

MINUTES
Twin Lakes Township
Wednesday, January 6, 2021
Special Meeting at the Carlton County Transportation Building
1:00 p.m.

Board Chair Diane Felde-Finke opened the meeting at 1:04 p.m. Other board members present: Supervisor Randy Willie, Clerk Sue Chapin. Supervisor John Vernon was present via telephone. Also present: Derek Wolf.

- GUESTS:

- David Bolf, NCE
- Susan Wojtkiewicz, Donohue
- Jessica Cook, Ehlers

The first part of the meeting was in regard to construction services:

Wojtkiewicz reviewed a construction related services handout with descriptions of construction contract terminology and construction roles.

NCE has been approached to oversee the inspections for the water line project.

Bolf asked whether all change orders will need to be approved at a board meeting before they can be done. The board agreed that issues can be looked at as they come up, to expedite the construction process.

The handout included an overview of the proposed Donohue contract amendment and a proposed budget. Discussion on a line item of \$13,246 for previous charges for funding assistance provided by Donohue, that as per Wojtkiewicz was not covered under the contract (the money was expended on something else). Clerk will research that.

Bolf expanded on the discussion of the proposed contract amendment items, which included tasks to be performed by NCE. Draft pay estimates will be sent to Donohue first, then to the township.

Wojtkiewicz went over a spreadsheet of construction phase services and the costs involved with each phase.

Willie asked about GPS locates. Bolf confirmed that yes, GPS locates will be done. Discussion on when we would want that information; and it was decided that it can be at the end of construction.

NCE is planning to have the same inspector for the entire project, dedicated 100% to our project for the two years.

There will be two contracts – one for buildings, one for the line. Wolf mentioned watching the warranties on buildings that may sit empty for a time.

Further discussion on the contract amendment. The draft amendment increases compensation for services by \$669,611, resulting in a total contract amount of \$1,029,611.

The board will review the contract amendment further.

The second part of the meeting was in regard to water rates:

Cook presented the Water Rate Study prepared by Ehlers. She went over a project summary. Depending on where bids come in, the rates and dollar amounts may go up or down.

Previous costs (at this point and before the bonds are issued) for soft costs can be reimbursed to the township. Construction costs would need a reimbursement resolution.

Cook outlined the funding sources and project costs. Fixed costs include debt service, operating expenses, and replacement reserve, which are paid for by water rates and fees. An estimated debt service, on bonds for \$1,260,000 at a 20-year term, was used for calculation purposes.

Two options were presented, one which included assessed connection fees and monthly user charges. The other option included user fees plus a water availability charge for some users. Cook described the pros and cons of both options.

The board will review the water rate study further.

Discussion on the timeline for figuring out agreements with Black Bear and with the City of Carlton. The more we have worked out in advance of the bidding, the better off we are.

Discussion on location for public hearing for assessments.

MOTION to adjourn was made by Vernon and seconded by Willie; all voted yes, the motion passed. The meeting adjourned at 3:23 p.m.

Respectfully submitted,

Susan M. Chapin, Clerk

Diane Felde-Finke, Board Chair