

# LINCOLN PIPESTONE RURAL WATER SYSTEM

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## MEETING MINUTES

**December 29, 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, December 29, 2008 starting at 10:00 a.m. Chairman called the meeting to order with Commissioners , , , Jerry Lonneman, Norris Peterson, Ken Buysse, Leonard Swenson, , Henry Van Dyke and present. Also present were Board Attorney, ; DGR engineer, ; USDA Rural Development Area Specialist, ; Incoming Board Member, ; Field Superintendents, Don Drietz and Tom Muller; and CEO, Dennis Healy.

**Agenda:** M/S/P Peterson/Buysse to approve the Agenda as presented.

**Minutes:** M/S/P Engels/Swenson to approve the minutes of the November 24, 2008 Regular Board meeting.

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

Chairman recognized and she was welcomed to the Board.

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

- DeWild Grant Reckert and Associates Company: General Services #88 = \$2,487.50; South End Improvements ppe #14 = \$3,049.00; New Water Source Development ppe #5 = \$50,168.50
- McDonald, Gudmestad & Schramel: General Legal Services = \$1,578.82
- Steffl Drilling & Pump, Inc.: Groundwater Exploration Program ppe #2 = \$104,713.75
- US Bank: Yellow Medicine County Refunding Bond 2008 = \$298,233.76; Lincoln County Refunding Bond 2005A = \$319,361.25; Lincoln County Refunding Bond 2001 = \$489,240.00

**Attorney's Report:** reported that and have been reappointed for 4-year terms to the LPRW Board. The appointment of will be completed before the January Board meeting. The annual assessment hearing was held on December 15<sup>th</sup> and approved by the District Court. Land acquisition for the Nobles County project is nearly completed. Schramel also reported that he has revised the easement forms used to acquire water line easements.

**Engineer's Report:** reported on the following topics:

- **2008-2010 Expansion Project:** Schriever presented the Engineering Services Agreement for the Project for Board consideration. M/S/P Lonneman/Kling to approve the 2008-2010 Expansion Project (DGR Project #800918) Engineering Services Agreement. The Project is ready for startup when USDA-RD provides funding and authorizes us to proceed.
- **Jackson Nobles Water Supply Project:** Schriever presented the Amended Engineering Services Agreement for the Project for Board consideration. M/S/P Spronk/Engels to approve the Jackson Nobles Water Supply Project (DGR Project #800916) Engineering Services Agreement. The Project funding is in place, and we should be ready to begin work as soon as USDA-RD authorizes us to proceed.

- **Water Source Exploration:** The water exploration project is progressing, and test pumping is being organized in the area east of Wood Lake in Area 3, but to date no significant water source has been identified in Area 5 in Murray County.

Chairman Ufkin left the meeting at 11:30 a.m. and Vice-Chairman Weber assumed the Chair.

**Long-Range Water Resource Plan:** The draft schedule for Long-Range Water Resource Planning was reviewed, and Schriever indicated that would work for DGR. The first meeting was set for 1:00 p.m. on Friday, January 16<sup>th</sup> when the Board will review preliminary planning issues. A meeting to present preliminary results to county officials was tentatively set for February 13<sup>th</sup>.

**USDA Rural Development:** met with the Board to discuss funding and the status of the “2008-2010 Improvement and Expansion Project” and the “Jackson-Nobles Water Supply Project.”

- **Jackson-Nobles Water Supply Project:** Hastings informed the Board that the transfer of the \$12,500,000 financing for this project is completed, and he presented several documents for Board action. M/S/P Spronk/Peterson to approve the “Jackson-Nobles Water Supply Project Loan Resolution” (Form OMB No. 0575-0015), and authorize the Chairman to execute it. The vote was 10 in favor, none opposed and 1 absent. M/S/P Kling/Spronk to authorize DGR to proceed with design of the Project and preparation for bidding. Hastings also indicated that we could start the interim financing process. M/S/P Buysse/Engels to accept the Right-of-Way Certificate (Form RD 442-21).
- **2008-2010 Improvement and Expansion Project:** Hastings informed the Board that funding for the \$15,600,000 Project is not available yet, but if a stimulus bill is passed by congress funding may be available soon.

**Regional Water Development:** Healy discussed the water exploration project, and distributed a first draft of a Water Purchase Agreement with Osceola County Rural Water System. Healy and Schramel were authorized to distribute the draft Agreement for review.

**Field Superintendents’ Report:** Tom Muller reported that the Topeka Shiner mitigation project was completed, and it seemed to turn out well. Muller also he is working on right-of-way for the Jackson-Nobles Water Supply Project. Don Drietz presented a hookup request from Mike Geurts near Marshall. M/S/P Lonneman/Kling to approve the Geurts request provided that Geurts pays any extra costs for winter construction.

**CEO’s Report:**

- Lewis & Clark Regional Water System continues to make progress on their construction projects, and the Phase II WTP project will be bid in early 2009. Engineering and right-of-way acquisition is starting for the Minnesota section of the project. If stimulus money is approved it may be possible to get the project back on schedule.
- Land acquisition for facilities in Nobles County is proceeding without any problems to date.
- We have not heard anything on the Holland WTP area irrigation permits.
- Healy reported that supplemental wellhead protection payments have been made on 2 parcels enrolled in the CRP near the Verdi well field.
- Healy requested authorization attend the National American Planning Association conference in Minneapolis April 25-29. Healy noted that the Board meeting is scheduled for April 27<sup>th</sup>. M/S/P Peterson/Engels to approve Healy’s attendance at the National APA Conference, and to change the date of the regular April Board meeting to April 20<sup>th</sup>.

**Committee Reports:** The following committee reports were given:

Executive Committee: No report.

Personnel Committee: The Committee reported that the December 8<sup>th</sup> meeting with the employees went very well.

Budget & Finance Committee: No report.

Water Resources and Equipment Committee: No report.

Minnesota Rural Water Association, Board Representative: reported that Board training was being scheduled, but he didn't know if it was available for local Board members.

Minnesota Governmental Agency Finance Group: No report.

Lewis & Clark Minnesota Joint Powers Board: No Report.

**Other:**

- The 2009 Board contact list was updated and it will be published on the LPRW WEB site.
- **2009 MRWA Conference:** The Minnesota Rural Water Association Conference is scheduled in St. Cloud on March 3-5. Healy will reserve rooms and register those attending.
- various options for customers to pay water bills were discussed, but cost issues work against many options.

**Election of Officers:** opened the floor for nominations for Board officers to take office effective January 1, 2009. moved and seconded the nomination of Bill Ufkin for Chairman. There were no additional nominations so was elected Chairman by unanimous vote of the Board. Ken Buysse moved and Rod Spronk seconded the nomination of Joe Weber for Vice-Chairman, and Frank Engels moved and seconded the nomination of for Vice-Chairman. Ballots were distributed and collected by , and Joe Weber was elected Vice-Chairman by a vote of 9 to 1. Joe Weber moved and seconded the nomination of for Secretary, and moved and seconded the nomination of Ken Buysse for Secretary. moved to close nominations, and ballots were distributed and collected by , and DeWilde and Buysse each received 5 votes. A coin toss was conducted, and Ken Buysse was declared the winner and elected Secretary. Jerry Lonneman moved and seconded the nomination of Rod Spronk for Treasurer, and move and seconded the nomination of for Treasurer. Ballots were distributed and collected by , and Rod Spronk was elected Treasurer by a vote of 6 to 4. M/S/P Engels/Spronk to support the attendance of at the MRWA Conference because he is the LPRW representative on the MRWA Board.

**Adjournment:** There being no further business the Vice-Chairman adjourned the meeting at 3:15 p.m. The next Regular Board meeting will be Monday, January 26, 2009 at 10:00 a.m.

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, Secretary