

SPRING CREEK / COW CREEK SANITARY
DISTRICT MEETING MINUTES
MONTHLY MEETING
Wednesday, July 9, 2025

The regular monthly meeting of the Spring Creek/Cow Creek Sanitary District was held at the Boat House Bar & Grill on Wednesday, July 9, 2025. President Schneider called the meeting to order at 6:00 p.m.

President Schneider, Bacon, Konda, Kopman, Schuh, Trustee Elect Forsch, Superintendent Zuber, and Clerk Linn were in attendance, along with 10 residents and 2 guests. Attorney Miller, 7 residents and 3 guests attended via Zoom videoconference.

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

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

Schneider thanked Bacon for his service to the District.

Schneider requested Schuh confirm the election results. Schuh noted Forsch 80, Schneider 79, Weber 20, Utech 8. Schuh made a motion to confirm the election results. Konda seconded. All voted in favor. Motion carried.

Schneider requested Schuh present the Oath of Office to Forsch and Schneider. Forsch responded with I do. Schneider responded with I do.

Schneider opened the floor for nominations from Trustees for the President's position. Schuh nominated Schneider to hold the President's position. Forsch seconded. No further nominations were received. All voted in favor. Motion carried. Schneider accepted the position.

Schneider asked for nominations from Trustees for the Vice-President's position. Konda nominated Schuh to hold the Vice-President's position. Kopman seconded. No further nominations were received. All voted in favor. Motion carried. Schuh accepted the position.

Schneider asked for nominations from Trustees for the Secretary/Treasurer's position. Schuh nominated Konda to hold the Secretary/Treasurer's position. Schneider seconded. No further nominations were received. All voted in favor. Motion carried. Konda accepted the position.

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

1. Great turnout for the election with approximately 100 voters. Thank you to those that turned out to vote.

Schneider requested action on the 6/11/2025 meeting minutes. Konda made a motion to approve the 6/11/2025 meeting minutes. Schuh seconded. All voted in favor. Motion carried.

Schneider requested action on the 6/19/2025 special meeting minutes. Schuh made a motion to approve the 6/19/2025 special meeting minutes. Kopman seconded. All voted in favor. Motion carried.

Schneider requested Superintendent Zuber present his report to the Board. In June the District used 1,713,000 gallons with a daily average of 57,000. 473,000 gallons were utilized over the 4th of July four day weekend.

Other items noted by Zuber:

1. All testing passed for the month. Lead and copper sampling is coming up that we have to do every three years.
2. Disinfecting byproduct testing also coming up.
3. All lift stations have been running smoothly except one. The golf course currently has a seal fail alarm

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triggered. Most likely a worn seal. I had the other one replaced a year or two ago so I'm sure it's the same lifespan timing. On the schedule with the pump guys.

4. Need a policy for checking out hydrant meters to contractors. The Board directed Zuber to meter the usage and provide the readings to Anderson Nill for billing.

5. No new applications this month.

Schneider requested Konda present the Treasurer's Report. Konda noted for the month of June:

Unrestricted checking account - \$407,527. Restricted meter deposits - \$32,276. Restricted long-term developer fund - \$384,621. Total Checking/Savings - \$824,424. Accounts receivable - \$36,983. Accounts payable - \$143,083. Schuh made a motion to approve the Treasurer's report. Forsch seconded. All voted in favor. Motion carried.

Schneider requested Konda present the first reading of the proposed 2026 Budget. Konda reviewed the line items and backup for the proposed budget noting the new costs associated with the water and sewer systems and the need to create a long-term operating fund to set aside funds to pay for future maintenance of the District infrastructure. The estimated user fee increase to balance the budget, taking into account the proposed increases, is approximately \$82,500. Konda stated he is available for questions or comments on the proposed budget.

Schneider requested Clerk Linn present the monthly Accounts Payable to the Board. Aaron Swan & Associates - \$4,126.32; Ampstun Corporation - \$9,787.50; Anderson Nill & Associates - \$11,844.36; Aquatech Systems, Inc. - \$418,849.80 (held pending reimbursement); AT&T Mobility - \$91.29; Bartlett & West - \$57,934.70 (\$51,739.20 held pending reimbursement); Carol McMasters - \$45.00; Corporate Trust, TFM - \$3,056.47; Dwane Russell - \$210.00; Envirotech Waste Services - \$26.97; Flatland Enterprise, LLC - \$323,520.12 (held pending reimbursement); Forrest Zuber - \$450.00; Judy Davidson - \$60.00; Kathleen Schuh - \$50.75; Lammers, Kliebacker & Dawson LLP - \$1,600.00; Lee McMasters - \$45.00; Lois Russell - \$45.00; Maguire Iron, Inc. - \$298,914.00 (\$189,914 held pending reimbursement); Mary Holland - \$45.00; Maxine Lingeman - \$45.00; Mid Dakota RWS - \$5,610.37; Oahe Electric - \$74,563.22 (held pending reimbursement); Renee Wegener - \$60.00; South Dakota Association of Rural Water Systems - \$4,750.00; SD Public Health Lab - \$15.00; SD 811 - \$19.95; Steve Wegener - \$45.00; The Onida Watchman - \$129.90. Konda made a motion to approve the bills as presented noting the hold on Aquatech pending reimbursement, Bartlett & West pending reimbursement, Flatland Enterprise, LLC pending reimbursement, Maguire Iron pending reimbursement and Oahe Electric pending reimbursement. Kopman seconded. All voted in favor. Motion carried.

Schneider requested Ross update the District on the sewer facilities plan. Ross stated Aquatech will be on site the week of the 21st and the 28th to accept equipment and guide the contractor installation. Received email from DANR stating permit has been approved and noting the dates of the public hearing. Contractor will repair the GFP issue immediately.

Schneider requested Danner update the District on the water facilities plan. Danner noted the electrical work is completed on the tank. Pressure testing of pipeline is completed. The tank has been disinfected. The next steps this month are to fill the tank, SCADA adjustments and setup, and connect the elevated tank to the distribution system.

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. Demolition of the existing tank, fencing and cleanup will occur through the fall. Change order #2 was signed by the contractor and sent over to DANR for review. Danner noted pressure will increase with the new pump to approximately 60 PSI.

Schneider updated the District on the Codger's Castaway Inspection status. Schneider reviewed a map and pictures documenting the areas of concern. Schneider reviewed Ordinance 9 noting the steps the Board may take if the developer fails to comply. Ross confirmed the findings in the report, the need to jet out the system and camera again,

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and the recommendation to have all corrections completed prior to the District accepting the system. Ross also noted the reasoning for not jetting the system prior to the inspection by the District. Utech voiced his disagreement with the findings of the engineers and the process utilized when conducting the inspections. The Board and developer discussed the concerns and the potential solutions to move forward with the transfer process. Utech asked for time to discuss the options with his legal counsel. Schneider requested Miller for comment. Miller stated the Board needs to take action to start the 30-day notice. The Board chose to move on to other agenda items, allowing Utech to consult with legal counsel.

Schneider reviewed the proposed Celerity contract with the Board. Konda made a motion to authorize Schneider to sign the lease pending Section 6: Power Usage be updated to half the base rate at Oahe Electric and Exhibit A and B be provided to the District. Schuh seconded. All voted in favor. Motion carried.

Schneider requested Konda update the District on Codger's Caddy Development. Konda noted the development has plotted and unplotted lots in the existing development. Konda stated every lot will require service as noted in the Ordinance. Utech stated he will not pay a developer fee for the lots, and no plans will be submitted for approval. Schneider inquired as to who the developer is on the project. Utech stated he is not going to answer that question at this time. Schneider reviewed the ordinance and stated, in his opinion, the proposed is a violation of the ordinance.

Schuh made a motion to go into executive session pursuant to SDCL 1-25-2(3&4) at 7:35 pm. Konda seconded. All voted in favor. Motion carried.

Schneider called the meeting back into session at 8:07 pm.

Schneider requested Konda update the District on surcharge status. Konda informed the District as to the need for and the potential changes to the surcharge calculations. The process to implement a change will take time as the loan documents regulate the procedure.

Schneider informed the District as to the audit requirements due to the utilization of federal funds. Linn reviewed the proposed engagement letter from ELO. Linn also noted the audit time constraints and the lack of available firms to conduct the audit. Forsch made a motion to engage ELO to complete the audit. Konda seconded. All voted in favor. Motion carried.

Schneider requested Utech come forward to continue the Codger's Castaway discussion. The Board and developer continued the discussion as to the concerns and the potential solutions to move forward with the transfer process. Miller noted the Board needs to issue a 30-day notice as issues have been documented which require repairs before the Board accepts the transfer of the infrastructure. In addition, the Board has the option to defer action on the 30-day notice. It has been determined SiteWorks will conduct the jetting and camera the system. Utech will pay for the jetting/camera and the District will pay for the District engineer to be present. Forsch made a motion to issue the 30-day notice noting the ability for the Board to defer action, Utech to pay for Siteworks, and the District to pay for their inspector. Schuh seconded. All voted in favor. Motion carried.

Schneider opened the floor to public comment.

Maxine Lingeman inquired as to how dirt or debris can enter the pipe. Ross explained the potential causes. Lingeman donated her election payment back to the District. Schneider thanked her.

Andrew Utech voiced his concern in the current financial condition of the District. Konda clarified the current condition and the need for a fee increase for future maintenance.

Vic Utech inquired whether the District was in budget on the 2 projects taking into account the change order. Schneider stated the water project is within or under budget. Konda noted the sewer project is on par plus the addition of the change order. Utech noted the increase in water pressure and that he will adjust for that. Utech inquired as to the balance of the developer account. Konda stated \$384,621.24.

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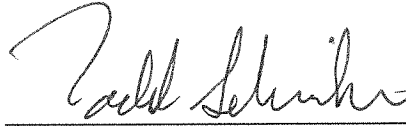
Schneider inquired as to whether there was any additional public comment. Hearing none, public comment was closed.

Schneider requested action on the Anderson Nill and Associates engagement letter discussed in the executive session. Schuh made a motion to approve the Anderson Nill and Associates engagement letter as presented. Forsch seconded. All voted in favor. Motion carried.

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

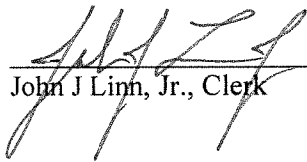
Being no further business, Konda made a motion to adjourn the meeting at 9:06 p.m. Schuh seconded. All voted in favor. Motion carried.

SIGNATURES TO FOLLOW



Todd Schneider, Board President

ATTEST:



John J Lim, Jr., Clerk