

# Lincoln-Pipestone Rural Water System

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## Meeting Minutes

**July 31, 2023**

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 31, 2023; and was available for viewing/participating via Zoom video/teleconferencing. The meeting was called to order at 5:04 PM by Board Chair Joe Weber. A quorum was established with Commissioners Bill Ufkin, Earl DeWilde, Peter Petersen, Mitch Kling, Randy Kraus, Brent Feikema, Jan Moen, Frank Engels and Jerry Lonneman in attendance, with Commissioner Rod Spronk attending via Zoom. Also attending were Board Attorney Ron Schramel, Lyon County Commissioner Rick Anderson, Nathan Kinner (Kinner and Co.), DGR Engineer Darin Schriever, Enterprise Technician Jodi Greer, Field Supervisor Tom Muller, and General Manager Jason Overby.

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

**Minutes:** *M/S Feikema/Moen to approve the minutes from the June 2023 Regular Monthly Board Meeting. Motion carried unanimously.*

**Engineer's Report:** Darin Schriever (DGR) presented the Engineers Report for July. Items discussed further included:

- NAWS – Schriever discussed investigation of pellet-lime softening treatment as a possible cost-reduction option. Consensus of the Board for Schriever to investigate further and provide costs as a treatment option.
- Interested communities – Schriever noted two communities, Ellsworth and Slayton, interested in LPRW as a possible option to address water issues. The City of Ellsworth had a nitrate exceedance occurrence last week. Slayton is faced with an aging treatment plant and poor water quality. Schriever suggested reviewing supply/demands for the south and to perform a feasibility study for the entire system. The Board asked Schriever to provide a proposal. Lonneman asked what the time frame for getting water to City of Ellsworth? Approximate guess is one year or maybe less.
- Holland Improvements – final design with AdEdge.

**Operations Report:** Tom Muller presented the Operations Report for July. Discussed Jonathan Buysse (Valley View Farms) request for additional capacities. The Burr Service Area where he is located is in a Board-designated moratorium. Staff determined that LPRW cannot fulfill Buysse request for additional capacities, at this time, until additional source water is available.

**Manager's Report:** GM Overby presented the Manager's Report for July. Overby provided update on USDA-RD funding application. Current RD interest rate for fiscal 4<sup>th</sup> Quarter is at 2.875%. Staff are

investigating a new customer payment platform.

**Attorney's Report:** Nothing to report.

**Treasurer's Report:** Nathan Kinner presented the June Treasurer's Report.

*M/S Lonneman/Kraus to approve the Treasurer's Report, as presented. Motion carried unanimously.*

**Paid Bills:** June transactions were reviewed.

*M/S Kling/Feikema to approve May payments on checks #10211 through #10335, excluding voided check #10230. Motion carried unanimously.*

**Pending Bills:**

- DeWild Grant Reckert and Associates Company:
  - North Area Water Source = \$2,761.00
  - City of Brewster 2<sup>nd</sup> Connection = \$7,220.22
  - General Service = \$5,144.50
  - Holland WTP Improvements = \$8,320.00
- Schramel Law Office:
  - General Services = \$2,852.50
- Kinner & Company
  - April – June services = \$3,745.25
- Northland Securities
  - Nobles C series 2020A = \$20,275.00

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

**Committee Reports:**

- **Executive Committee:** Nothing to report.
- **Budget and Finance Committee:**

*M/S Ufkin/DeWilde to approve minutes of the July 6<sup>th</sup> B-F Committee meeting. Motion carried unanimously.*

*M/S Kling/Engels to approve the recommendation by the Committee to self-fund the Office-Shop Complex Project after changing the contribution amount from \$3,000,000.00 to \$2,000,000.00, as described:*

- *To activate the 4M Fund Account #106 (presently unassigned/unused) and to be designated for the Office-Shop Complex (OSC) Project;*
- *To move \$2,000,000.00 out of the 4M General Fund (#101) Account and place it in the newly assigned #106 OSC Fund Account;*
- *To place a Board-designated threshold/cap of \$1,000,000 on the 4M Short-Term Assets Fund (#102) Account;*

- *To transfer the excess funds in the 4M Short-Term Assets (#102) Fund Account above \$1,000,000.00 cap, currently at \$2,054,283.01, into the newly assigned #106 OSC Fund Account;*
- *To direct the \$30,000.00 monthly contribution(s) as follows:*
  - *If balance in the 4M Short-Term Assets Fund Account (#102) is below the Board designated threshold, then monthly contribution(s) continues to be assigned to account #102 until threshold has been met.*
  - *If the Board-designated cap/threshold in 4M Short-Term Assets Fund Account #106 OSC Fund Account.*

*Motion carried unanimously.*

Chair Weber noted interest by local parties for the possibility of bidding on this project. Schramel reminded The Board requested the designArc Group (DAG) design team to present the final design for approval and discuss the next steps towards construction.

- **Personnel Committee:** Nothing to report.
- **Water Resources & Equipment Committee:** Nothing to report.
- **L&C MN Joint Powers Board Representative:** Lonneman discussed minutes from the JPB meeting held in Luverne on July 20<sup>th</sup>. The focus was on how the federal payment to L&C will be directed back to MN for repayment of the \$39M advance; as well as the \$22M state bond allocation to the JPB.
- **MRWA Representative:** Rod will be attending the National Rural Water Associations Annual WaterPro Conference at the end of September.

**Other Business:**

- Upcoming Board meeting schedule: Ufkin suggested moving up the August meeting time by 2 hours to accommodate review of the Office-Shop Complex. Spronk will be absent for the September monthly meeting due to NRWA WaterPro Conference. Spronk asked if the September meeting could be moved to allow the GM to attend WaterPro Conference.

*M/S DeWilde/Kling to move the September Board meeting to October 2<sup>nd</sup>, 2023, at 5pm. Motion carried unanimously.*

*M/S Lonneman/DeWilde to move the August 28<sup>th</sup> Board meetings start time to 3pm. Motion carried unanimously.*

**Public Comment:** No responses.

**Adjournment:** *M/S Lonneman/Engels to adjourn the meeting at 7:13 PM. Motion carried unanimously.*

Respectfully Submitted,

Randy Kraus, LPRW Board Secretary