

Lincoln Pipestone Rural Water

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Meeting Minutes

April 24th, 2017

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, April 24th, 2017, starting at 6:03 p.m. Chairman Joe Weber called the meeting to order with Commissioners Randy Kraus, Jerry Lonneman, Brent Feikema, Janice Moen, Rod Spronk, Bill Ufkin, Earl DeWilde, Mitch Kling and Frank Engels present. Also present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, Financial Advisor Nathan Kinner, Field Superintendent Shawn Nelson, Enterprise Technician Jodi Greer, and General Manager Jason Overby. Commissioner Ken Buysse was absent.

Agenda: *M/S Feikema/Ufkin to approve the agenda. Motion carried.*

Minutes: *M/S Engels/Kraus to approve minutes from the March 2017 Board Meeting. Motion carried.*

Engineer's Report: Schriever presented the April Engineering Report.

- **CIP Program**

Priority #1: Source Water & Controls

M/S Ufkin/Engels to approve Change Order No. 7(Final) for \$118.97. Motion carried.

- PPE #11 (Final) for \$102,360.64, subject to satisfactory completion of final deliverables and RD concurrence. Wait until the May Board meeting to approve.

Priority #2: Edgerton Pump Station

- Quote to be provided by Meier Electric/In-Control for SCADA integration work at Edgerton PS, and possible inclusion as a Change Order. Work will not start until September.

M/S Kling/Moen to approve quote for SCADA programming for Edgerton PS/R and related sites as Change Order, not to exceed \$70,000. Motion carried.

M/S Spronk/Lonneman to approve payment for KHC PPE #9, in the amount of \$107,033.38. Motion carried.

- **Comprehensive Tank Maintenance Plan**

M/S Lonneman/Engels to approve proposal by Engineering America for CIT and leak repair on large GSR at Holland WTP in the amount of \$1,485.00. Motion carried.

- **City of Avoca**

Schriever discussed City of Avoca request to RRRW for service. Seeking approximately 25,000 gpd peak delivery.

- **City of Rushmore**

DGR has generated a cost estimate for service connection to LPRW. GM will provide City with preliminary cost estimate. City will be discussing this connection at their next council meeting (April 27).

Operations Report: April Operations Report was presented.

Nelson reported parties that are interested in connecting to LPRW along the line to Dawson. Board consensus was yes.

Manager's Report: April Manager's Report was presented.

Ghent capacity increase payment (\$81,000) was received. Edgerton payment (\$4,000) was received for materials/labor for future tie-in.

Attorney's Report:

Schramel explained the process of board term renewals. Terms for Commissioners' Weber, Spronk and Lonneman are up at the end of 2017. All three commissioners indicated they would like to serve another 4-year term.

M/S DeWilde/Kraus to approve Commissioners' Joseph Weber, Rod Spronk and Jerry Lonneman to serve another 4-year term on the LPRW Board. Motion carried.

Oppelt land sale is almost complete.

Treasurer's Report: Kinner presented Treasurer's Report.

Audit has not been completed. Kinner will follow up with Matt Taubert on status. Board has requested that the audit be done preferably by March. Kinner will generate list of auditors for FY2017 once FY2016 audit has been completed.

M/S Kling/Feikema to accept Treasurer's Report, as presented. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #186 = \$3,416.00
 - 2014-2015 Improvements Project – Priority 1, PPE #23 = \$3,197.20
 - 2016 Improvements Project – Priority 2, PPE #11 = \$21,070.21
 - Comprehensive Tank Maintenance Plan – Project # 841301.00 = \$767.00
- Schramel Law Office:
 - General Services (March) = \$4,475.60
 - Priority #2 = \$227.50
- Kinner & Company Ltd
 - General Services (February & March) = \$4,182.50

M/S Ufkin/Lonneman to approve paying the pending bills, as shown. Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Personnel Committee:** Moen discussed meeting (4/11/17) held via conference call.

M/S Lonneman/Engels to approve the minutes from the April 11, 2017 Personnel Committee meeting. Motion carried.

- **Budget and Finance Committee:** Nothing to report.
- **Water Resources and Equipment Committee:** DeWilde reviewed items discussed at the April 12 WR&E Committee meeting held at the Burr WTP.

M/S Moen/Feikema to approve minutes from the April 12, 2017 WR&E Committee meeting. Motion carried.

M/S Spronk/Lonneman to declare the RO Skids as excess property within 30 days after full connection has been completed with Lewis & Clark RWS, per the MPCA NPDES Permit. Motion carried.

Board directed General Manager to seek interested parties for the RO equipment.

Halbersma Land Appraisal: Jared Beck will proceed with Halbersma land appraisal, as part of the LCCMR Project.

MMU/ADM: MMU desires to establish a new water supply agreement with LPRW. GM discussed Brad Roos email and past contract agreements.

M/S DeWilde/Ufkin to offer MMU a 3-year agreement for a guaranteed 75 million gallons annually, with an annual capacity charge of \$61,500.00. The new contract will take effect after approval from both LPRW and MMU; to which the current contract will be cancelled upon

approval by both parties. Water rates from 0 to 75 MG will be at current municipal rates established by LPRW. If any current LPRW permitted appropriations from the Burr Wellfield are reduced, this contract is null and void. Nine in favor, one opposed (Engels), one absent (Buysse). Motion carried.

Capacity Charges:

M/S Engels/Kling to send notice to customers that have not exceeded capacity of 50,000 gallons per month that their established capacity (or peak) baseline will be 50,000 gallons per month. Additional capacity can be requested for purchase in future, if available. Motion carried.

Board directed GM to utilize 2015 and 2016 usage data to establish baseline.

M/S Engels/Kling to impose a \$5.00 per thousand gallon penalty for exceedance of established capacity (or peak) baseline. Motion carried.

M/S Engels/Ufkin to make the \$5.00/1,000 gallon penalty effective August 1, 2017. Nine in favor, one opposed (Spronk), one absent (Buysse). Motion carried.

City of Dawson:

M/S Kling/Moen to approve the Dawson Water Supply Agreement. Motion carried.

- **Joint Powers Board:** Nothing to Report.

Other Business:

May 22, 2017 Board Meeting start time – 5pm.

Public Comment: No public comment.

Adjournment: *M/S Engels/DeWilde to adjourn the meeting at 10:32pm*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary