

LINCOLN PIPESTONE RURAL WATER SYSTEM

East Highway 14, 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

July 28, 2008

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, July 28, 2008 starting at 6:30 p.m. Chairman called the meeting to order with Commissioners , , , Jerry Lonneman, Norris Peterson, Ken Buysse, Leonard Swenson, , , and Henry Van Dyke present. Also present were Board Attorney, ; USDA-RD Community Programs Specialist, ; DGR engineer, ; Wenck Associates representatives, Dennis Nelson and Vince Vander Top; Field Superintendents, Don Drietz and Tom Muller; and CEO, Dennis Healy.

Agenda: M/S/P Swenson/Van Dyke to approve the Agenda as amended.

Minutes: M/S/P Weber/Van Dyke to approve the minutes of the June 30, 2008 Regular Board and July 10, 2008 Water Resources & Equipment Committee meetings.

Treasurer's Report: M/S/P Peterson/Swenson to approve the Treasurer's report as presented.

Bills: M/S/P Engels/Weber to approve the following bills for payment:

- DeWild Grant Reckert and Associates Company: General Services #83 = \$1,832.13; South End Improvements ppe #10 - \$4,293.00
- McDonald, Gudmestad & Schramel: General Legal Services = \$1,249.80

USDA Rural Development: Shane Hastings met with the Board to discuss progress on the 2008-09 Improvement Project financing. The "Letter of Conditions" was distributed, and its provisions were reviewed and discussed. M/S/P Weber/Buysse to approve and authorize the Chairman to sign Form RD 1942-46, "Letter of Intent to Meet Conditions." M/S/P Swenson/Peterson to approve and authorize the Chairman to sign two Forms RD 1940-1, "Request for Obligation of Funds" one in the amount of \$5,853,000 loan and \$4,747,000 grant, and the other for a \$5,000,000 loan.

Topeka Shiner Mitigation: Dennis Nelson and Vince Vander Top from Wenck Associates met with the Board to review the "Proposed Topeka Shiner Stream Habitat Design" to meet the mitigation requirements agreed to for the Adrian well permit. Healy will contact the Pipestone County FSA Office to coordinate with them. M/S/P Engels/Peterson to authorize LPRW staff and Wenck Associates to proceed with the mitigation project.

Attorney's Report: did not have any items to report on.

Engineer's Report: reported on the following topics.

- **Water Source Exploration:** The Leggette, Brashears & Graham "Ground-water Exploration Plan" was reviewed and discussed. Schriever reported that the specifications have been prepared to bid the work, and he recommended that an August 29th bid date be set. M/S/P Lonneman/Weber to set a bid opening for 10:30 a.m. on Friday, August 29, 2008 at the LPRW office, and to advertise in the Lake Benton paper.
- **Holland MPCA Discharge Permit:** The MPCA has requested additional toxicity testing for the RO discharge water, and it is being arranged with a testing lab.
- **South Water Source:** The OCRWS construction project is moving forward so water should be available to LPRW as scheduled.

Field Superintendents' Report: Tom Muller reported that the new Adrian booster is working very well, and the City has been very helpful in providing supplemental water supplies. Don Drietz reported that he has had no further contact on the county tile issue in Lyon County.

CEO's Report:

- Lewis & Clark Regional Water System opened Phase 1 Water Treatment Plant bids on July 17th and the low bid was about \$5 million below the engineer's estimate.
- Healy presented a list of 5 hookup requests for Board consideration. M/S/P Lonneman/Van Dyke to approve the 5 hookup requests provided that DGR determines that service is feasible to the large users.
- Healy reported that 3 incidents of vandalism have occurred in the past month. They have been reported to the sheriff's department and damages were minor.
- Land acquisition in Nobles County is moving forward on schedule.
- Healy reported that the expansion project informational meeting on July 8th in Worthington was well attended and very positive.
- Hookup charges and assessment rates for the 2008-09 Improvement Project were discussed. Lonneman made a motion to set the 2008-09 Improvement Project hookup rates at \$15,000 for the basic hookup and \$6,000 for additional Capacity Units, and to set assessment rates at 5.75% over 30 years. Buysse seconded the motion but Chairman Ufkin tabled the motion until the next Board meeting to allow further study.
- Healy requested that the Committees meet to start working on the 2009 Budget. A special Board meeting was set for 5:15 p.m. on August 18th at the Ivanhoe Community Center to work on the 2009 Budget.

Committee Reports: The following committee reports were given:

Executive Committee: No report.

Personnel Committee: No report.

Budget & Finance Committee: No report.

Water Resources and Equipment Committee: Joe Weber reported that the July 10th meeting with the DNR to discuss exploration plans was very productive. We received a letter from the DNR indicating that the Burr Appropriations permits will not be changed as long as exploration and development for another water source stays on schedule.

Minnesota Rural Water Association, Board Representative: reported on the July 17th MRWA meeting.

Minnesota Governmental Agency Finance Group: No report.

Lewis & Clark Minnesota Joint Powers Board: No Report.

Other:

M/S/P Lonneman/Weber to designate as the representative and as the alternate representative on the Yellow Medicine County Water Task Force.

M/S/P Spronk/Lonneman to authorize Healy to attend the 2008 Upper Midwest Planning Conference on September 18-19 and the Minnesota State Planning Conference on September 22-24.

Adjournment: M/S/P Swenson/Engels to adjourn the meeting at 9:45 p.m. The next Regular Board meeting will be Monday, August 25, 2008 at 6:30 p.m.

, Secretary