



East Dakota Water Development District
132B Airport Drive
Brookings, SD 57006
605-688-6741 605-688-6744 Fax

MINUTES
September 21, 2017

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on September 21, 2017, at the District office in Brookings. Chairman Jarrett called the meeting to order at 9:05 a.m. The following persons attended:

Directors Present

Mark Anderson
Lois Brown
Mary Ellen Connelly
Gary Duffy
Martin Jarrett
Dana Loseke
John Moes
Janelle Weatherly

Directors Absent

Mark Anderson

Others Present

Guanghui Hua, South Dakota State University
John McMaine, South Dakota State University

Staff Present

Kevin Christenson
Jay Gilbertson
Jeremy Hinke
Deb Springman

DRAFT

Administrative Items

Approval of Agenda

Motion by Duffy, seconded by Moes to approve the agenda as presented. Motion carried unanimously.

Minutes - The Board reviewed the Minutes of the August 10th, 2017, meeting.

Motion by Anderson, seconded by Loseke to approve the Minutes as presented. Motion carried unanimously.

Financial Reports - The Board reviewed the July 2017 and August 2017 financial reports.

Motion by Moes, seconded by Weatherly to accept the July 2017 and August 2017 financial reports. Motion carried unanimously. Chairman Jarrett then asked that the report be placed in the District files.

DRAFT

Report of Meetings and Conferences - Directors Brown, Connelly, Loseke and Moes attended the Mayor's Big Sioux River Water Summit in Watertown on September 20th.

Directors Brown and Weatherly attended the September 14th meeting of the Big Sioux River Watershed Project Steering Committee in Sioux Falls.

Directors Connelly and Loseke attended the September 11th meeting of the Friends of the Big Sioux River in Sioux Falls.

Director Moes attended the September 18th meeting of the Upper Big Sioux River Watershed Advisory Board in Watertown.

Director Weatherly attended the September 7th meeting of the Moody County Commission in Flandreau.

The Manager briefly commented on the following meetings he had attended:

1. **August 29th & 30th** - Brookings. Watershed protection project discussions with the US Environmental Protection Agency, USDA Natural Resource Conservation Service, SD Department of Environment & Natural Resources (DENR) and Deuel County Conservation District staff.
2. **September 9th** - Sioux Falls. South Dakota Wildlife Federation Annual Meeting.
3. **September 14th** - Aberdeen. James River Water Development District Board of Directors.
4. **September 15th** - Huron. SD Water & Wastewater Association Annual Conference.
5. **September 20th** - Watertown. 2017 Mayor's Big Sioux River Water Summit.

DRAFT

Upcoming Meetings

1. **September 28th & 29th** - Vermillion. South Dakota Board of Water and Natural Resources.
2. **October 4th & 5th** - Pierre. South Dakota Water Management Board.
3. **October 10th** - Rapid City. West Dakota Water Development District Board of Directors.
4. **October 19th - 9:30 a.m.** - Buffalo Ridge Resort and Business Center, Gary. October Board of Directors Meeting.
5. **October 25th & 26th** - Deadwood. South Dakota Association of Rural Water Systems (SDARWS) Managers Group meeting.

Payment Requests - The Manager presented several payment requests from District-sponsored activities that will require Board action. He noted that the requests were in order and consistent with provisions set by the Board at the time of award. He requested Board authorization to make the following payments:

<u>Grant Recipient/Activity</u>	<u>Requested Amount</u>
City of Baltic/Big Sioux Bank Stabilization Engineering	\$ 24,391.86
US Geological Survey WRD FFY 2017 SD Gages	\$ 8,450.00
US Geological Survey WRD FFY 2017 MN Gages	\$ 2,982.00
SDSM&T/Seasonal pathogenicity profile of BSR & SC - Part 2 (Kunza)	\$ 3,257.93
Friends of the BSR/Public Outreach	\$ 1,097.68
SDSU/Conservation Drainage to Remove NO ⁻³ from drain water (McDaniel)	\$ 198.18
SDSU/Bioreactor impacts on E. coli and antibiotics resistance (McDaniel)	\$ 5,094.16
SDSU/Bioreactor impacts on E. coli and antibiotics resistance (McDaniel)	\$ 2,302.75
Total	\$ 47,774.56

Motion by Duffy, seconded by Moes to authorize payment of \$1,097.68 to the Friends of the Big Sioux River as requested. Motion carried unanimously, with Directors Connelly and Loseke abstaining.

Motion by Connelly, seconded by Loseke to authorize payments totaling of \$46,676.88 to cover the balance of the reimbursements as requested. Motion carried unanimously.

Project Assistance Requests

City of Crooks - The Manager presented a request from the City of Crooks for District cost-share assistance to complete a facility plan of their storm water systems. DeWild, Grant & Rekert Engineering has been engaged to conduct the investigations, at a projected total cost of \$12,500. A Small Communities Planning Grant from DENR has been requested for \$10,000. The City is requesting District assistance in the amount of \$1,250, which is fifty percent (50%) of the balance of the project costs.

Motion by Brown, seconded by Loseke to provide District cost-share assistance to the City of Crooks covering fifty percent (50%) of the local costs of the proposed studies, up to a maximum of \$1,250. Motion carried unanimously.

SDSU Civil & Environmental Engineering Department - Dr. Guanghui Hua presented a request for District cost-share assistance for a USGS 104(b) project entitled, "Evaluation of Nitrate Removal Rates of Denitrifying Bioreactors Using Agricultural Residue Media - Part II." The objective of this study is to evaluate the nitrate removal performance of selected agricultural residues and a combination of a residue and woodchips. Denitrifying bioreactors have emerged as an important edge-of-field treatment technology to reduce the nitrate loads from subsurface drainage. Wood media are by far the most widely used materials in field-scale denitrification bioreactors. Despite the general acceptance of wood-based materials, carbon substrates derived from agricultural residues such as corn cobs, corn stover, and wheat straw, have shown greater nitrate removal rates than woodchips. The results of this study can lead to the development of new bioreactors using woodchips and agricultural residues, which may enhance the nitrate removal efficiency and reduce the bioreactor cost.

The total proposed budget for the one-year project is \$69,000. \$23,000 is to be requested from the 104(b) Program, with SDSU providing \$40,000 as in-kind match. Dr. Hua's request of the District is

for \$6,000 in support. District funds would be used to cover supply and materials costs, along with water quality analyses. The Manager noted that the Board provided a similar grant of support for the first phase of this effort, which received funding in 2016.

Motion by Connelly, seconded by Weatherly to pledge District cost-share assistance of \$6,000 toward support of the project entitled, “Evaluation of Nitrate Removal Rates of Denitrifying Bioreactors Using Agricultural Residue Media - Part II,” as requested. The Manager again noted that USGS 104(b) funding decisions would be announced in early December, so that if this project was not supported, District funds could be rescinded and applied elsewhere with minimal disruption. Motion carried unanimously.

SDSU Department of Agricultural & Biosystems Engineering - Dr. John McMaine presented a request for District cost-share assistance for a State Non-Point Source Information and Education Program project to promote low-impact development in urban settings. The planned project would include workshops for interested persons and organizations, which would include both lecture-based presentations and hands-on design. Course materials would be developed to address local concerns in targeted communities.

The total proposed budget for the one-year project is \$10,000. \$6,000 is to be requested from the I&E Program, and Dr. McMaine requested \$4,000 in District support. He noted that the grant funds would be applied toward the travel and material needs of the project, and that SDSU would provide any necessary staff. The Manager noted that as with the District support of Dr. Hua’s 104(b) project, the fate of this project would be known by the end of the year, and if appropriate, the funds could be reprogrammed if the overall project was unsuccessful.

Motion by Loseke, seconded by Duffy to pledge District cost-share assistance of \$4,000 toward support of the proposed low-impact development project as requested. Motion carried unanimously.

Hearing on the 2018 EDWDD Operations Budget

Chairman Jarrett opened the public hearing on the 2018 EDWDD Operations Budget at 10:15 a.m. The Manager stated that the District had published a copy of the proposed budget (summarized below) and notices of the hearing in the 10 official District newspapers as required by South Dakota Codified Law 46A-3E-10. No written or verbal comments on the proposed budget were received prior to the meeting/hearing.

2018 EDWDD BUDGET

MEANS OF FINANCE

100	Tax Revenue	\$	726,600
200	Grant Revenue	\$	355,000
300	Capitol Reserves	\$	175,000
400	Miscellaneous Revenue	\$	<u>4,000</u>
TOTAL FY 2018 MEANS OF FINANCE			\$ 1,260,600

<u>APPROPRIATIONS</u>		GENERAL FUND
01	Board of Directors	\$ 37,586
02	Administration	\$ 129,238
03	Technical Assistance	\$ 301,173
04	Operational Expenses	\$ 108,000
05	Professional Services	\$ 37,000
06	Capitol Outlay	\$ 11,000
07	Grant Expenditures	\$ 355,000
08	Project Assistance	\$ 176,604
09	Contingency	\$ <u>105,000</u>
TOTAL FY 2018 APPROPRIATIONS		\$ 1,260,600

Chairman Jarrett invited public comment on the budget as advertised and presented. No public comments were made. Chairman Jarrett declared the public hearing closed, and called for Board comment and/or action on the proposed budget.

The Manager requested Board authorization for the Chairman and Secretary to sign District Resolution 17-1, Resolution providing that a tax be assessed and levied on all taxable property in the East Dakota Water Development District (copy attached). The resolution covers District property tax collections for fiscal year 2017, payable in 2018, as identified in the property tax income portion of the budget under consideration. The resolution is part of the package of material sent to all county auditors and treasurers in the District, as well as the SD Department of Revenue, on or before October 1.

Motion by Duffy, seconded by Brown to adopt the 2018 EDWDD Operations Budget as presented, and to authorize the Chairman and Treasurer to sign Resolution 17-1. Motion carried unanimously.

District Updates

Nitrate Monitoring Project - The Manager reviewed results to-date of the District's nitrate testing activities, covering both ongoing surface water sampling and ground water sampling that began in 2017.

Adjournment

There being no further District business, Chairman Jarrett declared the meeting adjourned at 12:05 p.m.

John Moes, Secretary

DRAFT
RESOLUTION 17-1

**RESOLUTION PROVIDING THAT A TAX BE ASSESSED AND LEVIED ON ALL
TAXABLE PROPERTY IN THE
EAST DAKOTA WATER DEVELOPMENT DISTRICT**

WHEREAS, Section 46A-3E-1 of the South Dakota Codified Laws provides, “A water development district board of directors may levy taxes, not to exceed thirty cents per thousand dollars of taxable valuation in the district, for accomplishment of the purposes of chapters 46A-3A to 46A-3E, inclusive, and chapters 46A-1 and 46A-2. If an area is included in more than one water development district, that area's tax levy payable to each of the water development districts shall be determined by multiplying the greater of the overlapping water development districts' levies by each water development district's taxing fraction. Each water development district's taxing fraction is determined by dividing that water development district's proposed tax levy for the overlapped area by the sum of all water development districts' levies for the overlapped area. Any water development district for which boundaries are revised under §§ 46A-3A-2 to 46A-3A-7.1, inclusive, is not considered a new taxing district. If any water development district levied a tax pursuant to chapter 10-13 in a manner used by a new taxing district for taxes payable in 2010, such water development district shall revert to the amount of revenue payable to the district for taxes payable in 2009 including any excess levy approved pursuant to § 10-13-36 before July 1, 2002. The water development district may adjust the maximum amount of revenue payable for property taxes based on the growth and index factor for each year thereafter. Any excess levy approved by the water development district pursuant to § 10-13-36 before July 1, 2002, is null and void”; and

WHEREAS, Section 46A-3E-13 of the South Dakota Codified Laws provides, “Appropriate officials shall extend the levy or special assessments upon the tax list of the county, municipality, or other appropriate tax paying entity for the tax year against each description of taxable property or, in the case of special assessments, against each description of taxable property to be specially assessed within the water development district in the same manner and with the same effect as other taxes and assessments are extended, including the authority, requirements, and procedures contained in chapter 9-43”; and

WHEREAS, Section 46A-3E-14 of the South Dakota Codified Laws provides, “Appropriate tax collecting officials shall collect all water development district taxes and assessments, together with interest and penalty thereon, if any, in the same manner as the general taxes and assessments are collected and shall pay over monthly to the water development district treasurer all taxes so collected during the preceding month, with interest and penalties, and shall immediately notify the secretary of the water development district of such payment. The water development district treasurer shall immediately enter these receipts to the credit of the depository accounts designated by the water development district board of directors pursuant to § 46A-3E-10”; and

WHEREAS, the East Dakota Water Development district boundary includes all of the lands within Brookings, Codington, Deuel, Grant, Hamlin, Kingsbury, Lake, Lincoln (Sioux Falls only), Miner (eastern one-half), Minnehaha, and Moody; and

WHEREAS, the East Dakota Water Development District Board of Directors, at a meeting in Brookings, South Dakota, on September 21, 2017 adopted a budget of \$1,260,600 for the calendar year 2018 and which is hereby attached and incorporated by reference; and

WHEREAS, an estimated \$726,600 of said budget is to be raised by a new tax on taxable valuation in the East Dakota Water Development District;

NOW, THEREFORE BE IT RESOLVED, that pursuant to Chapter 46A-3A to 46A-3E, inclusive, of the South Dakota Codified Laws, the county auditor in each of the following counties of Brookings, Codington, Deuel, Grant, Hamlin, Kingsbury, Lake, Lincoln (Sioux Falls only), Miner, Minnehaha, and Moody within East Dakota Water Development District, be instructed to extend the following tax levy in dollars, not to exceed the limits established in Chapter 46A-3E of the South Dakota Codified Laws for collection in 2018 to wit:

COUNTIES	REAL PROPERTY TAX LEVY
Brookings	\$71,499
Codington	\$62,425
Deuel	\$21,808
Grant	\$26,259
Hamlin	\$25,740
Kingsbury	\$32,300
Lake	\$37,348
Lincoln (Sioux Falls only)	\$74,162
Miner	\$9,801
Minnehaha	\$337,528
Moody	\$24,730

Said tax levy is to be extended against all taxable property in the county including municipalities, within:

1. Minnehaha, Moody, Lake, Kingsbury, Brookings, Hamlin, Deuel, Codington, and Grant Counties;
2. Grafton, Belleview, Adams, Henden, Howard, Clearwater, Canova, and Vermillion townships in Miner County; and
3. all municipalities that are wholly or partially within the included area or that are contiguous to the included area; in the same manner and with the same effect as other taxes are extended; and

DRAFT

BE IT FURTHER RESOLVED, pursuant to Section 46A-3E-14 of the South Dakota Codified Laws, the county treasurer in each of the counties within the said East Dakota Water Development District be instructed to collect said real property taxes and pay over such collection of money to the East Dakota Water Development District each month for deposit in the First National Bank of Brookings, the local depository for the District; and

BE IT FURTHER RESOLVED, pursuant to Section 46A-3E-12 of the South Dakota Codified Laws, the secretary of the East Dakota Water Development District is hereby instructed to send a certified copy of this resolution adopting this annual tax levy to be made against 2017 taxable property valuation, and a certified copy of the budget for 2018 as approved by the Board of Directors, to each county auditor and each county treasurer within the East Dakota Water Development District and to the State Secretary of Revenue.

Dated this 21st day of September, 2017, with the approval of the East Dakota Water Development District Board of Directors.

Martin Jarrett, Chairman
East Dakota Water Development District

Jay P. Gilbertson, Treasurer
East Dakota Water Development District

DRAFT