

SRWD Meeting  
minutes July 1, 2007 -  
Sept. 11, 2012

Part 1 of 2

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 4 p.m. on Tuesday, July 21, 2009,

Directors present: Mardee Heinrich, Nathan Hochhalter, Joel Lees, Ron Wanzek, Darrell Patzer and Roger Florhaug. Manager Geneva Kaiser, Operators Perry Kuss and Steve Huebner, Office Manager Karen Smith, Bob Keller with Bartlett and West and member Travis Traut Manager of Country Coop Elevator from Eldridge.

The Board reviewed the minutes from June 16, 2009 Board of Directors meeting. Darrell Patzer moved to approve the minutes. Nathan Hochhalter seconded the motion. Motion carried.

The Board reviewed the O & M bills from June 30, 2009 to July 15, 2009. Check numbers listed #18255 to #18362 was reviewed. Nathan Hochhalter moved to approve the O & M bills. Joel Lees seconded the motion. Motion carried.

The Board reviewed the Financial Statement from June 1 through June 30, 2009. Total income for June is \$77,271.07 and total expenses for June is \$64,654.05 showing a gross profit of \$12,617.02. Presently we have 1203 members.

Average water usage is 6,944 gallons per member for June 2009 is down 3.30% for the month compared to last year's usage. O & M per 1000 gallons was \$6.95 for June. The net cost per 1000 gallons for June is \$2.97 with a gain 53 cents.

Travis Traut Manager of Country Grain Coop from Eldridge – Per Geneva's The Elevator is adding a railroad spur. The District had to dig up and extend the casing pipe for this addition. It was explained to Mr. Traut that it would be at their expense since it was their project. Geneva got 3 bids and he agreed to go ahead with Dewald's bid which was the lowest at \$10,450.00. After the work was done, he called and said that we do not have an easement at the elevator site and the elevator would be willing to pay up to \$4,000.00. The actual job cost was less than the bid at \$8,394.28.

Travis stated per his attorney's advice they agreed to go ahead with the work but didn't agree to pay for the job. The railroad's general contractor work needed to be done. He reported in 2001 they purchased the land from the railroad, but the first 50' is still owned by the railroad. He said there is no recorded easement on file. This membership is a multiple. The house was signed up March 1997 and the Elevator was added September 1997. Geneva stated the member wanted the job done for the railroad spur and understood the purpose of the job. Travis' attorney feels there is no easement for the line. Discussion followed. Travis was handed a copy of our membership for his attorney to review. Travis doesn't want to pay the bill in full. He is willing to pay 1/2 (\$2000 to \$4000). He stated he agreed to get the job done because he didn't want to hold the job up. The cost of job for casing the pipe included working in a slough, BNRR and 3 fiber optic lines and also had to be compacted after the job. Board policy requires that changes to a member's service or any work done for the benefit of the member must be paid for by the member.



Darrell Patzer moved to approve new members: Scott Swangler #832-0350, Chris/Erica Althoff #831-0220, Clayton Schaeffer #608-0320, Kelly Stoudt #812-0080, Great River Energy #140-0220, Daniel Dockter #834-0040 and Casey Dockter #834-0100 and approved membership transfers: Dan Melideo to Duane Barth #826-0240, Kristen Allmaras to Tim Neva #816-0200, Neenah Donnelly to Michelle Barr #621-0090, Travis Heinle to Angie Heinle #120-0094, Harold Hagen to Randy Neva #816-0080, Steve Gasal to Denise Gasal #102-0271 and Jack Schlenker to Jon Schlenker #825-0050. Ron Wanzek seconded the motion. Motion carried.

No terminations this month.

Discussion was held on Kathy Erickson's signed membership. She signed under protest and included a written statement on her membership. Terry suggested having our attorney review the statement Kathy wrote and going from there. Geneva will give Scott Sandness a copy of the membership for review.

Roger Lende #202-0320 refuses to allow the District to install a remote meter on the outside of his house. His service will be disconnected if he does not comply with policy. Discussion followed. It was suggested to contact him by letter and give him several options as to where he wants the remote installed. It was suggested to offer a post to attach it to or simply place on his house. Geneva will send a letter to Roger explaining this.

#### Activity Report:

- New addition is completed except for some plumbing and electrical work
- One well house was damaged (shotgun) three weeks ago. Installed new No Trespassing signs at all Reservoirs and Boosters and new chlorine warning signs.
- CCR report has been completed and mailed to customers
- Karen has been busy with the expansion project sign ups
- New line installed for Res #4 project last fall had to be dug up. Pig was stuck in tee.
- Audit date is July 29<sup>th</sup> and 30<sup>th</sup>
- Perry & Steve busy with new hookups, locates, GRE project and moving inventory etc., into new shop addition.
- Mowing slowed down so Savanna is checking air releases
- Moved and lowered service line at Duane Barth's residence. (Member's expense) Curb stop got hit by fuel truck. Line was only about 4' deep. Geneva reported Duane was upset about paying for the lowering of the line and curb stop repair since he just purchased the home. The bill is going out this week and he agreed to pay the bill.
- Senator Dorgan's office notified the District that he has put \$400,000 into the 2010 senate appropriations bill for Stutsman. (Stag Grant)
- Easement payments have been made for the GRE project – A letter was included with the payments thanking them for granting a utility permission to cross their property. Crop damages will come later and GRE will pay for the crop damages.

Bob Keller – Bartlett & West

- Construction Progress Report on GRE Project was distributed to the board members for review
- Easement Update – Jane Amundson, City of Jamestown and GRE still need to sign an easement
- Update on re-routing line around Charles Frey property and approximate cost – Bob reported he couldn't come to terms with Charlie Frey, so it was decided to re-route the project. It cost an extra \$35,153.00.
- Pay Estimate #1 for American Infrastructure - \$847,151. Bob reported the State Health Dept has completed the paperwork and is down in Denver, CO. Bob received a phone call to let him know the contract has been signed and processed on Thursday and we should receive the payment by Monday, July 27<sup>th</sup>.

Joel Lees moved to pay \$847,151 (Estimate #1) to American Infrastructure. Nathan Hochhalter seconded the motion. Motion carried. The required signatures for the contract were signed by President Terry Nieland and Secretary Mardee Heinrich.

- Expansion Project – Bob distributed maps to the board showing plotted users (472 signups to date) - They are planning to meet with Senator Dorgan's office for funding.

Wage & Salary Review –

The next board meeting will be Tuesday, August 11, 2009 at 9 a.m.

With no further business to discuss the meeting was adjourned, so everyone could enjoy a picnic sponsored by Bartlett & West.

Submitted by:

Karen Smith  
Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 9 a.m. on Tuesday, August 11, 2009

Directors present: Mardee Heinrich, Nathan Hochhalter, Ron Wanzek and Darrell Patzer. Manager Geneva Kaiser, Operator Steve Huebner, Office Manager Karen Smith and Bob Keller Bartlett & West.

The Board reviewed the minutes from July 21, 2009 Board of Directors meeting. Mardee Heinrich moved to approve the minutes. Nathan Hochhalter seconded the motion. Motion carried.

The Board reviewed the O & M bills from July 31, 2009. Check numbers listed #18363 to #18420 was reviewed. Geneva reported we received the SRF reimbursement for the GRE Project up-to-date. Ron Wanzek moved to approve the O & M bills. Darrell Patzer seconded the motion. Motion carried.

No financial statements or water usage reports until closing entries have been completed for fiscal year 2008-2009.

Darrell Patzer moved to approve new members: Jason Houge #834-0160, Tim Exner #120-0131 and Orr Auctions #147-0360 and approved membership transfers: Doug Hockert to John Backer #825-0080 and Carolgene Wolf to Barry Bentz #148-0080 and termination of William Rosemore #829-0060. Mardee Heinrich seconded the motion. Motion carried.

#### Activity Report:

- Update on Country Grain – Geneva reported a notice was sent out informing him of the total bill for the project. We asked for payment in full by 9/10/09. Terry reported Travis had called him and Joel Lees regarding the letter. Travis told Terry and Joel he is reviewing the bill. Travis called Geneva regarding a standard easement for the elevator. A standard easement is what each member must sign according to our bylaws. The easement requirement is the same for all members. Travis has a multiple service (house & elevator). If he defaults in paying his bill for the elevator, the water would be turned off. This would affect both house and elevator.

- Kathy Erickson – Geneva talked to our attorney Scott Sandness regarding Kathy's notes on her membership stating she is signing in protest. Scott told Geneva even though she wrote on the membership she did sign the membership and her protest doesn't apply.
- Roger Lende had refused to have the remote attached to his home. Geneva sent him a letter giving him the option to attach to his home or mount on a post. We gave him a deadline of September 1<sup>st</sup>. We had tried several times to call him and we haven't been able to connect with him.
- Duane Barth – He is a new member through a membership transfer. His curb box and line were moved at his expense due to the curb stop being hit by a truck. Presently he owes for 2 months of water bills along with the curb stop bill. If he doesn't pay a delinquent notice will be sent.
- Schauer & Associates conducted an audit on July 29 and 30.
- Geneva attended the NDRWSA Summer Meeting and Leadership Retreat in Minot on July 27 & 28. She reported not as many attended as last year.
- Found leak off Res #1, East of Montpelier in Manns Twsp., Sec. 6 in a slough. A valve was dug to assist in locating the leak. The pipe does need to be rerouted around a slough. It will be an extra 2300' to reroute the pipe.
- Krebsbach will be installing a 4" line west of Agri-Cover which will serve new members in the Struble Subdivision. Three homes want to hook up at this time. SRWD will pay for the upsize in the line. This was discussed at a Board meeting last fall.
- Replaced a surge protector at Buchanan Booster – Northern Plains Electric had power problems in the area last week.
- Res. #4 at Courtenay has had a lot of gravel coming into it the last few weeks. It will have to be drained down and cleaned out this next winter.

Bob Keller – Bartlett & West

- Construction progress report on GRE Project – Bob reported clean up has been difficult. They will have to come back. ND Water Commission had been contacted by a landowner about disturbing the 7 mile coulee where the road bore and RR crossing were being done. Bob reported ND Water Commission was contacted by B&W about the coulee before the project had started. The route had been changed in Section 35. We had to go around some sloughs on Norman Frey's property. Easements had been signed by Chad Hove and Marvin Frey. We have been having trouble crossing (bore) Interstate 94 because of rocks. A claim was received from Ernst Trenching. They wanted additional money over the contract amount because of the trouble with the boring. An agreement was made to pay them \$2200 per attempt to bore. AIF wanted to have them bore ahead, but Ernst Trenching couldn't because of possible rerouting. Bob reported we are covered by our contract. Today AIF are moving onto City property. The next concern Bob had was we don't have a signed easement from the City. In our agreement it states the City agreed to the project and to sign the easement. Bob had emailed Reed several times regarding a signed easement. Reed did reply to Bob, he didn't get the easement to the Public Works Committee and City Council on time. It should be signed at the next meeting (September). Reed did tell Bob to go ahead with the project. If we would stop it would take 3 weeks longer. Geneva felt this is the City's project as well as our project, so there shouldn't be any problems with the easement. The Board agreed to proceed with the project. Bob will stop and talk with Reed about the easement after this meeting. Bob reported the pipeline should be done in a week. Next month the reservoir and weir box will be done.
- Pay Estimate #2 for American Infrastructure \$432,417.00. Darrell Patzer moved to approve paying Estimate #2 to American Infrastructure \$432,417.00. Nathan Hochhalter seconded the motion. Motion carried.
- Discussion on Specific Work Authorizations for the Expansion Project. Darrell Patzer moved to accept Phase III of the Expansion Project. Ron Wanzek seconded the motion. Motion carried. The time line is to start working on the project this fall.

Other Business:

- Geneva informed the board in case of a disaster, we signed up with ND Warn System.
- Todd & Kamy Timm inquired to sign up early through the Expansion project because of their poor quality water. A Hydraulic Review was done by B&W. It was stated on the review users located to the north of new user are already experiencing low pressure during peak usage times so these would be affected the most if this user is added. Discussion followed. At this time we will not approve Todd & Kamy Timm to be installed as new users because of the pressure problem. Terry Nieland asked Karen to give them a call to let them know.

The next meeting will be Tuesday, September 8, 2009 at 9 a.m. Terry asked Karen to email Joel and Roger to find out if this date would be a problem for them.

With no further business to discuss, the meeting was adjourned.

Submitted by:

Karen Smith  
Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 9 a.m. on Tuesday, September 8, 2009.

Directors Present: Roger Florhaug, Darrell Patzer, Ron Wanzek, Joel Lees, Nathan Hochhalter and Mardee Heinrich, Manager Geneva Kaiser, Office Manager Karen Smith and Bob Keller Bartlett & West.

The Board reviewed the minutes from August 11, 2009 Board of Directors meeting. Prior to the board meeting Terry Nieland contacted Karen to correct under Activity Report: Terry reported Travis had called him and Joel Lees regarding the letter. Travis told Terry and Joel he would pay the bill. He didn't state he would pay the bill but rather he is reviewing the bill. This had been changed before the board meeting. Nathan Hochhalter moved the minutes be approved as written. Mardee Heinrich seconded the motion. Motion carried.

The Board reviewed the O & M bills from August 14, 2009 and August 31, 2009. Check numbers listed #18421 to #18495 was reviewed. Ron Wanzek moved to approve the O & M bills. Roger Florhaug seconded the motion. Motion carried.

Darrell Patzer moved to approve new members: Dan Beckley #606-0130 and Jodi Koenig #606-0140 and approve membership transfers: Randy Kleinsasser to Nick Benson #608-0280; Dan Neumann to Brian McNamee #803-0250; Edna Lachenmeier to DelJoan Revier #139-0166; Garrett Barnick to Kelli Barnes #128-0170 and Randy Kleinsasser to Justin Hoff #608-0210. No membership terminations. Mardee Heinrich seconded the motion. Motion carried.

Discussion was held to set an Annual Meeting date. Several dates were suggested: December 2<sup>nd</sup>, December 9<sup>th</sup> or November 23<sup>rd</sup>. Karen will check into these dates.

Neil Suko #100-0190 – Neil installed drain tile about 6 weeks ago. He drove a grounding rod through the outgoing water line (to the yard). He didn't know it was leaking because the new drain tile kept the water out of the basement. His bill was \$540.20 for 154,200 gallons of water. He is asking for a partial credit on his bill. Geneva informed the board he would like to pay the bill in 3 months without any penalties or interest. The board agreed to not to include penalties or interest on his bill for the next 3 months, but the board wouldn't allow a discount on his bill.

#### Activity Report:

- Update on Country Grain – Geneva reported to the board they did pay their bill in full. Roger Lende – Perry attached an outside remote onto his home with no problems and a certified letter was sent to Duane Barth explaining payment in full needs to be made otherwise his curb stop would be turned off. He is given until September 3<sup>rd</sup> to reply. They didn't reply and their curb stop was turned off. Linda (Mrs. Barth) stopped in and paid the bill in full. She said her husband is still going to an attorney. He claims he didn't receive the certified letter and he will sue us. The curb stop and water line has now been moved in a better spot.

- Leak east of Montpelier has been repaired (\$20,830.00). Line was upsized from 2" to 3". There is another small leak (5 gpm) in the ½ mile between the new line and City of Montpelier. American Infrastructure has been doing the work for us.
- Air Release Maintenance has been completed. Savanna our part time employee had checked all the air releases.
- Update on \$400,000 grant from Senator Dorgan's office - a copy of the letter was distributed the board members.
- Krebsbach will be starting work next week on the mile of line contracted last fall for Res. #4 improvements. Dean Ekren will be paid for crop damage done to his corn field. We haven't heard back from Curt Timm on crop damage to his soybean field.
- Employee meeting was held September 4<sup>th</sup>. We discussed service calls and inspections that need to be done next week.

#### Bob Keller – Bartlett & West

- Pre-construction conference for Engineering America Tank 8/31/09. The following attended the meeting Dave Bergsagel ND Health Dept, Wick Construction, Stutsman Rural Water staff and Bob Keller Bartlett & West. Wick Construction had started working on August 31<sup>st</sup>.
- Construction progress report on GRE Project – The pipeline is done by the City Lagoon. City Council is meeting tonight and Geneva is planning to attend to make sure the easement will be signed at the meeting. No lines were hit when laying and digging in the pipe. The GRE easement was signed last week. American Infrastructure is working at the GRE site. August 24<sup>th</sup> through Labor Day American Infrastructure took that week off. The job should be done this week until the Booster shows up. Wick Construction works 4 - 10 hour days and American Infrastructure works 6 days per week. To date \$92,557.75 has been added by field orders. These items will be added to the Contract by a future change order.
- Pay Estimate #3 for American Infrastructure – The next pay estimate is \$583,228.00. There is about \$900,000 remaining to pay. The project is scheduled to be done by 10/1/09 but it will be closer to 11/1/09 due to the delay of the delivery of the booster stations. Ron Wanzek moved to pay the Estimate #3 for \$583,228.00. Joel Lees seconded the motion. Motion carried.
- Geneva & Bob met with City officials and Interstate Engineering about the Expansion Project and areas in the 1 mile jurisdiction. Also met with Interstate Engineering and Hospital Representatives later that morning about a backup water supply for the new hospital. The Expansion Project is very preliminary. Presently we have received approximately 480 member sign ups. We will have to look at expanding our water treatment plant. The next steps are to find a tank site for gravity flow and to meet with Senator Conrad and Dorgan's office for financial support

Other Business:

- Darrell Patzer reported to the Board Bill Ebele lost his home to fire. He said Geneva had agreed to supply water for his farm animals until their new home comes and is set up with a meter pit. He will be billed for the minimum of \$32.00 per month.
- Geneva reported Savanna was sent to Bartlett & West for GPS instruction. They will be teaching her how to locate the curb stops, valves and air releases. These will be done per township. This can take a couple of years.
- By the next meeting the Booster Station should be installed at the Waste Water Treatment Plant. The Board would like to see this after the meeting.

The next board meeting will be Tuesday, October 13<sup>th</sup> at 8 a.m.

With no further business to discuss, the meeting was adjourned.

Submitted by:

Karen Smith  
Secretary/Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 8 a.m. on Tuesday, October 13, 2009.

Directors present: Roger Florhaug, Darrell Patzer, Ron Wanzek, Joel Lees, Mardee Heinrich, Manager Geneva Kaiser, Office Manager Karen Smith, Operators Steve Huebner and Perry Kuss, Duane Dunn; Schauer & Associates, Bob Keller; Bartlett & West and Connie VanBedaf; VanBedaf Dairy

The Board reviewed the minutes from September 8, 2009 Board of Directors meeting. Darrell Patzer moved to approve the minutes as written. Ron Wanzek seconded the motion. Motion carried.

The Board reviewed the O & M bills from September 15, 2009 and September 30, 2009. Check numbers listed #18496 to #18586 was reviewed. Roger Florhaug moved to approve the O & M bills. Joel Lees seconded the motion. Motion carried.

The Board reviewed the Financial Statements from July 1, 2009 through September 30, 2009. Total income for July through September is \$254,222.30 and total expenses for July through September is \$291,874.25 showing a loss of \$37,651.95. Geneva reported to the Board we pay on all loans in September causing to show a loss. We then catch up the following months. Presently we have 1213 members.

Average water usage is 7,819 gallons per member for July 2009 is down 9.03% for the month compared to last year's usage, 8,902 gallons per member for August 2009 is up 15.66% for the month compared to last year's usage and 7,941 gallons per member for September 2009 is up 5.87% for the month compared to last year's usage. O & M per 1000 gallons for July was \$4.85. The net cost per 1000 gallons for July is \$1.31 with a gain of \$2.19. O & M per 1000 gallons for August was \$3.39. The net cost per 1000 gallons for August is \$8.99 with a loss of \$5.49 and O & M per 1000 gallons was \$6.11 for September. The net cost per 1000 gallons for September is \$6.48 with a loss of \$2.98.

Discussion was held regarding bulk rates for Campgrounds and other large volume users. Geneva presented a policy change for bulk users. Bob Keller stated it is very important to have a policy in place for this type of water user i.e. dairy farms, campgrounds, trailer parks, etc. Joel Lees moved to approve the policy change. From this point forward, 1 unit of water consists of 12,000 gallons or less per month. A member using more than 12,000 gallons 1 month would pay a 25% higher monthly minimum for each unit consumed, up to 5 units (60,000). Usage over 5 units would elevate the user to **Bulk User** status. Bulk users are defined as consistently using more the 60,000 gallons per month. Bulk users are required to pay 1 monthly minimum and a 25% higher cost per 1,000 gallons over the residential cost per 1,000 gallons. Bulk users will also be defined as users that require a certain amount of flow (gallons per minute or gallons per day). Campgrounds would fall into this category. Joel also moved to grandfather users to date unless they require a set amount of water gpm. Darrell Patzer seconded the motion. Motion carried. Geneva will talk with Stinar Consulting (programmer) about a formula for the new members coming in as bulk users.

Audit Report – Duane Dunn with Schauer & Associates reviewed the audit with the Board. Mardee Heinrich moved to accept the yearly audit done by Schauer & Associates. Darrell Patzer seconded the motion. Motion carried.

VanBedaf Dairy – Geneva updated the Board on VanBedaf Dairy. Just recently we changed out the 12 gpm flow restrictor to a 15 gpm flow restrictor since we had some warm days in September they were running out of water. They have a 1000 dairy herd and possibly adding more dairy cows. VanBedaf has inquired about signing up with Ramsey Rural Water. They are 1 ½ miles from Ramsey’s line, but they are in Stutsman Rural Water District. Connie VanBedaf is coming to the meeting to discuss this further. Ramsey may be able to sell Stutsman up to 25 gpm provided by the City of Carrington connection with Ramsey.

Connie VanBedaf reported they now have good water supply with the new 15 gpm flow restrictor. She wants to make sure they will have enough water next spring/summer and that is why she is attending the meeting. She is asking what SRWD can supply them. She said they are looking at the possibility of Ramsey Rural Water. It was explained she is in our water district and we would have to ok them to go to Ramsey Rural Water. She said she would like to stay with us. Bob Keller asked how much water they would need to operate. She said right now 15

gallons/minute is working. She said presently they have a 4000 gallon storage tank and they could use a bigger storage tank and will be looking for a larger one. Geneva reported she had talked with Nels, Manager of Ramsey Rural Water. There would be extra costs for VanBedaf Dairy if they went with Ramsey. 1 ½ mile of pipe and tie ins would be their extra costs. We didn't receive a proposal from Ramsey Rural Water. Discussion was held on the tank storage. Connie wasn't sure how big of a tank could fit in the building or how much storage they needed for water. She was looking at an 8,000 to 10,000 gallon tank. Connie said this past summer they mixed the water for the cows to ½ rural water and ½ well water. She said Ramsey stated they have lots of water to supply VanBedaf Dairy. Connie said if we could supply 15 gpm of water they will commit to SRWD.

The Board reviewed the Proposed Purchases for 2009/2010 fiscal year. The following are the proposed purchases: GIS Upgrade \$4200, Mapping Changes \$3000 (Update information for new members and member transfers), Phone System \$1600 (add additional line) and Snow Plow (V Plow) \$5500 (need larger plow) for a total of \$14,300. Roger Florhaug moved to approve the Proposed Purchases for 2009/2010 fiscal year. Mardee Heinrich seconded the motion. Motion carried.

The Board reviewed the Annual Budget for fiscal 2009/2010. Geneva presented the proposed budget to the Board. Geneva stated our gross profit for this fiscal year will be lower than usual. The projected gross profit is \$15,169.00. Darrell Patzer moved to approve the Annual Budget for fiscal 2009/2010. Ron Wanzek seconded the motion. Motion carried.

#### Activity Report:

- Krebsbach has completed installation of the 3" line in Section 29, Nogosek Township
- Geneva attended the City Council Meeting on September 8<sup>th</sup> – The Easement was approved and signed
- Steve & Perry have been changing out meters on all accounts over 4,000,00 gallons
- Repaired another leak East of Montpelier; still looking for one more small leak
- Steve & Perry will be recharging filters the week of October 12<sup>th</sup>.

- Bob & Geneva met with Andy Stewart September 17<sup>th</sup>. GRE Plans to delay startup until summer 2010. They do not want to pay minimum until the fall of 2010. Geneva stated nothing was agreed at the time of the discussion. Our contract states 30 days after water becomes available, they would have to start paying the minimum amount, whether they use water or not. A concern is the warranty of the pipeline (4 yrs.) and booster (1 yr.). We would lose a year of warranty. Bob contacted American Infrastructure (distributed an extended 1 year warranty) asking for an additional maintenance warranty. The cost would be passed onto GRE. The total cost of the extended warranty would be \$34,450. The bid includes the boosters, pipes and chlorination of lines next year. Andy said he would be willing to pay a lump sum on the loan and interest. They don't want to pay monthly minimum until they start up. The project completion date is 10/1/09. This is GRE's big concern to get everything done by this date so it could be used under the construction budget. Presently, not all the pipelines have been tested and may not be filled since we are getting into freezing temperatures. American Infrastructure won't get paid until they can test their pipelines. Discussion followed. The Board felt once water is available they should be obligated to pay. Next spring when the pipelines have been filled, they would have 30 days to start paying the minimum. We need to encourage them to use the City water and not use Cargill's water for testing and start up. A letter will be written encouraging them, effective May 1<sup>st</sup> to start using City water or use the minimum of 200 to 250 gallons per minute.

#### Bob Keller – Bartlett & West

- Construction Progress Report on GRE Project – The pipeline has been completed
- Pay Estimate #4 for American Infrastructure is \$673,838. The booster station is set down and waiting for power. In 2-3 weeks the 1<sup>st</sup> booster can start pumping water. Darrell Patzer moved to pay Estimate #4 for \$673,838 to American Infrastructure. Mardee Heinrich seconded the motion. Motion carried.
- Pay Estimate #1 for Engineering American Inc. is \$372,060. Bob reported Engineering America Inc's subcontractor is Wick Construction. Wick Construction completed the foundation and installation of the underground piping. Engineering American completed erecting the tank as well as

holiday testing and vacuum testing of the interior glass coating. Work also began on the overflow structure. Joel Lees moved to pay Estimate #1 for #372,060 to Engineering America. Mardee Heinrich seconded the motion. Motion carried.

#### Other Business

- A bid letter was sent out looking for an excavator to install a 4" potable water line for GRE. The deadline is 10/13/09. We received one bid from American Infrastructure for \$86,368.00 (\$28,000 included in the bid is for a railroad crossing). A 4" line will be installed. Roger Florhaug moved we accept this one bid contingent with GRE's approval. Joel Lees seconded the motion. Motion carried.
- Micro Comm – The Booster at the WWTP will have SCADA. The total SCADA cost for the GRE Project will be \$144,258. GRE will be paying this cost. Joel Lees moved we accept the bid for \$144,258 for the SCADA Addition. Darrell Patzer seconded the motion. Motion carried.

Annual Meeting date is set for Monday, November 23, 2009 at the Gladstone Select Hotel starting at 7 p.m. Geneva invited Eric Volk with ND Rural Water Systems Association to speak at the meeting.

The annual ND Rural Water Association is holding their annual meeting December 9-11, 2009 along with the ND Water & Irrigation Expo in Bismarck.

The next meeting will be Tuesday, November 10, 2009 at 9 a.m.

With no further business to discuss, the meeting was adjourned.

Submitted by:

Karen Smith

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 9 a.m. on Tuesday, November 10, 2009.

Directors present: Roger Florhaug, Darrell Patzer, Ron Wanzek, Joel Lees, Mardee Heinrich, Nathan Hochhalter, Manager Geneva Kaiser, Office Manager Karen Smith, Operators Steve Huebner and Perry Kuss, and Bob Keller; Bartlett & West

The Board reviewed the minutes from October 13, 2009 Board of Directors meeting. Roger Florhaug moved to approve the minutes with subject to change defining the bulk user policy. Joel Lees seconded the motion. Motion carried.

The Board reviewed the O & M bills from October 30, 2009. Check numbers listed #18587 to #18663 was reviewed. Ron Wanzek moved to approve the O & M bills. Roger Florhaug seconded the motion. Motion carried.

The Board reviewed the Financial Statements from October 1, 2009 through October 31, 2009. Total income for October is \$67,300.73 and total expenses for October is \$55,088.66 showing gross profit of \$12,212.07. Presently we have 1219 members.

Average water usage is 5751 gallons per member for October 2009 which is down .45% for the month compared to last year's usage. O & M per 1000 gallons for October was \$6.93. The net cost per 1000 gallons for October is \$2.09 with a gain of \$1.41.

Darrell Patzer moved to approve new members Tarin Dewald and Kathy Carlson and approved membership transfers: Patrick Metz to William VanEpps #129-0040, Duane Johnson to Shawn Wock #121-0220, Deb McKelvy to Roy Biel #621-0120, Donna VanAsperen to Beau Tracy #618-0040, Bert Gray to Steven Peters #825-0220 and Robert Klein to Kevin Wolsky #819-0060. Nathan Hochhalter seconded the motion. Motion carried. Kathy Carlson signed up through the expansion project and since the line to GRE is going by her home and she signed an easement we will be hooking her up and she will be billed for the expansion project monthly minimum of \$45 and \$4.00/1000 gallons of water.

Review Water Purchase Proposal from Greater Ramsey Water District. The Board reviewed the proposal but decided to table this proposal until we are closer to

our expansion project and to find out if Carrington will be updating their water system.

Review Water Sales Contract with VanBedaf Dairy – Geneva distributed a water purchase contract to the board members. She compared VanBedaf Dairy's water usage (15 gpm) to the City of Montpelier (3.64 gpm) and City of Cleveland (4.74 gpm). VanBedaf Dairy had been told they will have to pay a commercial rate from the beginning when signing up for rural water. Geneva will be in contact with the Dairy regarding the contract. Presently they are getting 18 gpm and this amount will not be possible in the summer months. Through the Ramsey line they could supply 25 gpm. At this time they are paying like the regular customer. We will be looking to change them to a bulk user. They are getting billed \$3.50 per 1000 gallons of water and we would like to increase it to \$4.25/1000 gallons of water. Ramsey Rural Water told the Dairy they would charge them \$3.25/1000 gallons of water. Another possibility is through our Expansion Project Carrington may increase their rate to their customers and Greater Ramsey Rural Water would then increase to us. Ramsey Rural Water is 1 ½ miles from the Dairy and they would still have to pay to have the line brought to their dairy. Discussion followed. Geneva will contact Nels with Ramsey Rural Water to let him know about tabling their purchase agreement and to explain to him it is hard to negotiate with the VanBedaf's when he is giving them a different price plan. Geneva will also let Conne VanBedaf know through a contract we will propose \$4.25/1000 gallons of water. We don't need to approve the contract today. Geneva will invite Conne to our next board meeting.

Country Impressions Beauty Shop – Courtenay – had been having sewer problems since they hooked up to rural water in 2007. They dug up the sewer line and found that SRWD original construction in 1986 dug through the City sewer line. It has been repaired and they are asking the District to consider paying for the line repair and excavation. The bills presented to the board were: \$1200 Excavating (D&E Excavating), \$360 extra labor and \$360 own labor for a total of \$1920.00 It was very obvious that our pipe went through on our side of the curb stop. Geneva suggested paying \$1200. The Board said to negotiate the payment of \$1200 and they will approve at the next meeting.

#### Activity Report:

- Annual meeting notices have been sent out

- Geneva attended the ND Water & Pollution Control Conference in Minot, October 20, 21 & 22.
- SRF questionnaire submitted by the October 23<sup>rd</sup> deadline. Geneva included the expansion project and listed Woodworth as a city interested in the expansion project.
- AS400 hard drive crashed October 15 due to an overnight power failure. Repairs have been made and all data has been restored
- Geneva, Bob & Andy Stewart met to discuss delaying the startup of the GRE project, and informed Andy of the Board's discussions at the October Board meeting
- Senator Dorgan's aide called the office and informed us that the \$400K grant will be awarded to SRWD
- Geneva & Bob will be meeting with City Engineer and Interstate Engineering today to discuss the new Hospital 's water requirements and service to the north side of Interstate in that same area

Bob Keller – Bartlett & West

- Construction Update
1. Pay Estimate – We received the 5<sup>th</sup> Pay Estimate for American Infrastructure for \$163,078. Darrell Patzer moved to pay the 5<sup>th</sup> Pay Estimate for \$163,078. Ron Wanzek seconded the motion. Motion carried.
  2. Change Order – has been signed for an extension. The extension starts from 10/01/09 to 6/15/10 being the completion date – this also extends our warranty period since it will not be started up until completion date.
- Discuss a starting point for the expansion project (\$400K grant). We will know more after the hospital meeting. Terry Nieland asked if we could consider hooking up new homes that will be going up during the expansion project, so they don't have to dig a well.

Choose a date for the Christmas Party. The board agreed to have a Christmas Party. Karen will check with the Buffalo City Grille for available weekends in January.

The next meeting will be Tuesday, December 8, 2009 at 9 a.m.

With no further business to discuss the meeting was adjourned.

Submitted by: Karen Smith

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 9 a.m. on Tuesday, December 15, 2009.

Directors present: Roger Florhaug, Darrell Patzer, Ron Wanzek, Joel Lees, Mardee Heinrich, Nathan Hochhalter, Manager Geneva Kaiser, Office Manager Karen Smith and Bob Keller; Bartlett and West

The Board reviewed the minutes from November 10, 2009 Board of Directors meeting. Darrell Patzer moved to approve the minutes as written. Joel Lees seconded the motion. Motion carried.

Discussion prior to the arrival of 2 guests

- Randy Barnes – He isn't able to make this meeting, but will attend the January meeting. Randy wanted to discuss further compensation regarding the sewer line issue discussed at the November meeting. Geneva explained to the Board Randy would like to be paid the entire amount of \$1920 since Northern Improvement hit through the sewer line at the time of the project. Joel Lees moved we pay Randy Barnes but to have the correct documentation (copies of bills). Darrell Patzer seconded the motion. Motion carried.
- VanBedaf Dairy – Contract reviewed at the November Board meeting has been sent out. They have not responded thus far. The consensus from the Board is they don't want to lose them as a customer. Geneva distributed a Water Sales comparison – VanBedaf Dairy and Bulk Cities. VanBedaf Dairy used 14.56 gpm and City of Montpelier used 3.94 gpm and City of Cleveland used 4.71 gpm. They all pay the \$32.00 minimum, but the cities pay \$4.50/1000 gallons. VanBedaf Dairy would be charged \$4.25/1000 gallons. Connie & Corne VanBedaf attended the Board meeting. Discussion was held regarding their contract as a bulk user. SRWD would sell water to them as a bulk user at \$4.25/1000 gallons. They would also be responsible for payment to the District of 5,256,000 gallons of water per year even if that amount of water is not used by the Dairy. Discussion followed. Geneva also reported from November's water usage of 628,270 gallons our gross profit on the water purchased from Ramsey last month was \$54.12. Connie said the contract didn't work for them last spring. At that time they were given 10 gpm (flow restrictor) and they didn't go with our contract. Along with rural water from us they also dug a well with the waterline ½ mile to their dairy. They received our new contract. It was explained to them during the peak months (May, June, July) they may receive only 10 gpm not 15 gpm. Ramsey Rural Water would have to do the same with them. They questioned the \$60,000. Connie said the investment for \$60,000 should guarantee them enough water unless they don't need more than 15 gpm. Geneva explained to them at this time 2/3 water is from SRWD and 1/3 water is from Ramsey Rural Water. Geneva also told the VanBedaf's we have 2 cities with bulk rates. We sell the water to them for \$4.50/1000 gallons. A standard user is charged \$3.50/1000 gallons and minimum of \$32.00. Discussion followed. Connie felt they don't need more water during the peak months since they will add additional water storage, so they wouldn't have to pay the \$60,000. VanBedaf Dairy will commit to the bulk user contract but the engineer will research the options of more water (parallel or

City of Carrington). The City of Carrington is 3 miles from VanBedaf Dairy. A decision can be made when the preliminary engineering report on the expansion project has been completed.

The Board reviewed the O & M bills from November 13, 2009 to December 14, 2009. Check numbers listed #18664 to #18745 was reviewed. Mardee Heinrich moved to approve the O & M bills. Joel Lees seconded the motion. Motion carried.

The Board reviewed the Financial Statements from November 1, 2009 through November 30, 2009. Total income for November is \$66,183.64 and total expenses for November is \$62,927.34 showing a gross profit of \$3,256.30. Presently we have 1221 members.

Average water usage is 5,388 gallons per member for November 2009 which is up 10.03% for the month compared to last year's usage. O & M per 1000 gallons for November was \$8.56. The net cost per 1000 gallons for November is \$3.45 with a gain of 5 cents.

Nathan Hochhalter moved to approve the following member transfers: Eric Ova to Craig Middleton #820-0030, Scott Swangler to Bryan Ryberg #608-0140 and Clinton Carr to Ryan Carr #214-0031 and member termination Chad Bickett #214-0220. Ron Wanzek seconded the motion. Motion carried.

#### Activity Report:

- Annual Meeting was held November 23<sup>rd</sup> – Annual Meeting Minutes were given to the Board of Directors. Bob Keller and Eric Volk both did a good job on their presentations.
- GRE potable line has been installed and tested but not in service
- Geneva & Mardee attended the ND Water & Irrigation Expo in Bismarck December 9, 10 & 11<sup>th</sup>.
- Geneva & Bob met with Rod Beck and Dale VanEckout from Rural Development, in Bismarck to discuss grant and loan possibilities for the expansion project. Geneva stated felt we would be eligible for 45% grant and loan dollars 3.25% interest for 40 year loan.
- Senator Dorgan's office has requested more information regarding the \$400K grant project. Geneva sent a letter to Dorgan's office to thank him for the \$400,000 grant which included the names of our board of directors. There is unclaimed stimulus money that could be used for the expansion project.
- Darrell Hornbuckle of Interstate Engineering and the Manager of North Central Water Consortium want to discuss some of the members they have signed up in the rural Woodworth area. Geneva felt she didn't want to give anyone up until the study is completed from Bartlett & West. The Board agreed.

Bob Keller – Bartlett & West

- Construction progress report on GRE Waste Water Project – Bob reported his staff is working on the Expansion Project showing different alternates. This will be spelled out in the report at next month's meeting. The GRE project still has more work to be done. There is no power at the Booster or WWTP. They had started working at the WWTP but quit for the winter season. Bob received a call from Northern Plains asking to wait until spring. MicroComm SCADA can be setup but can't use until there is power. At this time GRE is getting water from Cargill.

Bob presented Pay Estimate #6 to American Infrastructure for \$26,805.00. Mardee Heinrich moved to pay Estimate #6 for \$26,805.00 to American Infrastructure. Roger Florhaug seconded the motion. Motion carried.

Bob presented Pay Estimate #2 to Engineering America for \$88,111.00. Ron Wanzek moved to pay Estimate #2 for \$88,111.00 to Engineering America. Joel Lees seconded the motion. Motion carried.

Bob presented Pay Estimate #1 to American Infrastructure for potable water project of \$85,225.00. Roger Florhaug moved to pay Estimated #1 to American Infrastructure for \$85,225.00. Darrell Patzer seconded the motion. Motion carried.

Review and adopt new policy on Bulk users (discussed last month). Geneva distributed a copy of the new Policy No R-1 and old policy VII. The Board reviewed the policy. Darrell Patzer moved to approve the policy with the review and approval of the wording from our Attorney Scott Sandness. The Board wants to Grandfather any user 20 years and longer. Any user signed on from 2006 and qualifies as a bulk user will be notified with a contract. Mardee Heinrich seconded the motion. Motion carried.

Discussion on moving some of the reserve funds into savings accounts. Geneva distributed a listing of cash reserves and sinking funds for review. She would like to transfer some extra money from our checking account into reserve accounts. These Reserve Accounts are: Repair of Wells, Reservoirs and Treatment Plant, Pump Repair/Replacement, Equipment Replacement Reserve, Meter Replacement Reserve and Automatic Read System. The Board agreed for Geneva to move the money into these accounts.

Health Insurance Premiums will rise 5% for 2010.

Christmas party is set for January 16, 2010 at 6 p.m. at the Buffalo City Grille.

Other Business: Tom Olson with Garrison Board stopped in the office and told Geneva. The funding for the Expansion Project is looking good.

Terry Nieland suggested we invite Erik Volk with ND Rural Water Systems Association to our next board meeting to discuss rates.

The next board meeting will be Tuesday, January 12, 2010 at 9 a.m. Mardee will not be at the January meeting.

With no further business to discuss the meeting was adjourned.

Submitted by:

Karen Smith  
Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 9 a.m. on Tuesday, January 12, 2010.

Directors present: Roger Florhaug, Darrell Patzer, Ron Wanzek, Nathan Hochhalter, Manager Geneva Kaiser, Office Manager Karen Smith, Operators Steve Huebner & Perry Kuss and Bob Keller Bartlett & West

The Board reviewed the minutes from December 15, 2009 Board of Directors meeting. Ron Wanzek moved to approve the minutes as written. Nathan Hochhalter seconded the motion. Motion carried.

The Board reviewed the O & M bills from December 15, 2009 to December 31, 2009. Check numbers listed #18746 to #18823 was reviewed. Darrell Patzer moved to approve the O & M bills. Ron Wanzek seconded the motion. Motion carried.

The Board reviewed the Financial Statements from December 1, 2009 through December 31, 2009. Total income for December is \$65,087.49 and total expenses for December is \$50,964.52 showing a gross profit of \$14,122.97. Presently we have 1222 members.

Average water usage is 5,425 gallons per member for December 2009 which is up 1.16% for the month compared to last year's usage. O & M per 1000 gallons for December was \$5.48. The net cost per 1000 gallons for December is \$1.63 with a gain of \$1.87.

Roger Florhaug moved to approve the following new members: Gavillon Fertilizer and William Siebert and member termination Ken Stampka #827-0050. Nathan Hochhalter seconded the motion. Motion carried.

Randy Barnes (member) has consulted an attorney and wants full compensation for all the expenses he incurred while repairing the sewer line for Country Impressions Salon in Courtenay. \$6005.17 is the amount he is requesting. Discussion followed. The Board had agreed to pay him out of good will \$1,920.02 from the previous meeting. Randy has now come back requesting to be paid the entire amount of \$6005.17. Geneva had consulted with Attorney Scott Sandness. He stated we don't have to pay him anything. Since the sewer line was on abandoned property we aren't liable to pay Randy anything. Terry suggested that Geneva send a letter to Randy explaining the liability is with Northern Improvements and include a check for \$1920.02 with a note stating to accept this as final payment. Geneva will check with Scott Sandness about sending a letter and paying Barnes.

Discussion was held regarding paying Rich Ackerman crop damage for pasture for the GRE project. The board tabled this until the next board meeting.

## Activity Report:

- GRE potable line has been bacteria tested and they are using water
- The new phone system has been installed
- 4 new savings accounts were opened money transferred
- Perry & Steve have started winter maintenance inside the buildings. We received a bid from Charlie Skeel. We will have Reservoirs #2 & #5 painted.
- The roof at Res. #1 is leaking. New roof was installed in December 2006. We have a 5 year warranty from Greenberg Roofing.

## Bob Keller – Bartlett & West

- Preliminary Engineering Report has been completed on the Capitol Improvement and Expansion Project
- Discussion on the Alternate routes/choose route to pursue funding – The board members received a Capitol Improvement & Expansion Project Preliminary Engineering Report. Bob reviewed the alternates with the board. Alternate #1 & #1A include upgrading our treatment plant which is the most expensive. This would include paralleling the lines and using our own water. Alternates 2, 2A and 3 will be less expensive. The cheapest alternate would be to go with Alternate 2A. Discussion followed. Bob reported 4-5 properties will not be included in our expansion project. They can be tied in with Ramsey Rural Water. The Rural Water Development is interested in funding the loan portion of this project at 3.25% Interest. They need a copy of the report to review our application. Bob stated we need to choose an alternate and we need to approve the alternate we choose for funding. If we choose alternates involving the City of Jamestown or City of Carrington we will need a 40 year contract. February 5<sup>th</sup> is the deadline to get our funding request to Dorgan's office. Terry Nieland will check with Carrington about updating their treatment plant. Bob reported south of Woodworth to south of Medina there is 11 miles with no sign ups. Geneva would like to have a meeting in Medina to encourage more rural sign ups in the 11 mile stretch. If we don't get more sign ups it would be possible Streeter may not get rural water. Darrell Patzer moved we accept Alternate 2A. Roger Florhaug seconded the motion. Motion carried. Bob suggested we touch base with Jamestown & Carrington about the Expansion Project. Bob will submit Alternate 2A. Terry suggested we set up meetings in Medina, Woodworth & Streeter.
- VanBedaf Dairy contract/expansion plans. Through the expansion project we would like supply up to 25 gallons/minute for the dairy. We will sell the water for \$4.25/1000 gallons. The dairy may be the first to receive their necessary water through the Expansion Project updates.
- Pay Estimate #7 for GRE Project to American Infrastructure for \$128,740.00. Bob reported not much work done 90% is materials along with the purchase of the

Generator. Nathan Hochhalter moved we pay American Infrastructure Pay Estimate #7 for \$128,740.00. Darrell Patzer seconded the motion. Motion carried.

Other Business:

- GRE is requesting water by March 15, 2010. Presently, there is no electricity available, so we may look at using the generator to start pushing water until we have electricity hooked up. This is depending on the availability by mid-April and if GRE agrees to this. American Infrastructure will contact Northern Plains.

Christmas Party will be Saturday, January 16<sup>th</sup> at 6 p.m. at the Buffalo City Grille.

The next meeting date is February 15, 2010 at 9 a.m. Mardee will be at the February meeting, but would like the March meeting moved to March 2<sup>nd</sup> instead of March 9<sup>th</sup>.

With no further business to discuss the meeting was adjourned.

Submitted by:

Karen Smith  
Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 9 a.m. on Monday, February 15, 2010.

Directors present: Darrell Patzer, Mardee Heinrich, Nathan Hochhalter and Roger Florhaug. Also present, Manager Geneva Kaiser, Operators Steve Huebner & Perry Kuss, Office Manager Karen Smith and Bob Keller with Bartlett & West.

The Board reviewed the minutes from the January 12, 2010 Board of Directors meeting. Mardee Heinrich made a motion to approve the minutes as written, Darrell Patzer seconded the motion. Motion carried.

The Board reviewed the O & M bills from January 1, 2010 to January 31, 2010. Check numbers listed #18824 to #18906 were reviewed. Nathan Hochhalter moved to approve the O & M bills. Roger Florhaug seconded the motion. Motion carried.

Review Financial Statements were tabled. Geneva did inform the board we are in the black.

Average water usage is 5,695 gallons per member for January 2010 which is up .05% for the month compared to last year's usage. O & M per 1000 gallons for January was \$6.76. The net cost per 1000 gallons for January is \$1.98 with a gain of \$1.52. Presently we have 1223 members.

Darrell Patzer moved to approve the following membership transfers: Kevin Connery to Tom Huisenga #626-0050 and Nancy Pfaff to Tim Greshik #816-0480. Mardee Heinrich seconded the motion. Motion carried.

Discuss paying Rich Ackerman crop damage for pasture grass – tabled at the January 12, 2010 Board meeting. Geneva recommends paying \$20/acre which is above average rental for Stutsman County for the years 2009 and 2010. Grass will be reseeded this spring. (5.44 acres x \$20 x 2 years = \$217.60). Discussion followed. Nels Albin is the owner of the land. He received payment of \$875.00 per acres for the easement. Rich Ackerman is the renter. It was suggested Rich discuss this matter with Nels. Roger Florhaug moved to use Geneva's recommendation of paying Rich Ackerman \$217.60. Nathan Hochhalter seconded the motion. Motion carried. Bob will contact the contractor about the \$100 for the gate being left open. He said it is their responsibility to pay Rich.

Update on Randy Barnes reimbursement request on abandoned sewer line in Courtenay. Geneva contacted our attorney Scott Sandness and he didn't feel we should pay him until Randy agreed to settle. Scott contacted Randy's Attorney, Joe Larson and he will get back to Scott. Randy had called Geneva. He still wants to be paid the full \$6000. We will wait for the attorney's reply.

Quarter receptacle at Reservoir #5 Water Salesman needs replacement. The Water Salesman is 23 years old and is worn out. Discussion was held on pin/key operated system or coin and/or prepaid card (Cardtrol). The pin/key operated system operates without money using PIN or coded keys. It has unlimited number of users. The cost would be \$10,950.00. The other system is a coin and/or prepaid card for the cost of \$5800. Roger Florhaug moved to purchase the coin and/or prepaid card for \$5800.00. Nathan Hochhalter seconded the motion. Motion carried.

#### Activity Report:

- Charlie Skeel painted Reservoirs #2, #4 & #5
- Leak repaired at Reservoir #8 outside of building
- Replaced transmission in Steve's pickup (under warranty)
- Replaced front end in Perry's pickup (under warranty)
- It was suggested when purchasing trucks for the operators to consider ¾ ton trucks.
- 212 sign up letters sent to target area between Woodworth & Streeter
- Grant application submitted to Senator Dorgan's office by the February 5<sup>th</sup> deadline
- Rural Development preliminary loan application completed and sent to USDA in Bismarck for review
  1. Need approval and Board signature on 2 RD forms
- Geneva attended Garrison Diversion Board Meeting January 14<sup>th</sup>
  1. Met with Tom Olson about expansion project at SRWD office. Tom Olson is on the Garrison Diversion Board and he is on the MR& I committee.

#### Bob Keller – Bartlett & West

- GRE project update – Pay estimate #3 for Engineering America (Tank Project). Darrell Patzer moved to pay Estimate #3 for \$14,490 to Engineering America. Mardee Heinrich seconded the motion. Motion carried. Perry will order the generator from Interstate out of Fargo.
- Expansion Project
  1. Update on meeting with Carrington City – Geneva, Bob & Terry attended the city council meeting. They felt it was a very positive meeting. They will be opening bids on March 10<sup>th</sup> for the treatment plant.
  2. Water Purchase agreement (MOU) with Carrington. We will be purchasing 12 million gallons of water/year from Carrington. Geneva sent a revised MOU to the Carrington Mayor Don Frye. The MOU was approved, signed and returned. The price (\$1.58) per 1,000 gallons will increase after the new treatment plant has been built. The Carrington Mayor wants a contract signed by June 1<sup>st</sup> since he will not be seeking re-election as Mayor. The MOU doesn't state a minimum. Geneva will work on this contract. Darrell Patzer moved to sign the agreement (MOU). Mardee Heinrich seconded the motion. Motion carried. The Board also needs to know about extending the water sales contract with the City of Jamestown. This needs to be done before construction can start. We may need to have a larger pipeline by Carrington if we don't plan on using water from Jamestown except for emergency

purposes. The current rate with Jamestown is \$2.13. They will be updating their treatment plant and rates will be going up. The new rate will be approximately \$2.55. Presently we have 7 years remaining on our water contract with the City of Jamestown. It could be possible to extend to a 20 year contract. Reed Schwartzkopf and Jeff Fuchs are both very receptive, but worried about the reaction from the Mayor of Jamestown, Clarice Liechty. They will work on the contract and get back to SRWD. The only worry they have is fire protection when Res. #11 is filling. It was agreed by the board we would close our valve connection so we don't interfere with water to be used during the fire. The City will determine the connection point and get back to the District.

3. VanBedaf Bulk User Agreement – We would have to install 3 miles of 6" pipeline from Carrington to VanBedaf Dairy. The cost would be \$160,000. We are receiving a 55% grant. The District will charge the dairy \$4.25/1000 gallons since we are putting extra money in for the pipeline from Carrington rather than Ramsey. We need to have the dairy commit before we can start the project. The total cost is \$390,000. Darrell Patzer moved we send the new updated contract to VanBedaf Dairy asking for a onetime non-refundable sign up fee of \$60,000 for the Dairy's participation in project costs to obtain a water purchase agreement between the Dairy and the District; to install any pipeline and appurtenances necessary to provide 36,000 gallons per 24 hour period to the Dairy. The project cost will also include installation of 1 ½" meter at the Dairy facilities and any other project costs. The \$60,000 non-refundable sign-up fee shall be paid to the District either in full by one payment within 30 days of the signed agreement; or by paying a minimum of 20% of the \$60,000 fee at the time of the signed agreement and the remainder of the sign-up fee to be paid to the District in equal monthly installments in which full payment of the sign-up fee to be paid to the District by December 15, 2010. The monthly fee shall also include a 5% interest rate of the unpaid sign-up fee. Roger Florhaug seconded the motion. Motion carried.
4. Update on Jamestown City Meetings – 2 meetings at City Hall and 1 meeting at Interstate Engineering about the Hospital. Geneva and Bob met with Interstate Engineering about serving water to Jamestown Hospital. It falls into place with pipeline with our expansion project south of Interstate west to the hospital.
5. Possibility of water purchase from South Central Regional Water District for Streeter area. Bartlett & West are the engineers for SCRWD. Streeter is close to the SRWD border. South Central Regional Water District will have a water treatment plant west of Linton. The water will come from the Missouri River. They will supply rural water to Linton, Strasburg, Hague, Wishek, Ashley, Braddock and Napoleon. Doug, the manager of SCRWD is interested in selling water to SRWD since Streeter is close to their boundary and ours. Doug will talk with Geneva about this offer. Their bulk user cost is \$2.10/1000 gallons with a minimum fee of \$30/1gpm of water. This same minimum will be passed to Streeter. We need to have a commitment from the City of Streeter. This would also help serve the users south of Streeter.

6. Washington DC trip update - Bob & Geneva met with Senator Dorgan's aides in the morning to discuss our expansion project since Senator Dorgan is leaving his office at the end of 2010. They explained the project would be done in phases. They felt if they wouldn't have been there to explain the project being done in phases it would have hurt our funding chances. In the afternoon Bob & Geneva along with other ND rural water representatives met with Senators Dorgan and Conrad. They each explained their request. Bob and Geneva both felt very good and worthwhile trip to Washington DC to explain our project and for them to meet face to face. Bob explained money coming from 594 bill which is from the Corp of Engineers. It would be a 75% grant. The money we asked for will be 2011 money and it will be available at the end of 2010. Geneva also informed the Board that SRWD paid for Bob's plane trip and hotel room. Bob donated his time (vacation time) to attend this meeting at Washington DC.
  - Discuss construction projects for 2010 construction season – Discussion was held on the \$400,000 grant we will be receiving this year. Bob asked the Board where they would like to use this grant to start on the expansion project. It was discussed to use the \$400,000 to place a 6" pipeline along the bypass road and the Carrington area expansion. Darrell Patzer moved we start our Expansion Project Construction with the By-Pass and Carrington contingent upon the signature from VanBedaf Dairy contract giving them a deadline to sign by March 2<sup>nd</sup>, 2010 (next Board of Directors meeting). Roger Florhaug seconded the motion. Motion carried.

#### Other Business

- The \$3.8 million MR&I funding maybe available. The District should find out by June of 2010.
- We are looking are replacing outlet piping at Reservoirs 4, 5, 8 & 9 this summer.
- ND Warn System – we signed up with them at no cost to join. Terry signed the contract.

The next meeting will be March 2<sup>nd</sup>, 2010 at 9 a.m.

With no further business to discuss the meeting was adjourned.

Submitted by: Karen Smith

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland at 9 a.m. on Tuesday, March 2, 2010.

Directors present: Roger Florhaug, Nathan Hochhalter, Mardee Heinrich, Darrell Patzer and Ron Wanzek. Also present, Manager Geneva Kaiser, Operators Perry Kuss and Steve Huebner, Office Manager Karen Smith, Bob Keller with Bartlett and West and Fritz Fremgen SRWD member.

The Board reviewed the minutes from February 15, 2010 Board of Directors meeting and February 23, 2010 Board of Directors teleconference meeting. Mardee Heinrich made a motion to approve the minutes as written. Nathan Hochhalter seconded the motion. Motion carried.

The Board reviewed the O & M bills from February 19, 2010 to February 26, 2010. Check numbers listed #18907 to #18970 were reviewed. Roger Florhaug moved to approve the O & M bills. Darrell Patzer seconded the motion. Motion carried.

The Board reviewed the Financial Statements from February 1, 2010 through February 28, 2010. Total income for February \$66,868.16 and total expenses for February is \$57,608.57 showing a gross profit of \$9,259.59. Presently we have 1224 members.

Average water usage is 5,904 gallons per member for February 2010 which is up 4.74% for the month compared to last year's usage. O & M per 1000 gallons for February was \$7.07. The net cost per 1000 gallons for February is \$2.44 with a gain of \$1.06.

Fritz Fremgen – member of Stutsman Rural Water, attended a portion of the board meeting to discuss his concerns with signing his easement for SRWD. Geneva explained to the Board last summer Fritz paid for his membership with the understanding he would have to sign a standard easement. We had sent him the easement asking for signature in November 2009. He presented several changes to his easement to Geneva and Attorney Scott Sandness. These changes were also discussed with our engineer Bob Keller. Suggested changes were made by Bob Keller to our standard easement. Mrs. Fremgen also stopped by and picked up our by-laws. Discussion followed. Fritz met with the board stating he and his wife want an easement that will work for them. He handed out a new

easement for the board to review. The Board explained to Fritz the easement needs to state all appurtenances such as water mains, appliances, fittings, etc. all involve the curb stop in order for us to service the line. Geneva explained to Fritz their curb stop is 74' from their home. They are responsible from the 74' curb to their home. Anything before the curb stop is SRWD's responsibility to maintain. The service line supplying water to Fritz is a 1" poly line and will not be utilized to serve any other new users in the area. Fritz requested some of the wording on the easement should be redone. Geneva will have our attorney Scott Sandness review our standard easement. Geneva will then contact Fritz with a new updated standard easement for signature.

#### VanBedaf Dairy Agreement -

- VanBedaf Dairy did agree to sign the agreement; we received the signed agreement on March 1<sup>st</sup>.
- See copy of agreement (revised after the teleconference)

Darrell Patzer moved to accept the VanBedaf Dairy Contract. Ron Wanzek seconded the motion. Motion carried. The interest rate hasn't been determined at this time, but it would possibly be 3%.

#### Discussed Rich Ackerman grass damage claim

- Terry spoke with him on 2/26/10 and wishes to reopen discussion. Rich had contacted Operator Perry Kuss. Rich was told by Perry he would receive payment of \$217.10. He didn't like this settlement. Rich then contacted President Terry Nieland. His concern was the farmers with corn, soybeans and wheat are getting compensated and pasture land isn't being compensated. He did state to Terry he would take us to small claims court. This settlement isn't from SRWD this is through the contractor. Terry invited Rich to our next Board meeting. Discussion followed. Landowners received crop damage since they had costs of seeding, gas, fertilizers, etc. Geneva also reminded the board members of our upcoming Expansion Project and there will be crop and pasture damage. Nathan said when they dug on his land he didn't ask for it to be reseeded and the grass grew back on its own. Geneva will discuss with our attorney Scott Sandness.

Discuss the JSDC's desire to bring a pipeline for the Red River Valley Water Supply Project through the District, to the Spiritwood Industrial Park. Geneva had contacted Connie Ova about them signing up with this project. She asked if they wanted raw or treated water and she said they are looking for both. Connie said they would sign up for our expansion project, but they still want to sign up with Red River Valley. This project may be hard to fund since Dorgan is leaving office and this was his plan with Red River Valley Water Supply Project.

Darrell Patzer made a motion to comply with lending agency requirements that SRWD wishes to use Bartlett & West as the Engineer for the next phase of the expansion project as it is a continuation of other phases of the Capital Improvement and Expansion Project. Mardee Heinrich seconded the motion. Motion carried.

#### Activity Report:

- Terry, Perry & Geneva attended the NDRWSA Expo in Minot February 16-18, 2010. Geneva attended all the manager meetings.
- Geneva spoke with Jane Tesch from Rural Development. SRWD will not be eligible for grant funds from RD, but probably will be eligible for loan funds. Geneva informed the Board we are not eligible for grant funds because of median household income is high and we would qualify for the Rural Development Loan. We will need to decide on a loan (40 year with Rural Development or 20 year with SRF). A 20 year loan compared to 40 year loan with the same interest rate and smaller payments with 40 year loan. We will need to meet with Rural Development.
- Perry & Steve have been doing inside maintenance at the treatment plant.
- Karen has been fielding a lot of phone calls from potential users in Weiser Township and Crystal Springs. (Some in Kidder County west of the District Boundary)

Bob Keller – Bartlett & West

- Update on GRE Project – Bob received a call from Paul Solomonson with GRE – they are on schedule and want the water ASAP. They are waiting for the power service to be installed by Northern Plains. We will need power for the booster to start filling the lines. They would like to start in the first part of April. It will be a possibility to use the generator. If we have the generator running it could be possible to start filling the lines in April. Bob and American Infrastructure will try to setup a meeting with NP for power and explain the need for the electricity ASAP.
- Draft of Carrington Water Purchase Agreement – Bob revised to 12 million gallons per year turns into 32,000 gallons per day with a 6” line. Once we have the water line installed we can then stop purchasing water from Ramsey Rural Water District. Nels had called Geneva inquiring about the price we will be billed for water. Geneva emailed the Water Supply Contract to the Mayor of Carrington letting him know our Board of Directors would be reviewing the draft at their board meeting. Mardee Heinrich moved to accept the Water Supply Contract Draft between the City of Carrington, ND and SRWD. Ron Wanzek seconded the motion. Motion carried. Carrington will be opening bids for the new treatment plant on March 10, 2010.
- Draft of Amendment to Jamestown City Agreement changing it to 20 years. Roger Florhaug moved to accept the Draft of Amendment to Jamestown City Agreement to extend to 20 years. Ron Wanzek seconded the motion. Motion carried. Geneva will email this draft to Jeff Fuchs with the 20 year term starting when the contract is signed and dated. We will wait for Jeff’s reply.
- SA #21 authorizing the next phase of construction - B & W is authorizing the next phase of construction SA #21. The total cost for this phase will be \$750,000 (construction costs). The \$400,000 grant will be used for this phase. SA #22 will come to cost of \$63,250 for hourly work for easements for the project.

Darrell Patzer moved to approve SA 21 & 22. Ron Wanzek seconded the motion. Motion carried.

- Discussion was held on projects for the 2010 construction season. It was suggested to start the expansion project on the by-pass highway west of Jamestown and Carrington.

Our next meeting won't be for 5 weeks. If the Board needed to meet regarding the contracts with City of Carrington and Jamestown we would do a teleconference meeting or special meeting.

The next Board meeting date is April 13, 2010 at 9 a.m.

With no further business to discuss, the meeting was adjourned.

Submitted by: Karen Smith, Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Wednesday, April 14, 2010 at 9 a.m.

Board of Directors present: Mardee Heinrich, Roger Florhaug, Joel Lees, Ron Wanzek and Darrell Patzer, Manager Geneva Kaiser, Office Manager Karen Smith, Operators Steve Huebner and Perry Kuss and Bob Keller Bartlett & West and Rich Ackerman

The Board reviewed the minutes from March 2, 2010 Board meeting. Joel Lees moved the minutes be approved as written. Roger Florhaug seconded the motion. Motion carried.

The Board reviewed the O & M bills from March 1<sup>st</sup>, 2010 to March 31, 2010. Check numbers listed #18971 to #19055 were reviewed. Darrell Patzer moved to approve the O & M bills. Ron Wanzek seconded the motion. Motion carried.

The Board reviewed the Financial Statements from March 1, 2010 through March 31, 2010. Total income for March is \$69,458.30 and total expenses for March is \$55,017.76 showing a gross profit of \$26,733.26. Presently we have 1224 members.

Average water usage is 5,173 gallons per member for March 2010 which is down 4.26% for the month compared to last year's usage. O & M per 1000 gallons for March was \$7.66. The net cost per 1000 gallons for March is \$2.26 with a gain of \$1.24.

The board reviewed the easement returned by Fritz Fremgen & Jean Delaney. Roger Florhaug moved to approve the easement. Mardee Heinrich seconded the motion. Motion carried.

The board reviewed the suggested statement change **"easement will be prepared and provided to the member by the District"** on the membership agreement. Darrell Patzer moved to accept this statement on the membership agreement. Joel Lees seconded the motion. Motion carried.

Rich Ackerman

- Discuss grass damage claim/GRE project – Mr. Ackerman was requesting damages for grass his calves didn't graze for approximately \$130 an acre. He based his claim on needing 5 acres to produce a \$650 calf. Geneva contacted Lance Brower with Stutsman County Extension Office regarding the cost of renting pasture land east of town. Lance informed Geneva the cost to rent east of town is \$11.00/acre. He said the claim should be based on the value of the grass crop not the calf. Discussion followed. The Board felt this problem is between Rich and the landowner. Rich was present at the Board meeting. He knew on the easement there was a stipulation if the cattle get out he would be paid \$100/hour for his time. Bob informed Rich that American Infrastructure had been contacted to pay Rich the \$100.00 for the time when the cattle got out. Rich questioned the board as to why renters were paid for their crop and not renters with cattle. It was explained the renters with crop damage are compensated for their fuel, seed, fertilizer, etc. He asked when his pasture would be reseeded. Bob informed

Rich it would be in the springtime and it would be sprayed for weeds. The Board explained Nels Albin and Mark Monek were both paid \$875/acre for their easements on pasture land. Terry Nieland suggested to Rich to talk with the landowners. Rich disagreed and left the board meeting stating he will go to Small Claims Court. Geneva will send the check out to Rich for \$217.60 that reimburses rent @ \$20 per acre for 2009 and 2010. The Board had voted at the February 2010 meeting to reimburse the pasture rent at \$20 per acre. County average is \$17.40 per acre. Mr. Ackerman stated he did not pay \$20 per acre and had averaged \$799 per calf when sold.

#### Request for additional hook up at Adrian Elevator for Ag Spraying

- Request has been denied based upon the hydraulic review and extremely low pressures that would affect an existing member. The Engineer comments were: the addition of the Adrian Elevator does appear to have some effect on the pressures of the existing users. R. Jawaski had 19.2 psi prior to addition of the Adrian Elevator. Addition as 1 service unit drops his pressure to 18 psi and addition of the Elevator at 5 GPM drops his pressure to 10.4 psi. Consideration should be given to paralleling the 3" line east of Adrian and installing a flow restrictor to the Adrian Elevator if added. Geneva informed the board she had told Adrian Elevator no. She said the expansion project could help this community out. We will also install a Pressure Recorder Graph at Jawaski's farm to monitor pressure during high water usage.

Other Business: Geneva informed the Board about the Marina Campground. They want to sign up and add the Park Board Building (east of the campground) and Lakeside Marina. It could require 3 memberships or one for \$1800.00. The campground has 55 hookups. The Marina building would be used for a fish cleaning station which would require installing larger pipes and metering. It is estimated they would use 5 million gallons of water per year in 3 months. The County will pay for the piping and excavating, and a 1 ½" compound meter and meter vault. An Agreement for sale of water by Stutsman Rural Water District to Stutsman County Park Board Marina Campground was drawn up and given to the Board members. In the contract the Park Board Marina Campground is asked to pay a membership of \$1800.00 and to pay for 3 minimums of \$32.00 each. Darrell Patzer moved to accept the contract with the contingency the County Park Board Marina Campground agrees to this contract. Mardee Heinrich seconded the motion. Motion carried.

#### Activity Report

- Geneva attended a ND Water Coalition meeting in Bismarck on March 3<sup>rd</sup>.
- All employees attended the ND One Call Banquet in Valley City on March 9<sup>th</sup>.
- Geneva attended the State Water Commission meeting in Bismarck on March 11<sup>th</sup>.
- Public meeting at Medina Legion Hall March 22<sup>nd</sup>.
- Water Salesman at Res. #5 has been installed, (except for SCADA) and is functional.
- Pipe is leaking inside filter at the Treatment Plant. Leak will be repaired with a stainless steel sleeve.

- Reservoir #8 repair will be done April 13<sup>th</sup>. Outage letters have been mailed to members.
- Request for Stag Grant Information was received from Senator Conrad's office. Application has been submitted.
- 40 year term contract amendment was submitted to the Jamestown City Administrator for consideration. Jeff Fuchs replied to Geneva by email (attach). Request was changed and resubmitted for 20 years.

Bob Keller – Bartlett & West, Inc.

- GRE Project Update – Bob reported about 2 weeks ago the generator at the WWTP (Booster Station) had been used and Monday, April 12<sup>th</sup> the electricity was connected. He reported the generator is big and quiet. The cost for the generator is \$69,000. They have started filling the lines to test for leaks and pressure testing. Presently there have been 11 leaks that have been repaired. The pipes are filled with 165 lbs pressure and should be able to hold this pressure up to 2 hours. We have had problems with the City keeping us supplied with enough waste water, to complete testing.
- Capital Improvement and Expansion Project Update
  1. Jamestown Public Works Committee Meeting March 25<sup>th</sup> – to request 20 year contract extension – This had been tabled. A meeting had been set up with Jeff Fuchs and Reed Schwarzkopf to discuss the contract. Geneva reported this meeting went well. Jeff had agreed to email the contract information to the council members and Mayor
  2. Jamestown City Council Meeting April 5<sup>th</sup> – Geneva & Bob attended the council meeting. They had both spoke about the Expansion Project. The Mayor was against selling water to SRWD without a higher cost. The council was prepared and understood our proposed plan. The council voted in favor to approve the 20 year contract with 2 – 10 year extensions.
  3. Carrington WTP has been approved and will move forward. The process for this project had started 8 years ago. Their current plant is 50+ years old.
  4. Carrington City Council meeting April 12<sup>th</sup> (Water Purchase Contract) this will be a 40 year contract. At this time we will purchase the water for \$1.58/1000 gallons.
- 2010 Proposed Project Area – The expansion project will consist of approximately 35-40 members. This includes West Town, west-by-pass, new Jamestown Hospital, Hafner Development & Carrington users. We would like to have this project done this summer. Geneva & Bob have met with the City of Jamestown to discuss west town & the bypass. We will use the \$400,000 grant. Geneva & Bob will be meeting with Dave Johnson, Engineer with GDCD. He will give them more input for MR&I funding. Dean Hafner has 36 lots in west town that he is willing to pay a membership for every third lot.
- Pay Estimate #8 to American Infrastructure – Bob informed the Board for pay estimate #8 for \$47,479.00. This amount is for the remainder of the generator and start up for the Booster at WWTP & GRE Plant. \$160,000 is left to pay on the contract out of this amount \$100,000 is retainage. Joel Lees moved to approve Pay Estimate #8 for \$47,479.00. Roger Florhaug seconded the motion. Motion carried.

Does the District wish to make mandatory a requirement to have a thermal expansion tank installed when a new member hooks up? (Current policy is to recommend but the expansion tank is not required) This would apply to our current system as well as the Expansion Project. Geneva explained the expansion tank is used to take air pressure off the water heater. The meter assembly is covered by the grant funds. The board asked to table this subject.

Geneva asked the Board members if any would be interested in attending the Summer Leadership Retreat July 15 & 16 in Fargo. The retreat would be at the Radisson in downtown Fargo during the Street Fair.

The next Board meeting will be Tuesday, May 11, 2010 at 7 p.m. SRWD will buy pizza for the meeting. Tom Olson plans to attend this meeting.

With no further business to discuss, the meeting was adjourned.

Submitted by:

Karen Smith  
Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Tuesday, May 11, 2010 at 7 p.m.

Board of Directors present: Mardee Heinrich, Nathan Hochhalter, Ron Wanzek, Darrell Patzer, Joel Lees and Roger Florhaug. Manager Geneva Kaiser, Office Manager Karen Smith, Operators Perry Kuss and Steve Huebner, Bob Keller, Bartlett & West and Tom Olson Stutsman County Representative on Garrison Diversion Conservancy District Board.

The Board reviewed the minutes from the April 14, 2010 Board Meeting and April 30, 2010 Teleconference. Darrell Patzer moved both minutes be approved as written. Joel Lees seconded the motion. Motion carried.

The Board reviewed the O & M bills from April 15, 2010 and April 30, 2010. Check numbers listed #19056 to #19140 were reviewed. Mardee Heinrich moved to approve the O & M bills. Ron Wanzek seconded the motion. Motion carried.

The Board reviewed the Financial Statements from April 1, 2010 through April 30, 2010. Total income for April is \$65,501.76 and total expenses for April is \$44,717.18 showing a gross profit of \$20,784.56. Presently we have 1224 members.

Average water usage is 5,418 gallons per member for April 2010 which is down .09% for the month compared to last year's usage. O & M per 1000 gallons for April was \$5.76. The net cost per 1000 gallons for April is 69 cents with a gain of \$2.81.

Nathan Hochhalter moved to accept Dean Hafner #830-0050 as a new member along with membership transfers: Andy Jewett to Trisha Jungels #608-0170, Dan Kornovich Estate to Daus Farms #133-0340, Lowell Widmark to Stephen Miller #142-0330 and Bernard Steele Estate to Steele Family Partnership #133-0100. Mardee Heinrich seconded the motion. Motion carried.

Tom Olson – Stutsman County Representative on Garrison Diversion Conservancy District Board met with the SRWD Board. Tom is the chairman for the MR&I Committee. He is aware of our MR&I grant application for the expansion project for \$3.7 million. He said if we think of anything else we may need to contact Tom. Otherwise a majority of the funding will be going to Fargo for flood control, or western ND for oil development. The Governor is pushing for oil development. There is some unallocated money (\$5 million). Geneva and Bob had met with Dave Johnson, District Engineer for the Garrison Diversion Conservancy District. He encouraged SRWD to apply for a small grant to supplement this summer's project. Our priority this summer is for a \$500,000 grant on a \$1.3 million dollar project. Tom is also aware of our stag grant of \$400,000 and SRWD asking for \$500,000 to finish this summer's expansion project and bring grant funding up to 75% of the project's cost.

Tom also informed the board that Connie Ova with JSDC is involved in the study to bring water in from the Red River Water Supply program for the industrial park. This isn't water for drinking. The line coming would be on the east side of the James River. The question being asked was does Jamestown have water rights to Pipestem or Jamestown Reservoir. Tom & Geneva will check into the water rights.

Tom explained to the Board he is serving a 3 year term and running for another 4 year term. He is looking for someone to replace him on GDCD. He would like someone from our Board or someone who would be interested in being on the Garrison Diversion Board and is knowledgeable of rural water and irrigation. He wants everyone to be thinking of a good candidate.

County Park Board has approved and signed the Contract for the Marina and Marina Campground. SRWD Board gave its approval at the April meeting along with a revision of billing for (2) \$32 minimums instead of (3) minimums. We will not bill County Park Board Shop until the water is installed into the building.

Jeremy Schmidt has requested membership reduction to \$600.00 from the \$1800 to hook up in Chicago Township for a home. He signed up for the expansion project, but may install the service this summer. This is NW of Alvin Schlecht; is at the end of the line (2") and he would need to install about 1 ¾ miles of line and may also need a booster pump. He knows he would have to pay for the

excavating. If he waits until the expansion project they can parallel the lines. With hooking Jeremy up now Alvin Schlecht would lose 6 lbs of pressure. The Board decided to stay with the policy that he would have to pay the full membership of \$1800.

Discuss Addendum to City of Jamestown Contract 20 year time extension. The Amendment to Agreement for the Sale of Water by the City of Jamestown to Stutsman Rural Water District included a non-appropriation clause. Geneva and Attorney Scott Sandness discussed this clause as well as Scott and City Attorney Ken Dalsted discussed. If we don't agree to this clause we don't have a contract with the City of Jamestown. The City agreed to the extension on the contract with the clause added. Scott explained to Geneva it a statue. Darrell Patzer moved to accept the Non-Appropriation Clause as presented by the City of Jamestown and to approve the contract extension. Roger Florhaug seconded the motion. Motion carried.

Resolution authorizing execution of loan documents for Rural Development. Joel Lees moved to approve the resolution of authorizing the execution of loan documents for Rural Development. Nathan Hochhalter seconded the motion. Motion carried.

#### Activity Report:

- Geneva attended the Garrison Diversion Conservancy District board meeting on April 15<sup>th</sup>. Main discussion at the meeting was for future flood prevention
- Geneva & Bob attended a City of Jamestown Public Meeting to discuss water service to the Hospital and the Bypass Area on April 16. The Mayor wants to know our plan for this area. Reed wants the district to help pay for Interstate Crossing. Geneva & Bob attended a meeting earlier today to discuss the water line serving backup for the Jamestown Medical Center, and crossing Interstate and to serve West Town and north along the 281 Bypass.
- Geneva & Bob met with the City Engineer and City Public Works Director on April 21 to discuss service to the Hospital and Bypass Area.
- Geneva & Bob met with Dave Johnson of GDCD on April 21 to review expansion project and the project the District will be building this summer, and to request grant funds for the summer project.

- Geneva & Bob met with the City of Carrington's Legal & Finance Committee to negotiate a water rate for the 40 year Water Purchase Contract on April 21. The contract has been sent to City of Carrington.
- Geneva attended a rate setting workshop in Casselton on May 5<sup>th</sup>, and will have a rate recommendation for the June meeting, after Eric Volk of NDRWSA completes the rate study.
- Perry & Steve installed the 2" meter at the Water Salesman and the cardtrol system has been activated.
- Perry has been spending most days working with the GRE startup. Steve has been taking care of most of the service calls and day to day operations.
- Karen & Geneva took a bad debt claim to small claims court on May 3<sup>rd</sup>.
- Karen is still taking sign-ups for the expansion project. We are up to 540.

#### Bob Keller – Bartlett & West, Inc.

- GRE Project Update – both booster stations have been started up. Water has been used for testing purposes. They have found some leaks while working on the lines for pre-testing. The GRE storage tank is ½ full and they found a leak outside the tank. This has been fixed by Wick Construction. Microcomm was on-site last week doing some work. They will be back next week to finish. They aren't sure how much water will be used.
- Update on 2010 Project
  1. Bartlett & West has completed the EA and submitted it to Rural Development
  2. Rural Development has pre-approved the loan
  3. 2010 project area for bidding

Bob will be putting a bid set together and advertise for bids for the expansion project. He stated with the bid he wants to include that we have the right to remove part of the project funding is not available. He wants the contractors to know this upfront, so they may not want to bid on the project. Joel Lees moved to have Bob Keller with Bartlett & West put a bid together for the By-pass, West Town, Woodbury and Carrington area and to move forward depending on funding. Nathan Hochhalter seconded the motion. Motion carried. Letters will be sent to everyone in these areas that haven't signed up encouraging them to sign up for the expansion project.



Bob asked for approval of Pay Estimate #9 for American Infrastructure for \$44,605.00. Roger moved to approve Pay Estimate #9 for \$44,605.00 to American Infrastructure. Ron Wanzek seconded the motion. Motion carried.

Other business: Bob Keller would like to sponsor a picnic for the board this summer in July.

The next board meeting will be Tuesday, June 15, 2010 at 9 a.m.

With no further business to discuss the meeting was adjourned.

Submitted by:  
Karen Smith

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Tuesday, June 15, 2010 at 9 a.m.

Board of Directors present: Roger Florhaug, Joel Lees, Ron Wanzek, Darrell Patzer and Nathan Hochhalter. Manager Geneva Kaiser, Office Manager Karen Smith, Operators Perry Kuss & Steve Huebner and Bob Keller, Bartlett & West.

The Board reviewed the minutes from the May 11, 2010 Board Meeting. Joel Lees moved to approve the minutes as written. Roger Florhaug seconded the motion. Motion carried.

The Board reviewed the O & M bills from May 14 & May 31, 2010. Check numbers listed #19141 to #19218 were reviewed. Roger Florhaug moved to approve the O & M bills. Ron Wanzek seconded the motion. Motion carried.

The Board reviewed the financial statements from May 1, 2010 through May 31, 2010. Total income for May is \$74,563.30 and total expenses for May is \$50,536.11 showing a gross profit of \$24,027.19. Presently we have 1225 members.

Average water usage is 6,182 gallons per member for May 2010 which is up 18.43% for the month compared to last year's usage. O & M per 1000 gallons for May was \$5.81. The net cost per 1000 gallons for May is \$1.42 with a gain of \$2.08.

Ron Wanzek moved to accept Stutsman County Park Board #127-0130, Brandie Block #822-0070, Travis & Jayda Traut #147-0044 and David & Amy Patzer #831-0050 as new members along with membership transfer Robert Carlson to Barbara Skelton #602-0030. Nathan Hochhalter seconded the motion. Motion carried.

Randy Barnes claim for sewer line repairs in Courtenay has been settled. Geneva reported to the Board Randy stopped in the office and wanted to be paid. She told Randy the Board approved \$1,920.02 to be paid to him. He agreed to the amount and signed an agreement for payment.

St. Margaret's Cemetery in Buchanan, 104-0050 has requested reactivation of their membership in Buchanan for a lesser membership fee or no membership fee. They terminated in 1992. Discussion followed. The Board felt it wouldn't be cost effective for the cemetery board to have to purchase a meter pit and pay year-round for 3-4 months water usage. They also felt we shouldn't treat them different than other water members.

Update on Water Theft case – Photos was given to the board members. The Sheriff's department is investigating the case. They are looking for past employees to interview. At the sight were a 5000 gallon tank and 2 sprayers. The Board wants the curb stop plugged and valve installed on the main line to shut the water off.

## Results of the Water Rate Study

- Discuss the need to hire an additional operator

Geneva reported to the Board Perry has been busy working out at GRE and Steve has been taking care of all other duties. GRE start up is 2012, but they will start paying in the fall of 2010. The minimum amount they will pay each month is for 200 gallons per minute plus the annual loan payment divided by 12. The loan payment is due in September and they agreed to pay. Geneva also reported on the Water Rate Study. Erick Volk had suggested increasing the minimum rate from \$32 to \$37 and increasing the water rate from \$3.50/1,000 gallons to \$4.05/1,000 gallons. Discussion followed. The last time the water rate was increased was 1999 and the minimum rate in 2004. The water system is getting older and needs to be maintained and with this increase it would help improvements. Darrell Patzer moved to increase the water rate from \$3.50 to \$4.00/1,000 gallons and the minimum rate from \$32 to \$37 and expansion project member's water rate from \$4.00 to \$4.50/1,000 gallons effective July 25, 2010 billing. Geneva will send a letter to the members informing them of the increases. Ron Wanzek seconded the motion. Motion carried.

Discussion followed on the request of hiring a 3<sup>rd</sup> operator. Geneva felt hiring a new operator ASAP would give us time to train the person. Roger Florhaug moved to approve the request to hire a new operator ASAP. Nathan Hochhalter seconded the motion. Motion carried. We will advertise the position in the Jamestown Sun, but have the applicants apply at ND Job Service. The pay will depend on experience.

## Activity Report:

- Leak repaired at Arrow wood Refuge (off of Res. #5)
- Geneva attended a State Water Commission meeting June 1<sup>st</sup>
- The City of Carrington has approved the Water Sales contract with the buy in and \$1.58 per K.
- The City of Jamestown has signed the contract extension addendum and returned it to us
- The 10 gpm flow restrictor had to be installed at the Dairy on June 2<sup>nd</sup>. They were using 17 gpm
- The connection at the Marina and Marina campsite has been completed and is in use
- Found leak off of Res. #11. Will be repaired Monday or Tuesday of next week
- GRE has delayed startup until 2012
- The Hospital has agreed to pay for the upsize of pipe for their part of the expansion project this summer. The lines will be increased from 6" to 8" and 2" to 6".

Bob Keller – Bartlett & West

- Update on GRE Project – all 12” lines has been tested and the 16” lines are still being tested. GRE is still using water. The last leak was located last week. Bob reported they have sprayed for weeds and seeded grass. There was 10 acres that had been missed. Nels Albin’s rock pile still needs to be cleaned up. The final inspection is coming. Al repaired faulty fittings and pipe had pulled apart in several areas. At this time we are holding 10% payment back until the line testing is completed and seeding and weeds are taken care of.
- Bob presented Pay Estimate #10 \$109,532.00. Joel Lees moved Pay Estimate #10 for \$109,532.00 be paid. Nathan Hochhalter seconded the motion. Motion carried.
- Updates on the 2010 Construction Project – The submittal plans are completed. They have been submitted to Rural Development and ND Health Department. The City of Carrington and City of Jamestown have received copies. Rural Development is reviewing the submittal. There is 17 miles of pipeline. We will need permits from ND State Highway Department & Stutsman County. The archeologists will be out walking the route. Bob & Geneva will be attending a meeting today with the City to discuss the properties owners living within city limits that the City has no capacity to serve. The bid for the project would have to be advertised for 3 weeks minimum. The project would start in August. Carrington would be the first on this summer’s expansion project. Bob reported we will need an approval from Rural Development before we can start advertising the bidding for the expansion project for this summer. This all depends on funding the \$800,000 loan. We should have enough sign-ups to help cover the loan. Darrell Patzer moved to authorized Bob Keller, engineer with Bartlett & West to advertise for bids for the summer 2010 Expansion Project. Joel Lees seconded the motion. Motion carried.

Other Business:

- Geneva distributed a listing of what the other systems charge for membership and connection fees

The next board meeting will be July 13, 2010 at 4 p.m. A picnic will follow the meeting.

With no further business to discuss the meeting was adjourned.

Submitted by:

Karen Smith  
Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Tuesday, July 13, 2010 at 4 p.m.

Board of Directors present: Ron Wanzek, Darrell Patzer, Nathan Hochhalter, Mardee Heinrich and Roger Florhaug. Manager Geneva Kaiser, Office Manager Karen Smith, Operators Perry Kuss and Steve Huebner and Bob Keller, Bartlett & West

The Board reviewed the minutes from the June 15, 2010 Board Meeting. Darrell Patzer moved the minutes be approved as written. Ron Wanzek seconded the motion. Motion carried.

The Board reviewed the O & M bills from June 15 and June 30, 2010. Check numbers listed #19219 to #19297 were reviewed. Nathan Hochhalter moved to approve the O & M bills. Mardee Heinrich seconded the motion. Motion carried.

The Board tabled the financial statements for June 1<sup>st</sup> through June 30, 2010.

Average water usage is 8,046 gallons per member for June 2010 which is up 15.87% for the month compared to last year's usage. O & M per 1000 gallons for June is \$6.05. The net cost per 1000 gallons for June is \$3.40 with a gain of 10 cents.

Ron Wanzek moved to accept Aaron Baldwin #120-0162 as a new member along with membership transfer Edna Miller to Mike Miller #602-0130 and termination Andrew Bailey #621-0130. Darrell Patzer seconded the motion. Motion carried.

Update on Lyle Williams's water theft case: The Sheriff's Investigation Report was reviewed by the Board. Lyle admitted to stealing water from SRWD for the past 10 years. Discussion was held regarding Lyle wanting to settle without charges being filed. It was recommended by the Manager to let the case go through the legal process, as a deterrent to others. Geneva distributed a printout of estimated loss and company policy. The Board unanimously agreed to prosecute Lyle Williams for water theft.

Formal approval of Schauer & Associates for fiscal 2009/2010 Audit

- Informal approval received through email. Roger Florhaug moved to approve Schauer & Associates for our 2009/2010 Audit. Nathan Hochhalter seconded the motion. Motion carried.

Discuss water rate for Expansion project – Geneva asked for reconsideration of the water rate we had discussed at last month’s board meeting. The Board had agreed to change the water rate for expansion project members from \$4.00 to \$4.50 at last month’s meeting. Geneva asked to have this changed back to \$4.00. We had been including this price in our letters during the expansion project drive. Geneva explained the expansion project minimum of \$45 will help pay for the update on our current system. The Board agreed to have last month’s motion amended. Roger Florhaug moved to change the water rate of \$4.50 to \$4.00 for the expansion project members. Nathan Hochhalter seconded the motion. Motion carried.

VanBedaf Dairy Contract – Geneva asked to keep their bulk water rate to \$4.25 until next year when we have our expansion project completed. Presently they have a flow restrictor on their meter and Geneva felt it wasn’t good business to charge them the higher rate when they aren’t receiving all the water they need. They also paid \$12,000 up front for upsizing their waterline. The Board agreed to allow VanBedaf Dairy to stay at the \$4.25 rate. It will be reviewed in 1 year.

Buchanan Cemetery – Karen had received a call from a member of the cemetery board questioning as to why they would have to pay the membership again. It was explained to her once you terminate a membership that you would have to pay the \$1800 again. She said they need the water only for 4 months. She will talk with the cemetery board again. Karen did explain to her it would be cheaper for them to purchase a water tank and use this to water their plants. She said they are already doing this.

Activity Reports:

- CCR reports mailed to customers
- CCR reports mailed to individuals signed up for the expansion project along with a letter updating them on the progress of the expansion project and current construction
- Rate increase letter mailed along with leak detection and water theft info.

- Jason from Bartlett & West installed GIS mapping updates June 23<sup>rd</sup>
- Installed valve south of Lyle Williams
- Leak repaired at air release #61 in Sydney Township (mac pac on curb stop)
- Purchased 2010 GMC Sierra pickup for Steve – Discussion was held regarding no smoking in the work vehicles. It helps with a better trade in value. The Board agreed to have all the work trucks smoke-free.
- Bob & Geneva met with City Engineer about expansion project June 15. They discussed rural water for West Town and homes within City limits. The City approved for SRWD to supply rural water to West Town and the homes within City limits. However, they didn't agree to allow us to serve the Jamestown Hospital.
- Bob & Geneva attended the City Public works meeting June 24<sup>th</sup>
- Terry & Geneva attended the Carrington Treatment Plant groundbreaking on June 29<sup>th</sup>
- Geneva met with the new Mayor of Jamestown, Katie Anderson on June 30<sup>th</sup> and invited her to the Board meeting to meet the Directors
- Geneva met with Daryl Hornbuckle & Jim Hubbard of Interstate Engineering June 30<sup>th</sup>; to discuss the Consortium's plans to install water lines in the Woodworth area in 2011.
- Terry, Mardee and Geneva met with Jane Tesch of USDA Rural Development July 1<sup>st</sup> to sign paperwork for current construction project and a motion for resolution. Nathan moved to approve the resolution for Jane Tesch with USDA Rural Development. Ron Wanzek seconded the motion. Motion carried. The following board members approved the resolution, Nathan Hochhalter-yes, Terry Nieland-yes, Mardee Heinrich-yes, Ron Wanzek-yes, Roger Florhaug-yes and Darrell Patzer-yes. Absent Joel Lees.
- Bob & Geneva attended City Council meeting July 6<sup>th</sup>

Bob Keller, Bartlett & West, Inc.

- Update on GRE Project
  1. Approval of Pay Estimates for both the GRE Pipeline and Tank Contracts – Pay Estimate #11 to American Infrastructure for \$69,055.00. Ron Wanzek moved to approve Pay Estimate #11 to American Infrastructure for \$69,055.00. Nathan Hochhalter seconded the motion. Motion carried. Approval of Change Order for GRE Pipeline Contract. Engineering America has been using water for starting the GRE

equipment and testing to close out the project. Engineering America agreed to pay \$1000 for water usage to SRWD. Geneva informed the Board she paid \$7000 towards the City water bill, so we could use our budgeted amount this 2009/1010 fiscal year. The water was used in June 2010.

2. Approval of Change Order for GRE Pipeline Contract – The change order should include the following pipe, landscaping and paving south side of GRE WTP Booster should increase change to \$16,692.11. Roger Florhaug moved to increase Change Order #2 to \$16,692.11. Mardee Heinrich seconded the motion. Motion carried.
  3. Final Pay Estimate #2 to American Infrastructure for the Potable Project for \$5804.00. Darrell Patzer moved to pay the Final Pay Estimate #2 to American Infrastructure for the Potable Project for \$5804.00. Roger Florhaug seconded the motion. Motion carried.
- Expansion project update
    1. Discuss pipe size and design within Jamestown City limits. Maps of the project were given to the board members. There will be a 4” line going behind the homes in West Town. This would be less expensive and the owners don’t want to have the line in front. Bob & Perry met in Carrington to discuss two alternate routes. The first route would be straight east of the clubhouse road or the 2<sup>nd</sup> route would be south following 281 and 1 mile east by Bordulac. The vault would be on the east side. It was decided the south route would work better for the project. The plans have been submitted to rural development and have been approved. We received more forms from EPA to be completed and returned. Archeological study is completed. The USDA loan is a 40-year loan.
  - Review expansion plan map for the Woodworth area and discuss Consortium’s plans to install line in that area next year. The North Central Consortium has contacted some of our signups for Stutsman Rural Water Expansion Project advising them that they will get funding in 2011. Discussion followed. Darrell Patzer moved that Stutsman will give users in Central Plains District that we have signed up, but want to keep the others, and ask that they shouldn’t solicit property owners who are signed up with SRWD until we turn the owner(s) over to NCC in writing. Mardee Heinrich seconded the motion. Motion carried. A letter will be sent to NCC informing them of our decision.

- Service to the new Jamestown Hospital and meetings with City officials. Geneva & Bob had met with the City Engineer and other city officials. The City doesn't want us to supply water to the new Jamestown Hospital, but the City did approve SRWD to supply everyone else within the City limits and West Town. That doesn't have City Service now. The City felt our water would be blending with their water and could cause a problem with the quality of water. Geneva had received a letter from the ND Health Dept and they approve using both water supplies. SRWD met with the Jamestown Hospital, Steve Suko, Reed Schwartzkopf and the Mayor before the Public Works Committee meeting.
- Choose pipeline route to Carrington area
  1. Condemnation may be necessary to obtain right of way on some land in the Carrington area.

Wage & Salary Review – The Board reviewed the wage and salary recommendations from Geneva. The Board reviewed and approved the following hourly salaries: Steve \$21.00, Perry \$22.50 and Karen \$15.25. Geneva was approved for yearly salary of \$61,000.

The next board meeting will be Wednesday, August 10<sup>th</sup> at 9 a.m.

With no further business to discuss the meeting was adjourned so everyone could attend a picnic sponsored by Bob with Bartlett & West.

Submitted by:

Karen Smith  
Office Manager

**The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Tuesday, August 10, 2010 at 9 a.m.**

**Board of Directors present: Nathan Hochhalter, Joel Lees, Darrell Patzer, Ron Wanzek. Manager Geneva Kaiser, Office Manager Karen Smith, Operators Perry Kuss and Steve Huebner and Bob Keller, Bartlett & West.**

**The Board reviewed the minutes from the July 13, 2010 Board Meeting. Ron Wanzek moved the minutes be approved as written. Nathan Hochhalter seconded the motion. Motion carried.**

**The Board reviewed the O & M bills from July 15 and July 30, 2010. Check numbers listed #19299 to #19385 were reviewed. Darrell Patzer moved to approve the O & M bills. Joel Lees seconded the motion. Motion carried.**

**The Board reviewed the Financial Statements for June 1 through June 30, 2010. Total income for June is \$75,825.95 and total expenses for June is \$82,541.32 showing a loss of \$6,715.37. Presently we have 1225 members.**

**No July Financial Statements or Water Usage Reports until Audit review is completed and books have closed out for the 2009/2010 fiscal year.**

**Nathan Hochhalter moved to accept the following membership transfers: Mike Bitz to Rick Diede #811-0120, Craig Voight to Kent Van Ray #811-0060, Ann Hoggarth to Jordan Wanzek #827-0020, John Zeitz to Shawn Glinz #817-0610, Jerome Dunwoody to Garrett Hill #620-0220 and Merle Allen to Gene Leininger #821-0030. Darrell Patzer seconded the motion. Motion carried.**

**Update on Lyle Williams' water theft case: Case has been turned over to State's Attorney. Fritz Fremgen States Attorney is reviewing the statue on this case. Lyle admitted to 10 years of water theft. Geneva came up with a total amount of \$8,153.00 this includes a membership,**

**estimate water loss for 3 years (average household), install a new valve and service calls. We received a letter on 8/9/10 asking to get this issue resolved along with a \$1000 check. Geneva will return the check and a note stating this has been turned over to the States Attorney.**

**Hired an Operator – Justin Hatch - He is from Jamestown and will start working on August 30<sup>th</sup>. We had received 28 applicants for this position.**

**Discuss bid on 2010 GMC, ¾ ton pickup (same as Steve's) – found another one in Iowa. Bids on 2010 ¾ ton is \$40,010 with a \$5,000 rebate through August 2010 or 2011 ¾ ton is \$41,855 with a \$1,500 rebate. Discussion followed. The Board agreed to purchase the 2011 ¾ ton truck for \$41,855 with the \$1,500 rebate.**

**Activity Report:**

- **Geneva attended the NDRWSA Leadership Retreat and summer meeting July 14-16 in Fargo. She reported it was poorly attended.**
- **Rate increase went into effect for the July 25<sup>th</sup> billing**
- **Geneva, Perry and Bob met with Andy Stewart (GRE), Jeff Fuchs and Steve Suko at City Hall on July 26<sup>th</sup> to discuss the project startup.**
- **Geneva and Bob had numerous meetings with Hospital officials and City officials regarding backup water for the hospital.**
- **Geneva and Bob attended the City Public works meeting July 22<sup>nd</sup> and Council meeting August 2<sup>nd</sup>**
- **Steve and Perry have been doing service calls and summer maintenance. Dalles Schilling has been doing some repairs on meters when out reading meters.**
- **Karen has been preparing for audit (August 11<sup>th</sup>) and working on expansion memberships.**
- **Councilman Nygaard met with Geneva August 5<sup>th</sup> at our office at his request. He wants in the future to have a better relationship and partner in rural development with SRWD. He also apologized for the past City Council's relationship with SRWD.**

## **Bob Keller, Bartlett & West**

- **Update on GRE Project – Geneva, Perry & Bob met with Andy Stewart (GRE), Jeff Fuchs and Steve Suko (City Employees). The next meeting will be scheduled in October. Geneva reported we will start billing GRE in September for their minimum and loan and reserve payments.**
  1. **Bob sent close out letters to Engineering America and American Infrastructure. There will be some additional landscaping for \$4,500. A chlorine injection system will be added to the booster. The GRE project was chosen for an audit by the EPA and ND State Health Dept on 9/1/10.**
  2. **Pay Estimate for Microcomm for the SCADA system. \$144,258.00 is the total. It is recommended to pay the entire amount less 10% retainage for a total of \$129,832.00. Joel Lees moved to pay Microcomm \$129,832.00. Nathan Hochhalter seconded the motion. Motion carried.**
- **Discuss service to the new Jamestown Hospital and meetings with City and Hospital Officials - Bob reported Geneva and he attended a Public Works meeting then Council meeting and then back to Public Works with no recommendation for allowing SRWD water line at the new Jamestown Hospital. SRWD then met with Jamestown Hospital and Interstate Engineering to plan a strategy of installing the service line but using the service as a back-up only. It would not be installed in the Hospital. Geneva put a letter together that was sent to the City Council from the Jamestown Hospital. City Council did approve this recommendation. The Jamestown Hospital plans to use our water for miscellaneous outside watering and maintenance to keep the supply fresh.**
- **Expansion Project Update – Bob reported per Jeff Mathern with the State Water Commission MR&I program, there is no additional funding. However, Jeff is pretty optimistic for next year for funding from MR&I. Geneva is checking into interim financing with NDRWSA: 2.7% and receive a .78% pay back so the contractor can get paid this year. The completion dates are: December 15, 2010 for Carrington area and June 15, 2011 for Jamestown area. The bid opening is scheduled for August 24 at 3:30 p.m.**

**Discuss inviting City Council to a tour of the GRE Project – We will try to plan for the end of September. This would be a celebration with the City Council, SRWD and GRE. This was the only green project using waste water in the State of ND, funded with ARRA dollars last year. The Governor would be invited along with local media.**

**Other Business:**

- 1. Terry Nieland read an email he received from Marty Richman praising Geneva for all the hard work on the letter that was given to the City Council regarding SRWD water line.**
- 2. Geneva informed the Board about Richard Brown who at one time was a multiple user but changed to a single service in July of 2000. Perry checked the mobile home on his property for rural water and he is still using rural water for this mobile home and his house, but isn't paying the extra minimum. Geneva sent a letter explaining this to him and stating the amount of \$3840.00 is owing for the past 10 years and that he needed another membership and separate line or removes the mobile home. At this time we didn't have a response from him.**
- 3. Geneva asked the board about directors being paid for each meeting they attend besides the regular board meetings. They are paid \$100/board meeting they attend. Discussion followed. Joel Lees moved to have the SRWD Board of Directors be compensated for extra meetings and/or expos (\$100). Nathan Hochhalter seconded the motion. Motion carried.**

**The next board meeting will be Tuesday, September 14, 2010 at 9 a.m.**

**With no further business to discuss the meeting was adjourned.**

**Submitted by: Karen Smith, Office Manager**

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Tuesday, September 14, 2010 at 9 a.m.

Board of Directors present: Joel Lees, Nathan Hochhalter, Roger Florhaug, Darrell Patzer, Ron Wanzek. Manager Geneva Kaiser, Office Manager Karen Smith, Operators Steve Huebner, Perry Kuss and Justin Hatch and Bob Keller, Bartlett & West.

The Board reviewed the minutes from the August 10, 2010 Board Meeting. Darrell Patzer moved the minutes be approved as written. Ron Wanzek seconded the motion. Motion carried.

The Board reviewed the O & M bills from August 13, August 27 and August 31, 2010. Check numbers listed #19386 to #19479 were reviewed. Joel Lees moved to approve the O & M bills. Roger Florhaug seconded the motion. Motion carried.

Director Mardee Heinrich arrived at the meeting.

Financial Statements will be available in October. The closeout is not completed yet.

Nathan Hochhalter moved to accept the following new members: Paul Witthauer #831-0270, Jim Schumacher #816-0250, Courtenay Buchholtz #120-0101, Don Wallace #828-0120, Marlyn Bertsch #102-0160, Roger & Christine Fincel #102-0180, Gavilon Fertilizer #127-0290 and William Siebert #147-0251 and membership transfer from Milt Snow to Country Side RV #147-0132 and membership termination for Neenah Donnelly/Michelle Barr #621-0090. Mardee Heinrich seconded the motion. Motion carried.

Jim Anderson from Sutton (Mabel Township in Griggs County) attended the meeting regarding the expansion project. He would like rural water next year. He is about a mile from a 1" line. He said he has a shallow well. Jim suggested paying \$600 membership and paying his own excavating. We explained the funding for next year has been taken for a different route. The Board will discuss further

and we would let Jim know by letter. We may have a possible \$400,000 grant from EPA matching with USDA money. The Board decided that they couldn't make an exception on the membership fee. Mr. Anderson would have to pay the \$1800 if he hooks up without being part of the expansion project.

Richard Brown – Discuss multiple service and dollar amount owed since July of 2000. Richard and his wife attended the meeting. They had received both letters Geneva had sent. He explained his situation and reasoning for the home. Geneva explained to Richard since July 2000 he was disconnected as a multiple user. Richard would like to reinstate the multiple and pay the extra for 2 homes. He is willing to pay the \$32/month, but he asked about the \$3840 for the past 10 years. If he pays the \$3840.00 we will reinstate his multiple without having them pay for a new membership and digging a new line to the 2<sup>nd</sup> home.

Fritz Fremgen – wishes to discuss Lyle Williams's theft of services. A letter was sent to Terry Nieland and the Board of Directors explaining the charges against Lyle Williams. The total amount to SRWD is \$4118.00. (\$1800 membership fee, \$960 monthly service fee (\$32) x 30 months December 2007 to May 2010, \$120 – 2 service calls on June 2<sup>nd</sup>, 2010, \$50 mileage for service calls, 100 miles at \$0.50/mile, \$660 Scherbenske, install shut off valve south of Williams', \$360 SRWD labor 6 hours @ \$60/hour, \$25 mileage for installation of shut off valve and \$143 part, curb stop valve).

Fritz recommended we settle on \$4118.00, and going back 3 years for court record. He stated no jail time, he stole from a utility. This is a felony criminal complaint filed and is still open. Lyle can ask to change the conditions. Fritz will move ahead with the process. Lyle's name will appear in the county court report for theft of services (water), even if the claim is settled out of court.

Discuss options for Stutsman County Park Board to hook up Pelican Point Campground (spring 2011) – Denny Lorenz with Stutsman County Park Board would like to budget hooking up Pelican Point Campground to rural water. This is the lower level campground. Nick Grosulak owns the higher level campground on

the hill. Stutsman County would like to have Nick pay 50% of this project to put water in his area and the line. Pelican Point would have to pay \$1800 membership as well as Nick's Campground. It was suggested to talk with Nick and let him know about upsizing the line from 2" to 4" and membership costs. Bob Keller suggested treating this as a mini-phase of the expansion project and finances it through SRF until grant funding comes through. We would need a commitment from Stutsman County Park Board and advise Nick about the process and that he should sign up now otherwise the pipe sizes wouldn't be sized for his campground.

Scott Wegner – Cook, Wegner bond Counsel – Resolution to approve Interim Financing. This loan would be 2.7% interest. We will need to authorize the loan agreement between SRWD and ND Rural Water Finance Corp. Darrell Patzer moved to approve the Resolutions for the Temporary Bond. Ron Wanzek seconded the motion. Motion carried.

Two more multiples were found this summer – Sharon Haas was paying for 2 homes; a mobile home has been added – will now be charged 3 minimums and Marvin Schauer – paying for one membership, his son's family lives in a mobile home on site as well. A letter has been sent to Sharon Haas explaining they will be changed for another minimum. Marvin Schauer has been living there since 1995. His son has a mobile home on the same property. They have lines running all over on this property. The Board was asked if we want separate memberships or include in a multiple charge. Discussion followed. The Board agreed they should have to buy another membership for the son's mobile home and dig in a new line and have a separate meter. Geneva will send Marvin a letter.

Review and approve/disapprove 2010/2011 purchases budget – The proposed purchases were presented to the board. Mardee Heinrich moved to approve the 2010/2011 purchases budget. Nathan Hochhalter seconded the motion. Motion carried. Purchases listing will be attached to minutes.

Set Annual Meeting date – The Board agreed to have the Annual Board Meeting on Wednesday, November 17, 2010 at the Gladstone Select Hotel at 7:00 p.m.

Activity Report:

- Audit was completed by Schauer & Associates August 11<sup>th</sup> and 12<sup>th</sup>
- Geneva attended a City Public Works meeting August 26<sup>th</sup> to ask for permission to serve Todd Krebsbach within Jamestown City Limits
- Interim Financing for \$814,000.00 (Rural Development Loan portion) has been approved by the NDRWSA
- The EPA and ND Health Department conducted an audit of the GRE Project on September 1<sup>st</sup>. They also toured the GRE Booster site
- The SCADA computer monitor burned out (covered by warranty)
- One of the supply pumps at the GRE Booster went down; has been returned to Usemco for repairs
- Held employee meeting September 10<sup>th</sup>
- Tom Olson stopped in to give an update on MRI funding

Bob Keller – Bartlett & West

- Update on GRE Project
  - a. Cost for chlorine injection at WWTP booster station – the cost for the building and equipment is \$40,000. This includes the concrete and material. Microcomm will set it up to be automated. They will be meeting with Andy Stewart today to discuss the original cost paid along with the extra charge for the chlorine injection.
  - b. Schedule meeting with GRE to discuss upcoming water usage. Bob & Geneva would like to discuss with Andy about using Cargill Water. GRE will start paying in September regarding their contract. They will be charged 200 gallons/minute. Geneva will send their first bill to them in September.
  - c. Scheduling project celebration – A possible date that would work for Andy Stewart with GRE is October 20<sup>th</sup>. SRWD

office will check with a location for this date and availability for other officials to attend.

- Bid Opening on Phase I expansion project on August 26 – Northern Excavating was the low bidder. Nathan Hochhalter moved to award the contractor bid to Northern Excavating. Joel Lees seconded the motion. Motion carried.
  - a. Cost upsize 6” pipeline to 8” for hospital. The cost for an 8” line is \$1,177,189.10 and alternate bid for 6” line is \$1,076,053.70.
  - b. Discussion on bid alternates of awarding Contract – the cost to the Jamestown Hospital for a 6” line would be \$38,400. The cost for this project is \$1.2 million; we need to cut \$100,000.00 from the project. The alternate bid schedule #2 would be \$1,680,000. Change order upsize 6” to 8” pipe for the Jamestown Hospital. If there is money left we can still add in the people we had to cut out. Some possible members we will not be able to include with this project are: Tom Zink, Tim Carr, Denise Stedman, Wilfred Schroeder and Virginia Freeman. We also found if we order the meter assemblies ourselves we can save ½ the cost from \$585 to \$277.
  - c. Contract Completion Dates – Carrington area will be 12/15/10 and remainder of project 6/15/2011
  - d. Status of easements – Bob reported in Carrington easements are getting done except for Jeremy Zink and Robert Smith
- Funding for next phase of Construction – We will continue to keep setting up meetings and keep attending meetings and making calls.

The next board meeting will be Tuesday, October 12<sup>th</sup> at 8 a.m.

With no further business to discuss the meeting was adjourned.

Submitted by:

Karen Smith, Office Manager

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Tuesday, October 19, 2010 at 8 a.m.

Board of Directors present: Roger Florhaug, Nathan Hochhalter, Mardee Heinrich, Darrell Patzer, Ron Wanzek and Joel Lees. Manager Geneva Kaiser, Office Manager Karen Smith, Operators Steve Huebner, Perry Kuss and Justin Hatch, Bob Keller, Bartlett & West and Duane Dunn, Schauer & Associates.

The Board reviewed the minutes from the September 14, 2010 Board Meeting. Mardee Heinrich moved the minutes be approved as written. Roger Florhaug seconded the motion. Motion carried.

The Board reviewed the O & M bills from September 15, September 30 and October 15, 2010. Check numbers listed #19480 to #19592 were reviewed. Darrell Patzer moved to approve the O & M bills. Ron Wanzek seconded the motion. Motion carried.

Review Financial Statements/Cash Flow – this was tabled.

Average water usage is 7,407 gallons per member for July 2010 which is down 5.27% for the month compared to last year's usage. Average water usage is 7,981 gallons per member for August 2010 which is down 10.35% for the month compared to last year's usage. And average water usage is 6,903 gallons per member for September 2010 which is down 13.07% for the month compared to last year's usage. O & M per 1000 gallons for July was \$8.88, August was \$7.06 and September \$10.58. The net cost per 1000 gallons for July is \$4.48 with a loss of 48 cents, August \$13.03 with a loss of \$9.03 and September \$10.37 with a loss of \$6.37. We have 1230 members and 17 multiple users.

Mardee Heinrich moved to accept the following new members: Douglas Iverson #812-0210, Mickey Nenow #825-0730 and Dan Lisko #127-0023 and membership transfers from Shane Smith to James Hoff #608-0060 and Bernard Steele Estate to Donald Steele #131-0060. Darrell Patzer seconded the motion. Motion carried.

Review and Approve/Disapprove 2010/2011 Budget – Geneva presented the Budget to the Board. Darrell Patzer moved to accept the budget as presented. Ron Wanzek seconded the motion. Motion carried.

Duane Dunn-Schauer & Associates – Duane presented the fiscal year 2009/2010 Audit Report. Darrell Patzer moved to accept the 2009/2010 Audit Report. Roger Florhaug seconded the motion. Motion carried.

Lyle Williams Court case set for October 26<sup>th</sup> at 10 a.m. – Geneva was subpoenaed to court. We can go back only 3 years to recover the financial loss. The Board agreed with Fritz Fremgen to try and collect \$4118.00.

Marvin & Danny Schauer attended the board meeting. Geneva explained to them about a multiple service. They stated if they had to purchase another membership, they would drop their membership and drill a well. Discussion followed after Marvin & Danny left the meeting. Roger Florhaug suggested grandfathering them in for the extra \$37, since they have been members since 1995. Roger moved the Board grandfather Marvin Schauer for a 2 home multiple. Joel Lees seconded the motion. Motion carried. Geneva will contact Danny.

#### Activity Report

- Repaired leaks at Tom Trautman, Res #6 and Boyd McKenzie. Geneva informed the board Boyd McKenzie has an underground gas tank that had caused our pipe to expand and break from gas leaking. Boyd doesn't want to pay for the line repair bill for \$1554.50 to Scherbenske & Son. Boyd informed Geneva he wouldn't pay the bill until we have the pipe tested to see if the cause of the pipe was the gas tank. Boyd agreed he would pay for the testing of the pipe. Geneva contacted a company that would test the pipe and was told it would cost approximately \$3000. Discussion followed. The Board agreed to not pay the bill to Scherbenske & Son. Geneva will contact Boyd. Geneva also told the board we are looking for a leak off Res #2.

- Chlorinator at Res #7 not working properly-will repair this year and schedule for replacement next fiscal year.
- The 2011 GMC ¾ ton pickup arrived last week
- Outlet piping at Res. #4 has been replaced
- Recharged filters and switched wells at the treatment plant
- Cleveland has had several failed bacteria tests this past quarter. It is not on the supply side; we have tested the wells twice and the results didn't show any bacteria.
- VanBedaf Dairy meter changed out at 10,000,000 gallons since December of 2008.
- Geneva attended the GDCD Board Meeting October 6<sup>th</sup>
- Geneva attended the ND Water & Pollution Control Conference October 12-14

Discuss an amendment/addition to the bylaw change made several years ago, regarding no easement/no water. This would add the option of recovering the additional costs of re-routing the line if that person should desire service in the future. (Denying an essential service may not be legal). South Central Rural Water is going through this with their attorney. This may not be a legal to deny water service. They are suggesting to keep track of the cost to go around this property plus the membership. We can use this for leverage when they refuse to sign the easement. Joel Lees moved to approve the proposed bylaw change. Darrell Patzer seconded the motion. Motion carried. This proposed bylaw change will be voted on at the annual meeting.

Bob Keller – Bartlett & West

- Update on GRE Project
  - a. Status of installation of chlorine injection at WWTP booster station. The materials were delivered yesterday with an estimated cost of \$35,000. This will be paid for by GRE.
  - b. Change Order and Pay Estimate – Bob presented Change Order #3 for \$14,179. Additional costs for gutter, down spouts, landscaping, cost of power installation to Booster, and hatches. Roger Florhaug moved to accept Change Order #3 for \$14,179. Nathan Hochhalter seconded the motion. Motion carried. Bob presented Pay Estimate #12

for \$14,179 to American Infrastructure for \$14,179. Joel Lees moved to Pay Estimate #12 for \$14,179 to American Infrastructure. Ron Wanzek seconded the motion. Motion carried. American Infrastructure was paid \$3,189,106.81 and \$219,446.81 of change orders.

- c. Project closeout and Final Inspection to be scheduled. The project closeout with American Infrastructure isn't completed. They haven't paid Northern Plains for power installation. \$50,000 in retainage is being held. Next month the project will be closing out for both American Infrastructure and Engineering America. Lien waivers have to be in before close out. There will be a 30 days final inspection. The State Health Department will be on-site. They have to make sure all the SRF paperwork is completed.
  - d. Operation meeting scheduled for October 20<sup>th</sup> with City of Jamestown and GRE. This meeting is schedule for 9 a.m. with City, GRE and SRWD. They will be discussing operations of pipelines and stations. GRE will not be using as much water as planned. They will still have to pay the minimum of 200 gallons per minute (gpm).
- Update on Phase I Expansion Project
    - a. Contract Documents have been signed by all parties. Northern Excavating signed on September 9, 2010 and delivered the same day.
    - b. Submittals for materials were received from the Contractor on October 14<sup>th</sup>. B&W has reviewed them and returned them for comments. The meter vault and pump station have been reviewed and ordered. The material submittal will be emailed to the contractor today.
    - c. Field Order prepared to upsize 6" pipeline to 8" for hospital and to delete various work from the project. The Field Order cost is \$40,808.50 which is separate costs paid by the hospital. Field Order #2 deletes meter assemblies. We can save \$10,000 by ordering the meter assemblies ourselves. Field Order #1 deletes 4 users from the project to eliminate 68,727.00 from the project. They are Tom

Zink, Tim Carr, Wilfred Schroeder (\$30,000) and Virginia Freeman. We plan to get these 4 into the next phase.

- d. Pre-Construction Conference to be scheduled. Schedule #1 planned for Carrington and deadline to be completed is 12/15/10. Schedule #2 is planned for West Town, etc. with deadline date of 6/15/11.
- e. Status of easements – Bob reported need 2 more easements signed for Phase I of the project (Carrington). Steve Reimers (out of state) and/or James Kouf or Jeremy Zink. B&W is still working on an easement south of the Jamestown Hospital from Roger Mathias. Across the road from Roger is Elmer Klose. Elmer stopped in the SRWD office and visited with Geneva asking for money the first time he visited with Geneva regarding an easement. The 2<sup>nd</sup> time Elmer stopped in, he proposed he would sign an easement but doesn't want to have to pay the \$22.50/month for his pasture tap. Geneva told Elmer she would bring this to the Board. Bob stated the east side is the better side to run the line. Discussion followed. Roger Florhaug moved to deny Elmer Klose's request not to pay the monthly minimum of \$22.50/month and to stay with policy with Rural Development. Joel Lees seconded the motion. Motion carried.

#### Other Business:

1. Elmer Klose would like his membership and monthly minimum in writing.

#### Future Dates to remember:

- November 17<sup>th</sup> – Annual Meeting 7 p.m. at the Gladstone
- December 8 & 9 – ND Water & Irrigation Expo in Bismarck
- February 1 -3 – NDRWSA Expo in Bismarck
- If anyone is interested in going to the Bismarck meeting(s) let us know so we can make room reservations

The next Board meeting will be November 9, 2010 at 9 a.m.

With no further business, the meeting was adjourned.

Submitted by:  
Karen Smith

The Stutsman Rural Water District Board of Directors meeting was called to order by President Terry Nieland on Tuesday, November 9, 2010 at 9 a.m.

Board of Directors present: Roger Florhaug, Nathan Hochhalter, Mardee Heinrich, Ron Wanzek, Darrell Patzer and Joel Lees. Manager Geneva Kaiser, Office Manager Karen Smith, Operators Perry Kuss, Steve Huebner and Justin Hatch, Bob Keller, Bartlett & West.

The Board reviewed the minutes from the October 19, 2010 Board Meeting. Mardee Heinrich moved the minutes be approved as written. Nathan Hochhalter seconded the motion. Motion carried.

The Board reviewed the O & M bills from October 29, 2010. Check numbers listed #19593 to #19648 were reviewed. Ron Wanzek moved to approve the O & M bills. Joel Lees seconded the motion. Motion carried.

The Board reviewed the Financial Statements through October 31, 2010. Total income for October is \$120,401.80 and total expenses for October is \$66,223.39 showing a gross profit of \$54,178.41.

Average water usage is 5,604 gallons per member for October 2010 which is down 2.56% for the month compared to last year's usage. O & M per 1000 gallons for October was \$8.16. The net cost per 1000 gallons for October is \$2.33 with a gain of \$1.67. We have 1231 members and 17 multiple users.

Joel Lees moved to accept the following new members: Min Chen #825-0740, Terry Schlenker #138-0022, Aaron Baldwin #120-0162 and Palmer Job #818-0080. Mardee Heinrich seconded the motion. Motion carried.

Boyd Mckenzie was present at the board meeting. He wanted to discuss 50/50 split on his line repair bill. The board discussed with Boyd about re-routing the line and tank removal because of the gas leaking from the tank into the surrounding soil. He asked the board to split the bill 50/50. The total of the bill is \$1554.50.

Discussion followed. The Board agreed to pay half the bill to Scherbenske & Son, so they are paid in full, but it could be re-charged to Mackenzie later if he doesn't remove the tank. It was suggested by Steve to re-route the line and possibly may have to move the curb stop. The Board asked Boyd if he planned to have the tank removed, he said he has someone lined up to remove it next spring. The Board asked Boyd to try and have it removed this fall. He said he would check into it. Boyd was asked to contact SRWD when he is planning to remove the tank, so an operator would be there at the site.

Geneva reported to the Board her and Karen went to the court hearing on October 26<sup>th</sup> at 10 a.m. for Lyle Williams Court case and settlement. Lyle agreed to the plea paying the \$4118.00. His probation was reduced from 18 months to 12 months because he agreed to pay the settlement in full the day of the court hearing. Once we receive the payment from the Clerk of Court we will then send him a membership agreement for his signature.

#### Activity Report:

- Geneva, Perry and Bob attended an Operations Meeting at City Hall for the GRE Project on October 20<sup>th</sup>. Jeff Fuchs, Reed Schwarzkopf and Andy Stewart were present at the meeting. GRE plans to start up in June to full operation by August 2011. They are selling steam to Cargill this winter.

Geneva stated concern to the SRWD Board with the reliability from the City for waste water. She has been keeping a log of the City turning the water off without notice to SRWD. This will be a great money maker for the City. It was suggested by the Board to meet with Mayor Katie Anderson. Perry had also met with Reed about the WWTP situation.

- Geneva attended a Manager's meeting in Carrington, October 20<sup>th</sup> to discuss funding for the next biennium.
- Annual meeting notices have been mailed out to members.
- Geneva and Bob attended the joint MRI/Water Commission meeting in Bismarck on October 25<sup>th</sup>. Geneva visited with Eric Volk and he informed her \$45 million is in the budget. Fargo is requesting \$30 million; Williston Water Treatment includes

other communities of Stanley and Parshall. They are also requesting \$30 million. It was felt once they give cities money more cities will be requesting for funding. The oil trust fund makes \$6 million per month. Geneva felt we have a good chance to get \$9 million which is ½ of the requesting \$18 million.

- Will be taking 20 water samples from areas signed up for the expansion project for use in obtaining funding. Karen has been requesting letters from individuals from those areas. The cost for each test is \$89.
- Located a large leak off Res. #2 (40 gpm). Leak is on a 5" main line that feeds Booster 3, and is in a large slough. We have been getting bids to either bore or dig for a 6" line.
- Operators have been busy with seasonal service calls and completing maintenance before winter.
- Repaired leak in Courtenay City

Bob Keller – Bartlett & West

- Update of GRE Project
  1. Status of installation of chlorine injection equipment at the WWTP Booster Station
  2. Operations meeting held October 20<sup>th</sup>
  3. Final Pay estimate for GRE Tank Project \$15,939.00 to Engineering America. Darrell Patzer moved to pay final pay estimate #4 to Engineering America for \$15,939.00. Joel Lees seconded the motion. Motion carried.
  4. Pay Estimate and closeout for GRE Pipeline Project. There is a \$50,000 retainer. Northern Plains Electric hasn't been paid for the \$21,000 statement. Wick Construction is responsible to pay the \$21,000.00. Change Order #4 is for \$12,000.00. Roger Florhaug moved to approve change order #4 and Pay Estimate #13 for \$12,000 to American Infrastructure. Darrell Patzer seconded the motion. Motion carried. The total project cost is \$3,201,106.81.

- Update on Phase I Expansion Project:
  1. Pre-Construction conference held November 2<sup>nd</sup>. This meeting was requested by Northern Excavating. Their starting date is 11/15/10. It was stressed to Northern Excavating it is very important to get the line in and connected by 12/15/10. If the project isn't completed by the deadline date of 12/15/10 there will be a \$500/day penalty. Northern Excavating will have 2 crews working 8-10 hours/day. The most they could do is 1500 feet/day. Todd Krebsbach installed water service lines for Don Wallace, John Soma, Denny Lorenz and Joe Brady. He subcontracted from Northern Excavating.
  2. Status of Easements. Bob reported waiting for 2 easements.
  3. Project Start-up – The startup date for Northern Excavating is initially planned for November 15<sup>th</sup>.

The Annual meeting is 7 p.m. on November 17<sup>th</sup> at the Gladstone Hotel.

The Board was asked if they wished to have a Christmas party this year and if so, December or January. The Board decided to have a party in January. Karen will check on some dates at the Buffalo City Grille.

The next board meeting will be December 14, 2010 at 9 a.m.

With no further business to discuss the meeting was adjourned.

Submitted by:  
Karen Smith  
Office Manager