

**Red Rock Rural Water System
Lakes Area Expansion Project
Informational Meetings**

**July 25 and July 29
2022**

Welcome and Introductions

Dominic Jones - Manager

Deb Bunting - Office Manager

Jeremy Nerem - Director of Operations

Andrew Windschitl – Water Specialist

Nicki Peterson –Billing Clerk

Cassie Kullman –Administrative Assistant

RRRWS Board Members

Brief History and Current Infrastructure

Red Rock Rural Water System

PO Box 160
Jeffers, MN 56145-0160

(507) 628-4201
Fax 507-628-4631
E-mail: dominicrock@centurytel.net

GENERAL INFORMATION ON RRRWS

GENERAL

The current RRRW System serves 2,500 rural service connections and 14 small cities in portions of nine counties.

It has approximately 2,000 miles of pipeline ranging in size from 1½ to 12", which distributes water from six sources.

Four water towers with a total capacity of 1.1million gallons, 5 ground storage reservoirs, 6 booster stations, a series of pressure reducing valves, 9 wells, 2 treatment plants, one located 4 miles north of Windom and the other located 5 miles southwest of Jeffers, a water purchase connection from the City of Windom, Lincoln-Pipestone Rural Water, City of Balaton and City of St. James are all important features of this system.

CURRENT WATER QUALITY (One treatment plant located 4 miles NW of Windom, & the other located 5 miles SW of Jeffers) (May vary if new water source is needed)

Red Rock Rural Water System strives to deliver the best water quality possible. The following is a typical water analysis:

Iron - Less than 0.1 mg/l
Manganese - Less than .05 mg/l
Nitrates - (Nitrogen) - Less than 0.20 mg/l
Sulfates - 118 mg/l
Ph - 7.3
Fluoride - .5 mg/l

Chlorine - 1.0 to 2.0 mg/l
Sodium - 8.8 mg/l
Hardness - 22 grains
(Hardness of Lincoln-Pipestone Rural Water/Balaton and St James water sources is slightly higher)

Brief History and Current Infrastructure

COST TO NEW USERS Minimum hook-up charge is \$16,000 with monthly average of 50,000 gallons or less – capacities over 50,000 will incur additional charges.

A membership fee of \$500.00.

Monthly water rates vary dependent on monthly water usage. Please refer to our website at www.redrockruralwater.com for the current water rates & capacity charges or call the office at 507-628-4201.

CONNECTION OF SERVICE

As of January 1, 2023 all water services will be completed with the use of a meter pit which includes the extension of 10' of 1" poly pipe for the landowner to make their final connection into their home, business or farm.

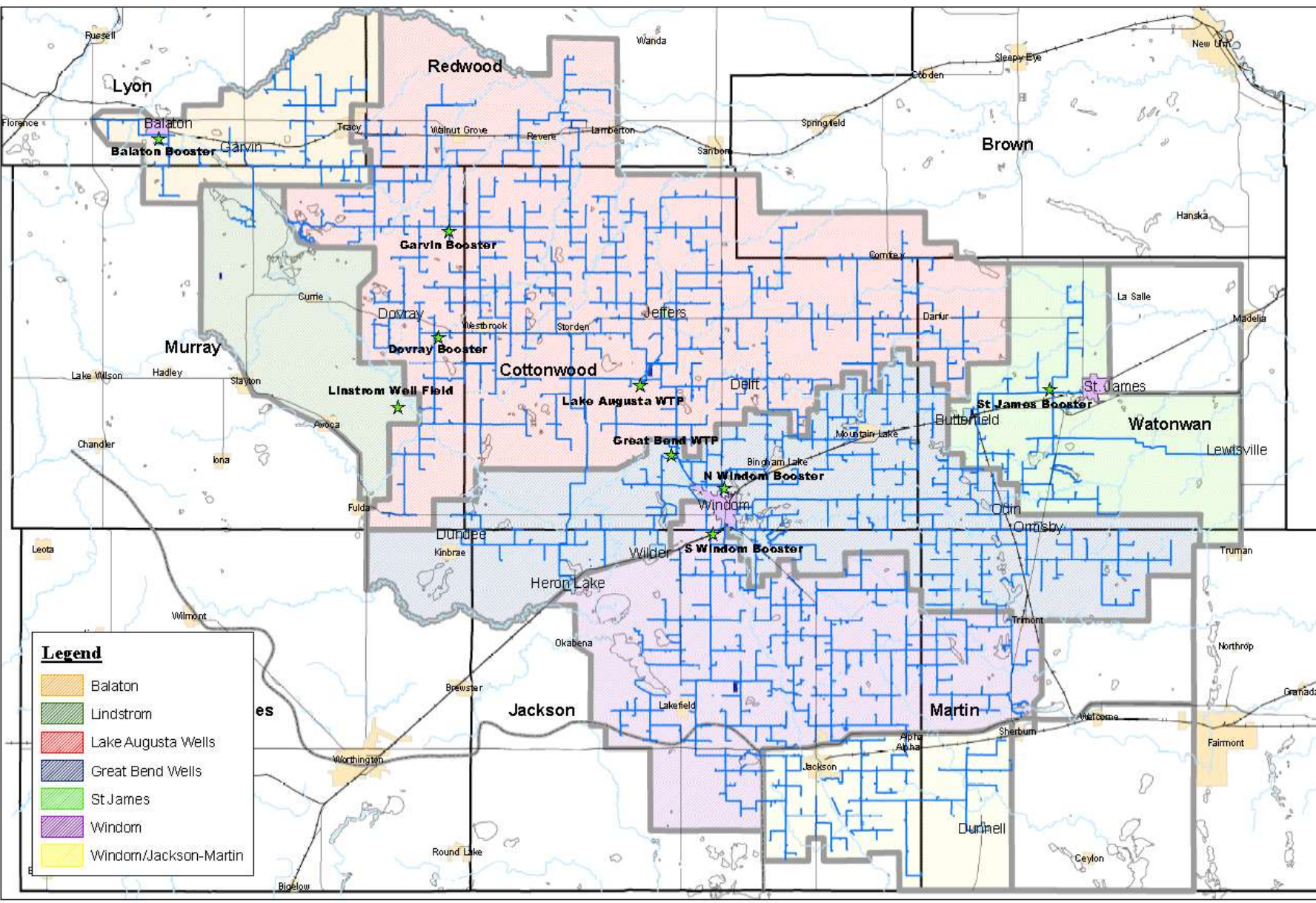
THE RRRW SYSTEM IS DIRECTED BY A 9 MEMBER BOARD OF COMMISSIONERS

Jay Mickelson, Windom - Chairman
Mike Carlson, Garvin - Vice Chairman
Paul Johnson, Windom – Treasurer
Shelley Sweetman, Currie - Secretary

Marlow Nickel, Jeffers
Les Anderson, Trimont
Jay Takle, Westbrook
Gary Schimbeno, Storden
Glen Friedrich, St. James

THE RRRWS OFFICE IS LOCATED AT 305 WEST WHITED STREET IN JEFFERS, MN

Dominic Jones, Manager
10 full-time employees & 1 part-time employee

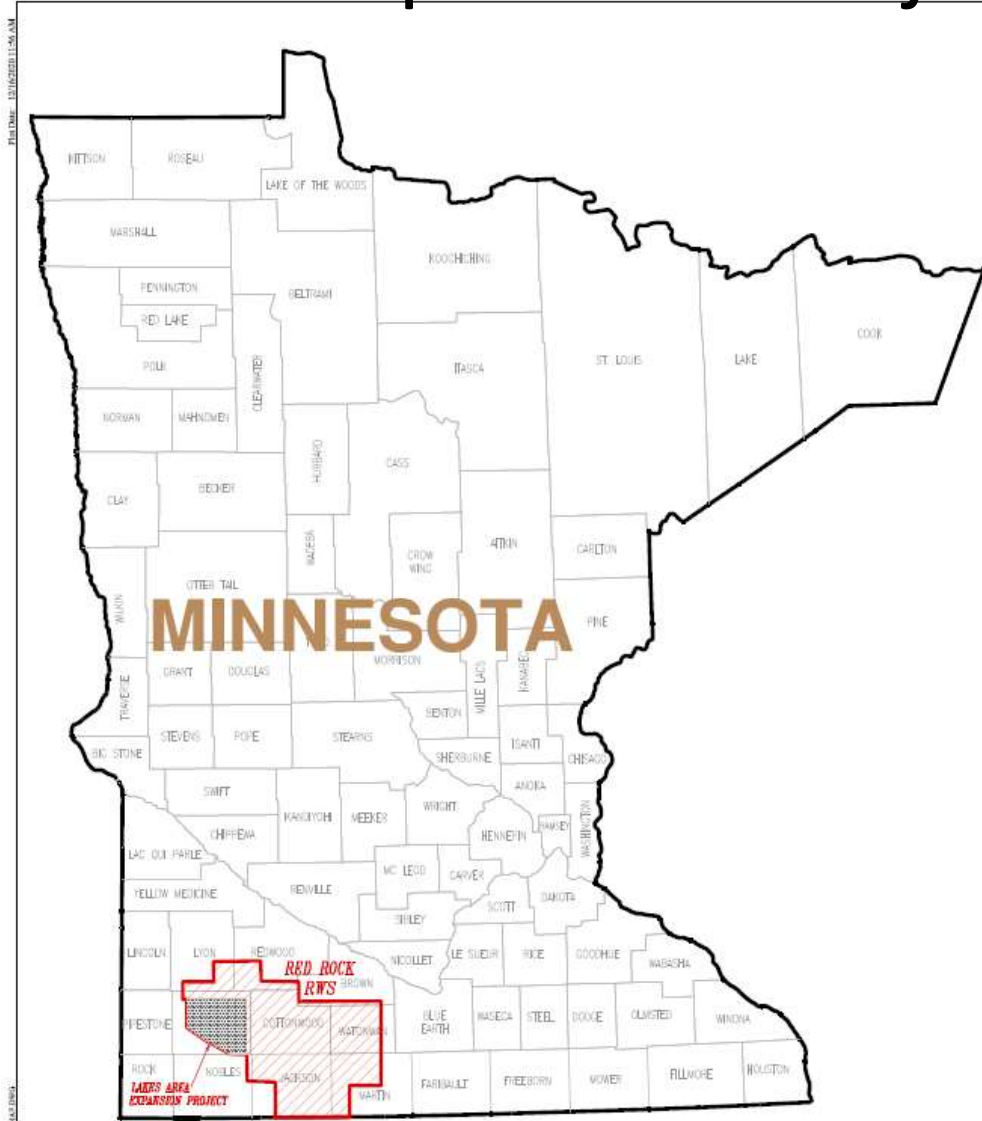


Legend

- Balaton
- Lindstrom
- Lake Augusta Wells
- Great Bend Wells
- St James
- Windom
- Windom/Jackson-Martin



General Scope of the Project



VICINITY MAP

DRAWING 1

REV	DATE	DESCRIPTION

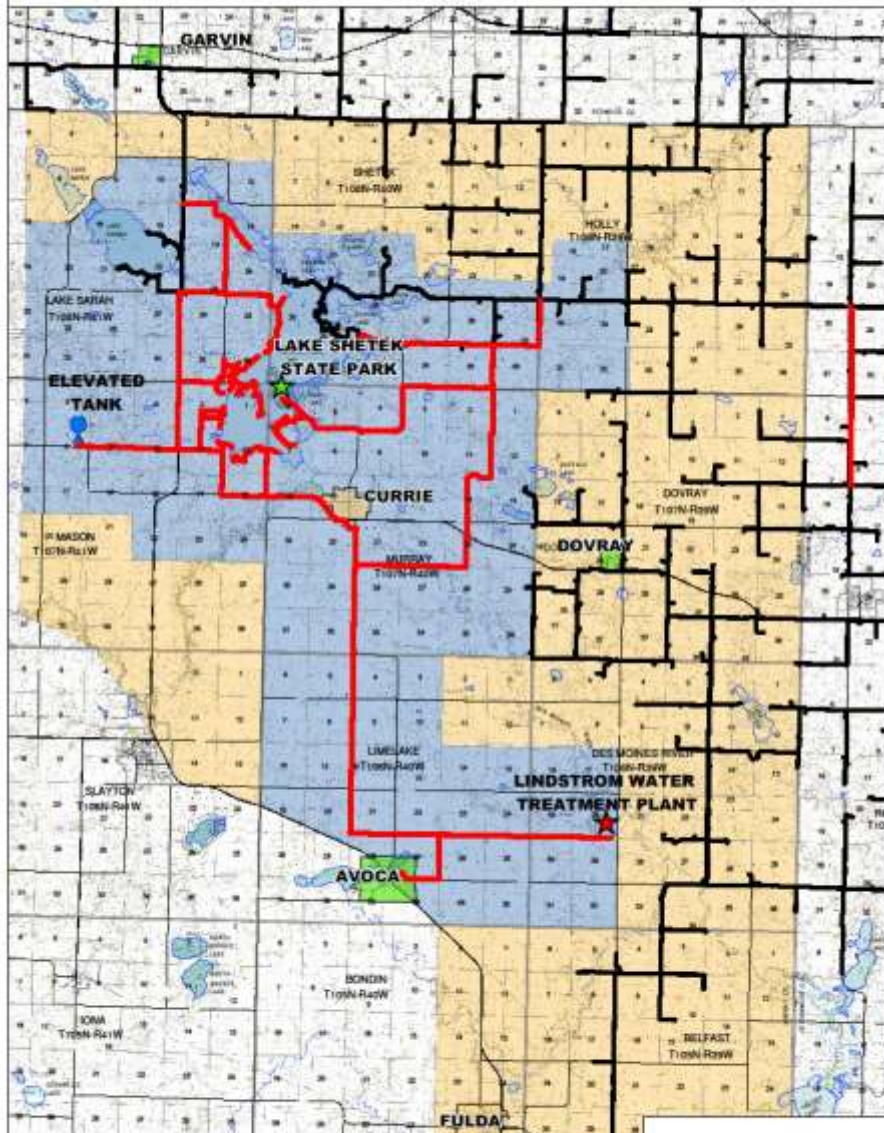


Project Manager: PGD
 Designer: BMS
 Project Number: 801325
 Phone: (712) 472-2531





LAKES AREA EXPANSION PROJECT

RED ROCK RURAL WATER SYSTEM
 JEFFERS, MINNESOTA

RED ROCK RURAL WATER SYSTEM LAKES AREA REGIONAL EXPANSION PROJECT



ESTIMATED PROJECT TIMELINE	
Pre-Construction Activities	Jul 21 - Mar 23
Mainline Construction	Jun 23 - Jul 24
Service Line Construction	Jun 24 - Dec 25
Water Treatment Plant Complete	Nov 24
Service Connections Complete	Dec 25

LEGEND	
	Existing Pipeline
	Proposed Pipeline
	Funded Project Area
	Future Project Area

1.0 PURPOSE AND INTRODUCTION

Red Rock Rural Water System (RRRWS) of Jeffers, Minnesota has authorized this study to evaluate the cost and feasibility of providing rural water service to new rural customers located on the shores of Lake Shetek and Lake Sarah, rural users in Murray County, and the city of Avoca. This project is referred to as the Lakes Area Expansion Project. The expansion area includes the townships of Lake Sarah, Shetek, Mason, Murray, Slayton, Lime Lake, Des Moines River, Bondin, and Belfast in Murray County. Water for the new members will be provided from a combination of Red Rock's current Lake Augusta water source and the new Lindstrom water source. The Lindstrom water source is located 5 miles east of the city of Avoca and will be developed as a part of this project. Water from the Lindstrom Source will be delivered to an elevated tank located west of Lake Shetek, which will serve the rural area as well as the lake homes.

The Lakes Area Expansion Project will be divided into two phases. Phase 1 will include the development of the Lindstrom source, a new water treatment plant, an elevated tank, and a mainline to a potential 350 lakes services and 50 rural customers located along the mainline route. Phase 2 will include a branch line project to serve an additional 250 rural and lake users in Murray county not served in Phase 1. The project has a total potential of 875 combined lake and rural homes.

The primary purpose of this project is to address the health hazard to rural residents within the project area that is the result of the poor quality and insufficient quantities of water that exist throughout southwest Minnesota. This includes an exceedance of arsenic limits in 23% of private wells and levels of nitrates that exceed primary drinking water standards in 21% of wells within the project area. Project development for the Lakes Area Expansion started in 2014 when inquiries from lake area residents on the west side of Lake Shetek prompted Red Rock to start searching for a new water source. Lake Shetek and Lake Sarah combine to

include over 650 lake homes and businesses of which 180 homes are currently served by Red Rock. These lake homes will be the initial focus for the project buildout. The remaining sign-ups will come from rural homes located along the mainline between the Lindstrom Source and Lake Shetek.

Based on a preliminary design and hydraulic analysis of 875 potential customers in the Lakes expansion area, it is estimated that 95 miles of additional pipe will be required to serve 400 new members. Preliminary design includes pipe sizes ranging between 2-inch and 10-inch diameter. Phase 1 will be divided into multiple contracts including:

- Schedule 1: Distribution
- Schedule 2: Storage
- Schedule 3: Wells
- Schedule 4: Treatment

All four schedules of project development will occur concurrently. It is anticipated that design and preliminary project development will occur in 2021 with construction to begin in the spring of 2022 and be completed in the fall of 2023. Phase 2 will follow the completion of Phase 1 and will include service to the remaining rural users. The Phase 2 project will be funded separately through a future funding package.

Alternatives to Project

5.1.1 Alternative 1 - Lindstrom Water Source

5.1.2 Alternative 2 – Transmission Mainline from Lake Augusta Water Source

6.0 SELECTION OF ALTERNATIVE

Alternative 1 provides additional growth potential at a lower life cycle cost than using Red Rock's existing water sources. It also adds redundancy to the west side of Red Rock's distribution system, a primary objective for all of Red Rock's water sources. Both alternatives have similar water quality, and both meet all primary drinking water standards. Although Alternative 2 has a lower initial construction cost and maintenance cost, the operating cost of buying water to supplement Red Rock's existing water sources is significantly more expensive than producing water from a new water source. The most feasible alternative based on the factors considered is for Red Rock to construct Alternative 1, a new WTP at the Lindstrom water source.

Funding Already Secured



United States Department of Agriculture

Rural Development

1810 30th St NW
Suite 3
Faribault, MN 55021

Voice 507.332.7418
Fax 855.804.4099

February 10, 2022

Red Rock Rural Water System
305 West Whited Street
Jeffers, MN 56145

SUBJECT: Letter of Conditions
Recipient Name: Red Rock Rural Water System
Project Name: Lakes Area Expansion
CFDA NUMBER - 10.760

RUS Loan:	\$8,071,000
RUS Grant:	\$1,842,000
Applicant:	\$ 200,000
City of Avoca:	\$ 387,000
MN 2020 Bonding Bill:	\$5,500,000

Estimated Timeline of Construction

Pre-Construction Activities Jul 21 - Mar 23

Mainline Construction Jun 23 - Jul 24

Service Line Construction Jun 24 - Dec 25

Water Treatment Plant Complete Nov 24

Service Connections Complete Dec 25

Cost of Construction & Payment Options

First Year On Taxes	Project Name	Interest Rate
1986	Original Hook-Ups	7.125%
1994	1993 Expansion (Murray)	6.75%
1998	1997 SE Expansion Project	6.00%
2000	Lake Shetek Expansion	6.95%
2003	2001 Expansion Phase 1	6.00%
2004	2001 Expansion Phase 2	6.00%
2008	2005/2006 Expansion Phase 3	6.375%
2011	Internal	4.00%
2012	2011 Project	4.00%
2013	2012 Internal Construction	5.9%
2017	JM Phase 1	3.25%
2019	JM Phase 2	4.625%

Current Rural Water Hookup Cost = \$16,000.00

- 5.9% interest on a 30 year amortization schedule
- Annual payment = \$1,149.97

Lakes Area Project Anticipated Cost = \$16,000.00

- 4.95% interest on a 30 year amortization schedule
- Annual payment = \$1,034.90

More details when we get to the Water User's Agreement

Billing/Commodity Rate/Payment Options/Capacity Charges

Gallons Used	Minimum Charge	Water Rate Per Thousand Gallons
0 - 6,000	\$ 27.00	\$ 3.50
7,000 - 15,000	\$ 30.00	\$ 3.50
16,000 - 50,000	\$ 35.00	\$ 3.50
51,000 - 100,000	\$ 45.00	\$ 3.60
101,000 - 150,000	\$ 55.00	\$ 3.70
> 151,000	\$ 65.00	\$ 3.80
Municipal	\$ 40.00	\$ 3.50

2022 BILLING INFORMATION AND POLICIES

Our office is open from 8:00 a.m. to 5:00 p.m. Monday through Friday to assist you with any questions you may have. For after hour emergencies, please call the office phone number at (507) 628-4201 which will give you the phone number to contact the on-call person. Another option during water outages or emergencies is to look for current information on the Red Rock Rural Water System website at www.redrockruralwater.com and sign up for alerts! Also check out and follow us on Facebook at <https://www.facebook.com/RRRWSystem>.

We will remotely read your meter on the 1st business day of each month and will be mailing your monthly water bill. To avoid a \$10.00 late payment charge, you must include your stub with payment which must be postmarked by the 15th of each month **or received in the office by 5:00 p.m. on due date.**

Additional payment options are paying on-line by going to our website www.redrockruralwater.com with **payments due on or before midnight on the 15th of each month** or enrolling in the ACH (automatic withdrawal out of checking or savings account). If you are interested in enrolling in this payment option, please call the office to have the necessary paperwork mailed to you. Once enrolled, the payment will be initiated on or about the 10th of each month. Please be aware that any bank returned payments will be charged a \$20.00 collection fee.

If you are interested in paperless billing, call the office at 507-628-4201 or email billing@redrockruralwater.com

2022 BILLING INFORMATION AND POLICIES (cont.)

IF YOU SHOULD HAVE A LEAK AND DO NOT BECOME AWARE OF IT RIGHT AWAY, YOU ARE STILL RESPONSIBLE FOR THAT WATER USAGE. To monitor your own water usage, go to <https://eyeonwater.com/signup> to enroll in the Eye on Water option.

If you would like for your water service to be turned off for an extended period of time, please contact us 48 hours in advance to set up a service call for winterizing your meter or having your service reconnected. There is no charge for this service call. You are responsible for paying the minimum charge plus a \$2.00 meter fee per month even if your water service is disconnected and you are not using any water.

There will be a \$9.72 Annual State Water Testing Fee added to your January water bill. This is a charge by the State of Minnesota under the Safe Drinking Water Act. The full amount of \$9.72 per service is paid back to the State of Minnesota.

If water service is interrupted due to a leak that is being fixed, be sure to check the water before using it for laundry. You could see some discoloration or cloudy water for a short while. If this should continue for any length of time, please call our office and we may authorize you to flush your water lines and credit you for this water. No credit will be given for unauthorized flushing.

Payment & Delinquent Account Policies

Payment/Delinquent Account Policy: Monthly water usage payments are due by the 15th and will be considered delinquent if the payment is not received or postmarked by the 15th of each month. If payment is not received in the office by 5:00 p.m. or postmarked by the due date, a \$10.00 late charge will be added to the total due. If payment and late charge is not received within 14 days of due date, a disconnect notice will be sent. This will be the only notification given in advance of the service being disconnected 30 days after the disconnect notice is sent. To avoid disconnection, delinquent month, current month and late charges must be paid in full.

Disconnect/Reconnect Policy: If payment in full is not received by 5:00 p.m. on the last business day of the month a \$60.00 reconnect charge will be added to the total due. All monthly charges, late charges and reconnect charge must be paid in full prior to reconnection of water service. If you claim that the charges are not properly due and payable, you may request a hearing in writing before expiration of the 30 days.

Capacity Unit(s)

History: Current members were assigned a number of capacity unit(s) that was calculated by using the monthly average of water used during the 2019 and 2020 calendar years. An additional 15% was added to their monthly average for seasonal fluctuations and then rounded up to the next 25,000 gallon increment.

For the Lakes Area Project—All members will have 1 capacity unit and are eligible to use up to 50,000 gallons per month

- If the assigned monthly maximum is exceeded, an additional **Overage Fee** (\$25 per month) and **Monthly Overage Charges** (additional \$5.00 per 1,000 gallons used over your assigned monthly maximum) will be added to your monthly water bill as an **Overage Charge**.
 - If you will need more than 50,000 gallons/month, you can purchase additional capacity, if the water is available.

Assigned Capacity Dispute:

A written request can be submitted to the RRRWS office at least 3 days prior to our RRRWS Board Meeting which is held the 2nd Thursday of each month, unless otherwise posted. Your request will be reviewed and presented to the Board for consideration. Your attendance may be requested.

Additional capacity units may be available for purchase if water is available at your requested connection location. A hydraulic analysis will need to be performed by the RRRWS engineer prior to authorization.

Additional Capacity Unit Charges:

½ Capacity Unit = \$5,000.00 (additional 25,000 gallons/month usage)

1 Capacity Unit = \$10,000.00 (additional 50,000 gallons/month usage)

Gallons Used	Minimum Charge	Water Rate Per Thousand Gallons
0 - 6,000	\$ 27.00	\$ 3.50
7,000 - 15,000	\$ 30.00	\$ 3.50
16,000 - 50,000	\$ 35.00	\$ 3.50
51,000 - 100,000	\$ 45.00	\$ 3.60
101,000 - 150,000	\$ 55.00	\$ 3.70
> 151,000	\$ 65.00	\$ 3.80
Municipal	\$ 40.00	\$ 3.50

Example: 5,000 gallons of water used

Average Household Use

Minimum Base Charge	\$27.00
5K Gallons X 3.50	\$17.50
Meter Read Fee	<u>\$2.00</u>
Monthly Total	\$46.50

PRESORTED FIRST CLASS
U.S. POSTAGE PAID
JEFFERS MN
PERMIT NO. 3

Return this with payment!

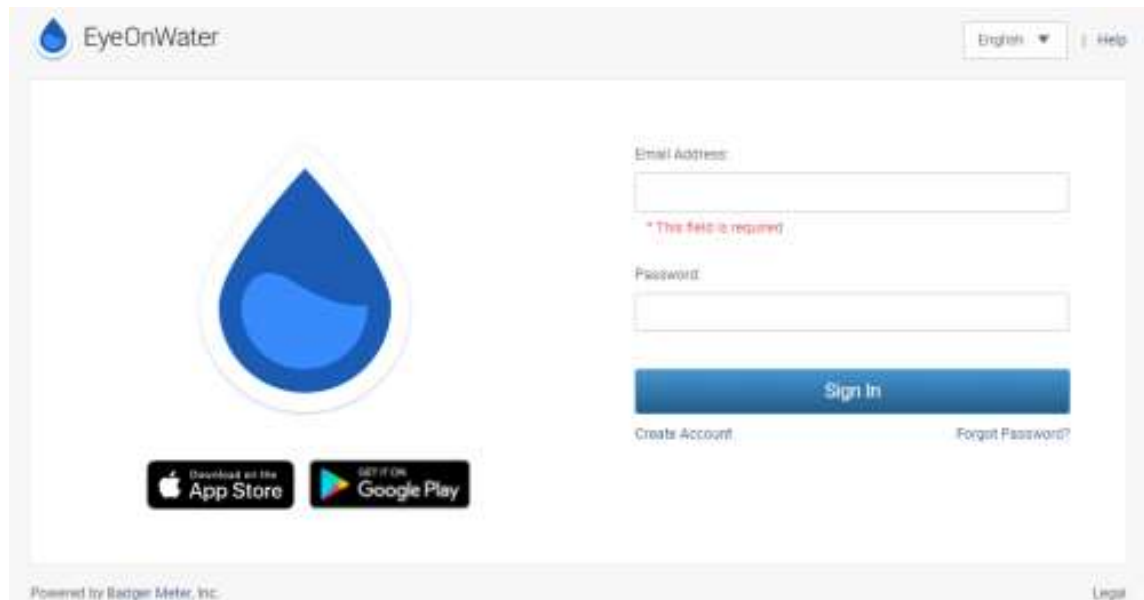
Date	Present Read	Previous Read	Total Gallons
JUL 1 22	5013000	4882000	131,000
Monthly Read JUN 29 22		Previous Bal	0.00
		Water Charge	539.70
		Tax Amount	
		Overage \$ Chg	55.00
Acct #	104210	Meter Fee	2.00

Balance Due \$ 596.70

Amount Paid _____

Automatic Meter Reading/EyeOnWater

The Red Rock Rural Water Board and Staff feel that it is very important for all members to consider using the EyeOnWater app to monitor their own daily/monthly water use and to receive alerts via email and/or text message of potential water leaks. This water conservation tool will help you save water, money and cost of possible overage charges. To create an account or log into an existing EyeOnWater account, go to <https://eyeonwater.com/signin>



EyeOnWater

English | Help

Email Address

* This field is required

Password

Sign In

Create Account? | Forgot Password?

Download on the App Store | GET IT ON Google Play

Powered by Badger Meter, Inc. | Legal

Water User's Agreement

RED ROCK RURAL WATER SYSTEM WATER USER'S AGREEMENT

WHEREAS, Red Rock Rural Water System (“**RRRWS**”) is a public body organized pursuant to Minnesota Statutes, Chapter 116A et.al. as a rural water system.

WHEREAS, _____ (“**Member**”) desires to purchase water from RRRWS and to enter into a water users agreement as required by RRRWS.

THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained in this Water User's Agreement (the “**Agreement**”), it is hereby understood and agreed by and between Member and RRRWS as follows:

1. Member agrees to pay for all water supplied by RRRWS that passes through the water meter located on Member's premises.
2. RRRWS, at its sole discretion, may adopt and may adjust water use charges and such other service charges, fees and penalties as are necessary to operate and maintain the system.
3. Member hereby grants RRRWS an ingress/egress easement on, over, across, and through Member's real estate for the purpose of allowing RRRWS to install, construct, replace, repair, remove, inspect and maintain water service lines, water meters, valves, meter pits, automatic meter read (AMR) devices and other appurtenances necessary to provide water service to the Member. Member shall allow RRRWS to read, inspect, maintain and replace any and all water meters used to measure Member's water use located on Member's property. RRRWS will not be responsible for damage done to obstructions placed over RRRWS' trench and/or waterline after construction is complete and may refuse to perform service work on lines below or adjacent to these obstructions.
 - a. RRRWS shall have the sole and exclusive right to determine the final location and dimensions of all water service lines up to and including the shutoff valve (curb stop), meter pit and 10 feet of one (1) inch poly service line stub out. RRRWS will work with Member to locate the end of the 1 inch poly service line stub out in a location that is mutually agreeable. The connection to and additional water service line beyond the 10 feet (1 inch stub out) is Member's responsibility to pay for and connect to the existing water source line that serves Member's property. After the initial installation is completed, Member shall be responsible for all repair and/or replacement of the water service line beyond the 10 foot stub out including the connection. RRRWS shall own and is responsible for the maintenance and/or replacement of the shutoff valve (curb stop), meter pit and 10 feet of one (1) inch poly service line not including Member's connection. RRRWS shall not be responsible for any damages whatsoever caused by normal water pressure and fluctuation thereof.

Water User's Agreement (cont.)

- b. RRRWS shall have the right to use all easements specified in Paragraph 3 of this Water Users Agreement Monday through Friday during the hours of 8:00 a.m. to 5:00 p.m. unless requested by the Member at other times, or an emergency exists which requires RRRWS to access Member's real estate between 5:00 p.m. and 8:00 a.m.
- c. All easements stated at Paragraph 3 of this Agreement shall be in effect at all times that RRRWS water service is being provided or a meter owned by RRRWS remains on Member's real estate. The easements identified at paragraph 3 herein are binding upon both Member and RRRWS as well as their respective successors and/or assigns, and all easements shall run with the land.
4. Member hereby agrees that he/she shall not alter, or in any manner disturb, any water lines, meter pits, water meters (including automatic meter read (AMR) devices), and other infrastructure installed by RRRWS.
5. In the event of a water shortage, water main break or other system malfunction, RRRWS, at its sole and exclusive discretion, shall have the right to adjust Member's water supply until such time as the event requiring the adjustment has been corrected.
6. If Member purchases more than one capacity unit (50,000 gallons of water per month), and/or utilizes over 50,000 gallons in any month, Member is encouraged to have on-site water storage in a minimum amount which is equal to Member's peak daily usage of water.
7. If Member uses more than his/her allotted capacity, Member will be charged their regular water rate, an overage charge plus \$5.00 per 1,000 gallons of water used over Member's capacity limit.
8. RRRWS will only supply water to Members who have executed a Water User's Agreement, or to municipalities or other water associations that have independently negotiated and contracted with RRRWS.
9. The real estate which Member owns and to which this Agreement applies is described as follows:

PARCEL #:

Water User's Agreement (cont.)

11 Member hereby agrees to abide by all current and future rules, policies, and regulations established by RRRWS.

12. RRRWS shall have the sole discretion and right to terminate Member's water service if Member:

- a. Violates any terms or conditions of this Agreement; and/or
- b. Violates any current rules, policies, and/or regulations of RRRWS; and/or
- c. Violates any future rules, regulations and/or policies of RRRWS.

RRRWS' right to terminate water service includes, but is not limited to, Member's failure to pay water charges, fees, or special assessments when due. Except in cases of wanton waste of water or an emergency, prior to water service being disconnected a notice will be provided to the Member which notifies Member that water service will be disconnected. Member shall have the right to request a hearing before the RRRWS Board of Commissioners to contest the termination of water service.

13. Any violation(s) of any term(s) or condition(s) of this Agreement shall be considered a material violation, which shall allow RRRWS to terminate water service to Member.

14. All fees related to membership, installation fees, connection charges, water rates and any other related fees, fines, and penalties are established by the RRRWS Board of Commissioners and are adjusted from time to time at the discretion of the RRRWS Board. Member hereby agrees to pay for all future increases to said fees, water rates, connection charges, fines, and penalties.

15. Attached to and made a part of this Agreement is "*Red Rock Rural Water System Water Use Information Sheet*". This attachment is expressly made a part of this Agreement.

16. All terms of this Agreement shall be binding upon both RRRWS and Member, as well as their respective successors, heirs and assigns.

IN WITNESS WHEREOF, We have executed this Agreement effective the _____ day of _____, 20____.

MEMBER: I (we) hereby apply for water service from RRRWS and I (we) agree to the terms and conditions stated herein:
_____ (Signature) Member/Title Owner (Please Print)

Member/Title Owner

(Signature) Member/Title Owner (Please Print) Member/Title Owner

Red Rock Rural Water System Water Use Information Sheet

FINAL HOOKUP – WATER USE DATA SHEET – PART OF THE WATER USER’S AGREEMENT	
Name _____ Address _____ Property Address _____ Home Phone _____ Work Phone _____ Cell Phone _____ Email Address _____	Check One: ___ Tenant ___ Contract for Deed Holder ___ Title Holder Titleholder, or Contract for Deed Holder, if other than above: Name _____ Address _____ Phone Number _____

LOCATION OF SERVICE

Township Name _____ Section No. _____

The hookup will be located in:

NW	NE
SW	SE

Township Number _____
 Quarter Section
 (Mark one)

T	N	R	W
NW	NE	SW	SE

IN THE SAMPLE SECTION AT LEFT, INDICATE YOUR HOOKUP LOCATION WITH A SMALL “x”. IF THIS IS A “PASTURE HOOKUP”, MARK HERE ___ IF IT’S A FUTURE HOME, MARK HERE ___.

DESCRIBE YOUR LOCATION FROM NEAREST TOWN OR LANDMARK _____

INDICATED USAGE

Indicate HOW and WHEN you will use the water by marking the proper spaces

	HOUSEHOLD	LIVESTOCK
I plan immediate use of the water as soon as it becomes available		
I do not plan to use the water all year (Indicate the no. of months and season)		
I plan to use the water ONLY when my existing well goes bad		
I plan NO USAGE		

When I do water livestock, I plan to water

ALL	3/4	1/2	1/4
-----	-----	-----	-----

the livestock listed below.

The number you provide in this section will be used to determine the size of the system. Please be realistic in your estimates. UNDERESTIMATIONS will result in “under sized” pipes, while OVERESTIMATIONS will result in HIGHER WATER RATES.

	NORMAL NUMBERS	FORESEEABLE FUTURE NUMBERS
HOUSEHOLD (NO. OF PEOPLE)		
FEEDER, BEEF, OR DAIRY CATTLE		
HOGS AND SHEEP		
POULTRY		
OTHER (Estimate gal. per day & explain in remarks below)		

REMARKS: _____

Signed _____ Date _____

PLANNING GUIDE FOR WATER USE

<u>Use</u>	<u>Gallons per day</u>
People (per person)	60
Dairy Cows	60
Feeder Cattle	10
Sheep	3
Hogs –	
Finishing	3
Farrowing	5
Poultry	5/100 birds

Questions?

Closing Comments

Sign Up! We can't do it without you!