

Lincoln Pipestone Rural Water

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Meeting Minutes

July 30th, 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, July 30th, 2018, starting at 5:02pm. Chairman Earl DeWilde called the meeting to order with Commissioners Ken Buysse, Brent Feikema, Rod Spronk, 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, Enterprise Technician Jodi Greer, and General Manager Jason Overby. Rick Anderson, Lyon County Commissioner, was also in attendance. Commissioner Bill Ufkin absent.

Introductions of New Staff Members: LPRW's newest staff members, Barry Berkenpas and Brandon Houselog, were introduced to the LPRW Board.

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

Minutes: *M/S Lonneman/Weber to approve minutes from the June 2018 Board Meeting. Motion carried.*

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

- **City of Dawson Water Source: Schedule 4 – Booster – Hydro Tech Service**
M/S Buysse/Engels to approve payment to Hydro Tech Service for PPE #3 in the amount of \$20,425.00. Motion carried.
- **Verdi Water Source – Source Capacity Proposals:**
Schriever reviewed the two proposals. Spronk questioned the cost difference between proposals. Schriever commented that both firms presented similar project framework scopes, but that Carlson-McCain (Jim De Lambert) may have specific data readily available from past work on the Verdi water source. Spronk suggested that a deadline be affixed to the project. Lonneman suggested a penalty for exceeding that deadline.

M/S Engels/Kraus to accept the proposal from Carlson-McCain with a December 31st, 2018 deadline to complete Tasks A-1 and A-2, as described. Motion carried.

M/S Lonneman/Moen to impose a \$200 per day fee beyond the December 31st, 2018 deadline for completion of Tasks A-1 and A-2. Motion carried.

- **SCADA Platform:**

Schriever described the plan to convert SCADA platforms from Wonderware to Rockwell Factory Talk SE. This will be done for the South half of the system and the office prior to North SCADA project. Quotes from integrators for the south end stations and the master at the office will need to be obtained.

M/S Spronk/Weber to authorize engineering to generate RFQ's for the new SCADA platform. Motion carried.

Operations Report: July Operations Report was presented.

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

- Joshua Gums has turned in his two-weeks' notice with LPRW.
- Ken Buysse's (Commissioner position) replacement was discussed. Letters were sent out July 9th with an August 15th deadline. Engels and Buysse requested the list to review.
- Geronimo Energy Consent & Crossing Agreement:

M/S Spronk/Lonneman to approve the Consent & Crossing Agreement with Geronimo Wind Energy, contingent upon acceptance of proposed language changes described by legal counsel. Motion carried.

<10 Minute Break>

- City of Lynd – Affinity Hills Development payment deficit was discussed. GM reported four-year data analysis summary of payment shortfall by the City for non-reporting of water usage through customer second meter. Recommendation by legal counsel to send a letter along with an invoice for \$10,506.31 requesting remittance for loss water revenue.

M/S Weber/Lonneman to send a letter to the City of Lynd with a bill for loss water revenue in the amount of \$10,506.31. Motion carried.

Attorney's Report: No report.

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

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

Paid Bills:

M/S Weber/Engels to approve payment on checks #2544 through #2671. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #201 = \$4,513.50
 - Comprehensive Tank Main. = \$387.00
 - Dawson Water Source PPE #15 = \$580.50
 - 2016 Improvement Pro. #27 = \$18,116.00
 - North Area Water Source #6 = \$3,632.00
 - City of Edgerton = \$3,450.00
- Schramel Law Office:
 - General Services = \$1,169.70
- Northland Securities
 - Nobles County \$2.910 Series 2013A = \$37,373.13

M/S Engels/Lonneman 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 provided update on L&C RWS MN Segment 3B pipeline between Magnolia and Adrian. Parties are in mediation.

Other Business:

- Bid Opening: Surplus Property

M/S Kling/Feikema to accept the bid for the 32'x24' pole shed from Steve Lovre in the amount of \$1.00. Motion carried.

M/S Moen/Engels to accept the bid for the six (6) livestock gates in the amount of \$500 and the bid for the three (3) sucker-rod panels in the amount of \$150 from Weber Land & Cattle. Nine for, One opposed (Lonneman). Motion carried.

Spronk questioned what we were going to do with the irrigator by Holland. Muller will check to see if we can sell it for scrap metal.

Lonneman stated that CD interest is up and asked Nathan to keep an eye on that. He also stated that we need to look at bonding bill money to fix Holland. Schramel commented that Red Rock RWS had looked into state bonding as well and that the forms/application is simple but that you need local political support and likely the assistance of a lobbyist.

Starting August 1st, 2018, the bid limit is going up to \$175,000. Schriever commented that for a USDA-RD loan the limit is currently set at \$150,000.

GM discussed the Kernza harvest will occur in the next week and that a field day event is planned for August 23rd, 2018. LPRW still had not received signed contracts from Plovgh and that a deadline of 4pm, July 30th, 2018 was established to have fully signed agreements available. Legal counsel advised to send an email rescinding both contracts.

M/S Lonneman/Kraus to authorize the GM to send an email correspondence to Plovgh rescinding, effective immediately, both the Kernza Trademark Licensing Agreement and the Kernza Production Agreement previously offered to Plovgh. Motion carried.

Public Comment: No public comment.

Adjournment: *M/S Feikema/Kling to adjourn board meeting at 7:14 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary