

Lincoln Pipestone Rural Water

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Meeting Minutes

July 25th, 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, July 25th, 2022; and was available for viewing/participating via Zoom video/teleconferencing. The meeting was called to order at 5:02 PM by Board Chair Joe Weber. A quorum was established with Commissioners Bill Ufkin, Frank Engels, Randy Kraus, Brent Feikema, Pete Petersen, Jan Moen, Jerry Lonneman, Rod Spronk, Mitch Kling, and Earl DeWilde in attendance. Also attending was Enterprise Technician Jodi Greer, General Manager Jason Overby, System Supervisors Patrick McCarthy and Tom Muller, DGR Engineer Darin Schriever, Nathan Kinner (Kinner and Co.), Board Attorney Ron Schramel and Lyon County Commissioner Rick Anderson.

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

Minutes: *M/S Ufkin/Lonneman to approve the minutes from the June 2022 Board Meeting. Motion carried unanimously.*

Operations Report: McCarthy presented the July Operations Report. Updates on Hwy 68 DOT road project, and the City of Rushmore connection. Lonneman commented positively on LPRW's operation of L&CRWS delivery during restricted use period. Engels asked staff about hookup requests since policy change (reduction of pipe allocation). Greer noted no issues so far.

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

- NAWS Project – Anti-Degradation Study. Darin has spoken to the MPCA several times and there is no way out of the anti-degradation study. This will cost roughly \$40,000 to \$60,000 and will take a year to complete. DGR will provide an engineering service agreement next month.

Schriever then discussed amendment to the NAWS-Preliminary Engineering Report engineering services agreement, pointing out the added work entailed in the PER updates.

M/S Ufkin/Lonneman to approve the Amendment #1 of the Engineering Services Agreement for North Area Water Source – Preliminary Engineering Report. Motion carried unanimously.

- Engineering Services Agreements:

Master Agreement. Paragraph 5.1 concerning liability limits has been removed from the Master Agreement but was left in for the General Services. Schramel still expressed concern with this and recommended that it be removed from all service agreements.

M/S Ufkin/Lonneman to approve the Master Agreement with DGR. Motion carried unanimously.

Task Order #1 – Continuing (General) Services.

M/S Lonneman/Moen to approve the Task Order #1 – Continuing (General) Services Agreement with the mutual waiver and liability limitations cap provisions removed. Motion carried unanimously.

Task Order #2 – City of Rushmore Connection.

M/S Spronk/Engels to approve Task Order #2 – City of Rushmore Connection. Motion carried unanimously.

Ufkin initiated, then followed a lengthy discussion regarding funding for the North Water Source and how to continue forward if that funding isn't available. LPRW needs to get a firm commitment from the two cities that have expressed interest. There was discussion about downsizing the plant. Chairman Weber suggested that staff and DGR will discuss further and bring it to the August Board meeting.

Manager's Report: GM Overby presented the June Manager's Report. He has not had communication with the City of Brewster during July. Ufkin indicated to wait until after the August meeting to present them with any hard numbers.

Attorney's Report: No report.

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

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

Paid Bills:

M/S Kling/Moen to approve payment on checks #8710 through #8835, excluding voided check #8747. Motion carried unanimously.

Pending Bills:

- DeWild Grant Reckert and Associates Company:
 - General Services = \$4,655.50
 - North Area Water Source = \$30,514.00
 - City of Rushmore Connection = \$1,194.00
 - New Office = \$2,255.00
- Schramel Law Office:
 - General Services = \$2,576.10
 - North Water Source = \$468.70
- Kinner & Company Ltd
 - 2nd Quarter = \$4,777.00

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

Committee Reports:

- **Executive Committee:** Nothing to report.
- **Budget and Finance Committee:** Nothing to report.
- **Personnel Committee:** Nothing to report.
- **Water Resources & Equipment Committee:** Ufkin reviewed committee minutes.

M/S DeWilde/Kling to approve the minutes of the July 18th Water Resource/Equipment Committee meeting. Motion carried unanimously.

Architectural Firm selection (Office/Shop Project).

M/S Ufkin/Kling to hire the architectural firm DesignArc Group as the designer for LPRW's office/shop complex and for the GM to negotiate Phase I (design work). Motion carried unanimously.

There was some discussion regarding the type of structure. Spronk cautioned the use of the organizations reserve funds.

- **Joint Powers Board:** Luverne Mayor Pat Baustian had offered LPRW and RCRWS excess volume with L&CRWS that the city held. LPRW analyzed the data and has selected to not take additional water from Luverne at this time.

Other Business:

- Land Lease Agreement Revisions:

Mike Moeller Leases (Holland Wellfield).

M/S Lonneman/Feikema to approve the Land Lease Agreement for the 130.21-acre tract with Mike Moeller. Motion carried unanimously.

M/S Engels/Moen to approve the Land Lease Agreement for the 59.26-acre tract with Mike Moeller. Motion carried unanimously.

Mark and Kaylene Moeller Leases (Holland Wellfield)

M/S Ufkin/DeWilde to approve the Land Lease Agreement for the 9.43-acre tract with Mark and Kaylene Moeller. Motion carried unanimously.

M/S Lonneman/DeWilde to approve the Land Lease Agreement for the 337.38-acre tract with Mark and Kaylene Moeller. Motion carried unanimously.

Weber mentioned the Halbersma property regarding haying. Spronk directed the GM to call a couple of people that have done it in the past and see if any interest.

- Service Trucks Quotes:

Schramel indicated that if vehicles have been budgeted and the Board has approved the Budget, there is no need to get Board approval for vehicle acquisition. Engels directed the GM to pick the three new vehicles. Ufkin stated that if operations need a 4th truck, to go buy it. We are behind in truck purchases.

GM stated that he has planned for a MN Rural Water Systems Manager meeting the end of August at Elbow Lake, MN.

Public Comment: None.

Adjournment: *M/S Kraus/Petersen to adjourn the meeting at 7:50pm. Motion carried unanimously.*

Respectfully Submitted,

Randy Kraus, LPRW Board Secretary