

SPRING CREEK / COW CREEK SANITARY DISTRICT
MEETING MINUTES
MONTHLY MEETING
Wednesday, January 12, 2022

The regular monthly meeting of the Spring Creek / Cow Creek Sanitary District was held at the Dwane Russell residence, 213 Shoreline Street, Pierre SD on Wednesday, January 12, 2022. Chairman Russell called the meeting to order at 7:01 p.m.

Chairmen Russell, Wiseman and Schuh, along with Clerk Anderson and Superintendent Zuber were in attendance. Also present were 12 residents of the District. Legal Counsel Cody Miller and four residents attended via teleconference.

Russell called for a motion to approve the Agenda. Wiseman made a motion to approve the agenda. Schuh seconded. All voted in favor. Motion carried.

Wiseman made a motion to approve the meeting minutes from December 20, 2021. Russell seconded. All voted in favor. Motion carried.

Zuber presented his Superintendent's report to the Board. He reported the average daily usage for December was 18,000 gallons, he received no new hookups during the month, and that he is working on meter maintenance. Zuber asked the Board if he could post a notice near the pump house at Codger's Cove to remind residents not to flush foreign items into the sewer system. The Board agreed. Zuber also asked about implementing remote meters into the system. The Board authorized Zuber to get estimates on the cost of the meters and to report back to the Board on his findings.

Wiseman presented the Treasurer's Report. He indicated the District ended its first full year with a positive balance, but it was much smaller than budgeted, in light of the unanticipated improvement costs. Wiseman also reiterated that our current cash position will likely carry us through the winter months. Wiseman made a motion to approve a \$500 limit debit card for Superintendent Zuber to use when making small purchases in and around the area. Russell seconded the motion. All voted in favor. Motion carried. Wiseman also reported that Anderson Nill & Associates sent requests for updated contact information to all residents of the District. This will help implement the new emergency alert system, as well as give Zuber a clean, current contact list. Wiseman made a motion to approve the Treasurer's Report; Schuh seconded. All voted in favor. Motion carried.

Wiseman discussed the need for the District to appropriate funds between the Sewer and Water segments of the District, based on information obtained while applying for the State Facilities Plans. He and Clerk Anderson would present a recommendation to the Board during the February monthly meeting.

Clerk Anderson presented the monthly Accounts Payable to the Board. These include: All-Around Graphix - \$220.47; Anderson Nill & Associates - \$2,341.90; Bartlett & West - \$20,289.06; Dakota Pump & Control - \$765.31; Locators & Supplies Inc. - \$1,860.67; Mid Dakota Rural Water - \$4,465.05; Midcontinent Communications - \$39.61; SD Public Assurance Alliance - \$150.00; SD Public Health Lab - \$15.00. Schuh made a motion to approve the bills as presented. Wiseman seconded. All voted in favor. Motion carried.

Clerk Anderson reported there was no new update to the text alert system yet, and that once we started receiving the contact information updates, she would know the interest of the membership to better find an affordable solution. It has been reported that the email alerts have been received positively.

Wiseman reported that the State Facilities Plan Applications have been delivered to and received by the SD DNR for review. At this point, we await their responses.

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The Board reopened the agenda item regarding Disciplinary Actions for violations of ordinances and what the options are. Attorney Miller replied by stating the District has two options: Criminal Charges, as a Class 2 Misdemeanor and Civil Charges resulting in a fine. Miller also stated that Criminal Charges would need to be handled by law enforcement. The Board advised Miller to send examples of other Sanitary Districts' ordinances and/or policies in this regard.

Russell opened the floor to public comment. Residents questioned what constituted a violation, with specific examples. The Board responded with excess water usage during peak times (as witnessed during the 4th of July, 2021 weekend), contractor violations, and jumping services across meters.

SD Public Assurance Alliance sent the Board a revised Intergovernmental Contract for review. Chairman Russell stated he had reviewed the proposed revision. He would sign the contract and return to the SD PAA.

Vic Utech presented to the Board his intent to Exclude Real Property from the Spring Creek / Cow Creek Sanitary District. Utech told the Board of his recent purchase of the Oahe Speedway property and his upcoming purchase of the Golf Course and unsold lots currently owned by Oahe Trails, LLC. He presented a map of the proposed exclusion boundaries as prepared by his consultant and notified the Board that Titles of Dakota was currently researching existing easements. The Board asked him about his plans for sewer, in which he stated other lagoon options were being evaluated. The Board also questioned the limited water supply with Mid-Dakota Rural Water, in which he stated he was personally discussing those options with Mid-Dakota. He is asking for the Board to begin the process of Notice of Proposed Exclusion Hearing to consider his intent to Exclude Real Property.

Chairman Russell opened the floor to Public Comment. Those comments included questions from members regarding this plan moving too fast, asking for a 30-day stay to evaluate the plans; questioning when this plan came before the Board because during the December meeting, discussions were being held to increase the tank size to accommodate the future needs of the District; a statement that a motion to exclude property by a developer seems short-sided in light of all of the current development and infrastructure plans already in place within the District.

Utech was given the opportunity to respond to the public comments. He indicated he was not interested in a cost-sharing plan with the District under Ordinance 2020-3 as he feels that has been debated to no resolve. He feels this plan would be a clean split from the District with no need to comingle funds to accommodate expansion. This private development would comprise all new systems and the District would have no regulatory concerns with unknown planning.

The Board indicated they would like to see the easements when available. They also wanted further clarification on the boundaries around Merewether and if the proposed road exclusion would satisfy the statutory authority needed to exclude property.

After further discussion, Russell made a motion of Proposed Intent to Exclude certain Real Property from the Spring Creek / Cow Creek Sanitary District and to set a Notice of Proposed Exclusion Hearing on February 16, 2022 at 7:00 p.m. The Hearing will be located at his residence on 213 Shoreline Drive in Pierre, SD. Schuh seconded the motion. All voted in favor. Motion carried.

Russell called to move the meeting into Executive Session under SDCL 1-25-2 (3) at 8:25 p.m. Wiseman seconded. All voted in favor. Motion carried.

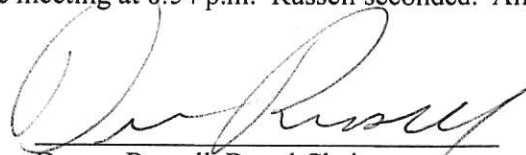
Wiseman made a motion to move the meeting into Regular Session at 8:53 p.m. Schuh seconded. All voted in favor. Motion carried.

Clerk Anderson asked for an update on Site Plans with new developers. Beck indicated he had previously finalized his plans with Hughes County, prior to the Sanitary District taking over. The Board advised they would

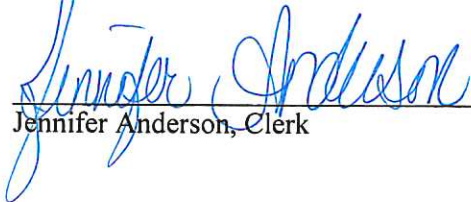
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get the proper records from Kevin at Hughes County to complete Beck's file. Blue Acres reported they were still in construction and would file their final forms upon completion.

Being no further business, Schuh made a motion to adjourn the meeting at 8:54 p.m. Russell seconded. All voted in favor. Motion carried.


Dwane Russell, Board Chairman

ATTEST:


Jennifer Anderson, Clerk