

Apple Springs Water and Sanitation District

Meeting Minutes of Sept 13, 2023

Started at 3:30 and ended at 4:02

Members Present: Tom Law, Michael Martin, Dan Carlson

Minutes from last meeting were approved.

The members met to discuss recent email request from Mike Short. Below is a summary of the discussions and response to Mike via email.

The Sanitary District met yesterday to discuss several points to answer your recent emails.

1. We answered the Annex support in a previous email sent 9/13. We wanted to immediately respond to help the importance of the timing of the meeting.
2. Instead of paying for Sam's service we are going to get an estimate to repair the backup pump/variable speed drive. As more people are building at an elevated level with respect to the water tank it is becoming more urgent to have this back up functional. Failure of this pump and long delivery of the variable speed drive could put those houses in a bad position with respect to water supply. This charge can be handled by our current account balance. Tom is going to get an estimate for this repair. With respect to Black Hills Technology, we plan to continue the effort to pay their monthly services of approximately \$1700/month. That is essentially what we budgeted for in 2024 and submitted to Lawrence County for approval. Michael gets Black Hills invoices and reviews accordingly. If we take over Sam's fees in the future, we would want notice to approve any scope of work before implementation as the District would be paying for it.
3. Suggest H2O Clear submit any repair fees that happened with respect to the new treatment module for warranty repair as applicable. One of the reasons the cost and timeliness of the repairs is high/long is because the module was built with metric (DIN) equipment and piping. Going forward if we decide to purchase another module from outside the country we should specify use of ANSI components if possible. It may increase the initial cost but will be less expensive and more reliable in the long run.
4. As things progress into the 4th Qtr this year and into next year would it be possible for the Sanitation District to review the financials for H2O Clear like we currently are doing for the HOA Budget/Fees. This may allow us to suggest better ways to save costs and understand the fees for the Apple Spring users. If the Annexation process fails it also allows us a better understanding if the district purchases your H2O Clear Solution assets. We realize this would be a lengthy process and getting an understanding now may be beneficial. Dan has offered to take the lead on this but would transparently work with Tom, Michael, yourself, and your accounting services.

5. We have no significant comment on the "Availability Fee" proposal. We did notice this would increase fees to H2O Clear as you planned to keep their total fees the same while charging none users at this time. How to determine who gets the fee would be very controversial. Owners owning land via different LLCs/Trusts/etc. How to handle owners with single lots vs multiple lots.

6. We wanted to reconfirm that the engineering study that you are developing does not include an estimated price for existing infrastructure? Will it generate an estimate for new infrastructure to complete your master plan? The study quote references reviewing the results with the owner during various steps. Will the District leaders be involved in these reviews/etc.

Minutes prepared by Dan

APPLE SPRINGS WATERWORKS AND SANITARY DISTRICT

12267 STAGECOACH TRAIL  
STURGIS, SD 57785

2024 BUDGET

LAWRENCE COUNTY 2023 TAXES (PAYABLE, 2024)

SUBMITTED AUGUST 24, 2023

REVENUES:

DISTRICT ASSESSMENT:	\$26,445
TOTAL REVENUES:	\$26,445

EXPENSES:

SEPTIC MAINTENANCE & SEWAGE TREATMENT FACILITY :	\$25,000
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PROFESSIONAL FEES:

INSURANCE (E&O) (Estimated):	\$775
LEGAL (ESTIMATED):	\$500
TOTAL EXPENSES:	\$26,275

APPROVED LEVY AMOUNT:	\$26,445
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TOM LAW, PRESIDENT

DAN CARLSON, SECRETARY

MICHAEL MARTIN, TREASURER