

Lincoln Pipestone Rural Water

415 E Benton St., P.O. Box 188, Lake Benton, MN 56149

507-368-4248 or 800-462-0309

fax: 507-368-4573

email: lprw@itctel.com

Meeting Minutes

September 24th, 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, September 24th, 2018, starting at 4:00 pm. 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, Bill Ufkin and Frank Engels present. Also present were Board Attorney Ron Schramel, DGR Engineer Darin Schriever, Financial Advisor Nathan Kinner, Enterprise Technician Jodi Greer, Field Supervisor Tom Muller and General Manager Jason Overby. Also present was Lyon Co. Commissioner Gary Crowley.

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

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

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

- **RRRW Activities:**

RRRW has hired a lobbyist to seek bonding bill funding. The board would like to inquire about hiring a lobbyist. Ron Schramel stated that you need to have a project slated first. A commissioner suggested to have a separate board meeting to discuss upcoming projects and to look at our priorities – possibly a long-range planning meeting. Lonneman emphasized the need to focus on bonding for Holland water source.

- **City of Edgerton:**

Bids for the Edgerton City booster/meter building will be received on October 9th. A special board conference call may follow for approval of bid.

- **Dawson Water Source:**

Pipeline Construction: *M/S Engels/Kraus to pay PPE #6 for \$18,393.04 to Winter Brothers Underground. Motion carried.*

Booster: *M/S Moen/Buysse to approve CO #2 for \$4,429.00 to Hydro Tech Service. Motion carried.*

M/S Ufkin/Feikema to pay PPE#4 for \$74,950.75 to Hydro Tech Service. Motion carried.

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

- Tom Muller provided updates to the L&C projects in Nobles County.
- Chairman DeWilde thanked Muller for hosting Kevin Paap, Minnesota Farm Bureau Board President to tour the Holland WTP.
- Gary Crowley inquired about the line by Ghent.

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

- Engels questioned the payment issue with the City of Ghent. GM explained that they have not paid the full amount of the invoice for the meter building. Ufkin stated that he would attend a city counsel meeting, if necessary.
- Muller questioned public access on our wellfields. GM explained the current status of the DNR Walk-In-Access program. LPRW is not eligible to receive any WIA program payments this year due to issues with agreement language and for a public entity to receive payments from the State. DNR has removed the WIA program signage and replaced with No Trespassing signage to avoid public confusion with the WIA Map/Atlas publication. Ufkin does not think that it is good public relation if we allow staff to hunt on the land but not the public.

M/S Engels/Ufkin to have the DNR 'No Trespassing' signs removed and to allow anyone to hunt LPRW wellfield properties. Motion carried with two (2) members voting against (Kling and Kraus).

Attorney's Report:

- Amendment to the Water Purchase Agreement – City of Edgerton
M/S Lonneman/Spronk to approve the Amendment to the Water Purchase Agreement with the City of Edgerton. Motion carried.
- MN PERA – The application and cover letter has been sent to MN PERA for review. No response back from MN PERA at this time.
- Board Appointments for 2019:
M/S Spronk/Weber to recommend Earl DeWilde and Randy Kraus for another 4-year term. Motion carried.
- LPRW's Edgerton production well. Schramel is working on the sale transaction of the Edgerton production well site (1-acre) with Herman Bos. The sale price

has been set at \$2,925. Once the money is in Schramel's office, the deed will be delivered.

- 2018 Assessments – all documentation for 2018 assessments to be submitted to Schramel's office before the October board meeting.

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

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

Paid Bills:

M/S Moen/Ufkin to approve payment on checks #2828 through #2971. Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services Invoice #203 = \$3,040.50
 - City of Edgerton = \$13,800.00
 - Dawson Water Source #16 = \$2,826.00
- Schramel Law Office:
 - General Services = \$1,677.20
- Kinner & Company
 - June-August = \$4,467.50

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

Committee Reports:

Executive Committee: Nothing to report.

Break at 5:30pm

Resume at 5:50pm

Budget and Finance Committee:

- Investments.

M/S Ufkin/Kling to approve authorizing management and Kinner to withdraw \$1M in funds from First Security Bank (Lake Benton) and,

along with \$2M in funds from the 4M General Fund Account, reinvest into laddered CD's not to exceed 2 years in term length. Motion carried.

- Municipal Capacity Charges.

M/S Kling/Engels to accept committee recommendation that capacity charges, less any project related construction expenses, from future municipal connection fees to be placed in LPRW's Long-Term Asset account. Motion carried.

- Employee Salary/Salary Adjustments. Committee recommended allocating a pot of \$50,000 for employee salary increases/salary adjustments. No board action taken.

M/S Feikema/Kling to approve the minutes of the September 20th committee meeting. Motion carried.

Personnel Committee: Moen reviewed the minutes from the September 20th PC meeting.

M/S Lonneman/Buysse to approve the minutes of the September 20th, 2018 meeting. Motion carried.

Moen then reviewed the minutes of the September 24th PC meeting held prior to the board meeting.

- Starting (base) wages for all positions.

M/S Kling/Feikema to accept the committee's recommendation to raise LPRW's starting wages for the following positions and to go into effect immediately:

<i>Water System Operator</i>	<i>\$17.00/hr.</i>
<i>Water System Distribution Superintendent</i>	<i>\$22.50/hr.</i>
<i>Water System Treatment Plant Operator</i>	<i>\$20.00/hr.</i>
<i>Water System Maintenance Technician</i>	<i>\$18.00/hr.</i>
<i>Enterprise Technician</i>	<i>\$18.50/hr.</i>
<i>Water Resource/GIS Technician</i>	<i>\$19.50/hr.</i>
<i>Water System Billing Clerk</i>	<i>\$15.50/hr.</i>
<i>Water System Bookkeeper/Payroll Clerk</i>	<i>\$16.00/hr.</i>

Six (6) Members voting in favor (Moen, Buysse, Feikema, Kraus, Ufkin, Weber); four (4) voting against (Kling, Spronk, Lonneman, Engels). Motion carried.

- Health Care Plan.

M/S Spronk/Engels to accept the committee's recommendation to proceed with the Minnesota Public Employees Insurance (PEIP) Program Plan for employee health insurance coverage. Motion carried.

- Health Savings Account (HSA) allocation.

M/S Lonneman/Feikema to approve the HSA contribution amount of \$1,700 per employee for 2019. Motion carried.

- Employee clothing allowance.

M/S Buysse/Engels to approve the \$250 clothing allowance per employee. Six (6) in favor (Engels, Moen, Weber, Kraus, Feikema, Buysse); four (4) against (Spronk, Kling, Ufkin, Lonneman). Motion carried.

M/S Ufkin/Lonneman to raise the yearly clothing allowance an additional \$100 per employee to \$350 total per employee; plus an additional \$100 to a total of \$450 for new employees for their first year of employment, then \$350 thereafter. Motion carried.

Personnel Committee was directed to meet again and determine if salary adjustments are needed for existing employees; then meet with the budget committee regarding the figure needed for raises.

Water Resources and Equipment Committee: Nothing to report.

Joint Powers Board Representative: Lonneman provided the Board with update on health concerns with L&C Chairman Red Arndt.

Other Business:

- Requested that group texts message(s) be sent to remind Board Members of upcoming meetings/events.
- The October 2018 Board Meeting will begin at 6pm.

Public Comment: No public comment.

Adjournment: *M/S Lonneman/Feikema to adjourn board meeting at 7:15 pm.*

Respectfully Submitted,

Janice Moen, LPRW Board Secretary