

Lincoln Pipestone Rural Water

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Meeting Minutes

November 28th, 2022

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, November 28th, 2022; and was available for viewing/participating via Zoom video/teleconferencing. The meeting was called to order at 10:04 AM by Board Chair Joe Weber. A quorum was established with Commissioners Bill Ufkin, Frank Engels, Peter Petersen, Jan Moen, Mitch Kling, Brent Feikema, Randy Kraus, Jerry Lonneman, Earl DeWilde in attendance and Commissioner Rod Spronk via ZOOM. Also attending was Enterprise Technician Jodi Greer, General Manager Jason Overby, System Supervisor Tom Muller, Nathan Kinner (Kinner and Co.), DGR Engineer Darin Schriever, Board Attorney Ron Schramel, USDA Jeff Van Buren, and Lyon County Commissioner Rick Anderson.

Agenda: *M/S Ufkin/ Petersen to approve the agenda. Aye – 11, Nay – 0. Motion carried.*

Minutes: *M/S Kling/Moen to approve the minutes from the October 2022 Board Meeting. Aye – 11, Nay – 0. Motion carried.*

Engineer's Report: Schriever presented the November Engineers Report. Items discussed in detail included:

- Biottta Design at Holland WTP. Schriever presented Task Order for Board consideration. Work focuses on design services only, not construction administration, bidding, etc. Two biottta facilities in region in operation – Cold Spring, MN and Taylorville, IL. Carollo developed the technology and has issued licensing to AdEdge Water Technologies. Schriever will investigate the use of one of LPRW's existing storage tanks for treatment backwashing. Additional questions were raised concerning water temperature during winter; discharge and associated permit; and anticipated O&M costs. Schriever reported that O&M costs would be similar to RO treatment. There was some discussion about the timeline and Schriever thought approximately 10 months for design, 2-3 months for agency review and 18 months for project construction.

M/S Engels/Feikema to approve DGR Task Order #5 – Holland WTP Biottta Addition. Aye – 11, Nay – 0. Motion carried.

- Brewster. Schriever mentioned that design work continues. Muller will be pursuing easements. GM Overby indicated second generation Water Purchase Agreement has been provided to the City. Schramel asked about contract with Osceola Rural Water and the timing with Brewster contract. Consideration for LPRW to have both City and OCRWS sign at the same time. GM has communicated with OCRWS Manager Doug Westerman and is aware of the situation and continues to work with LPRW.

USDA-RD Funding Update: Jeff Van Buren, USDA-RD, discussed funding for the North Area Water Source. Due to project size, RD is pursuing funding options at the Federal level (instead of at the State level). Cost estimation does include inflation factor and Build-America/Buy-America (BA/BA) costs. BA/BA requirements will take effect February 3, 2023. At Federal level, funding is only available for principal project activity, and not for funding of additional projects. Van Buren

recommended using “Add Alternatives” in bid process to be flexible in project options. Projected interest rates for 1st Quarter of 2023 are estimated at 3.25%. RD’s next step is to work on affordability calculations to refine project numbers. There is no commitment at this point. Engels didn’t see any reason not to move forward with this.

M/S Engels/Moen to direct USDA-RD to proceed with the loan/grant application process. Aye – 11, Nay – 0. Motion carried.

Office/Shop Complex Design Project: DesignArc Group Team Members Matthew Weiss, Emily Linehan and Tyson Vogt (via Zoom) presented the preliminary design for the new office/shop complex. Linehan previewed the timeline going forward. Weiss and Vogt reviewed site layout, interior layout and project cost estimations. Final design input from staff scheduled for December 13th, with final design to be presented at the December 19th board meeting. Phase II design will incorporate structural, mechanical, and civil aspects.

[Lunch Break at 12:10pm – 12:45pm]

Operations Report: Muller presented the November Operations Report. Discussion on hookups initiated and completed after assessment cut-off date. Kling suggested sending an invoice after construction has completed giving option to pay now or to assess the following year. Board consented for staff to send letter notifying of payoff options.

Manager’s Report: GM Overby presented the November Manager’s Report. Overby indicated the City of Rushmore finalized connection payment to LPRW. Overby noted that BDRWS water rate charges will increase from \$2.45 to \$2.60 beginning in 2023.

Attorney’s Report: Schramel presented new hookups, totaling 59 connections, two customers requesting additional capacities, current prepays and preliminary Assessment information. Waiting for final construction cost data before finalizing. Assessment Hearing is scheduled for January 4, 2023. A full HOOKUP/Assessment Report will be available at the February 2023 meeting.

Treasurer’s Report: Kinner presented November Treasurer’s Report. LPRW received notification from Abdo that they are disengaging in auditing services with LPRW. LPRW will need to secure a new firm. A list of prospective firms will be generated and solicited.

M/S Lonneman/Feikema to approve the Treasurer’s Report, as presented. Aye – 11, Nay – 0. Motion carried.

Paid Bills: Reviewed both September and October paid bills.

M/S Kraus/Moen to approve September payments on checks #9040 and #9052-#9179, excluding voided checks #9062 and #9172. Aye – 11, Nay – 0. Motion carried.

M/S DeWilde/Lonneman to approve October payments on checks #9181-#9306, excluding voided checks #9180, #9225, #9279 and #9284. Aye – 11, Nay – 0. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:

- General Services = \$1,649.50
- City of Rushmore Connection = \$100.00
- North Area Water Source = \$6,261.50
- City of Brewster 2nd conn. = \$12,000.00
- Schramel Law Office:
 - General Services = \$1,427.50
- USDA
 - 91-33 2014-15 project 9.8 = \$383,190.00
 - 91-31 2016B = \$120,967.50
- Northland Trust
 - Nobles County Series 20B = \$336,681.25
 - Nobles County Series 2021A = \$268,429.38
 - Pipestone County Series 2016A = \$112,252.50
- Bond Trust Series
 - Lincoln County Series 2013A = \$333,877.50
- US Bank
 - Yellow Medicine 2016A = \$280,631.25

M/S Kling/Feikema to approve paying pending bills, as presented. Aye – 11, Nay – 0. Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Budget and Finance Committee:** Nothing to report.
- **Personnel Committee:** Nothing to report.
- **Water Resources & Equipment Committee:** *M/S DeWilde/Kling to approve the November 21 WR/E Committee meeting minutes. Aye – 11, Nay – 0. Motion carried.*
- **MRWA Representative:** Nothing to report.
- **L&C MN Joint Powers Board Representative:** Nothing to report.

Other Business:

- LPRW Appointment to YMC Water Task Force Board. Commissioner Kling discussed finding a replacement for himself to serve on the Yellow Medicine County Water Board.

M/S Lonneman/Engels to nominate Commissioner Randy Kraus to serve on the Yellow Medicine County Water Task Force Board. Aye – 11, Nay – 0. Motion carried.

- Concerns were raised about Commissioner Kling’s newly elected Yellow Medicine County Commissioner seat and his role on LPRW’s board. Serving on LPRW’s board is through appointment approval from this board, counties served and the district court. Kling indicated that he would step down if it becomes an issue; however, he felt confident that he can handle obligations on both boards. The board will reevaluate when Kling’s term is up for renewal.

- GM brought up concerns regarding hunting access on LPRW-owned lands. Ufkin asked for a recommendation after the first of the year.
- The December 19th meeting will be held at 9am with a joint Board-Staff Christmas meal being served at 12:30 pm at the Country House.

Public Comment: None.

Adjournment: *M/S Kling/Lonneman to adjourn the meeting at 2:07 pm. Aye - 11, Nay – 0. Motion carried.*

Respectfully Submitted,

Randy Kraus, LPRW Board Secretary