



**East Dakota Water Development District**  
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**MINUTES**  
February 18, 2021

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on February 18<sup>th</sup>, 2021, by way of video-conferencing (Zoom). Chairman Anderson called the meeting to order at 9:02 a.m. The following persons attended:

**Directors Present**

Mark Anderson  
Jeff Barth  
Steve Dick  
Gary Duffy  
Spencer Hawley  
Bob Kappel  
Dana Loseke  
John Moes

**Directors Absent**

Director Area 8 (vacant)

**Others Present**

Rose Grant, CPA, Grant & Williams, Inc.  
Galen Hoogestraat, US Geological Survey  
Tammy Krein, Estelline Area Economic Development  
Dave Lewis, Clark County  
Dan Mullaly, West Dakota Water Development District  
Joedy Poppe, Sioux Falls  
Clinton Powell, Brosz Engineering  
Christine Tarbox, Clark County

**Staff Present**

Barry Berg  
Kevin Christenson  
Jay Gilbertson  
Alexa Kruse  
Deb Springman

**Administrative Items**

Approval of Agenda - The Manager asked to adjust the order of certain Agenda items, to accommodate presenter schedules, but did not have any content changes to the Agenda as presented.

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

Minutes - The Board reviewed the Minutes of the January 21<sup>st</sup>, 2021, meeting.

**Motion** by Barth, seconded by Loseke to approve the January 21<sup>st</sup>, 2021, Minutes as presented. Motion carried unanimously.

Financial Reports - The Board reviewed the January 2021 financial reports.

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**Motion** by Hawley, seconded by Moes to accept the January 2021 financial reports. Motion carried unanimously. Chairman Anderson then asked that the reports be placed in the District files.

Consideration of Revisions to the 2021 District Budget - The Manager presented a year-end summary of fiscal year 2020 expenditures and expenses, and reviewed proposed changes to the FY 2021 District budget (below). He noted that the changes primarily reflect the actual year-end 2020 expenditures and account balances, along with carry-over of funds that had been obligated but not expended. He noted the following adjustments:

1. Means of Finance (Grant Revenue) - \$50,000 decrease to reflect more likely actual income/expense for the 2021 Rotating Basins activities;
2. Means of Finance (Capitol Reserve) - \$280,815 increase as the result of carry over of unobligated 2020 grant assistance funds, along with prior committed, but unexpended, grants;
3. Means of Finance (Miscellaneous Revenue) - \$78,150 increase in 2020 grant receivables.
4. Appropriations (Operational Expense) - \$10,000 increase, reflecting the costs of replacing the spectrophotometer used for in-house water quality analyses; and
5. Appropriations (Project Assistance) - \$323,965 increase, the bulk of which are funds previously committed to projects that had not been expended by the close of FY 2020.

### FY 2021 BUDGET

<u>MEANS OF FINANCE</u>	<u>INITIAL BUDGET</u>	<u>OPERATIONAL BUDGET</u>
100 Tax Revenue	\$ 824,500	\$ 824,500
200 External Grant Revenue	\$ 450,000	\$ 400,000
300 Capitol Reserve Transfer	\$ 195,000	\$ 475,815
400 Miscellaneous Revenue	<u>\$ 60,000</u>	<u>\$ 135,650</u>
<b>TOTAL FY 2020 MEANS OF FINANCE</b>	<b>\$ 1,527,000</b>	<b>\$ 1,835,965</b>

### APPROPRIATIONS

01 Board of Directors	\$ 41,677	\$ 41,677
02 Administration	\$ 167,046	\$ 167,046
03 Technical Assistance	\$ 349,048	\$ 349,048
04 Operational Expenses	\$ 140,350	\$ 150,350
05 Professional Services	\$ 49,000	\$ 49,000
06 Capitol Outlay	\$ 73,500	\$ 73,500
07 External Grant Expenditures	\$ 450,000	\$ 400,000
08 Project Assistance	\$ 140,229	\$ 464,194
09 Contingency	<u>\$ 115,150</u>	<u>\$ 141,150</u>
<b>TOTAL FY 2020 APPROPRIATIONS</b>	<b>\$ 1,527,000</b>	<b>\$ 1,835,965</b>

**Motion** by Barth, seconded by Moes to approve the carry-over of funds from 2020 and to adopt the proposed adjustments to the 2021 District operational budget. Motion carried unanimously.

Report of Meetings and Conferences - Chairman Anderson, Vice-Chairman Loseke and the Manager met with the auditors to review preliminary findings for the 2019 fiscal audit via video-conferencing on February 9<sup>th</sup>.

Director Moes reported on meetings of the Upper Big Sioux River Watershed Project and the Lake Pelican Water Project District, both held in Watertown on February 17<sup>th</sup>.

Director Loseke reported on the Minnehaha Conservation District Board of Supervisors meeting held on February 8<sup>th</sup>, and a Izaak Walton League webinar on Thinking Like a Watershed on February 12<sup>th</sup>.

The Manager briefly summarized the following meetings he attended since the January 2021 Board meeting:

1. January 27<sup>th</sup> & 28<sup>th</sup> - SD Association of Rural Water Systems Manager's Group meeting, Pierre. Manager attended via video-conference.
2. February 2<sup>nd</sup> - Grant County Commission, via telephone conference call.
3. February 2<sup>nd</sup> - South Dakota House Agriculture & Natural Resources Committee via video-conference - HB 1042 testimony.
4. February 2<sup>nd</sup> - Minnesota One Watershed/One Plan Interagency meeting via video-conference.
5. February 3<sup>rd</sup> - Brookings County Conservation District Board of Supervisors meeting, Brookings.
6. February 5<sup>th</sup> - Grant County Drainage Ordinance Workgroup, Milbank.
7. February 5<sup>th</sup> - Grant-Roberts RWS source water discussion, Milbank.
8. February 8<sup>th</sup> - Minnehaha Conservation District Board of Supervisors, via video-conference.
9. February 9<sup>th</sup> - Big Sioux Water Festival planning meeting, via video-conference.
10. February 9<sup>th</sup> - Draft 2019 Audit conference with auditors, via video-conference.
11. February 10<sup>th</sup> - EPA Region 8 Clean Water Program meeting, via video-conference.
12. February 11<sup>th</sup> - SD Senate Agriculture & Natural Resources Committee via video-conference - HB 1042 testimony.
13. February 16<sup>th</sup> - SD Association of Rural Water Systems Annual Membership Meeting via video-conference.
14. February 17<sup>th</sup> - Upper Big Sioux Advisory Board meeting via video-conference.
15. February 17<sup>th</sup> - Vermillion Basin Water Development District Board of Directors meeting via video-conference.

In addition, the Manager acted in his capacity as District lobbyist to the 2021 South Dakota Legislature during this period.

#### Upcoming Meetings -

1. **February 19<sup>th</sup> - 9:00 a.m.** - Milbank/via video-conference. Grant County Drainage Working Group.
2. **February 22<sup>nd</sup>** - South Dakota House Appropriations Committee via video-conference - testimony in support of HB 1256.
3. **February 23<sup>rd</sup> - 10:00 a.m.** - webinar. North Dakota 2021 Water Quality Monitoring Workshop.
4. **March 3<sup>rd</sup> & 4<sup>th</sup>** - Pierre. South Dakota Water Management Board.
5. **March 9<sup>th</sup> - 6:00 p.m. (MST)** - Rapid City. West Dakota Water Development District Board of Directors meeting.
6. **March 17<sup>th</sup> - 7:00 p.m.** - Centerville. Vermillion Basin Water Development District Board of Directors meeting.
7. **March 18<sup>th</sup> - 9:00 a.m.** - via Zoom video-conference. James River Water Development District Board of Directors meeting.

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8. **March 18<sup>th</sup> - 9:00 a.m.** - via Zoom video-conference. March EDWDD Board of Directors meeting

Designation of Official District Newspapers for 2021 - The Manager stated that under SDCL 46A-3D-11, the District must annually designate official newspapers in which official legal notices are published. Historically, the Board has selected one newspaper within each of the counties wholly or partially within the District. These papers are Brookings Register, Clear Lake Courier, Grant County Review, Kingsbury Journal, Miner County Pioneer, Watertown Public Opinion, Moody County Enterprise, Hamlin County Herald Enterprise, Madison Daily Leader and Sioux Falls Argus Leader. At their January 2021 meeting, the Board directed the Manager to explore what the impact would be if all newspapers published within the District were included as official newspapers.

The Manager reported that according to the South Dakota Newspaper Association (SDNA), there are an additional thirteen (13) newspapers published within the District. They are:

Arlington Sun	Brandon Valley Journal (Brandon)
Bryant Dakotan	Hamlin County Republican (Castlewood)
Dells City Journal (Dell Rapids)	Dell Rapids Tribune
Elkton Record	Estelline Journal
Garretson Gazette	Minnehaha Messenger (Hartford)
South Shore Gazette	Volga Tribune
Tri-City Star (White)	

He noted that an expansion of the ‘official newspapers’ list would not result in appreciable additional effort. At present, once any announcements are prepared, he forwards them to SDNA, who then distributes the necessary materials to the designated newspapers, confirms formal publication and then bills the District for the service. Over the past decade, the District had incurred expenses averaging about \$1,000 per year in formal publishing costs. He anticipated that adding the additional newspapers to the list would raise this cost to between \$2,000 and \$2,500 per year, well within available funds.

The Board asked what announcements or notices were required to be formally published in the designated official newspapers. The Manager stated that under South Dakota Codified Law (SDCL) Chapters 46A-3A thru -3E, which covers water development districts, legal notices are required announcing the hearings for the annual budget hearings (SDCL 46A-3E-10) and announcing the availability of the annual fiscal audit reports (SDCL 46A-3D-4). Further, legal notices are required (SDCL 46A-3B-7) announcing vacancies of the District Board of Directors. He noted that water development districts are not required to have their Board meeting minutes formally published, but they must distribute them to designated official newspapers (SDCL 46A-3D-3).

**Motion** by Dick, seconded by Barth to designate the following newspapers as the official newspapers for District notices in 2021: Arlington Sun, Brandon Valley Journal (Brandon), Brookings Register, Bryant Dakotan, Hamlin County Republican (Castlewood), Clear Lake Courier, Dells City Journal (Dell Rapids), Dell Rapids Tribune, Kingsbury Journal (DeSmet), Elkton Record, Estelline Journal, Moody County Enterprise (Flandreau), Garretson Gazette, Minnehaha Messenger (Hartford), Hamlin County Herald Enterprise (Hayti), Miner County Pioneer (Howard), Madison Daily Leader, Grant County Review (Milbank), Sioux Falls Argus Leader, South Shore Gazette, Volga Tribune, Watertown Public Opinion, and Tri-City Star

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(White). Motion carried 6-2, with Directors Anderson, Barth, Dick, Duffy, Hawley and Moes supporting, and Kappel and Loseke opposed.

### 2019 Fiscal Audit Report

Rose Grant, CPA, of Grant & Williams, Incorporated, of Sioux Falls, reviewed the Final Audit Report of the District finances during 2019. Copies of the report were previously distributed to all Board members. Ms. Grant stated that the District's financial position was very strong. There were no substantial accounting errors or significant problems with the District's fiscal accounts and records, beyond the perennial issues of internal controls over financial reporting, a common problem with entities with small staff.

Ms. Grant noted that word had been received that the audit report had been reviewed and accepted by the South Dakota Department of Legislative Audit (DLA). The Manager stated that a public notice will be placed in the official newspapers of the District indicating that the audit had been completed and is available for examination, as required by South Dakota Codified Law 46A-3D-4, once the formal notification from DLA has been received.

**Motion** by Barth, seconded by Dick to accept and approve the 2019 fiscal audit report. Motion carried unanimously.

**Motion** by Kappel, seconded by Hawley to direct the Manager to prepare a memorandum responding to the three Audit Findings noted on pages 3 & 4 of the report. Motion carried 7-1, with Directors Anderson, Barth, Duffy, Hawley, Kappel, Loseke and Moes supporting, and Dick opposed.

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### Project Assistance Requests

Estelline Area Economic Development Corporation - Tammy Krein, Executive Director of the Estelline Area Economic Development Corporation (EAEDC), and Clinton Powell, Brosz Engineering, presented a request for District cost-share assistance for the completion of a hydrology study of the greater Estelline area. Ms Krein noted that the community has perennial issues with drainage . They have engaged Brosz Engineering to look into options to re-route natural and storm-water runoff which frequently inundates the town. The investigation is projected to costs \$120,000, and the community has received support from the Federal Emergency Management Agency (FEMA) to cover eighty-five percent (85%) of the costs. EAEDC is acting as the formal sponsor of this effort, and they are seeking District assistance with a portion of the balance of the local costs, which amounts to \$18,000.

**Motion** by Duffy, seconded by Loseke to award the Estelline Area Economic Development Corporation a project assistance grant to cover fifty percent (50%) of the local costs of the proposed hydrology study, up to a maximum amount of \$9,000. Motion carried unanimously.

### 2021 Legislative Session Bill Review

The Manager reviewed the status of numerous bills (listed below) he is tracking as the District lobbyist during the ongoing 96<sup>th</sup> Session of the South Dakota Legislature:

**House Bill (HB) 1027**, An Act to identify Water Management Board officers, authorize appointment of a prehearing officer, and define the duties of the prehearing officer.

**HB 1028**, An Act to revise petition requirements and the criteria for issuance of a water right permit.

**HB 1029**, An Act to require a permit to conduct mining operations for certain ore milling facilities.

**HB 1038**, An Act to make an appropriation from the coordinated natural resources conservation fund to the State Conservation Commission and to declare an emergency.

**HB 1042**, An Act to revise certain provisions regarding riparian buffer strips.

**HB 1050**, An Act to modify certain publishing requirements in official newspapers.

**HB 1117**, An Act to revise provisions for public meetings held by teleconference.

**HB 1120**, An Act to establish a website for the posting of notices for certain local governments.

**HB 1127**, An Act to revise certain provisions regarding official meetings conducted by teleconference.

**HB 1128**, An Act to establish requirements for public meeting notices and materials.

**HB 1129**, An Act to establish requirements for livestreamed public meetings.

**HB 1198**, An Act to make an appropriation for a hydrology study of Brule County and to declare an emergency.

**HB 1213**, An Act to provide for an inventory of known abandoned mined lands and to make an appropriation.

**HB 1256**, An Act to make an appropriation for the cleanup of the Big Sioux watershed and River and to declare an emergency.

**HB 1264**, An Act to make appropriations from the water and environment fund and its revolving fund subfunds for various water and environmental purposes and to declare an emergency.

**Senate Bill (SB) 47**, An Act to make an appropriation for the maintenance and repair of state-owned dams and to declare an emergency.

**SB 52**, An Act to revise the permit duration on certain concentrated animal feeding operations.

**SB 63**, An Act to correct technical errors and outdated provisions regarding the Department of Environment and Natural Resources.

**SB 76**, An Act to revise provisions regarding public access to certain meandered bodies of water.

### **Big Sioux River Watershed Project Working Agreement**

The Manager noted that over the past five years, the District has provided staff for the Big Sioux River Watershed Project (Project). Barry Berg and Alexa Kruse are District employees who are assigned to this activity, under the terms of a working agreement with the Project sponsors. Under the agreement, the District is reimbursed for any material, support and travel expenses incurred by staff in support of Project activities, along with ninety percent (90%) of salary and benefits. The Moody Conservation District was the Project sponsor during Segments 2 and 3, which culminated on August 31, 2020.

The Manager presented the Board with a working agreement for Segment 4 of the Project, which is sponsored by the Minnehaha Conservation District. The conditions laid out in the agreement are consistent with prior such agreements. He asked for Board approval of the agreement, and authorization for the Chair to sign the document.

**Motion** by Duffy, seconded by Loseke to authorize the Board Chair to sign the Working Agreement with the Minnehaha Conservation District. Motion carried 7-1, with Directors Anderson, Dick, Duffy, Hawley, Kappel, Loseke and Moes supporting, and Barth opposed.

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**Adjournment**

There being no further District business or other matters, Chairman Anderson declared the meeting adjourned at 11:15 a.m.

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Spencer Hawley, Secretary

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