

Lincoln Pipestone Rural Water

415 E Benton St., P.O. Box 188, Lake Benton, MN 56149

507-368-4248 or 800-462-0309

fax: 507-368-4573

email: lprw@itctel.com

Meeting Minutes

May 21st, 2018

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, May 21st, 2018, starting at 6:05 pm. Chairman Earl DeWilde called the meeting to order with Commissioners Ken Buysse, Brent Feikema, Rod Spronk, Bill Ufkin, Jan Moen, Jerry Lonneman, Joe Weber, Mitch Kling, Randy Kraus, and Frank Engels present. Also present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, Financial Advisor Nathan Kinner, Field Supervisor Tom Muller, Enterprise Technician Jodi Greer, General Manager Jason Overby, and Lyon County Commissioner/Liaison Gary Crowley.

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

Minutes: *M/S Buysse/Kraus to approve minutes from the April 2018 Board Meeting. Motion carried.*

Engineer's Report: Darin Schriever presented Engineering Report for May. Additional items discussed included the following:

- CIP Program: No pay requests for the month.
- CTMP: Cleaning, inspection, touch-up on the Pipestone GSR and Benton GSR was going well, nearly finished. Interior ladder was replaced at Pipestone GSR.
- City of Dawson Connection: Seeding along pipe route not complete due to wet conditions. A time extension on contract will be needed to complete task. DGR is working with LPRW and contractor on the modification of the site design. A new survey will be conducted to include additional land space to the north to accommodate existing utility easement.
- North Area Water Source: Production well site review with MDH was held May 7th.

Ufkin inquired on the Verdi Well Field capacity study. Schriever has requested historical information from Jim DeLambert. Schriever will follow up with DeLambert in preparation for June Board meeting.

Operations Report: May Operations Report was presented. Additional items discussed included the following:

- Muller discussed service to the Lao Temple and the MN State Plumbing code. Muller is requesting board approval varying from policy to install the meter inside the building structure, and to have a 1" meter installed, as required by the State Plumbing code. The Attorney stated that we had to follow the state code.

M/S Ufkin/Feikema to make an exception to LPRW's pit policy for the Lao Temple due to requirements of the state plumbing code. Motion carried.

- Muller also reported that Herman Bos should have funds available by the end of this week for the purchase of the Edgerton production well site.
- Holland RO Rehab quote from C. Emery Nelson: \$4,358.10 is the total for the quote.

M/S Feikema/Spronk to proceed with quote from C. Emery Nelson in the amount of \$4,358.10 for the chemical rehabilitation of the Holland RO filters. Motion carried.

- Office lighting retrofitting. Quote from Thomas Electric, Inc. for new lighting in the office is \$4,325.00. Ottertail has available rebate program to significantly reduced expenses to retrofit.

M/S Buysse/Engels to proceed with office lighting retrofitting, and approve the quote with Thomas Electric, Inc. for \$4,325.00 to replace the office lighting. Motion carried.

Manager's Report: May Manager's Report was presented. Additional items discussed included the following:

- MMU-LPRW Agreement: Discussion about the Non-Firm Water Purchase Agreement. MMU commission has approve the agreement.

M/S Ufkin/Kraus to approve the agreement. No action was taken on this motion. Lonneman believes that MMU should be responsible for paying the fee to flush and test the water if MMU ever needs to use our water in the future. Ufkin withdrew the motion, Kraus supports. This item has been tabled until the June Board meeting.

M/S Ufkin/Lonneman to charge MMU the standard municipal rate for the water with no capacity charge, starting March 18th, 2018, to keep the line fresh until we can get the Kumerow service rerouted. Motion carried.

Attorney's Report:

- Commissioner Ken Buysse retirement. Ken will be retiring from the LPRW Board of Commissioners at the end of this year. Schramel reviewed the process for commissioner appointment/reappointment. A letter will need to go out in his area to fill this position on the board. LPRW to consider reformatting commissioner districts and generate a proposal for the June Board meeting.

- City of Lynd. Schramel has sent to the City of Lynd a letter requesting past years water usage for customers located in Affinity Hills. City has until June 8th to get the information to LPRW.

Treasurer's Report: Kinner presented the Treasurer's Report for May.

M/S Lonneman/Feikema to approve Treasurer's Report, as presented. Motion carried.

Gary Crowley questioned payment of real estate taxes on the land LPRW acquired through the grant. Schramel stated that LPRW must apply for exempt status with County. Until then, by law LPRW has to pay the real estate taxes.

Paid Bills:

M/S Kling/Ufkin to approve payment on checks #2283 through #2426. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #199 = \$3,055.50
 - North Area Water Source PPE #5 = \$863.50
 - Comprehensive Tank Main. = \$122.00
 - Dawson Water Source PPE #13 = \$1,680.50
 - 2016 Improvement Pro. #25 = \$31,154.85
- Schramel Law Office:
 - General Services = \$4,004.70
- Northland Securities
 - Pipestone County \$1.8 Series 2016A = \$10,732.50
 - Nobles County \$1,595,000 Series 2013A = \$9,543.75
- Bond Trust Services
 - Lincoln County \$3.055 Series 2013A = \$18,167.50
- US Bank
 - Lincoln County \$1,050 Series 2012 = \$4,900.00

M/S Kraus/Buysse to approve paying pending bills, as presented. Motion carried.

Spronk inquired about the fuel card issue. GM and Enterprise Technician explained the fraudulent charges on a discontinued fuel charge card stemming from Texas. The fuel card company has reimbursed LPRW \$1,800.00 for those fraudulent charges. LPRW has sent a notification letter to Universal Premium to terminate contract. LPRW has now secured two new fuel card companies.

Committee Reports:

- **Executive Committee:** Executive Committee met prior to May 21st Board meeting.
 - Discussed moratorium in the Burr Service Area. Three large user requests are waiting LPRW determination. The Committee recommended to full board to not lift the moratorium at this time and to review each large user request individually.

M/S Weber/Kling to accept the Committee recommendation to retain the moratorium, and to proceed with processing the three (3) large user hookup requests, pending Engineer review and approval. Motion carried.
 - Discussion about monthly billing to seasonal water users, and the new AMR's. Committee recommended to apply monthly minimum (base) for all water users year-round.

M/S Kling/Moen to accept the Committee recommendation to provide all accounts with a monthly minimum (base) bill. Motion carried.
 - Discussed reconnection fees for seasonal accounts. Committee recommendation was to reinstate the \$40 reconnect fee for seasonal water users during business hours and \$150 for after hour reconnections.

M/S Kling/Ufkin to accept the Committee recommendation to reinstate a \$40 reconnect fee, during normal business hours, and a \$150 reconnect fee outside of business hours, for all seasonal accounts. Nine (9) in favor, one (1) opposed (Lonneman). Motion carried.
- **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:

- Ken Buysse Retirement. Prior discussion held during Attorney's Report.
- Surplus Items/Property. GM discussed the restoration of the Halbersma property and items that needed to be removed. A list was provided.

M/S Kling/Lonneman to declare the listed items as surplus and put them up for bid contingent upon DNR approval. Motion carried.

Board directed GM to sell/list per item.
- GM shared with the Board the Source Water Protection Award, signed by the Governor, and presented to LPRW by Minnesota Rural Water Association and Minnesota Department of Health. A recognition letter was also sent to LPRW by

the MDH Commissioner Jan Malcom on behalf of our source water protection efforts.

- GM announced water operator Shawn Nelson's departure from LPRW. He has accepted a position with Marshall Municipal Utilities.

Public Comment: No public comment.

Adjournment: *M/S Lonneman/Kling to adjourn board meeting at 8:03 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary