

Lincoln Pipestone Rural Water

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Meeting Minutes

February 4th, 2019

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, February 4th, 2019, starting at 10:05 am. Chairman Earl DeWilde called the meeting to order with Commissioners Glen Grant, Joe Weber, Mitch Kling, Randy Kraus, Bill Ufkin and Frank Engels present; and Commissioners Rod Spronk and Jan Moen via video conference. Also, present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, Enterprise Technician Jodi Greer, Field Supervisor Tom Muller, Water Operator Keith Johnson, General Manager Jason Overby, and Lyon Co. Commissioner Gary Crowley. Absent were Commissioners Brent Feikema and Jerry Lonneman.

Agenda: *M/S Kraus/Weber to approve the agenda. Motion carried.*

Minutes: *M/S Ufkin/Engels to approve minutes from the December 2018 Board Meeting. Motion carried.*

Introductions: Chairman DeWilde introduced and welcomed Glen Grant as LPRW's newest Board Commissioner; as well as Keith Johnson as LPRW's newest Water System Operator.

Wieme Request: Josh and Dale Wieme were present to request to purchase of two (2) additional capacity units. The Wieme's had done infrastructure improvements that allows water delivery to occur during off-peak periods; as well as incorporating 2 ½ days storage capacity on site.

M/S Engels/Ufkin to accept the Wieme request to purchase up to two (2) additional capacity units contingent upon the taking of additional water during off-peak periods. Motion carried.

Operations Report: January Operations Report was presented. Muller noted that ammonia will be added at Stateline Meter Station, converting our south distribution system to all chloramine disinfection providing compatibility with L&CRWS disinfection. Greer cited three (3) requests for hookups all within the moratorium-designated Burr Service Area. Hydraulics have been performed on all three locations.

M/S Engels/Kling to approve hookups for Luke Berg at 115-41-26-SE, Mike Boerboom at 112-39-34-SE, and Mark Laleman at 113-41-9-NE. Motion carried.

Ufkin inquired to DGR if capacity costs could be analyzed for CIP projects in the North end. Schriever will investigate. GM provided a summary of labor costs associated with the deployment of AMR/Meter units for approval with USDA-RD.

M/S Kling/Grant to approve the request with USDA-RD for construction labor reimbursement for AMR/Meter installations occurring in FY2018. Motion carried.

Engineer's Report: Darin Schriever presented Engineering Report for January. Additional items discussed included the following:

- **Verdi Pump Station and GSR:** Bid opening scheduled for February 22nd, 2019.
- **CTMP:** Schriever and GM reviewed tank work for 2019.

M/S Weber/Kling to approve the 2019 CTMP Work Plan. Motion carried.

M/S Ufkin/Kraus to accept the Engineering Services Agreement for the Chandler Elevated Tank Repainting Project. Motion carried.

- **Edgerton Connection:**

M/S Weber/Kraus to approve PPE #1 for \$42,618.81 to Hulstein Excavating, Inc.; subject to satisfactory completion of American Iron & Steel (AIS) documentation. Motion carried.

Manager's Report: January Manager's Report was presented. Additional items discussed included the following:

- **Minnesota State Retirement System – Deferred Comp (457) Plan:** Retirement option for employees outside of MnPERA will be made available to LPRW staff.
- **Annual O&C Meeting:** scheduled for February 14th, 2019 at Pipestone EMS Building.

Attorney's Report: Ron Schramel stated the Assessment Hearing (12/26/18) went very well with Judge Tricia Zimmer. Schramel then reviewed 2018 hookup costs and assessment information. Due to customer payoffs within 30 days after assessment hearing notification, Schramel will delay reporting until that milestone has passed. Starting in 2019, the annual Assessment Report will be presented to the Board in February covering data from the year prior. Spronk asked if up-front charges on new hookups be increased from \$6,500. Schramel stated that since enacting required up-front costs, LPRW has been able to cover installation expenses. His recommendation at this time was not to adjust, but continue to monitor.

Treasurer's Report: General Manager presented the Treasurer's Report for January. GM noted that final 2 CD's, including accrued interest, held with RBC Wealth Management have been moved to Restricted Account with 4M. All accounts with RBC Wealth Management have been closed.

M/S Weber/Engels to approve Treasurer's Report, as presented. Motion carried.

Paid Bills:

M/S Ufkin/Grant to approve payment on checks #3379 thru 3548, excluding voided check #3503. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #207 = \$1,678.08
 - City of Edgerton = \$4,767.24
 - Comprehensive Tank Maintenance Plan = \$366.00
- Schramel Law Office:
 - General Services = \$5,150.55
- Northland
 - Nobles 2013A = \$181,878.13
- Carlson McCain
 - Verdi Wellfield = \$5,946.25

M/S Engels/Kling to approve paying pending bills and bond payments as presented. Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Personnel Committee:** Moen requested to schedule a meeting later in February.

M/S Moen/Weber to approve the \$50,000 for salary/salary adjustments for 2019, and to ratify this effective December 17, 2018. Motion carried.

- **Budget and Finance Committee:** Nothing to report.
- **Water Resources and Equipment Committee:** Kling reviewed items from the WRE Committee meeting held 1/23/19, including:

- Seasonal Connections and Reconnection Fees.

M/S Ufkin/Kraus to approve the Committee recommendation to waive the \$40.00 reconnect fee for all active accounts; contingent upon customer providing LPRW personnel a 48-hour notice of reconnection; and with General Manager having the option to waive the fee. Motion carried.

- Long-Term Disconnects/Terminated Services.

M/S Ufkin/Kling to rename current “Transfer of Ownership Fee” to “Transfer of Ownership and/or Account Reactivation Fee”, and to increase this fee from \$100 to \$150. Motion carried.

M/S Kling/Moen to approve to reactivate an inactive account whereas the user needs to pay the then “Reconnect Fee”, which is currently \$40.00, and the then “Transfer of Ownership and/or Account Reactivation Fee”, which is currently \$150.00. Motion carried.

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- Pasture Taps. Engels provided a usage scenario of high end seasonal user in comparison to the current LPRW-established 24-month formula for capacities. Schramel suggested using the Variance Hearing process to hear individual cases.
- Verdi Wellfield Follow-up. Board requested pursuit of a quote from hydrologist for complete wellfield data analysis.
- BIOTTTA and Bonding. Schriever suggested partnering with other communities to support bonding initiative. Ufkin asked if DGR could assemble a rough estimate for treatment/wellfield in the North; with and without additional community participation. Discussion led to possibility of securing a lobbyist.
- Tile Repairs and Crop Damage Warranties.

M/S Engels/Kling to accept that LPRW will be responsible for tile repairs caused by LPRW activities or infrastructure; and paying of crop damages within one year from the date the tile was repaired. Motion carried.

M/S Weber/Kraus to approve the minutes of the January 23, 2019 Water Resources and Equipment Committee meeting. Motion carried.

- **Joint Powers Board Representative:** Nothing to report.

Other Business:

- Nobles 2 Power Consent Agreement.

M/S Engels/Kling to approve the Consent and Non-Disturbance Agreement with Nobles 2 Power Partners, LLC. Motion carried.

- MRWA Conference. Board agreed to provide a breakfast event with all state rural water districts.

Public Comment: Mr. Crowley mentioned that Lyon County Commissioner Rick Anderson will be serving as the primary Liaison with LPRW, with Commissioner Crowley serving as alternate.

Adjournment: *M/S Kling/Ufkin to adjourn board meeting at 1:50 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary