the agreement. Unit price increases would not be an extra cost for LMRSD. Project overruns or change orders would need to be presented to the board for approval.
- Question from Mike McIntee: When is the expected completion date per the contract? Answer: Contract *substantial completion* deadline is October 28, 2023 and *final* completion deadline is December 22, 2023. If completion dates are not met, damages will be awarded at \$1,600 per day for *substantial completion* and \$1,000 per day for missing the *final* completion date.
- Question from Bryan Schweitzer: Were proper ordering procedures followed at bid-opening regarding the engineer revealing the *bond* amounts before the *bid* amounts? Answer: Yes, this order could be presented either way.
- Comment from engineer: All three bidders had same suppliers for piping.

Dave Lakefield

- Working on a subdivision development for storage buildings/shop with living quarters.
- Requested to be annexed into the Service District.
- Would be 15-16 lots.
- Roland Township rezoned from Commercial to C2.
- Jill Watson made a motion to accept the annexation request. Kathy Garbe seconded the motion. All in favor. Motion carried.

Operations Report: Mike Hall

- Fixed sewer line at state park and roadside ranch.
- New tires put on pickup.
- Pumps are now running at lagoons.
- Installation of two Gridbee's will cost \$64,810. Will be paid from Lagoon Expansion Fund as per December 10, 2022 minutes.
- RV list being tallied and will be presented to Glenore Gross at Roland Township.
- Will start flushing main gravity lines.

Legal Council: Bill Hartl

- Not present, but previously reported to Bryan Schweitzer that Wagner Construction Inc. would be a qualified bidder/contractor.

Committee Reports:

- Garbage – Jill Watson – Will visit with DSM to see if dumpster should be set at Four Seasons Resort over July 4th.
- Evaluation/Interview – Bryan Schweitzer – Nothing to report
- Financial – Mike Nehring – Nothing to report
- Sewer – Verdell Lund – Nothing to report
- Assessments – Allen Boettcher – Nothing to report
- Policy – Mike McIntee – Nothing to report
- State Grant & Research – Verdell Lund – Nothing to report

Old Business:

- RV Ordinance update given by Mike Hall.
 - Annual permits were mailed.
- Excess garbage – see above garbage committee report.

New Business:

- Lift Station D Project
 - Bids
 - Mike McIntee made a motion to accept the bid from Wagner Construction Inc. at the bid price of \$1,951,098.25. Kathy Garbe seconded the motion. Roll call vote:
 - Valerie Zwak – Yes
 - Jill Watson – Yes
 - Kathy Garbe – Yes
 - Verdell Lund – Yes
 - Mike McIntee – Yes
 - Allen Boettcher – Yes
 - Randy Conway – No
 - Bryan Schweitzer – Yes
 - Update from Bill Hartl – see above under legal council.
 - Project Financing
 - Mike McIntee made a motion to have First National Bank & Trust finance the Lift Station D project. This will include a Line of Credit of \$2.4mm with quarterly interest payments beginning September 15, 2023. The final project financing arrangement with FNB will not exceed \$2.1mm and will be set up with

quarterly payments at 4.64% for a total of 15 years (including the construction phase). Jill Watson seconded the motion. Roll call vote:

- Valerie Zwak – Yes
- Jill Watson – Yes
- Kathy Garbe – Yes
- Verdell Lund – Yes
- Allen Boettcher – Yes
- Mike McIntee – Yes
- Bryan Schweitzer - Yes

- Valerie Zwak made a motion to have chairman, Bryan Schweitzer, and treasurer, Chad Strand, as the individuals authorized to borrow the funds and sign necessary loan documentation. Kathy Garbe seconded the motion. All in favor. Motion carried.

- Open director positions for annual meeting:
 - Valerie Zwak
 - Mike Nehring
 - Randy Conway
 - Kathy Garbe

Kathy Garbe indicated she will run again. Diane Lorenz is also interested in a position on the board.

Meeting adjourned 11:40 AM

Chad Strand,
Secretary/Treasurer