

Lincoln Pipestone Rural Water

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Meeting Minutes

April 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, April 25, 2016, starting at 7:00 PM. Chairman Joe Weber called the meeting to order with Commissioners Earl DeWilde, Mitch Kling, Ken Buysse, Randy Kraus, Brent Feikema, Rod Spronk, Bill Ufkin, Jerry Lonneman, Jan Moen, and Frank Engels present. Also present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, USDA-RD Community Program Specialist Megan Gernentz, General Manager Jason Overby, Field Superintendents Tom Muller and Shawn Nelson, and Enterprise Technician Jodi Greer.

Agenda: *M/S/P – U Lonneman/Feikema to approve the agenda.*

Minutes: *M/S/P – U Engels/Buysse to approve minutes from the March 2016 Board Meeting, the minutes from the Water Resources and Equipment Committee (3/28/16) and the minutes from the Personnel Committee Meeting (4/6/16), as presented.*

Richard Smith Request: Reimbursement request for sewer line damages occurred during service installation.

M/S/P – U Spronk/Feikema for LPRW to reimburse Richard Smith for \$2,000.00 for sewer line repairs.

2015 Audit Report: Tabled until May Board meeting.

USDA-RD Report:

- Closing of Priority 1 RD Loan

M/S/P – U Ufkin/Kraus to close Priority 1 RD Loan on, or before, June 30, 2016.

- Grant Agreement for Priority 1

M/S/P – U Lonneman/Engels to approve the RD Grant Agreement for Priority 1 for the amount of \$1,431,000.

- Priority 2 Letter of Conditions

M/S/P – U Kling/Buysse to accept USDA-RD Letter of Conditions for Priority 2.

- Priority 2 Loan Resolution

M/S/P – U Engles/Feikema to approve the USDA-RD loan resolution for \$9,890,000 for Priority 2, at the current interest rate of 2.25%.

M/S/P – U Lonneman/Kraus to approve owner-engineer agreement for professional services for Priority 2.

Public Informational Meeting – Burr DWSMA Scoping Part 1:

Information, including timelines and map, was presented regarding the Burr DWSMA Scoping 1 approval from MDH.

Engineer’s Report:

- **CIP Program**

Priority #1:

- Part 1 (Source & Control Upgrade) - Construction began April 19. Discussed CRP issues.
- Part 2 (Distribution Improvements) – Construction underway.

M/S/P – U Spronk/Moen to approve Hulstein PPE #1 for the amount of \$145,351.35.

Priority #2: USDA-RD sent Letter of Conditions approving PER/ER and plans/specs for Edgerton-Magnolia pipeline. Plans/Specs for Edgerton PS/R submitted to MDH for review. Design for AMR and SCADA will follow.

- **Tank Maintenance** – Reviewed proposals for 2016 Annual Work Plan, including CIT for Minneota Tower, Rushmore Tower and Lynd Tank; as well as Hendricks Tower and Ivanhoe Tower recoating project.

M/S/P – U Spronk/Feikema to approve DGR agreement for engineering design, construction administration and CIT for the Hendricks Tower and Ivanhoe Tower recoating project, estimated cost of \$55,000.

M/S/P – U Lonneman/Spronk to approve DGR’s CIT plan and activities for Minneota Tower, Rushmore Tower and Lynd Standpipe, estimated cost of \$9,575.

Operations Report:

- Monthly report was provided to the board. Information included updates within the distribution system, CIP Projects progress, maintenance/SCADA, water

resources and treatment, HR/Safety Program, and possible water purchase for solar garden project near Marshall.

M/S/P Ufkin/Lonneman, Engels opposing, to approve setup and delivery of water to Blattner Energy at charge of \$2.93/1000 gallons (bulk rate \$2.36/1000 gals, plus premium \$0.57/1000 gals).

Manager's Report:

- Manager's report was presented. Items reported included:
 - City of Edgerton – proposed costs for stub-out
 - City of Adrian agreement
 - Verdi-SD land loan
 - OCRWS – meeting to be scheduled with Doug Westerman over water rates.

M/S/P – U Engels/DeWilde to approve creating a new contract with City of Adrian under same terms, with the inclusion of an annual renewal and a 60-day opt-out.

Attorney's Report:

- Described Option-to-Purchase agreement on land owned by Keith Pritchett
M/S/P – U Ufkin/Buysse to authorize staff to pay an option price between \$5,000 – 12,000 with the option to expire November 30, 2016; and for the Executive Committee to approve any payment exceeding \$12,000, if needed.
- Opening of sealed bids for surplus equipment: iPads. Results are as follows for 9 units available:
 - Big Sioux JOAD = \$150.00
 - Big Sioux JOAD = \$125.00
 - Chris Gourde = \$101.52 (2 units = \$203.04 total)
 - Chris Gourde = \$51.14 (2 units = \$102.28 total)
 - Rod Spronk = \$75.00
 - Jaclynn Miller = \$60.00
 - Kristin Gruhot = \$50.00

Treasurer's Report: Manger presented the Treasure's report.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #174 = \$4,234.50
 - 2014-2015 Improvements Project – ppe #11 = \$10,529.20
- Schramel Law Office:
 - General Services = \$4,200.25
 - 2015 Expansion Project – Priority 1 = \$1,824.00
 - 2015 Expansion Project – Priority 2 = \$1,904.00
- Midwest Boring – (Leak repair 104-44-28-3) = \$8,670.00

M/S/P – U Ufkin/Kraus to approve paying the listed bills, as presented.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Personnel Committee:** Moen discussed staff training session with Dr. Michael Kiefer.
- **Water Resources and Equipment Committee:** Nothing to report.
- **Budget and Finance Committee:** Brief discussion on financial officer position. Ufkin suggested the concept of two capacity charges for customers using higher volumes than signed up for.
- **Joint Powers Board Representative:** Nothing to report.

Other Business: No additional business

Public Comment: No public comments.

Adjournment: *M/S/P – U Kling/Engels to adjourn board meeting at 10:40 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary