

Lincoln Pipestone Rural Water

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Meeting Minutes

July 25, 2016

The regular scheduled meeting of the Lincoln Pipestone Rural Water (LPRW) System Board of Commissioners was held at the LPRW office in Lake Benton on Monday, July 25, 2016, starting at 6:00pm. Chairman Joe Weber called the meeting to order with Commissioners Ken Buysse, Randy Kraus, Brent Feikema, Rod Spronk, Bill Ufkin, Jerry Lonneman, Jan Moen, Frank Engels, Earl DeWilde, and Mitch Kling. Also present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, Field Superintendents Tom Muller and Shawn Nelson, Enterprise Technician Jodi Greer, and General Manager Jason Overby.

Agenda: *M/S Buysse/Engels to approve the agenda. Motion carried.*

Minutes: *M/S Ufkin/DeWilde to approve minutes from the June 2016 Board Meeting, Budget & Finance Committee Meeting Minutes (7/18/16), and the Water Resource Committee Meeting Minutes (7/19/16), as presented. Motion carried.*

Kinner & Company: Nathan Kinner and Jenny Nordmeyer gave a brief presentation.

M/S Ufkin/Kling to hire Kinner & Company as the Financial Services Provider for LPRW. Motion carried.

Engineer's Report: Schriever presented Engineering Report.

- **CIP Program**

Priority 1 – Part 1: Change Order #3 includes road changes leading to SD-2. LPRW will need to direct negotiations with Ellingson regarding additional materials provided by both parties.

M/S Spronk/Buysse to approve Ellingson Companies PPE #3 for Priority 1 – Part 1, for the amount of \$159,014.30. Motion carried.

Priority 1 – Part 2: No work performed.

Priority 2: Schriever discussed RPR (inspection) services. The estimate for DGR to provide RPR services for the Magnolia-Edgerton pipeline is \$125,000.

M/S Engels/Moen to hire DGR as the Lead RPR. Roll call vote: four (4) Ayes (Engels, Moen, Feikema and Buysse), six (6) Nays (Kraus, DeWilde, Ufkin, Kling, Spronk and Lonneman). Motion failed.

M/S Ufkin/Kling to have LPRW self-inspect and if the work load gets to be too great we pass the work onto DGR, at the General Managers discretion. Roll call vote: eight (8) Ayes, two (2) Nays (Engels and Feikema). Motion carried.

- **Comprehensive Tank Maintenance** – K&W Coatings, Inc. was the low bid. DGR has worked with them in the past.

M/S/P – U Spronk/Engels to award K&W Coatings, Inc. the base bid of \$312,000 and let LPRW management make the decision on spending the extra \$10,000. Motion carried.

Operations Report: July Operations Report was presented. Additional discussion included the following:

- Engels inquired about easements.
 - Muller reviewed easement progress along Magnolia Line.

Manager's Report: July Manager's Report was presented. Other items discussed included:

M/S Spronk/Kling to give City of Ghent the option to pay off the full amount due (\$77,700) from peak daily capacity exceedances by April 2017; or to pay amount due via installments over the next six (6) years with an interest rate of 5.9%; and to allow Ghent to purchase an increased peak daily capacity limit to 82,000 gallons per day. Motion carried.

Attorney's Report:

- Option to Purchase agreements have been signed. Sept. 30th is the deadline to get financing into place for property owned by Keith and Pearl Pritchett.

M/S Lonneman/Feikema to approve the option to purchase agreement with Keith and Pearl Pritchett. Motion carried.

M/S Spronk/Kraus to approve the option to purchase agreement with Mark Stueven and Charles Pritchett. Motion carried.

- Joint Powers Agreement for Priority 2 – approval needed.

M/S Engels/Buysse to approve the Joint Powers Agreement for Priority #2. Motion carried.

Treasurer's Report: Manager presented the Treasurer's report.

M/S Engels/Moen to approve the Treasurer's report, as presented. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #177 = \$1,928.00
 - 2014-2015 Improvements Project – Priority 1, PPE #14 = \$23,858.26
 - 2016 Improvements Project – Priority 2, PPE #3 = \$63,410.25
- Schramel Law Office:
 - General Services = \$4,556.00
 - 2015 Expansion Project – Priority 1 = \$886.00
 - 2015 Expansion Project – Priority 2 = \$4,419.50

M/S Lonneman/Kraus to approve paying the listed bills from DGR and Schramel Law Office, as presented. Motion carried.

- Yellow Medicine Co GO Bond, Series 2008

M/S Feikema/Buysee to approve paying Yellow Medicine County GO Revenue Bond, Series 2008 for \$92,558.76. Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Personnel Committee:** Nothing to report.
- **Budget and Finance Committee:** Recommendation for Financial Services Provider consultant was provided earlier to full board for consideration.
- **Water Resources and Equipment Committee:** Recommendations regarding City of Ghent proposal was provided earlier to full board for consideration.
- **Joint Powers Board Representative:** Nothing to report.

Other Business:

- Pipestone County Roadway setbacks
 - Spronk to attend the public hearing on behalf of LPRW.
- Tower Leases

- Ufkin directed management to verify if the County Repeater is still being utilized at the Minneota Tower.
- Lismore Coop Telephone requests to place an antenna on the Rushmore Tower.

M/S Lonneman/Buysse to allow Lismore Coop Telephone to put an antenna on the Rushmore Tower and for the General Manager to create an agreement. Motion carried.

- Pronk (Zwart) Development Agreement
 - Response letter to be written to Terrence Pronk honoring memberships previously paid for multiple lots, as stipulated in original agreement.
- Truck Bids – quotes from regional dealerships were presented.

M/S Feikema/Kraus to proceed with the purchase of three (3) Chevy trucks at the base price of \$88,363.00, from Lockwood Motors (Marshall, MN). Motion carried.

Public Comment: No public comments.

Adjournment: *M/S Lonneman/Kraus to adjourn board meeting at 9:50 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary