

EAST RANGE WATER BOARD
Regular Meeting
Wednesday, August 17, 2022
4:30 p.m. City/Town Government Center

Appointed Board Members for City of Aurora: Doug Gregor, Chairman of the Board; David Skelton; Dennis Schubbe;

Appointed Board Members for the Town of White: Jon Skelton, Vice Chairman of the Board; Clark Niemi;

Other Team Members: Stefanie Dickinson (COA); Jodi Knaus (TOW); Wayne Thuringer (COA); Jim Gentilini (COA); Mike Larson (SEH); Miles Jensen (SEH); Kevin Young (SEH); Mia Thibodeau (Fryberger Law); Shannon Sweeney (David Drown Associates);

AGENDA

1. Call to Order/Roll Call
2. Consent Agenda:
 - a. Approval of July 20, 2022 Meeting Minutes & July 27, 2022 Special Meeting Minutes
 - b. Treasurer's Report – Fund Balances -
 - c. Approval of Disbursements (Invoices for Approval as listed below in order by date received)
 1. The Hive - \$35.44
 2. Dollar General - \$12.00
 - d. Correspondence
3. Legal Matters –Updates Including but not limited to:
 - a. Scenic Acres Land & Facility Title Clearance
 - b. Rosa Easement Status
4. Guests – No requests received
5. Engineering Updates - SEH
 - a. Funding Initiatives & Cumulative Accounting -- Updates by Mike Larson
 - b. Engineering Work – Updates by Miles Jensen
 1. August Status Report
 - i. Archaeological Assessment Update
 - ii. Bat Nesting Sites – Tree Removal in August – Is area marked?
6. Community Outreach Plan – tabled last month – further discussion
 - a. Public Information Project Sheet – To be bulk mailed, advertised etc.
7. Contingency Plans Status – David Skelton
 - a. IRRR Contingency Plan
 - b. City of Biwabik Plan executed – Technical meeting update
8. Other Business
 - a. St. James Pit & Current Water Plant updates – Jim Gentilini
 - b. East Range Shopper Update
10. Next Meeting Date: Wednesday, September 21, 2022
11. Adjournment

**East Range Water Board
Monthly Meeting Minutes
City/Town Government Center
Wednesday, July 20, 2022
4:30 p.m.**

PRESENT: Chairman, Doug Gregor; Secretary/Treasurer, David Skelton; Board Member, Dennis Schubbe; Vice Chairman, Jon Skelton; Board Member, Clark Niemi;

ABSENT:

ALSO PRESENT: Jodi Knaus, Town of White Clerk; Jim Gentilini, City of Aurora Water Supervisor; Miles Jenson (SEH via Zoom), Robert Rutka, Chad Skelton, Bill Maki

1.) **A board meeting was called to order by Chairman Gregor at 4:30 p.m.**

2.) **Consent Agenda:**

MOVED BY DAVID SKELTON, SUPPORTED BY JON SKELTON APPROVING THE CONSENT AGENDA AS PRESENTED. MOTION CARRIED

3.) **Legal Matters**

- a) Scenic Acres Land & Facility Title Clearance – Gregor confirmed Fryberger Law is preparing the documents for transfer of title and things are moving along
- b) St. Louis County Lease for the Intake Site
MOVED BY JON SKELTON, SUPPORTED BY SCHUBBE APPROVING THE LEASE WITH ST. LOUIS COUNTY EFFECTIVE AUGUST 1, 2022. MOTION CARRIED
MOVED BY NIEMI, SUPPORTED BY DAVID SKELTON APPROVING THE PAYMENT OF \$300.00 FOR THE 40 YEAR LEASE WITH ST. LOUIS COUNTY. MOTION CARRIED

4.) **Guests:** None

5.) **Engineering Updates**

- a) Funding Initiatives – Gregor updated the Board on financing for the Project. A Special Legislative Session would be great! It's time to go to the IRRR for funding. A Joint Special Meeting with the City Council, Town Board, and Water Board has been scheduled for Wednesday, July 27, 2022 at 5:00 P.M. at the Aurora Community Center. Jensen will be gone but Young will attend. Gentilini will present on the current plant status.
- b) Engineering Work – Miles Jensen updated the Board he spoke with Chad Kohlsted. The Archaeological Assessment Survey Cost Proposal was reviewed. No written formal report this month. Jim Gentilini inquired about the CDBG Funding that was awarded. Gregor will have Dickinson check into this. David Skelton updated the Board on Scenic Acres Interconnect Capacity. There is a 45 to 55 feet difference so a higher capacity pump at Giants Ridge would be needed. They cost approximately \$80,000.00. David Skelton attended the Biwabik PUC meeting. Biwabik is on board with having emergency capability. SEH proposed two scenarios. A future meeting with SEH and the Technical Committee is needed to choose one of the proposals. Miles Jensen will schedule this meeting. Once a plan is selected, Board would need to give SEH a green light for engineering costs and construction costs. The City of Aurora would benefit the most from this. Discussion needs to take place to see if this becomes a part of this project or an add-on (separate). David Skelton stressed the urgency on this as its very important.

The Board needs to think about control and metering also. There is concern about the lack of response from Rosa. The Board does have the option of eminent domain. SEH will reach out again. The Embarrass Pit Boat Landing Lease the Township has expires in 2025 and the Board hopes to continue it. It will be revisited in 2025 to see what the water level does. Tree removal will take place in August.

MOVED BY SCHUBBE, SUPPORTED BY DAVID SKELTON APPROVING THE PHASE 1 SITE SURVEY AT A COST UP TO \$12,093.22 TO DULUTH ARCHAEOLOGY CENTER. MOTION CARRIED

6.) Community Outreach Plan

Knaus and Dickinson need to connect with SEH and will coordinate a plan after the Special Meeting next week. Chad Skelton updated the Board the Scenic Acres Homeowner's Association had a meeting. Thirty people were in attendance and were provided accurate information about the Project. There are still a lot of questions. No one is strongly opposing the Project. Chad Skelton asked the questions: Is Scenic Acres being dropped from the Project due to increased costs? Jon Skelton answered False. Scenic Acres will not be dropped from the Project. Chad Skelton asked if a reducing valve was removed? Response was No, False. There is a dedicated line with a pressure reducing valve in Scenic and in design and specs. Chad Skelton inquired about the cost individuals will pay for meters, fees, etc. Response was at this time there are no meters planned for the Project. Rates? These haven't been determined yet but the estimates we received in January are still valid and will be updated at next week's meeting from David Drown Associates. Connection Fee? The connection fee is \$1,000.00 plus a \$50.00 application fee per Ordinance. Robert Rutka inquired about White Pine residents being able to connect. Response was the curb stops will be there. It is up to the homeowner to run a water line from their residence to the curb stop at their own cost and pay the connection fee. Flushing hydrants? Yes, there are two hydrants planned but placement needs to be determined in design.

7.) Contingency Plans

The Giants Ridge Contingency Plan needs to be executed.

8.) Project Labor Agreement

A Sample Project Labor Agreement was reviewed.

MOVED BY DAVID SKELTON, SUPPORTED BY JON SKELTON APPROVING THE PROJECT LABOR AGREEMENT CONTINGENT UPON LEGAL APPROVAL. MOTION CARRIED

9.) Other Business

a.) St. James Pit & Current Water Plant Updates -- Gentilini indicated water levels continue to rise; de-watering continues and the road could wash out. A rate increase may be necessary.

10.) Adjournment

MOVED BY NIEMI, SUPPORTED BY JON SKELTON TO ADJOURN THE MEETING AT 5:44 P.M. MOTION CARRIED

Next Regular East Range Water Board Meeting Date: August 17, 2022 at 4:30 p.m.; Special Meeting: July 27, 2022 at 5:00 p.m. at the Aurora Community Center;

Respectfully Submitted, Jodi Knaus

**East Range Water Board
Special Meeting Minutes
Aurora Community Center
Wednesday July 27, 2022
5:00 p.m.**

PRESENT: Chairman, Doug Gregor; Vice Chairman, Jon Skelton; Secretary/Treasurer, David Skelton; Board Member Dennis Schubbe; Board Member, Clark Niemi;

ALSO PRESENT: Stefanie Dickinson, City of Aurora Clerk & Treasurer; Jim Gentilini, City of Aurora Water Supervisor; Jodi Knaus, Town of White Clerk & Town Manager; City of Aurora Council: Talicia Honkola, Norma Jean Jofs, Dan Goette; Township Board Members: Craig Anttila, Edward Kippley, Amanda Gross; Mia Thibodeau, Shannon Sweeney, Kevin Young, Mike Larson, Karin & Richard Krueger, Kimberly Berens, Lindsay Luke, Jim & Patti Luke, Chad Skelton, Chris Hagberg, Bob Rutka, Bill & Debbie Maki, John Baxter, Kent Dickinson, Pat Oberg, Gregg Debevec

1.) **A board meeting was called to order by Chairman Gregor at 5:00 p.m.**

2.) Mayor Doug Gregor welcomed everyone and made opening comments. Jim Gentilini spoke about the Safe Drinking Water Act and legislation over the years has required modifications for water treatment. The current water plant is beyond repair and has exceeded the useful life of the infrastructure. This project has been planned for over ten years and been delayed and cancelled many times due to lack of funding. Dewatering is needed and zebra mussels along with high sulfates are in St. James requiring the City of Aurora and Township to move to a new water source as soon as possible. Kevin Young from SEH gave a Project Review Presentation showing the cost estimate of \$24.2 million with engineering being shovel ready. Mia Thibodeau outlined the remaining legal matters that need to be finalized. Mike Larson reviewed the funding status of the Project. Shannon Sweeney gave a brief overview of the potential rate structure for users. Gregor outlined the Water Board would like to proceed with bidding the Project in Fall 2022 with construction beginning in 2023. Gap Financing is needed of approximately \$5 million. Knaus and Dickinson outlined the Community Outreach Plan.

Resolution 2022-012 Authorizing Supplemental Financing for the East Range Water Project as determined necessary by the East Range Water Board to Support and Sustain the Project being bid and constructed with the City of Aurora acting as Fiscal Agent was reviewed by both the City of Aurora and the Town of White:

WHEREAS, the East Range Water Board was established as joint power entity on July 21, 2021 by joint action of the City of Aurora (“**City**”) and the Town of White (“**Town**”) for the purpose of overseeing and implementing the East Range Water Project which is intended ultimately to provide a new water source and system for the delivery of drinking water to the four East Range communities of Aurora, Biwabik, Hoyt Lakes and Town of White, in different phases (the “**Project**”); and

WHEREAS, the plans and specifications for the Project’s system facilities and related improvements are at full 100% design stage and, upon final approval by the Minnesota Department of Health, will be ready to be bid for construction; and

WHEREAS, the most recent estimate of the Project’s cost is approximately \$ 24.6 million; and

WHEREAS, the secured and anticipated financing commitments for the Project from third-party sources has reached the amount of approximately \$ 15 million and the amounts of additional third-party funds being sought for the Project, even if obtained, will still leave a funding gap of several million dollars (the “**Funding Gap**”) which will have to be bridged through local borrowings by the City and Town; and

WHEREAS, the Town and City, are both fully committed to the successful completion of the Project as evidenced by their joint commitments as expressed in the Joint Powers Agreement of July 21, 2021, which outlines the conditions and responsibilities of each party in relation to funding for the Project; and

WHEREAS, completion of the Project will ensure the availability of an abundant supply of high- quality water to serve the drinking water needs of the residents of the East Range for decades to come.

NOW, THEREFORE, BE IT RESOLVED, that the Town and City Aurora, in order to position the Project for the solicitation and awarding of construction bids, hereby renew their prior commitments to the successful completion of the Project and hereby commit to undertake, when deemed necessary to bridge the said Project Funding Gap, to issue water system revenue bonds in an amount sufficient to bridge the Funding Gap. The repayment of such revenue bonds shall be secured by a pledge of water system user rate revenues assessed at a level up to the Maximum Affordability Rate as established by the Public Facility Authority for the Project service area. The obligations for the repayment of such revenue bonds shall be allocated between the City and Town water users according to the ERU Rate as set forth in the Joint Power Agreement.

BE IT FURTHER RESOLVED that the parties intend that the City will act as the Fiscal Agent for the administration and fiscal management of any and all such Project revenue bonds; and

BE IT FURTHER RESOLVED, the legally designated authorities and officials of the Town of White Board of Supervisors and the Council of the City of Aurora, Minnesota, are hereby authorized to execute such agreements as is necessary to implement the said financings for the Project and evidence the adoption of this Resolution.

Upon vote taken thereon, the following voted:

For: Skelton, Kippley, Anttila, Gregor, Honkola, Jofs, Goette

Against:

Absent: Workshek

Whereupon said Resolution No. 2022-012 was declared duly passed and adopted this 27th day of July 2022.

3.) MOVED BY DAVE SKELTON, SUPPORTED BY DENNIS SCHUBBE TO ADJOURN AT 6:10 P.M.

Respectfully Submitted, Jodi Knaus

606-49400.430

Ogami, LLC

103 N. ... Jul 27, 2022
AURORA, MN 55705-8724 2:36 PM
(218) 229-0001

Ticket: #90
Authorization 004665
Receipt b3XF

Muffin x 6 \$18.00
(\$3.00 each)

Peanut Butter Cookie x 6 \$15.00
(\$2.50 each)

Subtotal \$33.00
MN \$2.44

Total \$35.44
Visa 9518 (Swipe) \$35.44

606-49400.430

DOLLAR GENERAL STORE #15614
AURORA, MN 218-865-9119

ORGANIZATION NAME CITY OF AURORA
ADDRESS 16 W 2ND AVE N
AURORA, MN 55705

TAX EXEMPT SALE

CV 32PK DRINKING U 027541009316 E 6.00
CV AST SANDWICH CR 086106182840 E 6.00
2 @ 3.00

TOTAL \$12.00
Visa 9518 CHIP \$12.00
AUTH# 005279

REF: 006000000982 AID: A0000000031010

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2022-07-27 14:24:14 15614 01 8930

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STATUS REPORT
EAST RANGE WATER PROJECT
TASK 2 & TASK 3
EAST RANGE WATER BOARD
CITY OF AURORA & TOWN OF WHITE
SEH Project No. 159723

DATE: Monday, August 15, 2022

DECISIONS AND/OR DIRECTION FROM THE ERWB AT THIS MEETING:

1. Review and direction on Voyager Trail Booster Station improvements for emergency water capacity.

ATTACHMENTS

1. SEH memorandum reviewing options for the Voyager Trail Booster Station improvements

DISCUSSION ITEMS

The following provides a brief discussion of the items that remain to being able to bid the project.

- 1) Final Design
 - a) Awaiting MDH approval of the P&S for the raw water pump station and intake.
 - b) Update P&S for the whole project with MDH comments once MDH approval is received.
- 2) Appropriations Permit
 - a) SEH follow-up with final response to DNR questions will be completed week of 8/15/2022.
- 3) Environmental Review:
 - a) Minnesota State Historic Preservation Office (SHPO):
 1. Completion of follow-up on-site Phase I archaeological investigation.
 2. Subsequent approval by SHPO
- 4) MDH Project Certification
 - a) SEH/ERWB prepare notice of, and holds public hearing for, completed environmental review.
 - b) MDH certifies project.
- 5) Scenic Acres:
 - a) Service agreement and connection fees between East Range Water Board and Scenic Acres yet to be determined.
- 6) Pineville and Scenic Acres Water Main
 - a) Final Rosa easement.
- 7) Tree Cutting Needs:
 - a) The ERWB determined that tree cutting will occur after August 15, 2022.

END.



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MEMORANDUM

TO: East Range Water Board

FROM: Miles Jensen, PE (Lic. AZ, CO, IA, IL, IN, KS, MD, MI, MO, MN, ND, NE, NM, OH, SD, TX, VA, WI)

DATE: August 15, 2022

RE: Biwabik Emergency Water Supply Interconnect Capacity
SEH No. AUROR 159723 14.00

This memorandum provides information on improving the Voyager Trail Booster Station in order to serve the Aurora water system from Biwabik. Contents of this memorandum were developed during a site meeting with Aurora and Biwabik personnel in attendance.

Background

- On Tuesday 8/9 the group met on site at the Voyager Trail Booster Station to review current facility features and conditions.
- In addition to East Range/Aurora representatives joining the meeting, Biwabik lead water system operator was on site to open and operate the pump station and answer questions.
- The purpose of the meeting was to review the potential capabilities of the booster station to deliver water between the East Range/Aurora Water System and the Biwabik Water System.

Existing Conditions

- Since the Water Tower elevation in Aurora is 55' higher than that of the Biwabik/Giant Ridge Tank, pumping would be required to transfer water to the East Range water system.
- There is currently a booster pumping station located in the Biwabik water system along Voyagers Trail.
- The current purpose of this pump station is to feed a series of homes at higher elevations at the south end of Voyagers Trail.
- The pump station includes two smaller 2 HP pumps that run one at a time for normal water service to the homes and one large 30 HP pump that operates sparingly for larger flow events (Fire fighting, hydrant flushing etc.)
- The existing larger pump has only operated about 30 hours in total since its original installation.

On Site Observations

- The existing booster station is undergoing technology upgrades as the original control system is dated and has issues which require frequent hard restarts.
- The City has recently installed a new variable frequency drive on the larger 30 HP pump.
- Typical operation involves one of the two 2 HP pumps to run and sustain pressure in the small boosted pressure zone to the south of the pump station.
- When demand exceeds the available pressure, the second pump operates to add more flow and sustain pressure.
- In the event that a larger flow is demanded than what the small pumps can sustain, the larger pump will cycle on to sustain a minimum discharge pressure of 84 psi at the pump station. While the smaller pumps are set to sustain +/- 100 psi.

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-3507

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- While on site, two separate flow tests were conducted to evaluate the operate of the 30 HP pump, which has a design point of 550 gpm @ 160'
- Both tests involved opening a downstream hydrant to activate the 30 HP pump.
- Flows in the range of 300-600 gpm were observed through the station while flowing from the hydrants and observing the activation of the 30 HP pump.
- The flows produced were consistent with what would be expected for the pump when reviewing the available pump curve provided by the pump station manufacturer.
- The flows produced and observed varied according to the degree at which each hydrant was opened as well as to the speed at which the VFD operated the pump motor to sustain the desired pressure.

Conclusions

- The existing 30 HP pump has the hydraulic capacity to move water from the Biwabik water system to the East Range/Aurora water system at a minimum rate of 300 gpm.
- This minimum rate would be sufficient to sustain a typical average day demand (+/- 230,000 GPD, Estimated AD Demand with Scenic Acres)
- Supply production would need to be coordinated with Biwabik to increase treatment production to produce the additional water required.
- Some changes to the pump station operation would be recommended to increase the reliability of the pump station -- such as additional pressure monitoring, pump control and communication integration with the Aurora water tower.
- For water to be supplied from the East Range/Aurora Water system to Biwabik, a bypass route within the booster station with control valve would need to be added if automated system control were desired.
- Flow by gravity from the higher Aurora water tower to the lower giants ridge tank could be achieved by controlled gravity flow, however the primary Biwabik tank would float at a lower elevation as the Giants ridge tank is 10' lower.

Next Steps – If directed by the ERWB

- SEH will develop a technical summary and cost estimate to upgrade the existing booster station for reliable interconnect operations to share water between the two water systems in the event of emergencies.
- In Addition, an alternative option with a dedicated booster station and supply line will be reviewed for cost and feasibility.
- SEH will prepare a contract amendment for design of the proposed improvements. This design would be collaboratively executed with ERWB and Biwabik water system staff input.

cgt