

Lincoln-Pipestone Rural Water System

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Meeting Minutes

October 2nd, 2023

The regular scheduled meeting of the Lincoln Pipestone Rural Water (LPRW) System Board of Commissioners was held at the LPRW Office in Lake Benton, MN, on Monday, October 2, 2023; and was available for viewing/participating via Zoom video/teleconferencing. The meeting was called to order at 5:00 PM by Board Chair Joe Weber. A quorum was established with Commissioners Brent Feikema, Rod Spronk, Bill Ufkin, Earl DeWilde, Peter Petersen, Mitch Kling present. Commissioner Jan Moen attended via Zoom link. Commissioner Jerry Lonneman and Field Supervisor Tom Muller joined shortly after the start of the meeting. Commissioners Frank Engels and Randy Kraus were not in attendance. Also attending were Board Attorney Ron Schramel, Lyon County Commissioner Rick Anderson, Nathan Kinner (Kinner and Co.), DGR Engineer Peter Baudhuin, Enterprise Technician Jodi Greer, and General Manager Jason Overby.

Agenda: *M/S Ufkin/Petersen to approve the agenda. Yea – 8, Nay – 0, Absent – 3 (Kraus, Engels, Lonneman). Motion carried.*

Minutes: *M/S Feikema/Spronk to approve the minutes from the August 28, 2023 Regular Monthly Board Meeting. Yea – 8, Nay – 0, Absent – 3 (Kraus, Engels, Lonneman). Motion carried.*

Commissioner Jerry Lonneman and Field Supervisor Tom Muller joined the meeting at 5:03 PM.

Engineer's Report: Peter Baudhuin (DGR) presented the Engineers Report for September. Items discussed further included:

- Brewster 2nd Connection Project – Meter Building Construction. Request for payment for PPE#1 to HydroTech Services in the amount of \$110,675.00.

M/S Spronk/Lonneman to approve PPE#1 to HydroTech Services for \$110,675.00. Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.

Operations Report: Tom Muller presented the report for September. Other items highlighted included updates on meter building and pipeline construction activities with the Brewster 2nd connection project.

Manager's Report: GM Overby presented the Manager's Report for September. Overby noted the MN Senate Capital Investment Committee's southwest bonding tour and their scheduled stopover event with LPRW on October 4th at 9:15am.

Attorney's Report: Nothing to report.

Treasurer's Report: Nathan Kinner provided a response to a Board inquiry about revenue generated from monthly overages, then presented the August Treasurer's Report.

M/S Lonneman/DeWilde to approve the Treasurer's Report, as presented. Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.

Paid Bills: August transactions were reviewed.

M/S Ufkin/Feikema to approve August payments on checks #10440 through #10556, except voided checks #10468 and #10474. Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - North Area Water Source = \$2,860.00
 - City of Brewster 2nd Connection = \$1,506.00
 - General Service = \$5,587.50
 - Holland Improvements = \$12,480.00
- Schramel Law Office:
 - General Services = \$3,549.80

M/S Lonneman/Petersen to approve paying pending bills, as presented. Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Personnel Committee:** Nothing to report.
- **Water Resources & Equipment Committee:** Nothing to report.
- **Budget and Finance Committee:** Commissioner Spronk reviewed the items discussed at the B-F Committee meeting on September 22nd.
 - Rural Hookup Connection Fee.

M/S Ufkin/Petersen to accept and adopt the recommendation of the B-F Committee to adjust the cost of a rural connection fee as follows:

- *Membership Fee = \$500 (remains unchanged)*
- *Construction Charge (upfront cost) = \$7,000 (an increase of \$1,000)*
- *Capacity Charge (for a 50,000-gallon block) = \$11,000 (an increase of \$1,000)*

Total Hookup Cost = \$18,500.00 (to include materials, installation and 300 feet of pipe; does not include any bores);

And to apply the \$11,000 charge to additional individual capacity unit(s), as requested.

This cost adjustment is to become effective January 1, 2024. Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.

- City of Cottonwood Capacity Charge.

M/S Lonneman/Spronk to accept and approve the recommendation of the B-F Committee to extend the municipal capacity charge of \$9.00/gpd to June 1, 2024 for the City of Cottonwood's connection cost; pending receipt of a Letter of Commitment from the City of Cottonwood for connection to LPRW; and contingent upon USDA-RD's approval of LPRW's ability to adjust capacity charges for other cities during the expansion project. Yea – 8, Nay – 1 (Kling), Absent – 2 (Kraus, Engels). Motion carried.

- Crop Damage Payment Rates.

M/S Feikema/Ufkin to accept and adopt the recommendation of the B-F Committee to set the crop damage payment rate, as follows:

- *Year 1 Payment = \$1,200.00/acre*
- *Year 2 Payment = 50% of Year 1 Payment*

With both payment years itemized but paid in full upfront. This crop damage payment rate adjustment to become effective upon board approval. (The amount is derived from county average annual production history (APH) yield rate formula). Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.

M/S Kling/Petersen to accept the minutes of the September 22nd Budget-Finance Committee Meeting. Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.

- **L&C MN Joint Powers Board Representative:** Commissioner Lonneman noted that LPRW has the cheapest cost for water, as compared to other member systems that are part of the Lewis & Clark RWS.
- **MRWA Representative:** Commissioner Spronk highlighted the NRWA WaterPro Conference recently held at Aurora, Colorado. Spronk encouraged other Board Commissioners to attend this event in the future on a rotating schedule.

Other Business:

- None.

Public Comment: No responses.

Adjournment: *M/S Lonneman/Feikema to adjourn the meeting at 7:05 PM. Yea – 9, Nay – 0, Absent – 2 (Kraus, Engels). Motion carried.*

Respectfully Submitted,

Jason Overby, LPRW General Manager
(providing minutes in the absence of Commissioner Randy Kraus, LPRW Board Secretary)