

Lincoln Pipestone Rural Water

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Meeting Minutes

February 26th, 2018

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 26th, 2018, starting at 10:00 am. Chairman Earl DeWilde called the meeting to order with Commissioners Ken Buysse, Bill Ufkin, Rod Spronk (Via Facetime), Jan Moen, Jerry Lonneman, Joe Weber, Mitch Kling, Randy Kraus, and Frank Engels present. Also present were Board Attorney Ron Schramel, DGR Engineer Peter Baudhuin, Financial Advisor Nathan Kinner, Field Supervisor Tom Muller, Water System Operator Shawn Nelson, Enterprise Technician Jodi Greer, and General Manager Jason Overby. Commissioner Brent Feikema was absent.

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

Minutes: *M/S Engels/Buysse to approve minutes from the January 2018 Board Meeting.*

February Capacity Variance Hearing: The following case was heard, and LPRW Board decisions were documented:

Petitioner: Cary Anderson (Kyle Anderson was present)

Request:

1. Requesting that our monthly allotted usage at this site be increased from 50,000 gallons to 200,000 gallons, due to lack of personnel that caused reduced number of livestock resulting in less water usage during the 2015-16 analysis period.

Findings:

Kyle Anderson (brother to Cary Anderson) was present at hearing and described situation at their family farm. This is a pre-2006 hookup, therefore the board-approved formula applies. GM reviewed data analysis and presented recommendation.

1. Recommendation to deny request for increase in usage capacity from 50,000 gallons per month to 200,000 gallons per month; and to remain at 50,000 gallons per month.

M/S Ufkin/Engels to use 2013/2014 data to establish a new capacity limit of 100,000 gallons a month utilizing the board-approved formula; due to change in operation/transition period in 2015/2016. Roll Call: Ayes (5) – Kraus,

*Lonneman, Weber, Ufkin, Engels. Naves (4) – Kling, Moen, Buysse, Spronk.
Motion carried.*

Engineer's Report: Peter Baudhuin presented Engineering Report for February. Additional items discussed included the following:

CIP Program:

Priority #1: Warranty items being addressed with QCI.

Priority #2: Nothing to report

SCADA Upgrades:

M/S Weber/Lonneman to approve the purchase of the chlorine analyzer for \$3,492.00 and the AE2S proposal for associated control work at Lismore and Stateline sites in the amount of \$2,700 and \$4,450, respectively. Motion carried.

Comprehensive Tank Maintenance Plan: All bids came in over \$100,000. Recommendation from engineer to reject all bids.

M/S Kling/Engels to reject all bids for the four (4) concrete GSR tank work, as identified in the 2018 CTMP Work Plan. Motion carried.

M/S Lonneman/Kraus to proceed with acquiring new quotes for the proposed four (4) GSR's; and to accept the lowest bid if under the engineers estimate of \$33,900.00. Motion carried.

City of Dawson Connection:

M/S Engels/Moen to approve CO #1 in the amount of \$3,839.28 to Winter Brothers Underground for pipeline GPS adjustments. Motion carried.

M/S Buysse/Kling to approve PPE #3 to Winter Brothers Underground in the amount of \$25,118.02. Motion carried.

North Water Source/Exploration Project:

M/S Moen/Kraus to approve CO #1 in the amount of \$13,355.00 to Thein Well Co. for test hole final quantity adjustments and removal of 3-day pump test. Motion carried.

M/S Engels/Buysse to approve PPE #1 to Thein Well Co. in the amount of \$66,053.00; and to accept contract as complete. Motion carried.

Operations Report: February Operations Report was presented. Additional items discussed included the following:

Water Operator Shawn Nelson discussed issues with customers in Affinity Hills having multiple meters and incorrect payments from City of Lynd to LPRW. To date, we have discovered six (6) illegal hookups. More investigation will be done and presented at next board meeting.

Greer announced MRWA conference schedules, and update on system hookups.

Muller stated that L&C has the Adrian PS in operation.

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

Attorney's Report: Nothing to report

Treasurer's Report: Kinner presented the Treasurer's Report for February.

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

Paid Bills:

M/S Engels/Weber to approve payment on checks #1880 through #2029. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #196 = \$5,232.62
 - 2016 Improvements Project – Priority 2, PPE #22 = \$35,587.55
 - Dawson Water Source PPE #10 = \$2,831.00
 - North Area Water Source PPE #2 = \$4,182.00
 - CTMP Invoice #00227821 = \$488.00
- Schramel Law Office:
 - General Services = \$3,117.02
- Northland Trust Services
 - Pipestone County \$9.8 Series 2016A bonds = \$49,450.00

M/S Ufkin/Kraus to approve paying pending bills, as presented. Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Personnel Committee:** Nothing to report.
- **Budget and Finance Committee:** Nothing to report.
- **Water Resources and Equipment Committee:** Nothing to report.
- **Joint Powers Board Representative:** Lonneman stated the Mn JPB will have meeting March 1, 2018 to determine funding for L&C pipeline to Worthington.

Other Business:

- Walk-In-Access Agreement with MnDNR (2018-2021) at Holland Wellfield.
M/S Engels/Moen to approve the Walk-In-Access Agreement with the MnDNR for the Holland site. Motion carried.

Break for Lunch – Noon to 12:45pm

- Minnesota Municipal Utilities Association – Safety & Compliance Management Proposal
M/S Kling/Moen to approve the MMUA Safety & Compliance Management Proposal. Motion carried.
- Resolution Naming Officials as Signatories for DNR Permits.
M/S Buysse/Lonneman to approve the Resolution Naming Officials as Signatories for DNR Permits. Motion carried.
- 2018 Truck Bid
M/S Ufkin/Kling to accept the low bid from Billion Automotive (SF) for three (3) new service trucks in the amount of \$72,000. Motion carried.
- 2018-19 Mowing Services Bid
M/S Engels/Kling to accept the lowest base bid in the amount of \$2,174.90 from Mike Lovre. Motion carried.
- Edgerton Production Well.
Muller asked the board their thoughts on the Edgerton well that LPRW has under permit but does not use; possibly selling or sealing well. The board recommended an initial sale offering to the original landowner. Muller is to inquire and bring potential offer to the March board meeting.
- Minnesota Public Employees Retirement Association (PERA).

The new auditors have inquired as to why LPRW is not participating in PERA. Legal and management are investigating as to the requirements for participating in PERA. Kinner referenced “Findings” in the annual audit that describes participation in a company-sponsored retirement program since January 1, 1986. GM has contacted the League of MN Cities for additional information. Schramel will provide more information at the March meeting.

- Farm Lease Agreement.

Bid deadline March 2, 2018, for small grain planting on 181.4 acre tract (formerly Halbersma Estate property) owned by LPRW. This is a preparatory step as part of the awarded LCCMR Grant Project for Land Acquisition.

M/S Ufkin/Weber to authorize GM to accept the highest bid for 2018 Farm Lease Agreement on 181.4 A tract of land owned by LPRW. Motion carried.

- Kling showed fellow board members the “Eye On Water” phone app that is associated with the new Badger Beacon AMR project.
- DeWilde mention that the City of Woodstock may be interested in purchasing our old meters.

Public Comment: No public comments.

Adjournment: *M/S Lonneman/Engels to adjourn board meeting at 1:57 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary