



Explorer

Lewis & Clark
REGIONAL WATER SYSTEM

SPRING 2016

Luverne Becomes 13th Connected Member!

Congratulations to Luverne on being the 13th member connected to the Lewis & Clark Regional Water System (L&C)! Carstensen Contracting reached substantial completion on Minnesota – Segment 2 on March 9. Luverne officials hosted a program and ribbon cutting on March 14 to celebrate the city finally being connected after 26 years of waiting. The city now has access to 821,000 gallons a day from L&C with the opportunity to secure more capacity in the future.

Program speakers included officials from Luverne, L&C and state legislators. Mayor Pat Baustian said “This is a momentous occasion that has been 26 years in the making. Having a stable pure water source for our citizens and the growth of our community is a huge deal.” Other speakers noted how the L&C water will expand economic development opportunities, improve the residents’ quality of life and sustain the growth of Luverne for generations to come.

Arndt with a plaque dedicating the meter building in his honor (see photo on next page), which was subsequently placed on the building. Baustian gave Arndt an award from the city for his many years of hard work on the project. “This was Luverne’s big day, but we all felt it was an appropriate time to recognize Red’s outstanding service and dedication,” said Executive Director Troy Larson.

Many thanks were extended to Governor Mark Dayton and local legislators for their hard work and leadership in securing the federal funding advances from the state that helped make this connection possible. Dayton, who was scheduled to attend but was prevented from doing so because of heavy morning fog, released a statement saying in part “This project is critically important to the people and businesses in the Luverne area. I congratulate everyone who has worked so hard to make it a reality.” Dayton later stopped by Luverne on March 30 to extend his congratulations in person. Baustian presented him with a key to the city (see photo on next page) and he was also given a blanket embroidered with L&C’s logo.

continued on page 2



Ribbon cutting (left to right): Hulstein, City Administrator John Call, Councilwoman Caroline Thorson, State Rep. Joe Schomacker, Councilwoman Esther Spease Frakes, Banner’s Dave Odens, Arndt, Councilman Kevin Aaker, Baustian, Worthington Public Utilities Manager and L&C director Scott Hain, Councilman Eugene Marshall, State Senator Bill Weber, Banner’s Tim Conner, Water/Wastewater Supervisor Al Lais and Larson (not pictured Director Jerry Lonneman of Lincoln Pipestone RWS).

Chairman Red Arndt was presented with a bottle containing the first potable water L&C delivered to Luverne. He took a big swig (see photo on next page) and said “Tastes good! ...I’ve been waiting for this day for the last 26 years and here it is.” Vice-Chairman Murray Hulstein of Sioux Center also presented



Cheers!



Contracts Awarded for Meter Buildings & Magnolia Service Line

Bids for Both Projects Opened on St. Patrick's Day

Call it "Luck of the Irish" or maybe the engineers had four-leaf clovers in their pockets. On St. Patrick's Day bids for two projects were opened – the first time Lewis & Clark (L&C) had two bid openings on the same day – and both bids came in lower than budgeted! Bids are always compared against the original budget, which is indexed annually for inflation, because it was used to determine L&C's federal cost share ceiling and provides a gauge whether the overall project is under or over budget. Bidding both projects now was made possible by "federal funding advances" from MN and SD.

Bids were first opened for the Crooks and Madison meter buildings. The Crooks meter building – one mile west of Crooks – is the second of three connections for Minnehaha Community Water Corp (MCWC) and also serves the dual purpose

of a pumping station. The low bid of \$1,421,300 from Gridor Construction of Buffalo, MN was only \$1,430 less than second place. MCWC will pay \$129,373 for changes they requested, leaving L&C with a balance of \$1,291,927. **This is 29% under budget; a savings of \$528,532!** Gridor, who also constructed the Tea and Harrisburg meter buildings, plans to mobilize by early May. The substantial completion deadline is this November. Banner's Kristin Bisgard is the project engineer.

Next was the bid opening for the 3 ½ mile Magnolia service line. Magnolia is the second of two connections for Rock County RWD and was changed last year to also serve as the first of two connections for Lincoln Pipestone RWS (LPRWS), with LPRWS covering the additional costs. Carstensen Contracting of Pipestone, MN was the low bidder at

\$1,890,241. LPRWS will pay \$805,354 to upsize the line from 8" to 16", leaving L&C with a balance of \$1,084,887. **This is 9% under budget; a savings of \$107,400!** Carstensen is also the contractor on the MN – Segment 2 and MN – Segment 3A (MN-3A) projects. They will begin pipe installation on the service line as soon they finish installing pipe on MN-3A, which should be in late June. The substantial completion deadline is this November. Banner's Dennis Odens is the project engineer.

The service line was originally a bid alternate on MN-3A, but was rejected because the bids were higher than expected. Bidding it as a stand-alone project turned out to be the right move. The second go around resulted in a savings of \$904,151 for L&C and \$98,797 for LPRWS. Good call!

Construction Begins on Minnesota – Segment 3A

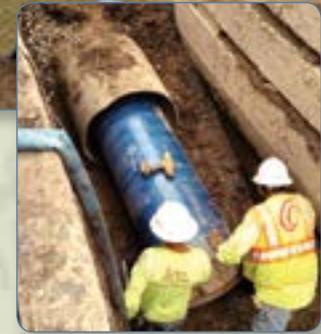
Carstensen Contracting of Pipestone, MN started installing the 24 inch steel pipe on April 6 for this 6 1/2 mile segment between Luverne and a point 3 1/2 miles south of Magnolia. Weather permitting, they hope to have all the pipe installed by late June and then plan to begin pressure testing and disinfecting the line. November is the substantial completion deadline.



First section of 24 inch



Manway provides access to inside of pipe during construction



Highway bore

Three More Pipeline Projects Planned for Bid in 2016

Thanks in large part to the “federal funding advances” from MN and SD, Lewis & Clark (L&C) plans to award three more contracts this year. Design work on all three projects is coming along very well. JCG Land Services is nearing completion of easement acquisition on Madison – Segments 1 and 5 and Minnesota – Segment 3B (MN-3B), and will start in mid-summer on Minnesota – Segment 4 (MN-4).

Madison – 1 is the southernmost five miles of the Madison service line and Madison – 5 is the northernmost five miles. Despite the 32 mile gap in the middle, Madison can access water through the “wheeling plan” involving Minnehaha Community Water Corp and Big Sioux Community Water

System until federal funding allows L&C to finish the service line. Using SD’s advance, the goal is have the wheeling plan operational by June 2017.

MN-3B is a 10 mile segment between Magnolia and Lincoln Pipestone RWS’s (LPRWS) connection three miles east of Adrian. In addition to MN’s advance, FY15 federal funding will be used on

this project. The goal is to have the line operational by November 2017.

Appraisals have just begun on Minnesota – Segment 4 (MN-4), which is a 15 mile segment from LPRWS’s connection east of Adrian to Worthington. In addition to MN’s advance, FY16 federal funding will be used on this project. The goal is to have the line operational by June 2018.



Final FY16 Federal Funding a “Big Disappointment”

Administration Only Proposes a \$1,000 Increase for FY17

Thanks to the efforts of the tristate congressional delegation, an additional \$47M was included in the FY16 Budget for the construction portion of the Bureau of Reclamation’s (BoR) Rural Water Program, which consists of L&C and five other authorized projects. On top of the administration’s proposed funding this brought overall funding to \$65.5M – an \$18.2M increase from last year’s total. Because the earmark ban threw the baby out with the bathwater by including authorized projects like L&C, it was then up to BoR to allocate the funding.

L&C received \$9M in FY15, so with the \$18.2M increase in overall program funding there were high hopes for a meaningful funding boost in FY16. Unfortunately, that did not happen. L&C’s final

even though our delegation did the heavy lifting, so it really felt like a slap in the face to all of us,” said Arndt.

It is not known how much of an impact this made, but one factor that contributed to the lower than expected funding was a provision slipped into the budget

officials later learned the administration proposed an overall increase of \$9.96M for construction of L&C and four other rural water projects. “Inflation indexing on the remaining federal cost share has been running about \$8 million a year, so under the administration’s proposed funding the project would never be completed,” said Arndt.



Arndt and Larson met with Senator Mike Rounds, Senator John Thune and Representative Kristi Noem during the National Rural Water Rally

L&C officials are hopeful its delegation will again be able to increase funding for the construction portion of BoR’s Rural Water Program, which they have been able to do the last three years. In mid-April there was progress on that front. The Senate Energy & Water Appropriations Bill included an additional \$43.8M for construction in BoR’s Rural Water Program and the



Arndt visits with Commissioner Lopez after a meeting with him and his senior staff

FY16 funding of \$9.54M was announced on February 8, just before Chairman Red Arndt and Executive Director Troy Larson met with BoR Commissioner Estevan Lopez and his senior staff during their trip to D.C. for the National Rural Water Rally. “This was a big disappointment to us and the tristate delegation, which we expressed to the commissioner. Lewis & Clark only got 3% of the \$18.2 million funding increase

report language preventing BoR from considering the combined \$49.7M in “advances” provided by MN and SD when allocating the funding. “Minnesota and South Dakota have stepped up in a huge way. It is flat out wrong to prevent BoR from considering the advances. If anything BoR should be required to consider the advances,” said Arndt. The delegation has joined together in a bipartisan effort to ensure the same language tying BoR’s hands is not included in the FY17 budget.

February 8 provided a double-whammy when Arndt and Larson learned during their meeting with Lopez that the administration’s proposed FY17 Budget only included a \$1,000 increase for L&C (\$2.775M instead of last year’s \$2.774M), despite multiple efforts by the tristate delegation to push for a meaningful funding increase. The \$1,000 increase was especially hard to take when L&C



Arndt and Larson met with Senator Al Franken (center) and the rest of the tristate delegation offices during the National Rural Water Rally

House version included an additional \$47M. “Still a long way to go in the budget process, but we are in a much better starting position than last year. We can’t thank our delegation enough for their continued support and leadership,” said Arndt.

\$11.5 Million Minnesota Advance Requested to Connect Worthington

Iowa Members Hoping to Secure Advance in 2017



Governor Terry Branstad expressed his continued strong support for the project and desire to figure out a way to help

An estimated \$11.5M is needed to complete the infrastructure to connect Worthington. A request has been made for a final “federal funding advance” this session, which has the strong support of Governor Mark Dayton and local legislators. If approved Worthington should be connected by June 2018. Advances of \$22M and \$19M were approved in 2014 and 2015 respectively.

“Thanks to the strong support of the Governor and local legislators, as well as

the positive feedback from committee leaders, we feel very optimistic about our chances but are not taking anything for granted,” said Director Scott Hain of Worthington.

Hain, Chairman Red Arndt and Executive Director Troy Larson

have made multiple trips to St. Paul and more will be made prior to the end of the session on May 23.

Two “housekeeping changes” are also being considered; one allowing MN Public Facilities Authority to administer all advances instead of sharing the responsibility with MN Management & Budget, and the second allowing any leftover funds from the \$19M advance to be used for construction on the Worthington segment.

“The latter does not change the estimated \$11.5M needed to connect Worthington, it just gives us some breathing room in case future bids come in higher than expected. The last thing anyone wants is to end up a mile or two short,” said Hain.

In Des Moines, the IA members, Larson and



Arndt and Hain meet with Rep. Paul Torkelson (center), who represents a portion of Lincoln Pipestone RWS’s service area and also chairs the House Capital Investment Committee

lobbyist Paula Dierenfeld are in their third year of meetings with Governor Terry Branstad, agency officials, local legislators and Senate and House leadership about the importance of securing an advance – hopefully during



Sioux Center’s Murray Hulstein, lobbyist Paula Dierenfeld and Sheldon’s Scott Wynja meet with Sen. Randy Feenstra (second from right). Feenstra is from Hull and previously served on the L&C board.

the 2017 session. This includes recent meetings on March 30 and 31 and more meetings are planned. There is a strong desire from state officials to help, but the main challenge continues to be figuring out a funding mechanism to make the very unique advances work.



Sen. Dave Senjum (far left) is the Ranking Member of the Senate Capital Investment Committee and Sen. Bill Weber (standing) represents Rock and Nobles counties

Luverne & Magnolia Meter Buildings

Robert L. Carr continues to work on punch list items for the Luverne meter building. May 31 is the final completion deadline. The contractor resumed construction in early April of the Magnolia meter building, which is the second of two connections for Rock County RWD and the first of two connections for Lincoln Pipestone RWS. The concrete floor has been poured and the walls are going up (see photos at left). August is the substantial completion deadline.



Operations Update – System Now Running 24/7

In another milestone for the project, on April 1 Lewis & Clark (L&C) switched to operating the water treatment plant 24 hours a day, 7 days a week. Until this time it had been operating 14 to 16 hours a day, depending on the time of year and water demands. Three main factors played in the decision – addition of Luverne, increased demands from the connected members, and electrical and chemical inefficiencies inherent with starting and stopping the plant. In addition, operating it around the clock will improve the consistency of water quality.

To provide the necessary staffing levels, as previously reported three new positions were added – two water operators (six total) and one distribution operator (two total). The water operators' 12 hour shifts are either 7:30 a.m. to 7:30 p.m. or 7:30 p.m. to 7:30 a.m. Only one operator works the night shift. Operations Manager Jim Auen said, "We have been working

toward this for over a year and there were a number of changes we made in anticipation of this transition that has allowed it to go smoothly so far. Starting and stopping the plant resulted in changes in water quality with "peaks and valleys" that presented significant challenges to the operators. Now our water quality is very consistent throughout the day and our chemical and electrical systems are significantly more efficient. There are still a number of tweaks we need to make and as time goes on new challenges will materialize, but overall the transition has went better than I expected. The water operators are adapting to the new shift schedule and in some respects it gives them greater flexibility, which they appreciate."

On another note, the main operational challenge is the lime drying beds (see below) not functioning as designed. Lime sludge is a by-product of the

treatment process. The lime sludge is pumped into one of three drying beds. These beds were designed to allow evaporation to dry the lime down to the 50% level. The lime can then be removed from the beds for agricultural uses. Unfortunately, ground water infiltration is preventing the drying from occurring. The only time the sludge has been able to be removed is in the dead of winter when the sludge is partially frozen, but this year it was not cold long enough so no lime sludge removal took place.

The inability to remove sludge from the drying beds will pose significant problems in the not too distant future. Banner engineers are analyzing the reasons why the beds are not functioning properly and options to fix them. They expect to have recommendations soon for the board on how to proceed.

