

Township of Laketown
9350 Laketown Road
Chaska, MN 55318

SPECIAL MEETING
MINUTES

August 3, 2022
1:00 PM

Attendees

Town Board Members: Chair, Pete Parris; Vice Chair, Mike Klingelhutz; Supervisor, Cathy Nielsen Clerk/Treasurer Jean Moore; Met Council, Kyle L. Colvin; Met Council, Deb Barber; City of Waconia, Shane Fineran; State Representative, Greg Boe; Carver County Commissioner, John P. Fahey; Carver County Planning & Water Management, Paul Moline; City of Chaska Water/Sewer Director, Matt Haefner. Absent: Representative, Jim Nash; City of Victoria, Dana Hardie; City of Chaska Administrator, Matt Podhradsky; Carver County Commissioner, Tim Lynch; District Senator, Julia Coleman

Special Meeting began at 1:00 pm

Special Meeting

The purpose of the Special Meeting was to begin conversation with the annexing cities about a collaborative effort to conduct a comprehensive 201 Sewer System Feasibility Study to determine infrastructure replacement, or how/when to hook up to city sanitary sewer. The Bonding Bill funding request did not pass and the next bonding bill opportunity is not until 2024. Thus, the township is requesting that the annexing cities help fund the study, as it will impact them at some point.

Supervisor Mike Klingelhutz summarized the history of the 201 sewer system. In the early 80's, the MPCA, Carver County and Laketown Township implemented grey water sewage collector systems to mitigate the impairment of Laketown's area lakes (Bavaria, Pierson, and Reitz) with the use of a federal grant initiative. The system was designed for a 20-year life expectancy due to projected annexations of these areas. Some 40 years later, the sewer areas that were to be annexed still remain in the township and the sewer systems are now 20 years past their life expectancy. Significant infrastructure and liftstation sealing projects have been performed within the last 5 years. The township has submitted an application for each sewer area to be considered for the MPCA Project Priority Listing, which may provide low interest loans or potential grants. To be eligible, a feasibility study must be conducted. Bolton and Menk cost estimate for the feasibility study is approximately \$86k. The cost estimates for each sewer neighborhood are as follows:

- 104 homes Lake Bavaria – Chaska annexation area (\$23K)
- 15 homes sandfilter and 38 homes mound system - Pierson Lake – Victoria annexation area (\$32K)
- 56 homes Reitz Lake – Waconia annexation area (\$32k).

Supervisor Cathy Nielson stated that the sewer user rates are currently \$275/qtr (\$230k annually) – likely the highest rates for sewer only in the state. The township spends nearly all of its budgeted funds of \$230,000/year fixing and maintaining these systems. Laketown received \$121k in ARPA funds in which \$88k was used to finance repairing I/I sewer issues. With only 1/3 of the township residents on the sewer system, using all ARPA funds for sewers would not be fair. A pumper truck was purchased to defray 3rd party pumping costs. In 2014, pumping costs were \$39k due to torrential rains infiltrating/overwhelming the liftstations. Historically, the township owned all the septic tanks on the sewer system. However, due to the age of the septic tanks and cost to repair/replace, the township was forced to turnover the septic tanks to the homeowners to alleviate the possibility of bankrupting the sewer fund. Supervisor Nielsen

August 3, 2022

suggested that if each annexing city could contribute \$20k toward the feasibility study, the township could contribute \$26k.

Supervisor Pete Parris stated that the maintenance of the sewer system is only buying time. The township, the annexing cities and the county are all in need of this comprehensive feasibility plan as it will help determine the viability of these sewer neighborhoods and if annexation should occur. There is no cost benefit to the annexing city to take a developed neighborhood, but a feasibility study will help determine a time line or a plan to incorporate it. If the system fails, it will become the annexing city problem. If one of these neighborhood systems fails, the sewage will infiltrate the lake, in which the township could not shoulder the cost of the environmental cleanup and may need to dissolve. Everyone in the county uses these lakes and it should not only be the burden of these homeowners if it fails.

City of Chaska – Matt Haefner complimented Laketown on the maintenance/improvements that have been done. He said that it is similar to what Chaska does, that they budget for it and raise rates. They had one project in the Bonding Bill that didn't go through either and suggested we raise rates to keep the system going. He suggested waiting on the next bonding bill, continue maintenance and keep raising rates. There are techniques out there without digging everything up. In his opinion, it would be a stretch to ask Chaska residents to pay for the Townships sewer planning. This would be a City Council decision. He also referenced the statement about the township dissolving if a system failed and sewage ran into the lake and the township unable to shoulder the cost of an environmental cleanup. He commented that most likely if sewage were to get into the lake it would not be detrimental to the lake or township. Paul Moline conversely stated that it WOULD set the watershed back decades. Mr. Haefner further stated that it is his opinion that this system should have been replaced 20 years ago, instead of maintaining an aged system. He also stated that Chaska's comprehensive sewer plan is not detailed for the Rhoy Ave/Lake Bavaria neighborhood. It was mentioned also that there is no incentive for the Cities to annex in the surrounding areas within the Township.

City of Waconia, Shane Fineran, stated that it is not about how we fix this, it's how we connect to get these annexed into the cities. He agreed that it's a reach to go to the residents of Waconia to ask them to pay for \$20k when nothing was done 20 years ago. He feels that the township needs to ask the other 2/3rds of its residents that aren't on the system, how would they like to be annexed into the cities. He also stated that the township should address the City Council.

Supervisor Klingelhutz stated that it would be a comprehension plan that would benefit all the annexing cities. Bolton and Menk would work with each of the cities to see which direction to go. It needs to be determined how to connect to sanitary sewer instead of how to get them to last longer. However, some neighborhoods are too far from the sanitary sewer system.

Greg Boe stated that the MPCA relies on local municipalities to determine their long-term vision. Local plans define the framework for infrastructure funding. It is unlikely that the MPCA would fund a wastewater study to resolve local issues nor could they mandate that the cities fund a project. However, the MPCA could help facilitate meetings and advocate for local improvements. Mr. Boe also commented that legislative funding may be available for staff to research available funding opportunities. Paul Moline added that the Clean Water Funds do not allow for sewer improvements and that the county defers to the cities for long range planning.

Laketown Township
August 3, 2022

No further action was set forth at this time.

Meeting ended at 2:30 pm

Submitted by: Jean Moore
Jean Moore
Clerk/Treasurer, Carver County, Minnesota
Notarial Officer (ex-officio notary public)
My term if indeterminate

Accepted by: [Signature]

Date: 9-17-2022