

SPRING CREEK / COW CREEK SANITARY
DISTRICT MEETING MINUTES
MONTHLY MEETING
Wednesday, February 12, 2025

The regular monthly meeting of the Spring Creek/Cow Creek Sanitary District was held at the Boat House Bar & Grill on Wednesday, February 12, 2025. President Schneider called the meeting to order at 6:00 p.m.

President Schneider, Bacon, Konda, Kopman, Schuh, Superintendent Zuber, and Clerk Linn were in attendance, along with 1 resident. Attorney Miller, 7 residents and 2 guests attended via Zoom videoconference.

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

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

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

1. Nothing at this time.

Schneider requested action on the 1/22/2025 meeting minutes. Konda noted the correct spelling of Walleye. Schuh made a motion to approve the 1/22/2025 amended meeting minutes. Bacon seconded. All voted in favor. Motion carried.

Schneider requested Superintendent Zuber present his report to the Board. In January the District used 814,000 gallons with a daily average of 26,000. The amount is approximately 100,000 less gallons used compared to the previous year. A testament to leaks being fixed within the District.

Other items noted by Zuber:

1. Pretty quiet time of year.
2. The fog rod at Codgers has been replaced.
3. Conducted maintenance on the county line lift station check valves. Found a number of items lodged in there preventing sealing. Items were removed and it appears to be running correctly.
4. Zuber got a number of meters at a reduced cost from an entity who no longer would be utilizing them.
5. All testing requirements were passed for the month.
6. Receiving inquiries on applications showing the construction season is getting ready to ramp up.
7. Zuber noted the level of maintenance to be conducted on the District pickup as it currently has 100,000 miles on it.

Schneider requested Konda present the Treasurer's Report. Konda noted for the month of January: Unrestricted checking account - \$141,868. The large decrease in cash balance was due to payment of amounts due in January of which reimbursement was received from the State in December. Restricted meter deposits - \$31,415. Restricted long-term developer fund - \$1,478. Noted the large decrease as funds were utilized to pay Aquatech while retaining an amount to keep the account open. Total Checking/Savings - \$174,761. Accounts receivable - \$22,305. Accounts payable - \$356,548. Bacon recommended the District research alternative investments for the developer fund once it is reimbursed. Schuh made a motion to approve the Treasurer's report. Bacon seconded. All voted in favor. Motion carried.

Schneider requested Clerk Linn present the monthly Accounts Payable to the Board. Ampstun

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Corporation - \$9,787.50 (held); Anderson Nill & Associates - \$5,337.57; AT&T Mobility – \$91.29; Bartlett & West – \$382,825.15 (\$377,420 held, \$5,405.15 held pending reimbursement); Core & Main LP - \$485.00; Envirotech Waste Services - \$29.97; Factor 360, Inc. – \$447.10; Forrest Zuber - \$450.00; Maguire Iron, Inc. - \$150,975.00 (held pending reimbursement); Mid Dakota RWS - \$5,053.05; Midco Communications - \$53.36; Oahe Electric - \$945.49; SD Public Health Lab - \$15.00; South Dakota 811 - \$1.05; Aquatech Systems, Inc. change order - \$19,013.00 (held pending billing). Ross commented the change order increasing the total contract was expected as the required equipment was unknown at the time of the bid and the increase is a reasonable amount for the additional required equipment to work with the Dakota Pump equipment. Konda made the motion to approve the bills as presented noting the hold on Ampstun, a portion of Bartlett & West, Maguire Iron, Inc., and Aquatech Systems, Inc. Bacon seconded. All voted in favor. Motion carried.

Schneider requested Jim Ross update the District on the sewer facilities plan. Ross just received the bonding and insurance information from Flatland Enterprise, the contractor. The environmental report has been updated and provided to the Corp. Everything else is on track as expected.

Schneider updated the District on the water facilities plan from a Nathan Danner memorandum as he was not available for the meeting. X-Ray testing scheduled for February 13, 2025. Hanging of Tank Bowl planned for February 20, 2025. Substantial completion July 31, 2025. Final completion December 19, 2025.

Schneider reviewed the by-laws as to the approved bank signers for the District and noted the need to update the signature card at Bankwest. Bacon made a motion to approve Schneider, Schuh, Anderson and Linn as authorized signers and Zuber as an embossing name authorized signer for debit card use. Konda seconded. All voted in favor. Motion carried.

Schneider opened discussion on the Codger's Castaway Warranty Inspection. Schneider noted May is the one-year anniversary of the lots. Discussion noted the estimated cost would be approximately \$275 per inspection for each section manhole to manhole at a total estimated cost of \$5000. Ross noted looking for settlement issues on the surface and utilizing the camera for interior issues. Schuh made a motion to approve the warranty inspection. Bacon seconded. All voted in favor. Motion Carried.

Schneider opened discussion on the Codger's Castaway As-built Plans. Schneider inquired as to whether the easements have been recorded. Hegge noted the easements have not been recorded and that the easements are not required to be recorded until ownership is transferred per Ordinance 9. Utech noted the previous delay was Lot 2 was not platted. Lot 2 has now been platted and he will continue to work to get the easements recorded. Ross noted Ordinance 10 states transfer of ownership shall not occur until easements are recorded and provided to the District. Miller agreed and stated the liability would stay with the developer until the easements are recorded and provided to the District, yet he does not see it in the section regarding completion of a project. Konda noted it makes logical sense for the easements to be provided when the project has been completed to allow the District to have access to the property during the warranty period. Schneider noted in the past the easement were provided when the project was completed. Miller noted based on the Ordinance we don't need the easements until we are going to take over ownership. At the same time the District will not be working on them until we take over ownership. Therefore any issues will be the Developer. Konda raised the issue of lots being sold and then how does the District get the easements if the Developer no longer has access. Miller agreed the easements need to be transferred while the property is owned by the Developer to eliminate the potential for additional headaches. Schneider inquired to Utech if there is a problem getting them recorded. Utech stated the process of platting Lot 2 had to be completed and now the wheel can continue to move forward. Schneider proposed holding off on approval or denial until the recorded easements are provided to the District and the letter noting required changes has been agreed upon and signed by both parties. The Board opted to seek legal assistance on the easement situation prior to entertaining a motion. No action taken at this time.

Schneider stated the current Celerity contract began July 1, 2021, through June 30, 2026. No payment has been

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received to date. An email was received today stating Celerity will back pay for the previous years and would like to engage in a new contract for the new tower. Schneider will investigate what the current industry standards are and what verbiage should be included in a contract for today's specification for the new type of tower. Miller and Schneider will work to terminate the current contract and negotiate a new contract to bring to the District for approval.

Schneider read the GFP acknowledgement formally thanking the department, and specifically Pat Buscher, for their assistance with the water tower project.

Schneider opened the floor to Utech regarding Non-residential Rate Structure. Utech noted the current structure is utilizing 2023 usage. Utech inquired when the structure will be updated with the 2024 usage information and will it be updated before the surcharge is implemented. Schneider noted the collection for the CW-02 surcharge will begin March of this year per resolution 2024-6. The District will then look at flow rates again after one year, which is July 2026. The District will then consider changes to begin January 2027. Schneider also noted the District intends on analyzing all the surcharges annually at one time to streamline the process.

Schneider opened the floor to public comment.

Andrew Utech requested clarification on the MAP program from last month. Konda noted the Midwest Assistance Program was engaged to complete a rate study on the District to assist in setting sewer and water rates to fund future expenses of the District. Utech thanked the board for the clarification.

Hegge clarified that she did not request additional conversations on the As-built plans. As a follow-up Schneider inquired to Utech as to the status on the signing of the December and May As-built letters. Utech stated they will look for the letters. Hegge requested clarification on the May letter. Scheider stated it was an As-built letter signed by Schuh. Andrew Utech remembered the letter and thought they finalized it. Utechs will research and follow-up.

Schneider inquired as to whether there was any additional public comment. Hearing none, public comment was closed.

Schneider inquired as to the need for an Executive Session. None noted at this time.

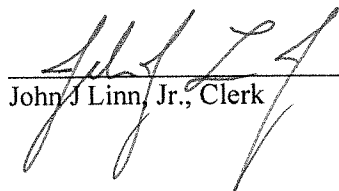
Being no further business, Konda made a motion to adjourn the meeting at 7:07 p.m. Bacon seconded. All voted in favor. Motion carried.

SIGNATURES TO FOLLOW



Todd Schneider, Board President

ATTEST:



John J. Linn, Jr., Clerk