

SPRING CREEK / COW CREEK SANITARY
DISTRICT MEETING MINUTES
MONTHLY MEETING
Wednesday, June 12, 2024

The regular monthly meeting of the Spring Creek/Cow Creek Sanitary District was held at the Boat House Bar & Grill on Wednesday, June 12, 2024. Chairman Schuh called the meeting to order at 6:00 p.m.

Chairmen Schuh, Bacon, Konda, Wiseman, Superintendent Zuber, and Clerk Linn were in attendance, along with 19 residents and 1 guest. Schneider, 5 residents and 1 guest attended via Zoom videoconference.

Schuh requested a motion to approve the agenda. Konda made a motion to approve the agenda. Bacon seconded. All voted in favor. Motion carried.

Schuh asked the Board to declare any Conflicts of Interest. None noted at this time.

Schuh noted the following items in the President's message:

-I want to thank everyone for coming to the meeting tonight.

-A quick reminder to my fellow board members:

1. The board will address the board only. All interactions of the public will flow through the chair and will only be acted on chair approval. The meeting is for discussion between the board. If a board member would like to speak to a member of the district, please ask the chair for permission. The chair will consider the request on a case-by-case basis, and the topic that is being discussed.
2. Fellow board members remember you are here to serve the people of the district.
3. In your packet is information on benefits for our employee. Please take time to read it over and we will discuss it at the July meeting.
4. I do not believe any petitions were turned in for the opening on the board. If none are turned in, I will discuss with our attorney how to proceed.
5. Members – please remember to wait with your comments until the end of the meeting. We will have a questions and answer time.

Schuh opened discussion on the purchase of GIS software. The board weighed the options of utilizing public information which is already provided at no cost compared to purchasing a system with additional benefits over and above the free public access. Wiseman made a motion to purchase an annual ESRI GIS Pro software license and one viewer license. Schneider seconded. All voted in favor. Motion carried.

Schuh requested action on the 5/08/2024 meeting minutes. Bacon made a motion to approve the 5/08/2024 meeting minutes. Konda seconded. All voted in favor. Motion carried.

Schuh requested Superintendent Zuber present his report to the Board. Zuber started off by stating it's been kinda a wild couple of weeks. I appreciate everyone's patience while my son was having some health concerns. It really makes me feel valued here and I appreciate everyone's concern. Zuber noted he did not pass the waste water operator class II exam on the first attempt as the basic material, such as acronyms, were his weakest point. As he has already taken the advanced review, his plan is to enroll in the basic review prior to sitting for the exam again.

Last month we took the jump into the million-gallon range at 1.3 million, so we're definitely moving into the busy time of year. Surprisingly it's still a hundred thousand less than last year. Those numbers put us at around 43 thousand a day.

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Other items noted:

1. Have had some lift station issues:
 - a. Walleye had a relay burn out. Ferding Electric fixed.
 - b. Dakota pump back out to replace the County Line valves that were broken.
2. Averaging a couple applications per month.
3. The system seems to be dialed in for the season, so I don't have too much concern with any restrictions in the coming months.

Schuh requested Wiseman present the Treasurer's Report for month-ending March. Wiseman noted:

1. A lot of construction is being conducted.
2. Current monthly revenues are comparable to previous periods.

Schuh requested action on the Treasurer's report. Konda made a motion to approve the Treasurer's report.

Schneider seconded. All voted in favor. Motion carried.

Schuh requested Clerk Linn to present the monthly Accounts Payable to the Board. Anderson Nill & Associates - \$5,745.83; AT&T Mobility - \$90.46; Bartlett & West - \$41,739.78; Capital Journal - \$29.11; Core & Main LP - \$2,802.28; Dakota Pump & Control - 18,063.30; Envirotech Waste Services - \$23.97; Forrest Zuber - \$450.00; Lammers, Kliebacker & Dawson, LLP - \$3,650.00; Mid Dakota RWS - \$5,082.94; Midco Communications - \$52.20; SD Association of Rural Water Systems - \$410.00; SD Public Health Lab - \$15.00; South Dakota 811 - \$19.95. Wiseman made the motion to approve the bills as presented. Konda seconded. All voted in favor. Motion carried.

Schuh requested Jim Ross to update the District on the sewer facilities plan. Bartlett & West (B&W) has had many conversations with the manufacturers of the equipment proposals. The permitting people for B&W met with the Corp of Engineers (Corp) on 6/12/24. Jim will update the board on the outcome of the meeting once he has been informed. Currently awaiting comments from DANR on the equipment proposal. Once received B&W will update the plan and get out for bid by September. The goal is to have a contractor in place prior to the end of the calendar year.

Schuh updated the District on the water facilities plan per Nathan Danner e-mail.

1. Foundation Complete.
2. Site Piping is next and tentatively planned for late June or July.
3. Steel Fabrication continues at the Maguire Facility.
4. Shop Priming to start in August.
5. Steel to ship to field in September and erection to start in November.

Schuh presented Resolution 2024-3a with the effective date added. **RESOLUTION AMENDING THE SPRING CREEK COW CREEK SANITARY DISTRICT (SCCSD) RATE STRUCTURE, PROVIDING FOR A SURCHARGE FOR IMPROVEMENTS TO THE WATER SYSTEM, FOR PAYMENT OF A REVENUE BORROWER BOND AND YEARLY REVIEW OF RATE.** Wiseman made a motion to approve Resolution 2024-3a as presented. Konda Seconded. All voted in favor. Motion carried.

Schuh noted all items on the As-Built draft letter regarding Codger's Castaway Development have been completed except for the locks on the lift station. Utech noted the company sent the wrong locks. Reube's Welding is in the process of modifying the locks for compliance. Schuh noted Dakota Landing Road District is requesting Utech repair the potholes on Landing Avenue. Schuh believed the area of concern was by the mailboxes. Utech noted the first 95 feet of that road was not disturbed during construction, so the potholes right near the asphalt were not due to his installation. Utech agreed to fix it, yet he wanted it noted that it was not his responsibility. Schuh requested Utech provide a 48-hour notice if water/sewer improvements are made to the new lots to allow for notification to inspectors. Konda inquired as to the pressure testing and leaks in the system. Utech noted some of the connection rubbers leaked, so he and the contractor decided to expose all of the connections. Once the system is pressurized and not leaking, they will backfill the exposed areas. Utech has spoken with Jim Ross regarding notification to allow for inspection. Jim Ross noted the volume of water being

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utilized to test. Recommended coordinating with Forrest for best times to utilize excess water. Utech stated they are being cognizant of water availability and refraining from utilization during peak times.

Schuh presented the Spring Creek, Cow Creek Sanitary District Surcharge Allocation power point presentation.

Option 1 – allocate the surcharge over an estimated 245 metered properties.

Option 2 – allocate the surcharge over an estimated 745 lots.

Schuh opened the floor to public comment on the surcharge allocation.

Leland Henderson – Not in favor of a vacant lot being charged.

Scott Glanzer – In favor of option 2.

Kevin Huemoeller – Confirmed the proposed surcharge if he had two lots with one meter.

Bob Berg – Thanked the Board for their hard work on a can of worms handed to the District by the County of Hughes. Stated we have to be realistic and pay our fair share. Stated concern for individuals who are not here year around who have to pay monthly surcharges for not utilizing the benefit for 3 months of the year.

Scott Glanzer – Inquired as to what will be considered commercial. Stated concern for the lack of notification for the meeting for individuals who own property and are not currently in the area.

Rena Wegner – In favor of option 2.

Mark McConnell – Word of warning to those going down to have their property replatted: The process he completed at the county combined the two lots providing him a tax break as the second lot was considered residential, yet the county was able to send him out one tax bill. Requested clarification as to whether the new development lots will be billed surcharges.

Tim Forsch – Thanked the Board for all of their hard work. Requested clarification as to why the Board is proposing assessing the camping lots at 2.5 to 1 when the end user is what we are really talking about.

Vic and Andrew Utech – Not in favor of the camper lots being assessed at 2.5 to 1. Stated DANR got sued by the National Forest Service because their numbers were incorrect. It is not fair for one business to pay \$45,000 per year in surcharges. Stated the Board needs to consider the fact that multiple lots replatted into one could be replatted in the future back to multiple lots. Stated he believes from the time he spent on the Board that there were 845 lots at that time. The Board needs to make sure to count all the lots.

Keith Wegner – In favor of option 2.

Paul Mehlhoff – The surcharge is to pay the debt. The Board needs to come up with the numbers to allocate. The Board has the ability to rebut an application to rezone. Stated he understands the concern Utech has with his campground, yet you have the ability to pass that onto the users. In favor of option 2.

Jim Ross – Agrees with Paul on the rezoning. The sizing of the system was designed by the number of lots as they were shown. The assessment should be the availability of water over the space. The surcharges assessed should reflect what the original intent was when applying for funding.

Clarification provided by the Board during public comment.

The systems were required by DANR to be built for the current number of lots plus 15 years of the current rate of growth.

The Board has not ruled as to whether an individual can replat lots to eliminate additional surcharges.

The surcharge is solely for debt service.

There is a cost to the District for infrastructure provided to lots which are not currently being metered.

The surcharges will be reviewed annually for reallocation. The surcharge will decrease as additional lots are added to the District.

Immediately after completion of a budget and adoption of special assessments by a sanitary district board of trustees, but not later than the first of September, the secretary of the district shall send one certified copy of such budget to the county auditors of the affected counties and to the state secretary of revenue.

The Board has not ruled on how to define or allocate surcharges to commercial locations.

Other entities in the state are currently utilizing proposed option 2.

Combining lots at the county does not replat the lots into a single lot.

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The calculation to assess the camping lots at 2.5 to 1 originated from District historical data and was utilized when applying for funding. The Board has not ruled on the ratio at this time.

Schuh inquired as to whether there was any additional public comment on the surcharge allocation. Hearing none the public comment was closed.

Bacon stated the Board needs to be aware of the potential new costs associated with option 2:

Additional time by Anderson Nill

New software

Konda inquired to Jim Ross on whether he is aware of any other situation when the meter size is utilized as the basis for a surcharge. Ross stated he thinks it is a viable option. It goes back to what is the potential impact on the system.

Schneider made a motion to pursue option 2 as depicted in the power point presentation so we can meet the requirements of DANR in a timely fashion noting that there may be changes within option 2. Konda seconded. All voted in favor. Motion carried.

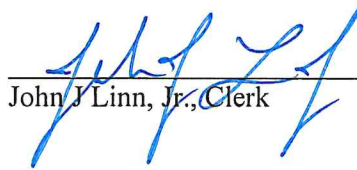
Schuh opened the floor for public comment. None noted.

Being no further business, Konda made a motion to adjourn the meeting at 8:12 p.m. Schneider seconded. All voted in favor. Motion carried.

SIGNATURES TO FOLLOW


Kathleen Schuh, Board Chairman

ATTEST:


John J. Linn, Jr., Clerk