

Lincoln Pipestone Rural Water

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Meeting Minutes

April 29th, 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, April 29th, 2019, starting at 6:00 pm. Chairman Earl DeWilde called the meeting to order with Commissioners Glen Grant, Bill Ufkin, Joe Weber, Mitch Kling, Randy Kraus, Rod Spronk, Jerry Lonneman, Brent Feikema, Jan Moen and Frank Engels present. Also, present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, Financial Consultant Nathan Kinner, Enterprise Technician Jodi Greer, Water Clerk Karen Petersen, Field Superintendent Tom Muller and General Manager Jason Overby. Also, present was Lyon Co. Commissioner Rick Anderson.

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

Minutes: *M/S Lonneman/Kraus approve minutes from the March 25, 2019 Board Meeting. Motion carried.*

2018 Audit Presentation: Chad Hess with Abdo, Eick & Meyers, LLP presented the 2018 Audit. Hess reported a clean, unmodified opinion to the regular audit, as well as the single audit prepared for Federal funds in excess of \$750,000. Overall, the financial position for LPRW is very good.

M/S Moen/Weber to approve the 2018 Audit, as presented. Motion carried.

Operations Report: April Operations Report was presented. A brief discussion was had concerning freeze-ups/service interruptions in regards to the long, harsh winter.

Manager's Report: April Manager's Report was presented. GM discussed hiring a full time/temporary Meter-AMR Installer to assist with project. Weber agreed this as a good idea. Staff will advertise in the local papers immediately.

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

- **Meter replacement/AMR System – Metering & Technology Solutions:**

DGR would like the board to consider authorizing DGR to have access to the AMR system data. The intent is only to observe and use the data for improved engineering services to LPRW, such as improved hydraulic analysis for new user requests and overall system distribution improvements. DGR does not want administration permissions to the billing platform; and user data would not be

shared with others without permission. The Board is fine with this request. GM will discuss more with staff.

- **Priority 2 – PER Amendment:**

DGR is in process of generating a PER Amendment that may address any potential unspent funds available at the end of project. Items include pipeline and booster improvements.

- **Verdi Pump Station/GSRs – KHC Construction, Inc.**

M/S Lonneman/Ufkin to approve PPE #2 for \$68,922.50 to KHC. Motion carried.

- **CTMP - Chandler Tower Recoat Bids:**

A total of seven (7) bids were received. The low bid was for \$248,542.00 from AC/DC Solar, LLC (Valrico, FL). DGR is researching the company and will present findings for bid approval at the May Board Meeting. Schramel highlighted the differences between bid bonds, performance bonds and payment bonds to the Board.

- **City of Edgerton Meter Building:**

Project Final Completion was April 12th, but due to poor weather conditions contractor is requesting an extension. Site controls have not been obtained from the City and are needed to allow start-up and verify performance for warranty work.

M/S Ufkin/Kraus to grant Hulstein Excavating, Inc. the extension needed to match the substantial completion/warranty period with start-up date; and to approve the release of retainage for work performed, except double the value for work remaining.

- **North Area Water Source:**

7-day pump test is complete. Waiting for final report from WSP.

Attorney's Report:

- **Board Reappointments:** Mitch Kling and Bill Ufkin are up for reappointment in 2020.

M/S Lonneman/Weber to approve the reappointment of Bill Ufkin. Motion carried.

M/S Feikema/Moen to approve the reappointment of Mitch Kling. Motion carried.

Treasurer's Report: Nathan Kinner presented the Treasurer's Report for April. Kinner provided overview of this year's audit process, as well as current status of LPRW's Cash/Investment funds.

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

Paid Bills:

M/S Lonneman/Kling to approve payment on checks #3823 thru 3972. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #210 = \$3,476.50
 - City of Edgerton = \$1,930.40
 - 2016 Improvement 33 Pr#2 = \$7,734.85
 - 2016 Imp last month remaining = \$172.50
 - North Area Water Source = \$1,596.00
 - Tank Maintenance Plan = \$126.00
 - Chandler Tower Repainting = \$9,100.00
- Schramel Law Office:
 - General Services = \$2,680.30
 - Project #2 2014/2016 = \$490.00
- Kinner & Company Ltd
 - December - February = \$12,322.50
- Abdo, Eick & Meyers, LLP
 - Service = \$3,775.00
- MMUA
 - 2019-20 Annual Safety Plan = \$11,200.00

M/S Engels/Grant to approve paying pending bills as presented. Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Budget & Finance Committee:** Nothing to report.
- **Personnel Committee:**

M/S Ufkin/Kraus to approve the minutes from the March 25th, 2019 Personnel Committee meeting. Motion carried.

M/S Kraus/Spronk to approve the tuition agreement with Jodi Greer. Motion carried.

M/S Moen/Kling to approve the Committee's recommendation to allow operators to deposit their earned On-Call hours (4 hours) into compensation (i.e. comp) bank that can be used at employee discretion; and for policy change to begin effective immediately. Motion carried.

Discussion regarding employee turnover continued. Moen believes current salaries should be reviewed. Engels commented that there is a lot of (employee) turnover everywhere. GM noted trends within the industry, and today's work force as a whole. Kinner commented that job seekers focus more so on rate of pay, rather than the benefits package. Lyon Co. Commissioner Anderson stated that there is a workforce shortage throughout the state and that it's becoming rather competitive. Chair DeWilde recommended this matter be reviewed at committee level and referred back to the board.

- **Water Resources and Equipment Committee:** Discussion with the City of Dawson went well. Ufkin noted that a plan should be in place by mid-summer for the bonding bill initiative tied to the north water source project. The Board advised DGR to analyze water source and infrastructure options with the City of Dawson's engineers.

Discussed options to keep the water lines fresh with the City of Worthington. GM and Muller will visit with the WPU staff and provide follow up at the May board meeting.

M/S Kling/Engels to approve the minutes of the April 17th, 2019 Water Resource & Equipment Committee meeting. Motion carried.

- **Joint Powers Board Representative:** Lonneman recapped progress with Mn-Segment 4 pressure testing and anticipated water delivery to City of Worthington by May 2019. Also highlighted recent JPB meeting with State officials.

Other Business:

- Lake Benton Power Partners II, LLC Consent & Crossing Agreement.

M/S Kling/Grant to approve the Consent & Crossing Agreement with Lake Benton Power Partners II, LLC. Motion carried.

- Records Retention Policy.

M/S Ufkin/Kling to take up the item of Records Retention Policy, previously tabled at the March Board meeting. Motion carried.

M/S Feikema/Weber to approve the Records Retention Policy, as presented. Motion carried.

- Land Lease agreement with Heath Houselog.

M/S Weber/Lonneman to extend the land lease agreement with Heath Houselog until September 30th, at the current rate. Motion carried.

Public Comment: No public comments provided.

Next Regularly Scheduled Board Meeting: Monday, May 20th, 2019 at 6:00 PM.

Adjournment: *M/S Lonneman/Kraus to adjourn board meeting at 8:37 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary