



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

MINUTES
September 19, 2019

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on September 19th, 2019, at the District office in Brookings. Chairman Jarrett called the meeting to order at 9:04 a.m. The following persons attended:

Directors Present

Mark Anderson
Jeff Barth
Gary Duffy
Spencer Hawley
Martin Jarrett
Kay Kassube
Dana Loseke

Directors Absent

Mary Ellen Connelly
John Moes

Others Present

Jeremiah Corbin, City of Madison
Chad Comes, City of Madison
Jeremy Schelhaas, SD Department of Environment & Natural Resources

Staff Present

Barry Berg
Kevin Christenson
Jay Gilbertson

DRAFT

Administrative Items

Approval of Agenda - The Manager requested to have an informational presentation from the City of Madison added under the Project Assistance Request(s) section. Representatives of the City would explain their request, but no formal action would be requested until the October Board meeting.

Motion by Duffy, seconded by Loseke to approve the agenda as so amended. Motion carried unanimously.

Minutes - The Board reviewed the Minutes of the August 15th, 2019, meeting.

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

Financial Reports - The Manager noted that he had inadvertently provided copies of the check register from August of 2015, and suggested that the Board defer action until the October Board meeting.

DRAFT

Motion by Kassube, seconded by Barth to defer consideration of the August 2019 financial reports until the October 2019 Board meeting. Motion carried unanimously.

Report of Meetings and Conferences - Director Anderson attended the August 24th meeting of the Lake Thompson Association in DeSmet and the September 18th Big Sioux River Watershed Project Steering Committee in Sioux Falls.

Chairman Jarrett attended the National Rural Water Association meeting Nashville, TN, on September 8th - 10th.

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

1. August 20th - Kingsbury County Commission, DeSmet. Presentation on Lake Thompson outlet maintenance study results.
2. August 24th - Four Lakes Homeowners Association Annual Meeting, DeSmet. Discussion of Lake Thompson outlet and creation of a water project district.
3. September 3rd - Lake County Commission, Madison, and Miner County Commission, Howard, Lake Thompson outlet study discussion.
4. September 3rd - Brookings County Planning & Zoning Board, Brookings, aquifer protection overlay district interpretation.
5. September 5th - Red River Basin Commission Ex Officio Board Meeting, Moorhead, MN.
6. September 6th - Lake Osceola site visit.
7. September 9th - Minnehaha Conservation District Board of Supervisors (teleconference), BSRWP Segment 4 sponsorship discussion.
8. September 9th - Grant County Planning & Zoning Board, Milbank, Groundwater for Public Officials presentation.
9. September 10th - Clay County Commission, Vermillion. Vermillion Basin WDD expansion presentation.
10. September 11th - SD Water Management Board, Pierre. Hearing and action on Lake Thompson outlet maintenance request.
11. September 18th - Big Sioux River Watershed Project Steering Committee, Sioux Falls.

Upcoming Meetings

1. September 19th - 7:00 p.m. - Huron. Restoration and/or preservation discussions on Lake Osceola (NE Kingsbury County).
2. September 19 - 7:00 p.m. - USDA Service Center, Flandreau. Moody Conservation District Board of Supervisors.
3. September 26th - 1:00 p.m. - Pierre. SD Board of Water & Natural Resources.
4. October 3rd - 9:00 a.m. - Pierre. SD Water Management Board.
5. October 9th - 10:00 a.m. - South Dakota Association of Rural Water Systems (SDARWS) Office, Madison. SDARWS Quality On Tap magazine editorial board.
6. October 10th - 7:00 p.m. - USDA Service Center, Flandreau. Moody Conservation District Board of Supervisors.
7. October 15th - 3:00 p.m. - USDA Service Center, Sioux Falls. Minnehaha Conservation District Board of Supervisors.

DRAFT

8. October 17th - 9:30 a.m. - Redlin Environmental Center, Watertown. October EDWDD Board of Directors meeting.
9. October 23 & 24 - Deadwood. SD Association of Rural Water Systems Managers Group.
10. November 7 - 1:00 p.m. - various DDN sites. SD Board of Water & Natural Resources.

Payment Requests - The Manager presented six payment requests from District-sponsored activities that required 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>
US Geological Survey Dakota Water Center/FFY 2019 Gaging Agreement	\$ 8,740.00
Town of Badger/Waste Water Facility Plan	\$ 2,987.00
SDSU/Nitrate Removal by Ag Residual Media (Hua)	\$ 195.46
SDSM&T/WQ Data Analysis (Kunza)	\$ 4,359.81
Riparian Buffer Support Program (Hamlin Conservation District)	\$ 8,955.00
Friends of the Big Sioux River/Public Outreach	\$ 6,000.00
Total	\$ 31,237.27

Motion by Barth, seconded by Duffy to authorize payments totaling \$25,237.27 to the US Geological Survey, the Town of Badger, South Dakota State University, South Dakota School of Mines & Technology and Hamlin Conservation District as requested. Motion carried unanimously.

Motion by Barth, seconded by Kassube to authorize payment of \$6,000.00 to the Friends of the Big Sioux River as requested. Motion carried unanimously, with Director Loseke abstaining.

DRAFT

Director Compensation Policy Changes

The Manager reviewed the changes proposed to the director compensation policy (below in *italics*), which had been proposed by the Personnel Committee at the August Board meeting. [Deletions to the existing text are ~~struck out~~, and additions are underlined.] He noted that the current compensation rates for directors attending meetings on behalf of the District were established in April 2009. The changes would result in an increase of \$25 per meeting.

DIRECTORS FEES AND EXPENSES

It is the responsibility of members of the District Board of Directors to attend all regular and special board meetings. Each director attending the regular Board of Directors meetings, or special meetings as called by the Chair, shall receive a director's fee of ~~\$150.00~~ 175. The Board Chair shall receive ~~\$175~~ 200 for all such meetings. Directors attending standing committees to which they have been appointed shall receive director's fees at the rate of ~~\$150.00~~ 175 for meetings lasting over three (3) hours (including travel time), and ~~\$100.00~~ 125 for meetings up to three (3) hours in duration (including travel time).

Directors may represent the District at meetings of other organizations that the District may belong to as a member or have interest in. Any director attending such a meetings shall receive director's fees

at the rate of ~~\$150.00~~ 175 for meetings lasting over three (3) hours (including travel time), and ~~\$100.00~~ 125 for meetings up to three (3) hours in duration (including travel time).

Directors travel vouchers shall be completed monthly and turned in to the manager at the regular meeting.

In case of apparent inconsistencies with this board operating policy, the manager shall first seek clarifications from the individual director involved. The manager shall report to the board chairman any unresolved inconsistencies within the provision of this policy.

Motion by Barth, seconded by Anderson to adopt the proposed changes to the director compensation policy, with the changes to become effective on January 1, 2020. Motion carried unanimously.

Hearing on the 2020 EDWDD Budget

Chairman Jarrett opened the public hearing on the 2020 EDWDD Budget at 10:02 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.

2020 EDWDD BUDGET

MEANS OF FINANCE

100	Tax Revenue	\$	794,500
200	Grant Revenue	\$	450,000
300	Capitol Reserves	\$	200,000
400	Miscellaneous Revenue	<u>\$</u>	<u>62,500</u>
TOTAL FY 2020 MEANS OF FINANCE		\$	1,507,000

APPROPRIATIONS

		GENERAL FUND	
01	Board of Directors	\$	41,677
02	Administration	\$	151,330
03	Technical Assistance	\$	332,426
04	Operational Expenses	\$	122,600
05	Professional Services	\$	49,000
06	Capitol Outlay	\$	36,000
07	Grant Expenditures	\$	450,000
08	Project Assistance	\$	210,967
09	Contingency	<u>\$</u>	<u>113,000</u>
TOTAL FY 2020 APPROPRIATIONS		\$	1,507,000

Chairman Jarrett invited public comment on the budget as advertised and presented. No public comments were made. Chairman Jarrett declared the public hearing closed at 10:10 a.m., and called for Board comment and/or action on the proposed budget.

DRAFT

The Manager requested Board authorization for the Vice-Chairman and Treasurer to sign District Resolution 19-1, 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 2019, payable in 2020, 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 South Dakota Department of Revenue, on or before October 1st.

Motion by Kassube, seconded by Loseke to adopt the 2020 EDWDD Budget as presented, and to authorize the Chairman and Treasurer to sign Resolution 19-1. Motion carried unanimously.

Project Assistance Requests

United States Geological Survey Gaging Station Agreement - The Manager reviewed a proposed joint funding agreement (JFA) between the District and the United States Geological Survey (USGS) South Dakota Water Science Centers for support of stream gaging activity for Federal Fiscal Year (FFY) 2020 (October 2019 - September 2020).

During FFY 2019, the District provided cost-share assistance through the SD Water Science Center for one gage, on the Big Sioux River near Bruce, at a cost of \$8,740. The proposed FFY 2020 JFA would be for a continuation of support for this gage at a cost of \$8,870. No new gage sites have been proposed. The Manager requested Board approval of the FFY 2020 JFA for the Bruce gaging station.

Motion by Duffy, seconded by Hawley to approve the FFY 2020 JFA with the South Dakota Water Science Center for \$8,870, and to authorize the Manager to execute the JFA. Motion carried unanimously.

City of Madison - Jeremiah Corbin, Utilities Commissioner for the City of Madison, and Chad Comes, City Engineer, presented the Board with information on the communities efforts to engage the United States Army Corps of Engineers (USACE) for the purpose of conducting a flood risk management study. Specifically, they are pursuing efforts under the USACE's Section 22 Program to update the hydrology and hydraulics developed during a comparable investigation completed for the City in 1995. The City has repeatedly experienced severe flooding along the course of Park Creek, which traverses the community from northwest to southeast. Potential remedial efforts could include detention dams upstream of the city on Park Creek and tributaries, improvements to a railroad bridge, and a combination of detention and nonstructural alternatives.

The projected cost of the investigation is \$150,000, with the Corps providing fifty percent (50%) of the costs. The City is seeking partners to cover the balance of the costs. Recognizing that the request for assistance did not arrive in a timely manner, Mr. Corbin stated that they did not expect the Board to make a final decision at this time. The Manager noted that he would include the request as part of the Agenda for the October 17th meeting in Watertown.

District Updates

DRAFT

SD DENR Stream Gaging Network - Jeremy Schelhaas, SD DENR Watershed Protection Program, briefed the Board on the State's stream gaging network. He stated that while the State provides cost-share support for several USGS operated stream gaging stations, they have also created a complementary network of stations at other locations. Instrumentation to collect and store water level (stage) data began at a number of water quality monitoring (WQM) sites in the Vermillion River, Big Sioux River and Minnesota River basin locations in 2010. The Manager noted that District staff were involved in this effort. In the intervening years, a total of forty (40) stage recorders have been established at WQM stations. In support of the recent effort to update the Big Sioux River flood prediction model, stations within the basin were updated to allow for real-time data transmission.

The Manager noted that with the high water levels experienced during 2019, data from these real-time stations has been used extensively. He has been in contact with several potential partners to consider upgrading many of the remaining State stations. He expected to have more information on this effort available at the October meeting.

Vermillion Basin WDD Expansion - The Manager reported on developments regarding the proposed expansion of the Vermillion Basin Water Development District (VBWDD). The changes would result in a single water development district that would cover the Vermillion River basin. With the collapse of the Legislature's most recent effort to create some sort of watershed-based water resource entities, VBWDD has taken the initiative to explore expanding their area to encompass a majority of the Vermillion River watershed. Portions of the three counties now part of East Dakota (Kingsbury, Lake and Miner) are within the Vermillion River basin, and would be shifted to the expanded VBWDD. The Manager stated that while there was local support for the effort prior to the 2019 Legislative Session, legislation was not filed due to 'new tax' concerns expressed by Governor Noem's Office.

DRAFT

He noted that these concerns were being addressed, and that new language was being prepared in advance of the 2020 legislative Session. Brad Prehiem, VBWDD, and the Manager would be working over the next month to develop final language and supporting documents, including potential tax levy rates and the mechanism for re-populating the newly expanded VBWDD Board of Directors.

Adjournment

There being no further District business, Chairman Jarrett declared the meeting adjourned at 12:15 p.m.

John Moes, Secretary

DRAFT

RESOLUTION 19-1

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 19th, 2019, adopted a budget of \$1,507,000 for the calendar year 2020 and which is hereby attached and incorporated by reference; and

WHEREAS, an estimated \$791,500 of said budget is to be raised by a 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 2020 to wit:

COUNTIES	REAL PROPERTY TAX LEVY
Brookings	\$74,915
Codington	\$64,949
Deuel	\$22,381
Grant	\$27,332
Hamlin	\$27,400
Kingsbury	\$33,158
Lake	\$38,269
Lincoln (Sioux Falls only)	\$87,955
Miner	\$9,946
Minnehaha	\$376,030
Moody	\$29,165

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;

DRAFT

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

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 2019 taxable property valuation, and a certified copy of the budget for 2020 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 19th day of September, 2019, with the approval of the East Dakota Water Development District Board of Directors.

DRAFT

Martin Jarrett, Chairman
East Dakota Water Development District

Jay P. Gilbertson, Treasurer
East Dakota Water Development District