

# 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](mailto:lprw@itctel.com)

## MEETING MINUTES

July 26, 2010

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 26, 2010 starting at 6:30 p.m. Chairman Joe Weber called the meeting to order with Commissioners , , , , Rod Spronk, Norris Peterson, Ken Buysse, Henry Van Dyke and present. Also present were Board Attorney, ; DGR engineer, ; Wenck Associates engineers, Vince Vander Top and Dennis Johnson; Field Superintendents, and ; and CEO, Dennis Healy.

**Agenda:** M/S/P Ufkin/Engels to approve the Agenda as presented.

**Minutes:** M/S/P Peterson/Buysse to approve the minutes of the June 28, 2010 Regular Board meeting.

**Treasurer's Report:** M/S/P Lonneman/DeWilde to approve the Treasurer's report as presented.

**Bills:** M/S/P Ufkin/Moen to approve the following bills for payment:

- DeWild Grant Reckert and Associates Company: General Services #107 = \$4,084.50; Jackson-Nobles Water Supply Project – ppe #33 = \$11,222.50; New Water Source Development – ppe #24 - \$13,390.26; 2008-10 Expansion Project – ppe #19 - \$34,816.25
- McDonald, Gudmestad & Schramel: General Legal Services = \$2,196.00; 2008-10 Expansion Project = \$2,041.00; Jackson Nobles Water Supply Project = \$0.00
- Salonek Concrete & Construction, Inc.: Jackson Nobles Project – Schedule 4, ppe #6 = \$80,350.05
- Winter Brothers Underground: Jackson Nobles Mainline Project; ppe #3 = \$364,760.69
- C B & I, Inc.: Rushmore Tower, ppe #10 = \$36,351.75
- Eatherly Constructors, Inc.: 08-10 Project; North Area Phase 1, ppe #3 = \$359,652.87
- Carstensen Contracting, Inc.: 08-10 Project; South Area Expansion, Phase 1, ppe #1 = \$673,929.09
- KHC Construction, Inc.: 08-10 Project; Lismore Booster & Maintenance Building, ppe #1 = \$58,685.37
- Northland Trust Services, Inc.: 08-10 Project; Temporary GO Bonds, Interest = \$260,250.00
- US Bank Corporate Trust Services: Lincoln County Refunding Bonds 2005A, interest only = \$81,223.75; Lincoln County Refunding Bonds 2003, interest only = \$24,843.13
- A bill from Steffl Drilling & Pump was also considered, but it was not approved so it could be discussed later in the meeting.

**Holland Discharge Permit:** Vince Vander Top and Dennis Johnson discussed the draft Compliance Schedule Plan for the Holland Discharge Permit, and reviewed future activities necessary to implement potential changes in plant discharges. Additional information will be collected and meetings will be held with MPCA, MDH and MDNR staff so the Board can act on the Plan at the August meeting. The Board requested that attend the August meeting to provide input.

**Attorney's Report:** reported on the following issues.

The Jackson Noble Project Supplemental Bond has been approved by the counties. M/S/P Spronk/Kling to adopt the ***“JOINT POWERS AGREEMENT BETWEEN THE COUNTIES SERVICED BY LINCOLN PIPESTONE COUNTY RURAL WATER SYSTEM TO GUARANTEE GENERAL OBLIGATION BONDS.”***

**Engineer's Report:** discussed the following items:

- **New Water Source Development Project:** Current plans are to test pump 4 rather than 3 wells in the Wood Lake area to take advantage of areas with better water quality. M/S/P Kling/Buysse to approve Steffel Drilling & Pump pay request #3 for \$12,248.00, and to approve Change Order #3 for additional work for \$2,430.00 and extend the completion date to mid-December.

- **Jackson-Nobles Water Supply Project:** The Jackson Nobles projects are proceeding on schedule with no significant problems. OCRWS improvements are nearing completion.
  - C B & I is on schedule to complete the Rushmore Tower on or ahead of schedule.
  - The Stateline Meter Station and Highway 60 Booster Project is nearing completion, but some punch list items remain.
  - Winter Construction is making good progress on the Mainline Pipe Additions project. M/S/P Lonneman/Van Dyke to approve Change Order #2 that results in a contract increase of \$17,465.75.
  - The OCRWS project will start providing water for flushing in early July, and should be ready to provide full service in August.
- **2008-10 Expansion Project:** The 2008-10 Expansion Project is getting off to a good start although it is somewhat behind schedule overall.
  - The North Area Expansion Phase 1 is progressing well. M/S/P Buysse/Peterson to approve Change Order #3 that adds \$64,843.45 to the contract.
  - The South Area Expansion Phase 1 project is off to a good start. M/S/P Kling/Lonneman to approve Change Order #2 that increases the contract by \$26,829.98.
  - Work has started on the Lismore Booster/Storage Facility.
  - SCADA work is proceeding, and most of the equipment is delivered.
  - Seeding bids were opened on July 15<sup>th</sup> and bids were received from K & L Landscape & Construction (Part A = \$75,606.40; Part B = \$134,903.68); Carstensen Contracting (Part A = \$145,113.20; Part B = \$265,982.92); and Area Lawn Works (Part A = \$99,147.80; Part B = no bid). The bids were set up to allow Parts A and B to be awarded either separately or together. K & L Landscape & Construction provided a letter dated July 23<sup>rd</sup> withdrawing their bid because they made a math error in preparing their bid. The Board discussed the options available, including enforcing the Bid Bond requirements of the specifications. M/S/P Ufkin/Peterson to accept the withdrawal of the K & L bid because of the claimed error, and to award Part A to Area Lawn Works (Part A = \$99,147.80) and Part B to Carstensen Contracting (Part B = \$265,982.92) subject USDA Rural Development concurrence. The vote was 10 in favor of the motion and 1 opposed.
  - The Internal Users Project and the Seaforth Line Project bids are about ready to bid.
  - A proposal from DGR to complete a study to develop the Wood Lake Water Source with an estimated budget of \$7500 to \$10000 was reviewed. M/S/P Moen/Kling to authorize DGR to proceed with the study and to authorize CEO, Dennis Healy, to sign the agreement. 10 voted in favor of the motion and Engels abstained.

**Field Superintendents' Report:** reported that projects are proceeding quite smoothly in the south, and staff is very busy monitoring construction. reported that the north projects are proceeding smoothly, but easements are hard to obtain in some areas.

**CEO's Report:**

- The Lewis & Clark project continues to progress, although future funding is becoming a real concern.
- A Conditional Use Permit hearing for pipeline development in Redwood County is scheduled for 6:00 p.m. on Monday, August 30<sup>th</sup>. This is the same night as the next LPRW Board meeting, but Healy felt he needs to be at the hearing. M/S/P Engels/Kling to change the August Board meeting to 6:00 p.m. on Tuesday, August 31<sup>st</sup>.
- Annual update meetings the counties have gone quite well.
- A Wellhead Protection meeting is scheduled for August 5<sup>th</sup>, and it will focus on the Verdi Wellhead Protection Area.

**Committee Reports:** reported on MRWA activities.

**Adjournment:** M/S/P Lonneman/Buysse to adjourn the meeting at 10:45 p.m. The next Regular Board meeting will be Tuesday, August 31, 2010 at 6:00 p.m.

---

, Secretary