

SPRING CREEK / COW CREEK SANITARY  
DISTRICT MEETING MINUTES  
MONTHLY MEETING  
Wednesday, June 11, 2025

The regular monthly meeting of the Spring Creek/Cow Creek Sanitary District was held at the Boat House Bar & Grill on Wednesday, June 11, 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 8 residents and 2 guests. Attorney Miller, 5 residents and 4 guests attended via Zoom videoconference.

Schneider requested a motion to approve the agenda. Schuh 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.

Schuh made a motion to go into executive session pursuant to SDCL 1-25-2(3) at 6:01 pm. Konda seconded. All voted in favor. Motion carried.

Schneider called the meeting back into session at 6:07 pm.

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

1. Please refrain from utilizing a personal attorney to contact the District attorney when inquiring on items which can be handled by the Clerk as the additional District attorney costs are paid for by raising the billing rates.

Schneider requested action on the 5/7/2025 meeting minutes. Bacon made a motion to approve the 5/7/2025 meeting minutes. Kopman seconded. All voted in favor. Motion carried.

Schneider requested John Hofer update the District as to his proposal. Hofer proposed approving a petition to remove his shop and a portion of farmland out of the District in exchange for a strip of land adjacent to the lagoon area. Hofer stated the Board can get back to him at a later date. Schneider thanked Hofer for the idea and noted the Board will get back to him.

Schneider requested Superintendent Zuber present his report to the Board. In May the District used 1,107,000 gallons with a daily average of 35,000.

Other items noted by Zuber:

1. No issues with lift stations this month.
2. Water tower and treatment plant are moving right along.
3. Fences around District properties are in need of maintenance. The Board requested Zuber get estimates for next meeting.
4. Two applications were received in June.

Schneider requested Konda present the Treasurer's Report. Konda noted for the month of May: Reimbursement money was received of which a sizeable amount will go out. Unrestricted checking account - \$629,935. Restricted meter deposits - \$31,616. Restricted long-term developer fund - \$383,918. Total Checking/Savings - \$1,045,469. Accounts receivable - \$20,217. Accounts payable - \$69,656. Clean water reimbursement funds replenished the Restricted long-term developer fund. Schuh made a motion to approve the Treasurer's report. Bacon seconded. All voted in favor. Motion carried.

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Schneider requested Clerk Linn present the monthly Accounts Payable to the Board. 605 Weed Control - \$975.00; Ampstun Corporation - \$9,787.50 (held); Anderson Nill & Associates - \$9,087.86; AT&T Mobility - \$91.29; Bartlett & West - \$71,350.00 (held pending reimbursement); Dakota Pump and Control - \$240.00; Envirotech Waste Services - \$73.86; Flatland Enterprise, LLC - \$295,791.26 (held pending reimbursement); Forrest Zuber - \$450.00; Lammers, Kliebacker & Dawson LLP - \$1,725.00; Meierhenry Sargent LLP - \$44,908.80; Mid Dakota RWS - \$5,166.85; Midco Communications - \$53.40; Oahe Electric - \$15,272.77 (\$14,435.24 held pending reimbursement); South Dakota Association of Rural Water Systems - \$410.00; SD Public Health Lab - \$15.00. Bacon made a motion to approve the bills as presented noting the hold on Ampstun, Bartlett & West pending reimbursement, Flatland Enterprise, LLC pending reimbursement and Oahe Electric pending reimbursement. Kopman seconded. All voted in favor. Motion carried.

Schneider tabled the update on the sewer facilities pending the inclusion of Ross to the call.

Schneider requested Danner update the District on the water facilities plan. Danner noted the finishing of the coating system and placing the logo on the tank, heat trace was tested and passed, and the mixer is installed inside the tank. The installers are currently working on electrical and SCADA. Substantial completion date is still July 31, 2025. Boat ramp parking lot repair is now completed. Zuber mentioned the request to shut off power in the area. Danner will work with the installers to confirm the need to shut down power and then to coordinate with the public if needed. Danner is working with Draft CO to remove the pump house demolition in the amount of \$30,000 from the contract and gaining an estimate of cost to remove the pump infrastructure from within the pump house and leaving the structure itself.

Schneider requested Danner update the District on the antenna on the tower. Danner noted there are 4 posts and a spare conduit running up in the middle of the tower to allow an internet provider to utilize the tower. Miller will continue to work with the potential internet providers as to finalizing approved methods of connection to the tower.

Schneider requested Konda update the District on the Midwest Assistance Program (MAP). Konda reviewed the Spring Creek/Cow Creek Sanitary District Midwest Assistance Program Rate Study PowerPoint. Takeaways noted in the presentation:

- Operation utilizing one-time monies should be avoided
- As estimated operating costs are proven, adjustments to the rate structure may be required
- A real look at the long-term operation and maintenance budget is needed
- A real look at a capital improvement fund is needed

Schneider requested Utech update the District on the Codger's Caddy Development. Utech noted no plans of his have changed. Konda noted there are some existing services already installed by the previous developer. Schneider inquired about the number of services which were already installed. Utech was uncertain at this time.

Schneider requested Utech update the District on the status of the corrections on Codger's Castaway as the report and attachments were sent to Utech on May 7. Utech stated the pictures and report were received, yet the installers are requesting the video be provided. Ross confirmed the video was also sent on May 7. Kopman met with Utech and as a result the information was again sent on May 27. Schneider inquired whether the timeline was accurate. Utech stated they were not able to see the videos. Schneider inquired if Utech was disputing Ross' corrections. Utech stated they are disputing a lot of the comments. Schneider inquired when the disputed items will be provided to the District as the ordinance states very clearly regarding problems with water or sewer mains are required to be corrected prior to the District accepting it. Schneider noted it goes on to say that if you don't do this you are required to put in a meter, and then if a meter is not installed after a 30-day written notice then water may be shut off. Utech noted they will be responding in the next couple weeks. Hegge inquired as to what ordinance Schneider is referencing. Schneider and Ross confirmed they are utilizing Ordinance 9 for this portion of the development. The Board and Utech continued a discussion on the deadline of when an agreement will be reached between Utech and the District engineer detailing what corrections will be completed and when. The powers to be agreed a letter of agreement or disagreement will be provided to the Board no later than the 4<sup>th</sup> of July. Schneider inquired whether the Board wishes to take action on the

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user letter and developer letter as provided in the packet. No action was taken at this time.

Schneider requested Konda update the District on the Sully County commission meeting. Konda stated Sully County is willing to put the District on the agenda to discuss the handling of new developments within the Sully County portion of the District. Konda also noted the District does not have planning and zoning authority. Additional alternative options were discussed on how to meet with the County while staying in compliance with open meeting requirements. Schuh made a motion to have a committee represent the Board at the Sully County meeting. Konda Seconded. All voted in favor. Motion carried.

Schneider requested Ross update the District on the sewer facilities plan. Ross stated Oahe Electric was only going to bring in single phase power where portions of the system had been designed for three-phase. Ross was making the adjustments for the single-phase and now the contractor wants to go back to the original plan, so they are working through the details with the contractor and Oahe Electric. Ross will also be working on the water looping issue. Ross stated the equipment is in transit at this time. The manufacturer of the sewer facility equipment will be on site to oversee hookup.

Schneider opened the floor to public comment.

Milt Morris noted you do not have to shut off both sewer and water when addressing the Codgers Castaway inspection correction report.

Will Mortenson addressed the Board on behalf of Bruce and Linda Peterson.

-The shop meets the definition of residential per Ordinance 11 as it is used 100% for domestic purposes. Mortenson inquired as to what type of appeal process does the District have in place. Miller noted the Board does not have a formal appeal process, yet the basis is reviewed in the ordinance process. A user can address the Board during the public comment to attempt to persuade the Board to change the ordinance, yet there is not a formal appeal process put in place. Mortenson stated he can have the Petersons put together an affidavit or letter stating the property adheres to the definition of a residential designation while requesting the Board to give full weight in reconsidering the designation.

-There is no specific authority in statute to allow a District to charge different rates. The only grounds that have been recognized by a court allowing different rates are:

Different costs for hooking up one user compared to another.

Paying taxes otherwise which would contribute.

-There are only specific things you can utilize executive session for.

Vic Utech inquired on what bills can be attained by calling Anderson Nill and Associates. Schneider stated you can get your own bill, yet other individual's bills are not public records. Utech requested the list of users whom are on the non-residential list. Konda stated, to the best of his knowledge, that also is not public records. Utech verbalized his concern on not being able to scrutinize the designations if the Board is not being transparent on what users have what designation. Utech stated his concern for the election not being noted on the agenda. Miller reviewed the notification, petition and election process. Utech requested a petition.

Ivan Weber requested a petition.

Linn he can provide blank petitions to Weber and Utech after the meeting.

John Hofer explained the original setup of his water meter to his building and requested his rate be reconsidered as he utilizes minimal water of which much of it never enters the sewer.

Linda Peterson complemented the Board on the handling of the Utech deal and coming to a conclusion. Peterson inquired as to when the Board will make a decision on the designation of the Hofer and Peterson properties. Schneider explained he is not sure the Board has the ability to change the designation at this time and explained the restrictions as noted in the loan documents. Peterson stated the Board made the decision to change their designation to non-residential, so why can't the Board change that opinion and get back to what makes sense. The Board stated there is a

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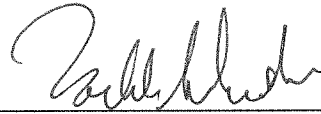
process and they will see what they can do.

Vic Utech inquired as to the number of signers required on the petition. Miller reviewed the statute.

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

Being no further business, Konda made a motion to adjourn the meeting at 8:36 p.m. Bacon seconded. All voted in favor. Motion carried.

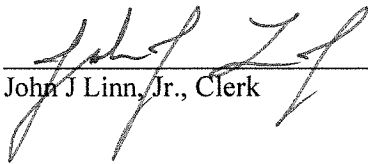
\*\*\*SIGNATURES TO FOLLOW\*\*\*



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Todd Schneider, Board President

ATTEST:



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John J Linn, Jr., Clerk