

SPRING CREEK / COW CREEK SANITARY
DISTRICT MEETING MINUTES
MONTHLY MEETING
Wednesday, July 13, 2022

The regular monthly meeting of the Spring Creek/ Cow Creek Sanitary District was held in the meeting room at the Boat House Bar & Grill in Pierre SD on Wednesday, July 13, 2022. Vice-Chairman Schuh called the meeting to order at 6:03 p.m.

Chairmen Wiseman, Schuh and new Trustee Scott Bacon, Clerk Anderson and Superintendent Zuber were in attendance in person. Also present were 14 residents of the District and two guests. Attorney Miller and three residents attended via videoconference as did Engineer Mark Baltzer as a guest.

Schuh asked for approval of the Agenda as presented. Wiseman asked for an amendment to the Agenda as published to remove the Discussions regarding Codgers Castaway and replace with Discussion regarding Oahe Trails. Wiseman made a motion to approve the Agenda as amended. Schuh seconded. Motion carried.

Schuh asked the Board to declare any Conflicts of Interest. No conflicts were declared.

Schuh introduced the new Trustee to the Board, resident Scott Bacon. Clerk Anderson administered Bacon his Oath of Office. Bacon executed the Oath of Office.

Clerk Anderson opened the floor to Election of Officers, stating the following positions to be elected:

- Office of President or Chairman of the Board: Bacon nominated Schuh to serve as President. Wiseman seconded. All voted in favor. Motion carried.
- Office of Vice President or Vice-Chairman of the Board: Schuh nominated Bacon to serve as Vice-President. Wiseman seconded. All voted in favor. Motion carried.
- Office of Treasurer: Schuh nominated Wiseman to continue his service as Treasurer of the Board. Bacon seconded. All voted in favor. Motion carried.

Schuh announced that the Clerk has certified the results of the election. The voters approved (22-3) increasing the Board to a 5-member Board, beginning with the next annual election in July, 2023. Clerk Anderson noted that the next election will be to select 3 Trustees, one for the current seat expiring in July and the addition of 2 more Trustees.

Zuber presented his Superintendent's report to the Board. He reported the 4th of July weekend went very well. Total gallons used during the weekend was 315,000 gallons. Total used during the month of June was approximately 40,000 gallons per day. He also reported that Dakota Pump was onsite today and pulled pumps for inspection. They noted ¼" wear on each and did not recommend the pumps be replaced at this time.

Zuber recommended the Board approve pigging the sewer lines as soon as possible as this procedure has never been done. The District's membership with the SD Association of Rural Water Systems allows use of their equipment needed to perform this service for a nominal fee.

Wiseman prepared an expansion checklist to be provided to new developers with the application process. He indicated he receives multiple phone calls with questions regarding the District requirements. He asked Zuber to include this when working with developers and contractors.

Sup. Zuber discussed his progress with meter pit covers being fixed. A few concerns were discussed, but Zuber assured the Board that he was in contact with homeowners and had no concerns.

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Wiseman presented the Treasurer's Report. He started his report by stating that one year ago, the District had 217-220 hookups. As of today, the District has 296 hookups, an increase of almost 35%. He does not foresee a slow-down in growth. Wiseman indicated that the year to date financials remain steady, in spite of the additional expenditures relative to the improvement projects. Wiseman reported that he would be presenting a preliminary budget to the Board next month. Due to the new funding source requirements, residents will see a funding surcharge on their bills of approximately \$25 per month. Schuh made a motion to approve the Treasurer's Report as presented. Bacon seconded. All voted in favor. Motion carried.

Clerk Anderson presented the monthly Accounts Payable to the Board. These include: All-Around Graphix - \$103.00; Anderson Nill & Associates- \$2,392.65; AT&T Mobility- \$85.22; Bartlett & West - \$15,800.00; Core & Main - \$2,005.79; Dakota Sky Lodge - \$250.00; Forrest Zuber - \$57.00; Lammers, Kliebacker, et al - \$5,474.00; Mid Dakota RWS - \$5,110.39; Midcontinent Communications- \$40.98; Oahe Electric - \$673.85; SD Assn of Rural Water Systems - \$385.00; South Dakota Public Health Lab - \$15.00. Wiseman made a motion to approve the bills as presented. Schuh seconded. All voted in favor. Motion carried.

Wiseman gave an update on the Archeology Study and Improvements projects. He reported that the Archeological Study has been received. SD DANR has approved the report and we are awaiting approval for the site location from SD Game Fish & Parks. The District is currently in contact with a bond funding company so we can hopefully go to bid in September, as noted in previous meetings.

As stated above, the bonding company, Meierhenry Sargent LLP submitted resolutions for the Board to review and approve in order to secure Revenue Bonds for each improvement project. Wiseman asked to table the Sewer Funding Resolution until the Board decided on a steadfast plan for that improvement project. This comes under the advisement of Mike Perkovich with SD DANR. Wiseman made a motion to approve Resolution 2022-2 TO GIVE APPROVAL TO CERTAIN CLEAN WATER FACILITIES IMPROVEMENTS AND APPROVAL TO THE ISSUE AND SALE OF REVENUE BONDS TO FINANCE THE IMPROVEMENTS. Schuh seconded. All voted in favor. Motion carried.

Mr. Perkovich asked for clarification on the Resolution as just passed because the terminology "Sewer Facilities" and "Clean Water Facilities" are used interchangeably. He didn't want us to approve a resolution inadvertently. It was discovered that both Resolutions referred to sewer system improvements and neither referenced drinking water improvements.

Schuh made a motion to rescind the previous motion approving Resolution 2022-2 until the corrected resolution is received from the bonding company. Bacon seconded. All voted in favor. Motion carried.

Wiseman gave an update on the Bio-Clere System and introduced guests from SD DANR, Mike Perkovich and Tina McFarling, to help answer questions and further discuss the Bio-Clere option. He also noted that the engineer from Bartlett & West, Mark Baltzer, was available via videoconference to answer questions.

Mike Perkovich with SD DANR was introduced first to discuss the process to amend the Sewer Facilities plan should the District decide to utilize a different option than what has already been approved. Mr. Perkovich stated that the District has been awarded \$1.2 million to improve the existing lagoon, based on the original facilities plan. The Bio-Clere amendment would add an additional \$1.85 million to that estimate, for a total project funding of \$3.05 million. The District can go back to SD DANR to ask for increased funding, but as of right now, the funding would be approved as low-interest loans because their grant funding has been exhausted.

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Tina McFarling with SD DANR was introduced next to discuss her experiences when approving and renewing permits for the Bio-Clere systems and the different process for each option. She indicated that their main concern with the Bio-Clere system is the flow-rate differential with the seasonal usage. Bio-Clere is a microbiome system that needs to be fed continuously in order to work properly. Because the District sees such a large fluctuation between high season and low season, she has seen problems with Bio-Clere in other situations. She also stated the permit process for the Bio-Clere is more extensive and would have to be approved as a "No-Discharge" permit. Tina restated that the current improvement plan is to put a new liner in the existing lagoon to come back into compliance. She also stated that nature of existing lagoon system could prove to be more effective for the District's needs.

Mark Balzter with Bartlett & West spoke to the flow rate differential as presented by Ms. McFarling. He stated they have built in flow equalization at the start of the system to address this issue. He also stated that the Bio-Clere would still have some odor, although less than the traditional lagoon. The best option to eliminate odor would be to move the entire system elsewhere.

Public comments included questions regarding funding sources outside of the known grant and loan options already known to the District. The Sanitary District is limited in funding because they are not a municipality.

Ms. McFarling stated that the Board also needed to take into consideration the additional costs needed to run the Bio-Clere system, including extra overhead costs, utilities, maintenance, additional certifications needed by the Superintendent, etc. She noted that the lagoon or wetland options are much more efficient to operate.

Mr. Perkovich responded to the Board question on how to move forward if the District decided to change their plan now that the Facilities Plan has been approved. He stated the Board would need to submit a new facilities plan to include the Bio-Clere option and/or a new lagoon option by Sept. 1 or Dec. 1. The District would not need to reapply, but only ask for additional funding.

Bruce Peterson was asked to come forward to present his update to the Board's request for more information. Bruce started his presentation personally thanking Mr. Dwane Russell for his time served on the Board, as well as for opening his home to monthly meetings during the winter months. Bruce presented his Plat Maps for Oahe Trails, as previously requested. He indicated they were 95% complete, with an erosion control plan being the final required piece. Wiseman pointed out that Bruce's plan included sewer and water to only 7 of the 10 lots. Bruce advised Wiseman to talk to his engineers for explanation. Wiseman also asked him to include the lot lines in his plat mapping. Wiseman reminded Bruce that the District's requests are, for the most part, in line with Sully County's requirements.

Sup. Zuber addressed the sewer system update and pigging the line during his Superintendent's report. He will bring a proposal to the Board at August's meeting to discuss costs and time frame to complete this project.

Chairman Schuh opened the floor to public comment. One resident came forward asking the Board if the additional surcharge as required by the financing company would continue to pro-rate as the District's membership grows, or if the surcharge remained the same for the duration of the bond.

Another resident asked for clarification on the usage numbers over the July 4th weekend. Zuber responded that the week of week of 7/1 – 7/8 used 470,000 gallons. Saturday, July 2nd recorded 95,000 gallons used and Monday, July 4th was 91,000 gallons used. The resident asked if this week is the heaviest usage of the year. Zuber responded yes, but Labor Day would be a close second.

Schuh made a motion to move into Executive Session pursuant to SDCA 1-25-2(4) at 7:23 pm. Bacon seconded. All voted in favor. Motion carried.

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Schuh made a motion to move out of Executive Session and back into regular session at 9:37 p.m. Bacon seconded. All voted in favor. Motion carried.

Being no further business, Schuh made a motion to adjourn the meeting at 9:37 p.m. Bacon seconded. All voted in favor. Motion carried.


Kathleen Schuh, Board Chairman

ATTEST:


Jennifer Anderson, Clerk