

Lincoln Pipestone Rural Water

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Meeting Minutes

August 28th, 2017

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, August 28, 2017, starting at 5:00pm. Chairman Joe Weber called the meeting to order with Commissioners Ken Buysse, Bill Ufkin, Rod Spronk, Brent Feikema, Jerry Lonneman, Earl DeWilde, Mitch Kling, Janice Moen, and Frank Engels present. Absent was Commissioner Randy Kraus, Also present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, Financial Advisor Nathan Kinner, Field Supervisor Shawn Nelson, Enterprise Technician Jodi Greer, and General Manager Jason Overby.

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

Minutes: *M/S Feikema/Engels to approve minutes from the July 31st, 2017 Board Meeting, as presented. Motion carried.*

Engineer's Report: Schriever presented Engineering Report.

- **CIP Program:**

- Priority #1: Nothing to report
- Priority #2: Magnolia to Edgerton Pipeline (Winter Bros. Underground)
 - Final quantity adjustments

M/S Moen/Kling to approve Change Order #3 in the amount of \$19,643.80, subject to USDA-RD approval. Motion carried.

M/S Lonneman/Buysse to approve payment to WBU for PPE #6 in the amount of \$116,133.26, subject to USDA-RD approval. Motion carried.

- SCADA Upgrades: Edgerton PS/R SCADA
 - RD approved the short list of vendors and the RFQ's will be sent out this week.
- AMR/Meter Replacement
 - Bid announcement submitted. Bid opening set for September 21, 2017 at 10:00am at LPRW office.

Operations Report: July Operations Report was presented.

Manager's Report: July Manager's Report was presented. Additional discussion included the following:

- City of Edgerton: City has elected to have LPRW construct meter/booster building. Water Purchase Agreement to be finalized.
- Ocheda Dairy Offer (David Vander Kooi). Mr. Vander Kooi is in opposition to purchasing required capacity units to meet the current needs of his dairy operation. Mr. Vander Kooi is claiming that the easement covering water pipe on property he owns is not valid and wants LPRW to remove water lines from property. Mr. Vander Kooi is offering to provide a signed, valid easement in exchange for waiving the \$90,000 usage capacity fee.

M/S Ufkin/Lonneman to reject the offer provided by Mr. David Vander Kooi of a newly signed easement covering water pipes on owned property, in exchange for the waiving of \$90,000 usage capacity fee imposed by LPRW for water being used. Motion carried.

Board advised staff to prepare a new route to serve three customers downstream of the Ocheda Dairy connection.

- Health Conference Update: LPRW will see a projected 23% increase in health insurance premiums for 2018.
- Halbersma Land Auction: Land auction date is September 15, 2017. LPRW expresses interest in Farm #2 (+/- 200.6 acres), located west of Verdi PS/R site, for wellhead protection efforts and/or facility improvements.

M/S Ufkin/Moen to authorize the LPRW Chairman, and/or his authorized representatives, to attend the Halbersma Estate land auction and bid up to appraised value for Farm Tract #2, contingent on approval from the LCCMR Grant authorities (LCCMR and DNR). Motion carried.

Attorney's Report: No additional information provided.

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

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

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #190 = \$5,204.50
 - 2016 Improvements Project – Priority 2, PPE #16 = \$9,706.50
 - Dawson Water Source PPE #4 = \$14,000.00
- Schramel Law Office:
 - General Services = \$5,311.20
- Kinner & Company Ltd
 - June and July Accounting Services = \$12,440.00
- Pipestone County 2016B = \$49,945.00

M/S Engels/Feikema to approve paying the pending bills, as presented. Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Personnel Committee:** Nothing to report.
- **Budget and Finance Committee:** Nothing to report.
- **Water Resources and Equipment Committee:** Nothing to report.
- **Joint Powers Board Representative:** Nothing to report.

Other Business:

- **Auditor Search: 14 RFP's were sent out. Four (4) proposals were received, as listed below. Recommendation by Kinner to select Abdo, Eick & Meyers, LLP.**
 - Abdo, Eick, & Meyers, LLP

○ March Bid = \$11,575.00	May Bid = \$11,575.00
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 - ELO Prof. LLC

○ March Bid = \$17,500.00	May Bid = \$16,500.00
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 - Meulebroeck, Taubert & Co, PLLP

○ March Bid = \$11,450.00	May Bid = \$9,400.00
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 - Schlenner Wenner & Co

○ March Bid = \$12,900.00	May Bid = \$12,900.00
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*M/S Moen/Kling to accept the proposal from Abdo, Eick, & Meyer, LLP; and that the GM is authorized to sign for the company on related documents.
Motion carried.*

○ **Brookings-Deuel Rural Water System Water Service Agreement:**

*M/S Spronk/Lonneman to approve the Water Service Agreement with BDRWS.
Motion carried.*

○ **Lyon County Commissioners Meeting Presentation:** Schramel reviewed LPRW's presentation at the August 1st Lyon County Commission Meeting. Discussed the county's desire to have a liaison position created to attend LPRW Board meetings.

M/S Feikema/Ufkin to approve a county-appointed liaison, from which LPRW serves, to attend any/all LPRW board meetings. Motion carried.

Public Comment: No public comments.

Adjournment: *M/S Ufkin/Engels to adjourn board meeting at 7:50 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary