



Explorer

Winter 2024

Sheldon Connected!



Mayor Greg Geels

After close to 34 years in the making, Lewis & Clark (L&C) water started flowing to Sheldon on December 19! Sheldon has 1.3 million gallons a day of reserved capacity. A ribbon cutting celebration is planned for April 23.

Mayor Greg Geels remarked, “Early in 2012, in my first term as a councilman for the City, we received word that Congress approved a bill containing \$30M of funding for rural water projects. This was terrific news since several years prior the council paid 100% of their cost share but delayed federal funds had put the project far behind schedule. I remember hoping at the time that I would have the satisfaction of seeing Sheldon being connected while serving on the council. Nearly twelve years have passed since that time and today I am thrilled to see that this “pipe dream” is becoming a “pipe reality.” My thanks go out to the first city council that made the bold decision to join the organization, as well as the numerous local, state, and federal legislators that have put forth a tremendous amount of effort to make this a reality for the residents of Sheldon. Not only will this improve the quality of life for us, but it will also enhance the economic development of this community for many years to come.”



Sheldon is the 18th of L&C's 20 members to be connected. It is anticipated that Madison will be connected by mid-2024 and Sibley in early 2025.

“A heartfelt congratulations to our good friends and neighbors in Sheldon on finally being connected to Lewis & Clark! All good things are worth the wait and that is certainly true of the water that is now flowing to Sheldon. Sioux Center was connected in April 2023 and I know firsthand what a fabulous asset and blessing it has been for our community. The same will be true for Sheldon. I applaud all of Sheldon's elected leaders and staff who have played a role through the years in helping to make this dream a reality. It took a tremendous amount of vision, faith, determination and perseverance. Well done!” said Chairman Murray Hulstein of Sioux Center.



SD Legislature Approves Water Rights

Additional Capacity for System Expansion

The SD Legislature overwhelmingly approved L&C's request for an additional 17.07 million gallons a day (MGD) in future groundwater rights from the Missouri-Elk Point Aquifer for the System's expansion to 60 MGD that is expected to be completed in 2031. Senate Joint Resolution 502 passed the Senate on January 23 and it passed the House on January 31. The SD Water Management Board (WMB) is expected to take final action at their March 6 or May 8 meeting.

L&C currently has groundwater rights totaling 47.7 MGD, which involved three separate permits through the years. Allowing for treatment and line losses, this is the well capacity needed to deliver the Base System's firm capacity of 44.19 MGD.



Representative Tony Venhuizen (left) and Senator Herman Otten

In April of last year L&C requested an additional 17.07 MGD. No public comments were received. After analysis by the Department of Ag & Natural Resources (DANR) and the SD Geological Survey to ensure L&C's request would not adversely impact any other groundwater rights and the water would be put to beneficial use, they recommended approval to the WMB. The WMB at a July 12 hearing voted unanimously to recommend approval to the Legislature.

L&C's request equals 19,121 acre feet per year. State statute requires requests that exceed 10,000 acre feet per year to first receive legislative approval before the WMB can take final action. This is a rare occurrence that has not happened for 30 years. "The last time a water rights request needed legislative approval was in 1994 and that was also for Lewis & Clark," said Executive Director Troy Larson.

The prime sponsors of the resolution were Senator Herman Otten of Tea and Representative Tony Venhuizen of Sioux Falls. "A big thanks to Herman and Tony for taking the lead for us, as well as for their long-time support! Shout out as well to DANR and Geological Survey staff for their efforts and guidance throughout the process," said Larson.

Chairman's Report



Chairman Murray Hulstein

In September we secured the final easement for the Sibley service line. This concluded the easement acquisition process on the 337-mile "Base System," which started 20 years earlier in the fall of 2003. That is when we selected JCG Land Services (then known as Graham Land Acquisition) of Nevada, IA to handle our easement acquisition. It was the right decision as JCG's land agents have done a great job for us through the years.

Due to federal funding that covers 80% of construction, unlike traditional rural water systems who usually get free easements, L&C is required to offer fair market value. In addition to the fair market value, L&C's standardized formula included an additional percentage of compensation to landowners that was above and beyond. We believe the formula was not only fair, but generous. Even so, we believe the key to our success was that we used the same formula for everyone. The squeaky wheel did not get the oil. Our attorneys at times felt we were being penny wise and pound foolish by spending more on legal fees than would have been spent in additional

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compensation to certain landowners to get easements, but we were convinced that would only cause problems down the road.

Here is just one example of how far we went. After acquiring the first 29 easements near Sioux Falls, we adjusted our compensation formula resulting in higher payments to landowners. The Board in February 2005 voted unanimously to pay these landowners the combined \$96,408 in additional compensation they would have received using the new formula. Nobody asked us to do this and nobody even knew we changed our formula, but it was the right thing to do. While not everyone went away happy in those 20 years, the vast majority did. We take great pride in knowing we went above and beyond in our efforts to treat landowners fairly, equally and with the utmost respect.

In total we paid \$15,962,529 for 1,007 easements, an average of \$15,851 per easement. We paid another \$7,195,073 for land agent, appraisal, legal and administrative expenses for a total easement acquisition cost of \$23,157,602. This does not include fee title purchases on land L&C now owns for the treatment plant, lime drying beds, storage, pump stations and meter buildings, which added another \$1,321,280.

A big thanks to our land agents, appraisers, engineers, consultants and staff who put in a lot of time and effort to secure the necessary easements to construct the pipeline. Our deepest thanks and appreciation though goes to the many landowners who provided easements. We would not be where we are today without their cooperation. We look forward to continuing to be a good neighbor to them.

Sibley Meter Building Taking Shape

West Branch Construction started work in September on the Sibley meter building just north of the city limits. After the underground piping, plumbing and electrical conduit was installed, the concrete floor was poured. In February they enclosed the structure and started working on the exterior and interior masonry walls. West Branch feels they are ahead of the October 2024 substantial completion deadline.



New Manager at South Lincoln RWS

John Stearns started as the new manager of South Lincoln RWS on January 29. Tom Rausch recently retired after 13 years in the position. John and Tom toured the treatment plant with Operations Manager Jim Auen on February 1. They then met with Executive Director Troy Larson the next day. Both meetings were a great opportunity to provide John with as much information as possible on L&C, and for Tom to hand off the baton.

John previously worked at DGR Engineering for close to four years, and one year for ISG prior to that. While at DGR he helped design pipelines, pump stations and water towers. He worked closely with South Lincoln RWS. Prior to getting his engineering degree from SDSU, John taught math at Harrisburg High School for nine years. He is originally from Canton, SD. John and his wife Brianna live in Harrisburg and have seven children.

In addition to spending time with his family, in what little free time John has he enjoys waterskiing, do-it-yourself projects and running. “We wish Tom the very best in his well-deserved retirement and we very much look forward to working with John,” said Larson.

John Stearns (left) and
Tom Rausch in the high service
pump station on February 1



Additional Infrastructure Funding Approved for FY24

FY24 Appropriations Bill Still in Flux

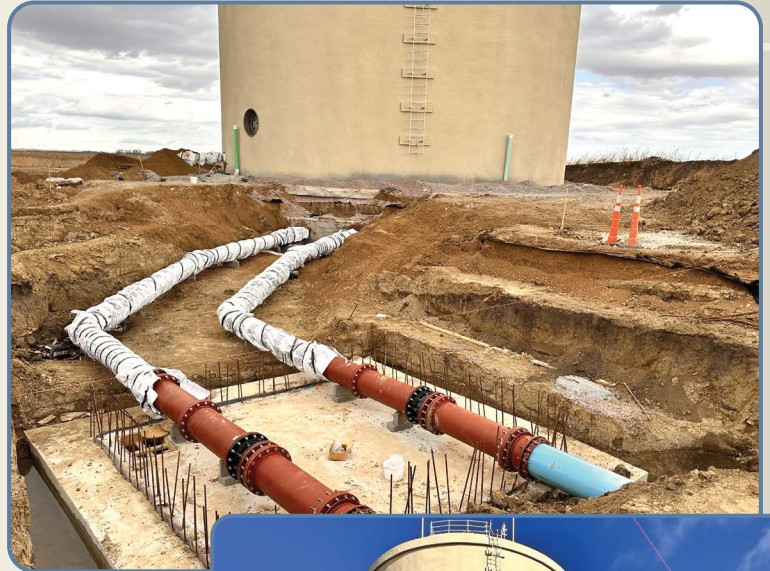
It was announced on October 10 that L&C would receive another \$7M from the Bipartisan Infrastructure Law (BIL) for FY24. This is on top of the combined \$135.5M in BIL funding L&C received in FY22 and FY23. “We are very thankful for the continued funding. The infrastructure bill has been a game changer for us. We advanced a significant amount of construction that normally would have taken several years,” said Executive Director Troy Larson.

The Senate FY24 Appropriations Bill, which has not yet passed after a series of Continuing Resolutions, includes

\$18.825M for L&C. This total is the \$6.825M proposed by the Administration and a \$12M congressionally directed spending request made by Senators Thune, Klobuchar, Rounds and Smith. Assuming \$18.825M is eventually approved for FY24, **L&C currently estimates \$12M is needed in FY25 to complete the Base System.** The amount needed will be clearer after bids for Phase 3 of the treatment plant are opened on March 21. It is unknown whether L&C will receive any additional BIL funding in FY25, so it is possible the entire amount may need to come from the FY25 Appropriations Bill.

Madison Reservoir Ahead of Schedule

DN Tanks continues to make quick work of the one million gallon ground storage reservoir a few miles east of Madison. The influent and effluent site piping and the valve vault structure are completed. Two coats of paint have been applied to the reservoir. They demobilized for the winter in mid-December. Some of the main remaining work includes electrical and controls in the vault, a final coat of paint along with L&C's logo and leak testing. **Water will begin flowing to Madison as soon as DN Tanks reaches substantial completion.** Their deadline is not until August 2024, but because they are ahead of schedule City officials have been notified that it could be as early as May. Much will depend on the weather and when DN Tanks is able to remobilize this spring.



High Service Pumps Finally Arrive

The final two high service 1,250 hp pumps for the Base System finally arrived on December 7, well after the original delivery schedule of February 2023. One of the two pumps is operational but there are problems with the second. “This project was awarded to PKG in December 2021. The repeated delivery delays were incredibly frustrating. Unfortunately, even after the pumps arrived a wide array of issues continue to pop up and further delay PKG from reaching substantial completion. It has been one thing after another. They hope to reach substantial completion sometime in February,” said Operations Manager Jim Auen. The substantial completion deadline was April 14, 2023.

This project also includes chemical feed improvements in the plant and adding A/C units in the high service pump station. That work has mainly been completed.

Two additional 1,250 hp high service pumps that are part of the expansion to 60 MGD were added later by change order to PKG’s contract. Those two pumps arrived on January 8 but are not included in the substantial completion deadline referenced above.



Projects Closed Out and Ongoing

At the peak L&C had a record 16 open construction projects last year. Six have recently been closed out and ten others are ongoing. In addition to the projects mentioned elsewhere, here are updates on the rest:

- D.W. Proehl reached substantial completion on April 4 for the Hull meter building, Sioux Center meter building and Beresford pump station. They reached final completion on October 10.
- Welfl Construction reached substantial completion on April 11 for the Site B collector well. They finally reached final completion on December 7.
- Halme Construction reached substantial completion on November 3 on 16 miles of 16-inch PVC pipe that starts at the Crooks pump station and heads north. This project is referred to as Madison – Segments 2 & 3A. They reached final completion on January 17.
- Starting on the north end of Halme's project and continuing north toward Madison, Carstensen Contracting successfully disinfected the southernmost eight miles of 16-inch PVC pipe on December 16. They returned in early February to resume disinfection on the remaining eight miles. This project is referred to as Madison – Segments 3B & 4. August 2024 is their substantial completion deadline, so they are well ahead of schedule.



Halme flushing a portion of the line



Eatherly taking disinfection samples with L&C's water tower near Sheldon in the background

- Eatherly Constructors reached substantial completion on November 22 on the 17 miles of 16-inch PVC pipe between Hull and Sheldon. This project is referred to as Iowa – Segments 4 & 5. They reached final completion on December 22.
- West Branch Construction reached substantial completion of the Hull pump station and Sheldon meter building on December 7. They reached final completion on January 25.
- Caldwell reached substantial completion on the Sheldon water tower on December 14. They are working on the remaining punch list items to reach final completion.
- D.W. Proehl has installed the three pumps for the Crooks pump station, but is waiting for the backup generator in order to reach substantial completion.



Hull pump station process piping and pumps

Lime Drying Beds

Lidel Construction had two crews working during favorable weather last fall until they stopped in early December for the winter. They believe they are on schedule to meet the October 2024 substantial completion deadline. Lidel has completed the majority of the earthwork for the three new drying beds, with just the last foot of clay material for the bed floor lining remaining. The earthwork remaining will require weather that allows the clay to dry out.

The piping from each bed to the decant lift station, the decant force main and decant pond overflow piping have all been completed. A majority of the lime sludge piping from the plant to the new drying beds still needs to be installed. These beds are designed to move more water following a wet weather event than the existing beds were, with larger pipe and valve diameters.

The concrete decant structures were started last fall (two photos in the upper right hand corner). These structures hold the lime in the beds while allowing the water to decant off the top of the lime. They are similar to the ones for the original drying beds but are wider to allow small equipment to be used to pull the lime away from the decant valves and piping. The width of the existing decant structures required shoveling and manual labor over the years, so the new beds will be more operator friendly.



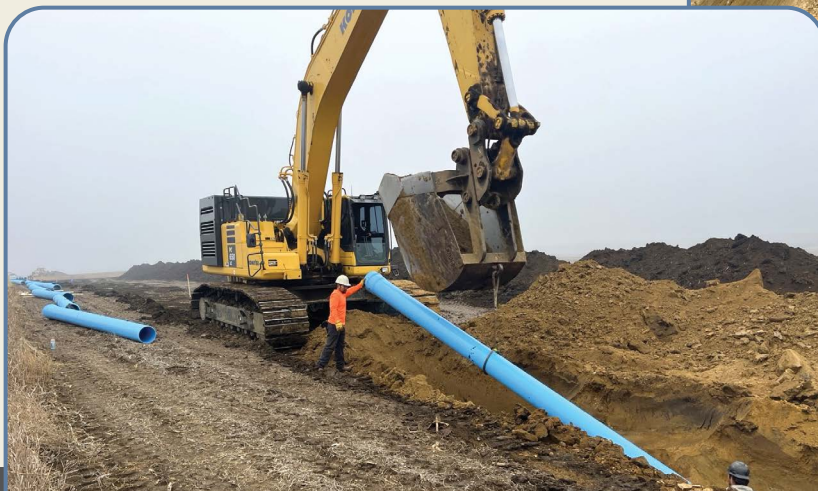
Sibley Service Line Contract Awarded

Final Phase of Treatment Plant Next

An \$8,419,141 contract for the Sibley service line was awarded on October 10 to Metro Construction of Tea, SD. The project includes 17 miles of 12-inch PVC pipe. Metro got a good jump start on construction. They started dirt work on December 5 and installed 14,070 feet (16.5% of the total) before shutting down for the winter on January 5. Substantial completion deadline is July 2025.

“This is the final pipeline project for the 44.19 million gallons a day (MGD) Base System. We still have a few more projects to award to complete the Base System, but those do not involve pipeline. We are looking forward to a “golden spike” celebration when the last section of pipe is installed,” said Executive Director Troy Larson.

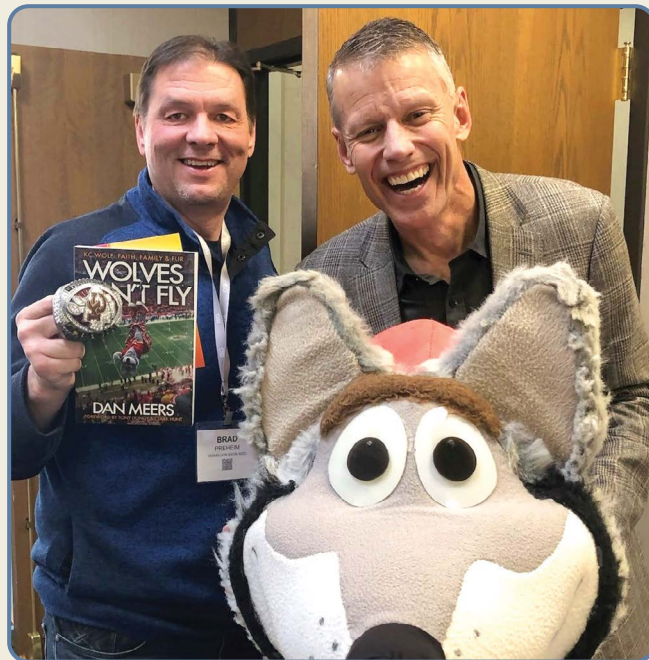
The next contract to be awarded is the third and final phase of the treatment plant. Banner and HDR engineers have been working on the design since the fall of 2022. Phase 3 is needed for the plant to produce the members’ combined firm reserved capacity of 44.19 MGD. Among other things, the project includes two more solids contact basins and a second gravity thickener. **Phase 3 was advertised on February 6 and the bid opening is March 21.** In a cost-saving move, it also includes a bid alternate for a second clearwell that is part of the expansion to 60 MGD. It will be much less expensive to construct the second clearwell as part of this contract instead of a standalone project later. If approved, the second clearwell will be paid for using non-federal funds.



FROM THE PIPELINE



SD Association of Rural Water Systems' Executive Director Kurt Pfeifle will be retiring on April 15. Kurt has done a great job at the helm these last six years. Prior to this position Kurt was the manager of the Mid-Dakota RWS for 25 years and before that he was manager of the West River/Lyman Jones RWS for six years, so a total of 37 years in the rural water business. Kurt was asked at the Annual Technical Conference's (ATC) legislative reception in Pierre if he wanted red or white wine. He answered "yes." Gotta love the way he rolls when retirement is near!



Director Brad Preheim (left) is shown with Dan Meers from the Kansas City Chiefs, who was the ATC's keynote speaker. Author, speaker and mascot, Dan has been the KC Wolf mascot for over 30 years.



Chairman Murray Hulstein of Sioux Center was recognized in absentia at the ATC for his 30 years of rural water service. Thanks for sticking around so long, Murray!



Executive Director Troy Larson provided a project update and background information on February 6 to City of Luverne staff, including the new Finance Director. Left to right: Troy, City Administrator Jill Wolf, Finance Director Tyler Reich and Water/Wastewater Supervisor Darrel Ykema.



Lyon & Sioux RWS staff toured L&C's treatment plant on January 15. In addition to their own sources of water, Lyon & Sioux has been buying L&C water from Rock Rapids Municipal Utilities since July 2012. Left to right: Office Manager Sharon Postma and Treatment Plant/ Distribution Operators Travis Van Otterloo and Todd Vande Kop are shown in the high service pump station.



Lincoln Pipestone RWS staff and DGR engineers toured L&C's treatment plant, lime drying beds and collector well on January 23. Lincoln Pipestone is in the process of designing a new lime treatment plant and drying beds near Montevideo, MN. Lincoln Pipestone staff (left to right): Treatment Plant Operator Roger Rasmussen, System Operator Jeremy Rost and General Manager Jason Overby are shown at the collector well.



Director Sid Munson of Tea won the prize for the second consecutive year at the ATC for coming the closest to guessing the number of jelly beans in Marsh-McLennan's jar. He is a jelly bean savant!



Hull, Rock Rapids, Sheldon, Sibley and Sioux Center officials met in Sheldon on October 19 with local legislators to discuss the possibility of repaying \$4.6M of the State's \$7M in federal funding advances in 2024 instead of 2027 in exchange for the ability to use the remaining \$2.4M to offset a portion of the IA's members' expansion cost share. Follow-up discussions were held with other legislators who were unable to attend this meeting. There was not enough traction to pursue a bill. L&C will continue to earn interest on these funds until it repays \$7M to the State in 2027.



1800 Monty Street
Tea, SD 57064

Operations Update

L&C welcomes Jamey Hult and Dave Mattson to the operations team! Both live in the Centerville area. These are L&C's first personnel changes since 2017. Jamey started on December 18 as a Maintenance Mechanic. This is a new position that has long been planned as the footprint of the System continues to expand. Dave started on January 24 as a Water Operator. He will have four weeks to train before taking over for Mike Rath when he retires on February 23.

Jamey most recently worked as a heavy equipment operator installing drain tile and maintaining equipment. He has worked for area agricultural businesses as a spray applicator and equipment maintainer. Jamey also previously ran his own business installing septic tanks and drain fields. He has extensive work experience in plumbing and mechanical maintenance, as well as rebuilding motors and gearboxes. In Jamey's words, "I've always had a wrench in my hand." He is originally from Centerville and is the brother of Water Operator Jeremy Hult. Jamey and his wife Kimberly have three children.

Dave worked at the nearby Chancellor ethanol plant for the last nine years, including most recently as a shift supervisor. He is originally from Greenbush in northern MN. Dave is a veteran of the Marine Corps Reserves and has a Biblical Studies degree from Northwestern College in St. Paul. Dave and his wife Gretchen, who is from Centerville, have six children.

"A warm welcome aboard to Jamey and Dave! We are excited to have these very experienced and top-notch gentlemen join our operations team," said Operations Manager Jim Auen.



Jamey Hult (left) and Dave Mattson