

## LINCOLN PIPESTONE RURAL WATER SYSTEM

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### Meeting Minutes November 30, 2015

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 November 30, 2015, starting at 10:00 a.m. Chairman Frank Engels called the meeting to order with Commissioners Earl DeWilde, Mitch Kling, Ken Buysse, Jerry Lonneman, Randy Kraus, Bill Ufkin, Brent Feikema, Rod Spronk, Jan Moen, and Joe Weber present. Also present were Board Attorney Ron Schramel, Interim-CEO Jason Overby, Field Superintendents Tom Muller and Shawn Nelson, Enterprise Technician Jodi Greer, Financial Clerk Karen Petersen, and Tom Wadsworth (representing RBC Wealth Management).

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

**Minutes:** (includes October Board Meeting Minutes and Water Resource and Equipment Committee Minutes) M/S/P - U DeWilde/Weber to accept the October Board Minutes and 11/12/15 WR&E Committee Minutes, as presented.

**Pending Bills:** M/S/P – U Spronk/Lonneman to approve paying listed bills, in addition to two Midwest Boring invoices.

- DeWild, Grant, Reckert and Associates Company:
  - General Services Invoice #169 = \$ 15,020.15
  - New Water Development Invoice #88= \$ 477.00
  - 2014-2015 Improvements Project Invoice #6 = \$ 5,749.40
- Schramel Law Office:
  - General Legal Services = \$ 6327.20
  - 2015 Expansion Project = \$ 400.00
- League of MN Cities Insurance Trust = \$ 34,637.50  
(2<sup>nd</sup> installment)
- Construction Invoices:
  - C&K Const. = \$ 13,779.00
  - Midwest Boring, LLC = \$ 24,952.11
  - Midwest Boring (2 additional) = \$ 5,670.00
  - TE Underground = \$ 12,098.50

**Engineer's Report:** (Report provided by Schriever, presented by Overby):

- **CIP Program:**
  - Priority #1: 2014-2015 Improvement Projects
    - Project Cost: \$4,539,000 (loan: \$3,108,000; grant: \$1,431,000).
      - Part 1 – Water Source and Control Upgrades (Verdi wells, Verdi and Holland well control upgrades, SCADA upgrades)

– MDH has reviewed and approved plans and specifications. RD has provided comments, and DGR responded. Project should be clear to bid soon.

- Part 2- Miscellaneous Distribution System Improvements – MDH has reviewed and approved. RD has provided comments, and DGR will respond. Project should be cleared to bid soon.

Priority #2 – 2016 Improvement Projects - (Magnolia to Edgerton pipeline, rebuild Edgerton Pump Station and GSR, rebuild Verdi Pump Station and GSR, SCADA upgrades)

- DGR will be sending PER/ER this week. Potentially obtain RD funding by January or April 2016. Expect 2.125% interest rate.
  - MN Public Finance Authority (PFA) – Waiting PSIG announcement.
  - Prelim fieldwork for Magnolia-Edgerton pipeline project is complete.
  - DGR continues with prelim plans for new Edgerton PS/GSR.
- **City of Pipestone:** Board discussed possible options for providing service to the City of Pipestone. More information was recommended pertaining to water quality/quantity needs by the City. M/S/P Lonneman/Moen – Kling opposed, to give authority to DGR, Water Resource & Equipment Committee and management to present the City of Pipestone with options.

**Tom Wadsworth (RBC Wealth Management):** Provided status of LPRW investment holdings. Board requested additional information regarding the merging of individual accounts, and any required minimum to be maintained in the Pipestone Co G.O. Bond.

#### **Field Superintendents'/ Enterprise Technician's Reports:**

- **Tom Muller:** Waiting for MDH approval for incorporation of phosphates at Stateline Meter building. All scheduled (South) new installations are completed for the year. Collaborating with Brent Hoffman (Rock Co RWS Manager) on easements within the shared portion of the Mag-Edgerton mainline.
- **Shawn Nelson:** Finishing up with the last remaining scheduled (North) new installation. Also changing out meters and working on valve-exercise program.
- **Jodi Greer:** Paymentus is in the testing phase.

#### **Interim-CEO Report:**

- **Edgerton P.S.:** Discussed current situation with Edgerton PS. Presented QCI quote for panel/hardware replacements. Will proceed with repair/replacement.
- **Nardini Proposal:** Quote for CO2 panel/parts replacement for Holland generator. Will proceed with repair/replacement.
- **LCCMR Grant Administrator Proposal:** LPRW received the following two proposals for LCCMR Grant administer: Development Services Inc (DSI), and Terry Bovee. M/S/P-U Spronk/Feikema to accept DSI proposal.

**Treasurer's Report:** The Interim CEO presented the Treasurer's report. Board discussed simplifying the income statement as shown. M/S/P-U Buysee/Kling to accept the Treasurer's Report.

**Attorney's Report:** Schramel reviewed the Pipestone Co G.O. Bond refunding proposal from Northland Securities, Inc. M/S/P-U Lonneman/Spronk to proceed with the refunding of Pipestone Co G.O. Bond. Schramel discussed 2015 new hookups and assessments. LPRW had 49 new users, five fewer than in 2014. Assessment Hearing at Lyon Co. Courthouse is scheduled for Dec 16, 2015. Schramel stated that Mark Johnson signed final documents for the sale of house to LPRW. M/S/P-U Ufkin/Lonneman to accept sealed offers prior to the next board meeting scheduled 10:00 am, December 21, 2015. Further discussion, included the Board reserving the right to reject any, or all offers.

**Other Business:**

- **Chuck Deutz Crop Loss:** Board will be sending notification to Deutz describing LPRW policy on tile repairs.
- **Budget:** Budget was moved to the December meeting.
- **Election of officers** – will be held at our December board meeting.
- **Board Team Handbook** – Spronk discussed various topics described within the handbook and encouraged other board member to review.
- **2016 Board Meetings Schedule:** M/S/P-U Buysee/Kraus to adopt 2016 Board Meeting schedule with 7:00 pm time changes for the September and October meetings.
- **2016 Holiday Schedule:** M/S/P-U Ufkin/Spronk to adopt 2016 Holiday schedule as presented.

**Committee Reports:**

- **Executive Committee:** Nothing to report.
- **Water Resources and Equipment Committee:** Committee recommended using \$900/acre for 80 foot width for the approximately 22 miles of Magnolia-Edgerton mainline. Board M/S/P-U Kling/Kraus to accept recommendation for crop damage payment rates.
- **Personnel Committee:** M/S/P-U Kling/Feikema to set salary for Interim CEO at \$85,000, and retro-active to date of position acceptance (October 12, 2015).
- **Budget and Finance Committee:** Nothing to report.
- **Joint Powers Board Representative:** Nothing to report.

**Public Comment:** None

**Adjournment:** M/S/P-U Feikema/Lonneman to adjourn at 3:40 am. The next meeting will be held Monday, December 21, 2015 at 10:00 a.m. at the main office in Lake Benton.

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\_\_\_\_\_, Janice Moen, Secretary.