



AGENDA - REVISED  
REGULAR BOARD MEETING  
January 30, 2023  
5:00 p.m.

**1. Agenda Review**

**2. Old Business**

**3. Approval of Consent Agenda Items**

- a. Regular Board minutes dated December 19, 2022
- b. Board Member vouchers for the month of December
- c. Payment vouchers dated December 14, 2022 to January 24, 2023
- d. Treatment Plant Operator I Job Description
- e. Treatment Plant Operator II Job Description
- f. Treatment Plant Operator II Job Description
- g. Senior Treatment Plant Operator Job Description
- h. Lead Treatment Plant Operator Job Description

**4. New Business Items for Discussion and Approval**

Governance

- a. Resolution 23-01; Acknowledging Mary Murphy
- b. Approval of WLSSD Board Vice Chair and Secretary Nominations

Operations & Planning

- c. Approval of Amendment #3 - Intergovernmental Agreement for Solid Waste Disposal
- d. Approval of Sodium Hypochlorite – Bid #1464
- e. Resolution 23-04; Resolution Authorizing Execution of Grant Agreement with the Environmental Protection Agency SWIFR Grant Program

Personnel

- f. Approval of 2023 Merit and Market Adjustment Recommendations for Salary and Confidential Employees
- g. Approval of Gallagher Contract for Compensation Study
- h. Approval of 2023 Worker's Compensation Insurance Renewal
- i. Approval of Closed Personnel Committee Meeting

Finance

- j. Approval of 2022 Financials
- k. Approval of 2022 Year-end Adjustment
- l. Approval of 2022 Gainshare Payout
- m. Resolution 23-02; PFA Loan Agreement – Cloquet Interceptor Rehabilitation Project
- n. Resolution 23-03; PFA Loan Agreement – Knowlton Creek Forcemain Change Order

Other

- o. Approval of Closed Executive Session – February 27, 2023 at 4:15 p.m.

**5. Committee Reports**

- a. Committee of the Whole
- b. Finance
- c. Operations and Planning
- d. Personnel
- e. Legislative
- f. Board Governance
- g. Board Member Comments

**6. Executive Director Reporting**

- a. Communications
- b. Monthly Financials
- c. NPDES

7. **Legal Counsel**

8. **Executive Session (staff excused)**



MINUTES  
REGULAR BOARD MEETING  
January 30, 2023  
5:00 p.m.

Board Members Present: Jim Aird, Julene Boe, Jack Ezell, Loren Lilly, Dave Manderfeld, Laura Ness, Marcia Podratz, Rob Schilling, and Paul Thomsen

Staff Present: Cathy Remington, AJ Axtell, Brandon Kohlts, Carrie Clement, Lacie Jurek, and Amanda MacDonald

Legal Present: David Oberstar – Fryberger, Buchanan, Smith & Frederick

Guests Present: Representative Mary Murphy and Dave Johnson – Feagre Drinker

Chair Ness called the meeting to order at 5:01 p.m.

**1. Approval of Consent Agenda Items**

- a. Regular Board minutes dated December 19, 2022
- b. Board Member vouchers for the month of December
- c. Payment vouchers dated December 14, 2022 to January 24, 2023
- d. Treatment Plant Operator I Job Description
- e. Treatment Plant Operator II Job Description
- f. Treatment Plant Operator II Job Description
- g. Senior Treatment Plant Operator Job Description
- h. Lead Treatment Plant Operator Job Description

MOTION: Member Boe to approve the Consent Agenda Items

SECOND: Member Aird

DISCUSSION: None

RESULT: The motion passed unanimously

**2. New Business Items for Discussion and Approval**

- a. **Resolution 23-01; Acknowledging Representative Mary Murphy**  
Chair Ness presented the Resolution acknowledging Representative Mary Murphy. Representative Murphy has provided tremendous support to the Western Lake Superior Sanitary District since 1977 continuing through 2022. Representative Murphy has been a champion of the environment and dedicated to the health and well-being of the residents of North Eastern Minnesota.

Representative Murphy's office saved user's millions of dollars in potential costs; assisted WLSSD and North Eastern Minnesota in the recovery from the 2012

flood; and provided legislative support such that WLSSD and City of Duluth successfully eliminated sewer overflows. The Board of WLSSD on behalf of citizens of the District commends and expresses its gratitude and thanks to Representative Mary Murphy and for her dedicated service and leadership provided to the Western Lake Superior Sanitary District.

**The Governance Committee recommends that the WLSSD Board approve Resolution 23-01; Acknowledging Representative Mary Murphy.**

MOTION: Member Podratz to approve Resolution 23-01; Acknowledging Representative Mary Murphy

SECOND: Member Boe

DISCUSSION: None

RESULT: The resolution passed with 9 ayes

**b. Approval of WLSSD Board Vice Chair and Secretary Nominations**

The Governance Committee met in January to discuss nominations for the vacant Vice Chair position. At that meeting, Julene Boe was nominated as Board Vice Chair and the committee approve that nomination. Member Boe currently holds the position of Board Secretary and will vacate that upon Board action of the Vice Chair nomination; thus the Committee took nominations for Board Secretary. Robert Schilling was nominated as Board Secretary and the Committee approve that nomination.

**The Governance Committee recommends that the WLSSD Board approve the appointment of Julene Boe to the position of Board Vice Chair and Robert Schilling to the position of Board Secretary for the balance of the WLSSD officer term ending on June 30, 2023.**

MOTION: Member Thomsen to approve the appointment of Julene Boe to the position of Board Vice Chair and Robert Schilling to the position of Board Secretary for the balance of the WLSSD officer term ending on June 30, 2023

SECOND: Member Aird

DISCUSSION: None

RESULT: The motion passed unanimously

**c. Approval of Amendment #3 – Intergovernmental Agreement for Solid Waste Disposal**

Brandon Kohlts discussed the amendment. The waste delivered to the WLSSD Transfer Station is transported to the Moccasin Mike Landfill in Superior, WI for

disposal. WLSSD and the City of Superior have a contract for disposal that expires in June 2024. Recently the City of Superior surveyed the landfill and have indicated that space is available through June 2026. Amendment #3 would extend the disposal contract with City of Superior through June 2026.

**The Operations & Planning Committee recommends that the WLSSD Board approve Amendment #3 – Intergovernmental Agreement for Solid Waste Disposal.**

MOTION: Member Boe to approve Amendment #3 – Intergovernmental Agreement for Solid Waste Disposal

SECOND: Member Aird

DISCUSSION: None

RESULT: The motion passed unanimously

**d. Approval of Sodium Hypochlorite – Bid #1464**

Carrie Clement presented bid # 1464. Sodium hypochlorite, or bleach, is used for effluent disinfection compliance from April through October of each year. Sodium hypochlorite is purchased in bulk tank truck loads of 4,500 gallons each and is delivered to one of 4 15,000-gallon storage tanks in the disinfection building.

Over the years, WLSSD has consistently received two competitive bids; one from Hawkins Water Treatment, the other from DPC. In December of 2020 DPC sold its production facility located in the Minneapolis/St. Paul metropolitan area to Hawkins.

This bidding season we received one bid from Hawkins Water Treatment and one no bid from Buckman North America. Hawkins bid represents a 36.84% increase from the 2022 contract price. WLSSD budgeted a 50% increase for the 2023 disinfection season. Hawkins provides excellent product and service to WLSSD. Staff would recommend awarding this year's sodium hypochlorite bid to Hawkins Water Treatment.

**The Operations & Planning Committee recommends that the WLSSD Board award the 2023 Sodium Hypochlorite Bid #1464 to Hawkins Water Treatment for supplying sodium hypochlorite during the 2023 disinfection season for the cost of \$2.251/gallon.**

MOTION: Member Thomsen to award the 2023 Sodium Hypochlorite Bid #1464 to Hawkins Water Treatment for supplying sodium hypochlorite during the 2023 disinfection season for the cost of \$2.251/gallon

SECOND: Member Ezell  
DISCUSSION: None

RESULT: The motion passed unanimously

e. **Resolution 23-04; Resolution Authorizing Execution of Grant Agreement with the Environmental Protection Agency SWIFR Grant Program**

AJ Axtell reviewed Resolution 23-04. WLSSD has applied for a grant with the Environmental Protection Agency (EPA) for curbside organics collection program. This service is not offered widely in the Duluth area with only one garbage hauler offering it on a small scale. Should WLSSD be successful in obtaining the grant, the program would be the first within the City of Duluth.

**The Operations & Planning Committee recommends that the WLSSD Board approve Resolution 23-04; Resolution Authorizing Execution of Grant Agreement with the Environmental Protection Agency – SWIFR Grant Program.**

MOTION: Member Boe to approve Resolution 23-04; Resolution Authorizing Execution of Grant Agreement with the Environmental Protection Agency – SWIFR Grant Program

SECOND: Member Podratz

DISCUSSION: None

RESULT: The resolution passed with 9 ayes

f. **Approval of 2023 Merit and Market Adjustment Recommendations for Salary and Confidential Employees**

Lacie Jurek reviewed the adjustments. The annual increase date for Salary and Confidential employees is March 1st of each year. The approved 2023 annual budget included pay increase for salary and hourly employees. The hourly employees received 2.5% increase effective January 1, 2023 as specified as part of the bargaining agreement. The budgeted increased for salary employees for 2023 is 3% and additional funds for some of the salaried positions who require a market adjustment. The amount requested is consistent with what was included in the approved 2023 budget.

**The Personnel Committee recommends that the WLSSD Board approve the Executive Director's authority to distribute an amount not to exceed \$83,470 in merit and market adjustments for Supervisory and Confidential employees.**

MOTION: Member Manderfeld to approve the Executive Director's authority to distribute an amount not to exceed \$83,470 in merit and market adjustments for Supervisory and Confidential employees

SECOND: Member Thomsen

DISCUSSION: None

RESULT: The motion passed unanimously

g. **Approval of Gallagher Contract for Compensation Study**

Lacie Jurek reviewed the purpose of the compensation study and the consulting firms considered for this contract. WLSSD has selected Arthur J. Gallagher & Co. (Gallagher) to conduct a comprehensive job evaluation and compensation study for all WLSSD positions both hourly and salary. The scope of the study will include a review of existing job descriptions, implementation and training of an improved job evaluation and classification system, and a compensation study.

The Master Services Agreement includes a total cost of \$49,500; additional charges may be incurred to include possible on-site training and presentations, one off job description review, etc. The 2023 budget includes \$50,000 for the 2023 compensation study. Staff has recommended an additional \$5,000 be included to provide for possibility of additional site visits.

**The Personnel Committee recommends that the WLSSD Board approve the Master Services Agreement with Gallagher and a total cost of \$55,000.**

MOTION: Member Lilly to approve the Master Services Agreement with Gallagher and a total cost of \$55,000

SECOND: Member Ezell

DISCUSSION: None

RESULT: The motion passed unanimously

h. **Approval of 2023 Worker's Compensation Insurance Renewal**

Lacie Jurek discussed the renewal. WLSSD has maintained Worker's Compensation insurance coverage through the League of Minnesota Cities for over 25 years; the League's program is specifically designed for governmental units in Minnesota. Since 1999, the District has opted for coverage that includes a \$5,000 deductible as the acceptable coverage for cost savings versus risk; this deductible means a lower premium.

For 2023, the quote received for a \$5,000 deductible is \$154,687 compared to a budget of \$180,000. The District's overall experience rating is .64; the experience rating in 2022 was .69.

**The Personnel Committee recommends that the WLSSD Board approve the \$5,000 deductible quote for a 2023 Worker's Compensation Insurance premium of \$154,687.**

MOTION: Member Podratz to approve the \$5,000 deductible quote for a 2023 Worker's Compensation Insurance premium of \$154,687

SECOND: Member Aird

DISCUSSION: None

RESULT: The motion passed unanimously

i. **Approval of Closed Personnel Committee Meeting**

It is time for the Board to conduct the Executive Director's annual performance evaluation. This is done in a Closed Personnel Committee Meeting. The Board must approve this closed meeting. A survey will be sent to the employees who directly report to the Executive Director for their feedback on annual performance and this feedback will be sent to the Board members.

**It is recommended that the WLSSD Board approve Wednesday, February 22, 2023 at 12:30 pm as a closed Personnel Committee meeting for the purpose of conducting the Executive Director's Performance Evaluation.**

MOTION: Member Manderfeld to approve Wednesday, February 22, 2023 at 12:30 p.m. as a Closed Personnel Committee meeting for the purpose of conducting the Executive Director's Performance Evaluation

SECOND: Member Thomsen

DISCUSSION: None

RESULT: The motion passed unanimously

j. **Approval of 2022 Financials**

Cathy Remington presented the 2022 Financials at the Committee of the Whole meeting prior to the Regular Board meeting.

**The Committee of the Whole recommends that the WLSSD Board approve the 2022 Financials.**

MOTION: Member Thomsen to approve the 2022 Financials



SECOND: Member Boe

DISCUSSION: None

RESULT: The motion passed unanimously

k. **Approval of 2022 Year-end Adjustment**

Cathy Remington presented the 2022 Year-end Adjustment at the Committee of the Whole meeting prior to the Regular Board meeting.

**The Committee of the Whole recommends that the WLSSD Board approve the 2022 Year-end Adjustment.**

MOTION: Member Boe to approve the 2022 Year-end Adjustment

SECOND: Member Aird

DISCUSSION: None

RESULT: The motion passed unanimously

l. **Approval of 2022 Gainshare Payout**

Cathy Remington presented the 2022 Gainshare Payout at the Committee of the Whole meeting prior to the Regular Board meeting.

**The Committee of the Whole recommends that the WLSSD Board approve the 2022 Gainshare Payout.**

MOTION: Member Thomsen to approve the 2022 Gainshare Payout

SECOND: Member Aird

DISCUSSION: None

RESULT: The motion passed unanimously

m. **Resolution 23-02; PFA Loan Agreement – Cloquet Interceptor Rehabilitation Project**

Cathy Remington discussed the resolution. This resolution allows WLSSD to obtain a loan from PFA to fund the project.

**Staff recommends that WLSSD Board approve Resolution 23-02; PFA Loan Agreement – Cloquet Interceptor Rehabilitation Project.**

MOTION: Member Podratz to approve Resolution 23-02; PFA Loan Agreement – Cloquet Interceptor Rehabilitation Project

SECOND: Member Boe

DISCUSSION: None

RESULT: The resolution passed with 9 ayes

n. **Resolution 23-03; PFA Loan Agreement – Knowlton Creek Forcemain Change Order**

Cathy Remington discussed the resolution. This resolution allows WLSSD to obtain a loan from PFA to fund the project.

**Staff recommends that WLSSD Board approve Resolution 23-03; PFA Loan Agreement – Knowlton Creek Forcemain Change Order.**

MOTION: Member Ezell to approve Resolution 23-03; PFA Loan Agreement – Knowlton Creek Forcemain Change Order

SECOND: Member Aird

DISCUSSION: None

RESULT: The resolution passed with 9 ayes

o. **Approval of Closed Executive Session – February 27, 2023 at 4:15 p.m.**

David Oberstar stated that a closed executive session is needed to meet with WLSSD legal counsel.

**It is recommended that the WLSSD Board approve a Closed Executive Session on February 27, 2023 at 4:15 p.m.**

MOTION: Member Lilly to approve a Closed Executive Session on February 27, 2023 at 4:15 p.m.

SECOND: Member Manderfeld

DISCUSSION: None

RESULT: The motion passed unanimously

**3. Committee Reports**

- a. *Committee of the Whole* – there was a meeting prior to the January Regular Board Meeting; a Closed Executive Session is scheduled for Monday, February 27, 2023 at 4:15 p.m.

- b. *Finance* – the minutes from the January meeting were reviewed; an Audit Entrance Conference is scheduled for February 14<sup>th</sup> at 1:00 p.m. and a committee meeting is scheduled for Wednesday, February 22<sup>nd</sup> at 11:30 a.m.
  - c. *Operations & Planning* – the minutes from the January meeting were reviewed; the next meeting is scheduled for Tuesday, February 21<sup>st</sup> at 11:30 a.m.
  - d. *Personnel* – the minutes from the January meeting were reviewed; the next meeting is scheduled for Wednesday, February 22<sup>nd</sup> at 11:30 a.m. and a Closed Meeting is scheduled for Wednesday, February 22<sup>nd</sup> at 12:30 p.m.
  - e. *Legislative* – the Duluth & St. Louis County at the Capital Event is February 8<sup>th</sup> & 9<sup>th</sup>; a committee meeting date to be determined.
  - f. *Board Governance* – the minute from the January meeting were reviewed; no meeting is scheduled for February
  - g. *Board Member Comments* – none
4. **Executive Director Reporting**
- a. **Communications**  
The communications for the month of January were presented at the Committee of the Whole meeting prior to the Regular Board meeting.
  - b. **Monthly Financials**  
The 2022 Financials were presented at the Committee of the Whole meeting prior to the Regular Board meeting.
  - c. **NPDES**  
The NPDES report was presented at the Committee of the Whole meeting prior to the Regular Board meeting.
5. **Legal Counsel** – no report
6. **Executive Session** – none

The meeting adjourned at 5:31 p.m.

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Recording Secretary

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Laura Ness, Board Chair

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Rob Schilling, Board Secretary