



East Dakota Water Development District

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Brookings, SD 57006

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## MINUTES

December 28, 2006

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on December 28, 2006 at the EDWDD Office, 132B Airport Drive, Brookings. Chairman Dempsey called the meeting to order at 1:05 p.m. The following persons attended:

### Directors Present

Dave Bennett  
Lois Brown  
Bill Dempsey  
Curt Eggers  
Doug Feten  
Vincent Flemming  
Martin Jarrett  
John Weidler

### Directors Absent

Kay Kassube

### Others Present

Delvin DeBoer, SDSU Civil Engineering Department  
Jean Eggers, Renner  
Shirley Flemming, Florence  
Jim Housiaux, Banner Associates  
Robert Kolbe, Minnehaha County Commission  
Jack Majeres, SD Association of Conservation Districts  
Robert Todd, Lake Madison Development Association

### Staff Present

Lisa Bretsch  
Jay Gilbertson  
Deb Springman

## Administrative Items

Approval of Agenda - The Manager asked to have the update on the Central Big Sioux Watershed Project dropped from the agenda. **Motion** by Eggers, seconded by Weidler to approve the agenda as amended. Motion carried unanimously.

Minutes - The Board reviewed the Minutes of the November 16, 2006 meeting. **Motion** by Bennett, seconded by Feten to approve the Minutes as presented. Motion carried unanimously.

Financial Reports - The Board reviewed the November 2006 Financial Report (Attachment A). **Motion** by Weidler, seconded by Brown to accept the November 2006 Financial Report. Motion carried unanimously. Chairman Dempsey then asked that the report be placed in the District files.

Report of Meetings and Conferences - Director Flemming attended the November meeting of the Upper Big Sioux River Watershed Advisory Board in Watertown.

The Manager commented briefly on the following meetings attended by District staff:

1. November 17 - Madison. Government Affairs Committee of the Lake County Lakes Associations.
2. November 21 - Brookings. NRCS Upper Big Sioux River Rapid Watershed Assessment public hearing.
3. November 29/30 - Pierre. South Dakota Water Management Board.
4. November 30 - Huron. James River Water Development District Board of Directors.
5. December 5 - Flandreau. Moody County Planning Commission hearing on a CAFO application.

6. December 7 - Sioux Falls. Ag United for South Dakota Annual Luncheon.
7. December 9 - Morton, MN. AREA II Minnesota River Basins Project Legislative Breakfast.
8. December 11 - Brookings (teleconference). Turner-Lincoln-Clay Water Project District Board of Directors.
9. December 12 - Lake Cochrane. Discussion of water quality issues with area homeowners and legislators.
10. December 14 - Brookings. South Dakota Lakes and Streams Association Board of Directors.

Upcoming Meetings -

1. **January 4 - 7:00 p.m.** - Madison. Lake County Long Range Water Quality Planning Committee.
2. **January 5 - 9:00 a.m.** - Various DDN sites and teleconference. SD Board of Water and Natural Resources.
3. **January 9-11** - Ramkota Convention Center, Pierre. South Dakota Association of Rural Water Systems Annual Technical Convention.
4. **January 9 - 1:00 p.m.** - State Capitol, Pierre. Opening day of the 82<sup>nd</sup> Session of the South Dakota Legislature. Governor's State of the State address.
5. **January 10 - 9:00 a.m.** - American Legion Hall, Pierre. James River Water Development District Board of Directors meeting.
6. **January 10 - 4:00 p.m.** - Ramkota Convention Center, Pierre. SDARWS Legislative Reception.
7. **January 11 - 8:00 a.m.** - Governors Inn, Pierre. State Conservation Commission.
8. **January 17 - 7:00 p.m.** - Madison. Government Affairs Committee of the Lake County Lakes Associations.
9. **January 18 - 9:00 a.m.** - EDWDD Office, Brookings. January EDWDD Board of Directors meeting.

Payment Requests - The Manager presented the Board with one payment request.

*City of Madison* - At the March 2006 meeting, the Board agreed to provide District cost-share assistance of 20% of the costs (up to a maximum of \$6,690) of a preliminary engineering study of the City's wastewater treatment facilities. The City has previously submitted requests total \$5,159. The City has submitted a request for reimbursement of \$1,102, along with the required billing information. **Motion** by Brown, seconded by Flemming to authorize payment of \$1,102 to the City of Madison as requested. Motion carried unanimously.

Project Assistance Review - The Manager reviewed the status of four projects that had previously received District cost-share assistance. Each project has either been completed and will not be requesting further funds, or has failed to request funds in a timely manner. The Manager requested that the Board rescind the balance of District funds committed to these projects. **Motion** by Brown, seconded by Weidler to rescind remaining District cost-share assistance allocated to the following projects:

1. 2006 Big Sioux Water Festival - Travel Stipend, \$720;
2. EDWDD - Pollution Prevention Guides, \$1,563;
3. Minnehaha County - Water Quality Committee, \$2,000; and
4. SD Association of Conservation Districts - Technical Assistance 04/05, \$20,840.

The Manager noted that the total amount reverted with this action would be \$25,123. Motion carried unanimously.

Appointment of District Legislative Lobbyist - **Motion** by Eggers, seconded by Bennett to appoint the Manager as District's lobbyist to the South Dakota Legislature during calendar years 2007 and 2008. Motion carried unanimously.

### **Project Assistance Requests**

City of Gary - The City of Gary has requested District cost-share assistance for the completion of a facility plan for its wastewater system, with an estimated cost of \$7,500. Jim Housiaux, Banner Associates, described the proposed activities. The Manager noted that in the past, the District has provided cost-share assistance amounting to half of the local costs for projects of this size. In this case, that would amount to a project assistance award of \$3,750. **Motion** by Brown, seconded by Jarrett to award District cost-share assistance to the City of Gary for fifty percent (50%) of the costs of the facility plan, not exceed a total of \$3,750. Motion carried unanimously.

SDSU Regional Water System Research Center - Delvin DeBoer, Professor in the Civil and Environmental Engineering Department at South Dakota State University (SDSU), presented the Board with a request for support to establish a research center to focus on regional water supply system issues. He noted that South Dakota leads the nation in the development of regional (rural) water systems. Further, more and more small communities have relinquished water treatment and delivery to such entities. Consequently, they have become increasingly important to not only individual farmers and ranchers, but most of our municipal users as well. However, little research into the unique requirements of such systems is currently taking place. The proposed center would seek to fill this void, and provide critical research into issues not otherwise addressed.

The proposed Center for Regional Water System Research (CRWSR) would be administered in the Water and Environmental Engineering Research Center, located in the College of Engineering at SDSU. Program goals and priorities would be set by a CRWSR Advisory Council, with members drawn from entities that provide financial and technical support. Dr. DeBoer reviewed a number of potential topics that might be examined and investigated by the CRWSR.

Dr. DeBoer is seeking to secure about \$40,000 per year to support the CRWSR. To date, the South Dakota Association of Rural Water Systems (SDARWS) has pledged \$17,000. This is to come from its non-Class A members. Class A members (the large, regional systems) will be approached for individual donations, with an initial minimum contribution of \$500 per system. Dr. DeBoer will also be approaching the other water development districts for assistance.

The Manager proposed that the District provide \$10,000 per year for a period of three years (\$30,000 total) toward this effort. He noted that regional water systems, including Lewis and Clark, are now, or will soon, be the primary public water suppliers to all but a few large communities in the District. Issues the Center could work on would impact pretty much everyone in the District. **Motion** by Bennett, seconded by Feten to provide District cost-share assistance in support of the CRWSR at a level of \$10,000 per year for three years (2007, 2008 and 2009), for a total of \$30,000. The Manager noted that after a period of three years, the productivity and effectiveness of the CRWSR can be assessed, and continued support considered at that time. Motion carried unanimously.

### **SDACD Water User Fee Proposal**

Jack Majeres, South Dakota Association of Conservation Districts (SDACD), provided information on SDACD's plans to ask the South Dakota Legislature to revise the funding formula for the Soil and Water Conservation Fund (SWCF). The SWCF is used to support a variety of soil and water conservation activities across the state through a competitive grants process. The State Conservation Commission distributes SWCF support to project proposals submitted by the conservation districts.

At the present time, the SWCF is funded through the receipt of a portion of the unclaimed non-highway gas tax refunds. The amount is equal to 35% of the claimed refund amount. The remainder of the unclaimed gas tax refund dollars go to the Department of Transportation (DOT). When first established in 1992, SWCF received \$1,198,000 under this formula. However, due to changing rural fuel consumption patterns and a decrease in the relative percentage of claimed refunds, the SWCF received only \$505,000 in 2005. Further, since 2000, \$140,000 is taken annually from the SWCF to support two staff persons in the Governor's Office of Economic Development to work on value-added ag development. The net result is that what had been a roughly \$1,200,000 grants program in 1992 is now functioning with less than one-third that amount.

The SDACD proposal would basically apportion all of the unclaimed non-highway gas tax refunds to the SWCF. Had this new formula been in effect in 2005, the SWCF would have had roughly \$1,500,000 available to be used to address a range of soil and water conservation needs. Financial support of value-added ag development would continue with the new formula, but the revenue stream to the DOT would end. Mr. Majeres noted that this lost revenue represented a very minor part of the DOT budget. Further, given that these particular taxes were collected on fuel used by vehicles operating off of the highways, it was debatable whether or not use by DOT for road projects was even appropriate from this source.

Mr. Majeres answered numerous questions about the proposal from the Board and others in attendance. **Motion** by Jarrett, seconded by Brown to support the SDACD proposal. It was acknowledged that as the actual legislation had not yet been written, this support was for the concept as explained by Mr. Majeres. The Manager noted that by the time of the next District Board meeting (January 18, 2007), the final version would likely have been filed, and the Board could revisit the issue at that time. In the interim, the Manager would monitor the proposal and keep the Board informed on this matter. The motion carried unanimously.

### **Project Updates**

FFY 2007 USGS Gaging Station Agreement - The Manager reviewed the proposed joint funding agreement between the District and the USGS for support of stream gaging stations for Fiscal Year 2007 (October 2006 - September 2007). During FY2006, the District provided cost-share assistance for three gages: Big Sioux River near Bruce, Willow Creek, and the Big Sioux River below Watertown. The Manager recommended the Board authorize support for the following gaging stations for FY 2007:

<u>Location</u>	<u>Cost</u>	<u>EDWDD % of Local Cost</u>
Big Sioux River near Bruce	\$6,500	100 %
Willow Creek near Watertown	\$1,100	50 % (shared with Watertown)
Big Sioux River below Watertown	<u>\$4,875</u>	75 % (shared with Watertown)
	<b>\$12,475</b>	

**Motion** by Flemming, seconded by Jarrett to approve the joint funding agreement for \$12,475 to continue support of District gaging station activities and to authorize the Chairman to sign the FY 2007 joint funding agreement. Motion carried unanimously.

Watershed Assessment Projects - Deb Springman reviewed recent activities on the District's watershed assessment projects:

***Central Big Sioux River Project*** – The Total Maximum Daily Load (TMDL) reports for all but the Sioux Falls area segments are likely to be public noticed in the near future. A few days ago she received new waste load allocation numbers from the DENR Surface Water Quality Program, and once these are incorporated in the TMDL reports they will be finished. Work on the Sioux Falls segment reports will likely be completed by other parties.

***North-Central Big Sioux River-East Oakwood Lake Project*** - The draft Final Report for the river and stream areas has been completed, and the draft Final Report for Oakwood Lakes watershed will be completed tomorrow (December 29, 2006). TMDL reports are nearly completed, although waste load allocation numbers will need to be adjusted to reflect the new DENR data.

***School-Bullhead Lakes Project*** - The TMDL reports have been public noticed, and the only comments were from EPA. She is responding to these, and should have them completed in the near future.

### **Adjournment**

There being no further District business, Chairman Dempsey declared the meeting adjourned at 3:15 p.m.

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Doug Feten, Secretary

**East Dakota Water Development District**  
**Custom Summary Report**  
 November 2006

	Nov 06
Ordinary Income/Expense	
Income	
4100 - Tax Rev	
4140 - Current Tax Revenue	132,720.87
4150 - Prior Tax Revenue	128.76
4160 - Miscell. Tax Revenue	242.70
<b>Total 4100 - Tax Rev</b>	<b>133,092.33</b>
7010 - Interest Income	1,798.92
<b>Total Income</b>	<b>134,891.25</b>
Gross Profit	134,891.25
Expense	
5500 - Big Sioux River Implementation	
5515 - CBSRWIP Water Quality Analysis	76.44
5525 - CBSRWIP Travel	
5526 - Gas for project	276.19
5525 - CBSRWIP Travel - Other	18.00
<b>Total 5525 - CBSRWIP Travel</b>	<b>294.19</b>
5530 - CBSRWIP Professional Fees	1,531.11
5535 - CBSRWIP Supplies and Materials	27.28
5545 - CBSRWIP Ag Waste Mng. Syst	19,037.48
5570 - CBSRWIP CD expenses	
5572 - CD Travel	370.36
<b>Total 5570 - CBSRWIP CD expenses</b>	<b>370.36</b>
<b>Total 5500 - Big Sioux River Implementation</b>	<b>21,336.86</b>
6050 - Vehicle Expense	
6052 - Lease Expense	292.91
6054 - Maintenance/Cleaning	21.09
<b>Total 6050 - Vehicle Expense</b>	<b>314.00</b>
6070 - BOD Travel & Ent	
6071 - BOD Miscell. Travel	60.00
6072 - BOD Travel	586.16
<b>Total 6070 - BOD Travel &amp; Ent</b>	<b>646.16</b>
6080 - Capital Outlay Items	
6082 - Equipment and Furniture	1,441.00
<b>Total 6080 - Capital Outlay Items</b>	<b>1,441.00</b>
6220 - Dues and Subscriptions	49.00
6240 - Equipment Rental	
6241 - Copier Lease/Rental	169.76
<b>Total 6240 - Equipment Rental</b>	<b>169.76</b>
6530 - Miscellaneous	39.76
6535 - Misc. Supp/Equip for EDWDD proj	498.90
6540 - Maintenance	
6541 - Office Maintenance	275.00
<b>Total 6540 - Maintenance</b>	<b>275.00</b>
6560 - Payroll Expenses	
6163 - Payroll Taxes	1,321.83
6561 - Retirement	149.45
6562 - Health Insurance	2,104.44
6564 - Retirement Admin Co. 2	193.04
6560 - Payroll Expenses - Other	7,635.96
<b>Total 6560 - Payroll Expenses</b>	<b>11,404.72</b>
6565 - Payroll Expenses for Board	900.00
6566 - Payroll Expenses Technical	
6570 - Retirement Technical Asst. - Co	404.07
6571 - Technical Asst. Employ. 2 Co	193.04
6566 - Payroll Expenses Technical - Other	9,671.38
<b>Total 6566 - Payroll Expenses Technical</b>	<b>10,268.49</b>
6640 - Professional Fees	
6645 - Temporary Service	42.56
6640 - Professional Fees - Other	160.00
<b>Total 6640 - Professional Fees</b>	<b>202.56</b>
6690 - Rent	
6691 - Office Rent	1,500.00
<b>Total 6690 - Rent</b>	<b>1,500.00</b>
6880 - Telephone	
6881 - Cell Phone	132.36
6882 - Office Phone	287.25
<b>Total 6880 - Telephone</b>	<b>419.61</b>
6900 - Travel & Ent	315.66
6940 - Utilities	
6970 - Trash Removal	73.67
<b>Total 6940 - Utilities</b>	<b>73.67</b>
<b>Total Expense</b>	<b>49,855.15</b>
<b>Net Ordinary Income</b>	<b>85,036.10</b>
Other Income/Expense	
Other Expense	
8050 - Project Expenditures	
8070 - VBWDD grant 03	5,000.00
8071 - BSRWIP 05	366.50
<b>Total 8050 - Project Expenditures</b>	<b>5,366.50</b>
8700 - Uncommitted Project Funds	
8704 - City of Madison 06	5,158.44
<b>Total 8700 - Uncommitted Project Funds</b>	<b>5,158.44</b>
<b>Total Other Expense</b>	<b>10,524.94</b>
<b>Net Other Income</b>	<b>-10,524.94</b>
<b>Net Income</b>	<b>74,511.16</b>