

Lincoln Pipestone Rural Water

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Meeting Minutes

December 19th, 2022

The regular scheduled meeting of the Lincoln Pipestone Rural Water (LPRW) System Board of Commissioners was held at the LPRW Office in Lake Benton, MN, on Monday, December 19th, 2022; and was available for viewing/participating via Zoom video/teleconferencing. The meeting was called to order at 9:00 AM by Board Vice-Chair Bill Ufkin. A quorum was established with Commissioners Frank Engels, Peter Petersen, Jan Moen, Mitch Kling, Randy Kraus, Jerry Lonneman, Rod Spronk in attendance. Also attending was Enterprise Technician Jodi Greer, General Manager Jason Overby, System Supervisor Tom Muller, Nathan Kinner (Kinner and Co.), DGR Engineer Darin Schriever, Board Attorney Ron Schramel joined at 9:10a, and Lyon County Commissioner Rick Anderson joined at 9:15a.

Absent: Commissioners Joe Weber, Earl DeWilde and Brent Feikema.

Agenda: *M/S Engels/Moen to approve the Agenda with the addition of Election of Board Officers. Aye – 8, Nay – 0, Absent – 3 (Weber, DeWilde, Feikema). Motion carried.*

Commissioner Joe Weber arrived at 9:08 am.

Minutes: *M/S Ufkin/Petersen to approve the minutes from the November 2022 Board Meeting. Aye – 9, Nay – 0, Absent – 2 (DeWilde, Feikema). Motion carried.*

Office/Shop Complex Project: DesignArc Group architects, Matthew Weiss, Tyson Vogt and Emily Linehan, provided an overview of Phase 1 design progress including site layout, interior/exterior layouts and anticipated costs. Weiss then presented the AIA agreement document for Board consideration for Phase 2 of the architectural design process and its associated fees. Design costs for Phase 2, including subcontractor (civil, structural, mechanical/electrical) fees, will be \$212,700 excluding printing costs. Lonneman inquired if bids were needed. Schramel explained we did not need. Schramel inquired about printing costs for designs. Weiss estimated approximately \$1,000 for three printed design sets.

M/S Ufkin/Kling to approve moving forward with Phase 2 design proposal in the amount of \$212,700 plus sales tax with DesignArc Group, contingent upon management and legal review of the AIA architectural design agreement document. Aye – 9, Nay – 0, Absent – 2 (DeWilde, Feikema). Motion carried.

Lonneman noted recent L&C bidding on projects are trending more favorable. Weiss reminded that bidding could be delayed at LPRW's discretion; or that solicited bids could be rejected if they come in too high. Spronk inquired about Build America/Buy America cost increases associated with federal RD-funded projects. Overby noted that if this is self-funded BA/BA costs do not apply. Also if state bond funding is provided, that BA/BA may not be required either. Lonneman asked about cost percentages between shop versus office. Weiss estimated the office being 30%, site prep about 20%, and remainder allocated for the shop (50%). Lonneman suggested funding the office/shop complex using capital reserve accounts. Members of DesignArc Group left the meeting.

Engineer's Report: Schriever presented the December Engineers Report. Items discussed in detail included:

- NAWS Project. Progress continues with the Anti-degradation study.

- Biological Treatment at Holland. Investigations into BIOTTTA treatment at other facilities.
- Brewster 2nd Connection. Approaching final design.
- CTMP. Work plan for 2023 in development.

Commissioner Earl DeWilde joined the meeting. Commissioner Lonneman noted that City of Adrian has had changes at the city council/administrative levels. Dave Edwards will be serving as Mayor, and Adrian is in process of filling the administrator-clerk/treasurer position. Lonneman suggested LPRW resending a notification letter to City of Adrian regarding impending increases to municipal capacity charges.

Operations Report: Muller presented the December Operations Report. Muller noted that all new hookups for 2022 are completed; the 120 excavator is in for repairs; and that water levels have slightly increased at Holland, with nitrates hovering around 9 ppm.

Manager’s Report: GM Overby presented the December Manager’s Report. Overby noted recent activities from our lobbyist, Sam Krueger; and investments of reserve funds into 1 year-term CD’s through 4M. Overby highlighted recent email regarding snow drifting concerns at LPRW’s Verhelst Booster, and that staff will reach out to the concerning party. Lonneman suggested having a “pow-wow” with county commissioners, legislators, media for covering of LPRW’s water issues.

Attorney’s Report: Schramel noted recent court judgement on reappointment of LPRW Board Commissioners Earl DeWilde, Peter Petersen and Randy Kraus for another 4-year term. Commissioners Bill Ufkin and Mitch Kling are currently serving the final year of their current term. Spronk inquired about commissioner age limits for serving on the board. Schramel also noted assessment letters were sent out.

Treasurer’s Report: Kinner presented the December Treasurer’s Report.

M/S Lonneman/Kraus to approve the Treasurer’s Report, as presented. Aye – 10, Nay – 0, Absent – 1 (Feikema). Motion carried.

Paid Bills: Reviewed November paid bills.

M/S Engels/Moen to approve November payments on checks #9307 through #9428. Aye – 10, Nay – 0, Absent – 1 (Feikema). Motion carried.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services = \$935.00
 - North Area Water Source = \$3,114.00
 - City of Brewster 2nd Connection = \$11,935.00
- Schramel Law Office:
 - General Services = \$5,970.00

M/S Lonneman/Kling to approve paying pending bills, as presented. Aye – 10, Nay – 0, Absent – 1 (Feikema). Motion carried.

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Budget and Finance Committee:** Nothing to report.
- **Personnel Committee:** The Personnel Committee will set a day in January to meet with the employees.
- **Water Resources & Equipment Committee:** Nothing to report.
- **MRWA Representative:** Nothing to report.
- **L&C MN Joint Powers Board Representative:** Nothing to report.

Other Business:

- Lobbying Services Agreement.

M/S Kling/Engels to approve the Contract for Professional Services with Hill Capitol Strategies, Inc. in the amount of \$35,000.00 for the 2023 term. Aye – 10, Nay – 0, Absent – 1 (Feikema). Motion carried.

- 2023 Board Meeting Schedule.

M/S Moen/Spronk to approve the 2023 Board Meeting Schedule. Aye – 10, Nay – 0, Absent – 1 (Feikema). Motion carried.

- 2023 Holiday Schedule.

M/S Ufkin/DeWilde to approve the 2023 Holiday schedule. Aye – 10, Nay – 0, Absent – 1 (Feikema). Motion carried.

- Flying Cow Wind Easement. Overby described wind easements agreements with Flying Cow Wind. Agreements are currently in review with Schramel. Affected areas include the Burr WTP and production well sites 6, 10 and 9. Several Board members had reservations with accepting of such agreements. Further discussion has been tabled until next month.
- Verhelst Booster drifting. Roger Rasmussen joined the meeting to inform the board of how the Verhelst booster came about and which customers it benefits, as well as the drifting situation.
- Legislative Updates – Sam Krueger (via Zoom link). Krueger provided updates on legislative activities and potential funding reserves reported from the state. Legislative session begins January 3, 2023. Members of the Democratic caucus are focused on drinking water issues. Krueger will try to set up a time for LPRW to meet key legislators in St. Paul early in the session. He recommended LPRW to prioritize infrastructure projects.

M/S Ufkin/Kling to prioritize the North Area Water Source Project as the primary CIP need, followed by BIOTTTA treatment, for pursuit of State bonding money. Aye – 8, Nay – 2 (Spronk, Lonneman), Absent – 1 (Feikema). Motion carried.

- Chair Weber asked about irrigation application near Holland WTP. Overby noted that DNR is in review of two applications by a single landowner for high capacity (irrigation) permits located northeast of the Holland wellfield within the Holland DWSMA. Weber recommended that LPRW provides comment on those permits.

- Election of 2023 Board Officers. Schramel administered the election procedures while the GM conducted voting roll call.

Chair: *Spronk nominated Joseph Weber for Chair. With no other nominations, nominations ceased. Upon roll call for Joseph Weber as Chair, Aye: 10, Nay: 0, Absent: 1 (Feikema). Motion carried.* Weber to serve as Chair for 2023.

Vice-Chair: *Kling nominated Bill Ufkin for Vice-Chair. With no other nominations, nominations ceased. Upon roll call for Bill Ufkin as Vice-Chair, Aye: 10, Nay: 0, Absent: 1 (Feikema). Motion carried.* Ufkin to serve as Vice-Chair for 2023.

Secretary: *Lonneman nominated Randy Kraus for Secretary. With no other nominations, nominations ceased. Upon roll call for Randy Kraus as Secretary, Aye: 10, Nay: 0, Absent: 1 (Feikema). Motion carried.* Kraus to serve as Secretary for 2023.

Treasurer: *Ufkin nominated Spronk for Treasurer. Kling nominated Moen for Treasurer. With no other nominations, nominations ceased. Upon written ballot, voting as follows: Spronk – 6 votes, Moen - 4 votes. Spronk to serve as Treasurer for 2023. Motion carried.*

Re-elected Chair Weber will appoint commission members to represent on various board committees in January.

Public Comment: Rick Anderson commented that he enjoyed serving as liaison and participating in LPRW monthly board meetings.

Adjournment: *M/S Kling/DeWilde to adjourn the meeting at 12:20 pm. Aye – 10, Nay – 0, Absent – 1 (Feikema). Motion carried.*

Respectfully Submitted,

Randy Kraus, LPRW Board Secretary