



**East Dakota Water Development District**  
132B Airport Drive  
Brookings, SD 57006

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**MINUTES**  
**December 18, 2104**

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on December 18, 2014, at the EDWDD Office, 132B Airport Drive, Brookings. Chairman Jarrett called the meeting to order at 1:05 p.m. The following persons attended:

**Directors Present**

Mark Anderson  
Lois Brown  
Mary Ellen Connelly  
Gary Duffy  
Martin Jarrett  
Kay Kassube  
John Moes  
Roger Scheibe  
Jerry Soholt

**Others Present**

Andy Berg, City of Sioux Falls  
Dennis Davis, SD Association of Rural Water Systems  
Bonnie Dybedahl, South Dakota Farm Bureau  
Paul East, CPA, East, Vander Woude & Grant  
Jesse Johnson, SD Corn  
Dana Loseke, Friends of the Big Sioux River  
John Maursetter, Lake County  
Janice Shaeffer, CPA, East, Vander Woude & Grant  
Randy Stratton, TSG Marketing  
Janelle Weatherly, Flandreau

**Staff Present**

Kevin Christenson  
Jay Gilbertson  
Jeremy Hinke  
Deb Springman

**Administrative Items**

**Approval of Agenda**

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

**Minutes** - The Board reviewed the Minutes of the November 20, 2014, meeting.

**Motion** by Duffy, seconded by Brown to approve the Minutes as so presented. Motion carried unanimously.

**Financial Reports** - The Board reviewed the November 2014 Financial Report.

**Motion** by Scheibe, seconded by Soholt to accept the November 2014 Financial Report. Motion carried unanimously. Chairman Jarrett then asked that the report be placed in the District files.

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Report of Meetings and Conferences - Director Brown reported on the meeting of the Central Big Sioux River watershed Project Steering Committee in Sioux Falls on December 16<sup>th</sup>.

Director Connelly attended the Friends of the Big Sioux River meeting in Sioux Falls on December 16<sup>th</sup>.

Chairman Jarrett reported on the October 30<sup>th</sup> meeting of the Lake County Clean Water Committee held in Madison.

The Manager commented briefly on the following meetings he attended:

1. November 24 - Pierre. Regional Watershed Advisory Task Force.
2. December 9 - Pierre. South Dakota Non-Point Source Task Force.
3. December 16 - Sioux Falls. Friends of the Big Sioux River.

Upcoming Meetings -

1. **January 7, 2015 - 3:00 p.m.** - Flandreau. First District Association of Local Governments Board of Directors meeting.
2. **January 8 - 1:00 p.m.** - various Dakota Digital Network (DDN) sites. South Dakota Board of Water and Natural Resources meeting.
3. **January 13-15** - Ramkota Convention Centre, Pierre. South Dakota Association of Rural Water Systems Annual Technical Conference.
4. **January 13 - 1:00 p.m.** - State Capitol Building, Pierre. Opening of the 2015 Legislative Session.
5. **January 14 - 7:00 p.m.** - State Capitol Building, Pierre. Water Development Districts Legislative Breakfast.
6. **January 14 - 11:00 a.m.** - American Legion Cabin, Pierre. James River Water Development District Board of Directors meeting.
7. **January 20 - 11:00 a.m.** - EDWDD Office, Brookings. January EDWDD Board of Directors meeting.

Payment Requests - The Manager presented the Board with five payment requests:

*South Dakota State University (I)* - In October 2013, the District agreed to provide \$6,000 in cost-share assistance to South Dakota State University (SDSU) for a research project entitled, "Nutrient Removal from Agricultural Subsurface Drainage Using Denitrification Bioreactors and Phosphate Adsorbents." Dr. Guanghui Hua, Assistant Professor in the SDSU Civil and Environmental Engineering Department (CEE), is the lead investigator on the project. SDSU has submitted billings for this project covering project expenses (\$145.68) for the period from 10/1/14 thru 11/30/14.

*Big Sioux Community Water System* - In November 2014, the District agreed to provide cost-share assistance to cover fifty percent (50%) of the costs for the development of a preliminary engineering report (PER), up to a cap of \$2,350, to the Big Sioux Community Water System (BSCWS) for their individual share of the "wheeling option," by which water from the Lewis and Clark Regional Water System could be delivered to the City of Madison. The PER has been completed, and BSCWS has submitted a request for payment of the District support. They provided documentation indicating that total final costs were \$4,770.79, and therefore qualified for the full amount of District assistance (\$2,350.00).

*Minnehaha Community Water Corporation* - In November 2014, the District agreed to provide cost-share assistance to cover fifty percent (50%) of the costs for the development of a preliminary engineering report (PER), up to a cap of \$2,350, to the Minnehaha Community water Corporation (MCWC) for their individual

share of the “wheeling option,” by which water from the Lewis and Clark Regional Water System could be delivered to the City of Madison. The PER has been completed, and MCWC has submitted a request for payment of the District support. They provided documentation indicating that total final costs were \$5,000.00, and therefore qualified for the full amount of District assistance (\$2,350.00).

*South Dakota State University (II)* - In March 2011, the District agreed to provide \$18,750 in cost-share assistance to SDSU (Jeppe Kjaersgaard and others) for a research project entitled, “Demonstration of Nitrogen Removal Effectiveness of Bioreactors for Drainage Water Management.” The current billing, for \$998.38, covers District support obligations incurred between October 1 and November 30, 2014.

*Town of South Shore* - At the September 2012 Board meeting, the District pledged up to \$2,350 to the Town of South Shore toward the development of engineering assessments (facility plans) for both its drinking water and waste water systems. The investigations are projected to cost \$10,700 and \$10,000 respectively. The community was awarded \$8,000 for each investigation from the SD DENR Small Community Planning Grant Program. District cost-share assistance was for fifty percent (50%) of the balance of the costs, up to a cap of \$1,350 for the drinking water study and \$1,000 for the waste water study. The Manager noted that the work has been completed and the Town has qualified for the full amount of District support (\$2,350).

The Manager indicated the total of the five requests was \$8,194.06. Payments on the BSCWS, MCWC and South Shore requests would complete the District’s obligation for these projects.

**Motion** by Scheibe, seconded by Duffy to authorize payment of \$10,009.76 to cover the two requests as presented. Motion carried unanimously, with Chairman Jarrett abstaining.

Project Assistance Review - The Manager reviewed the status of two projects that had previously received District cost-share assistance. Each project had 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 (\$6,970 in total) committed to the following projects:

Award Date	Project	Award Amount	Unused Balance
12/09	NE Glacial Lakes Watershed Project	\$ 8,000	\$ 5,020
01/12	USFWS Restored Wetlands WR Fund	\$ 3,000	\$ 1,950
			\$ 6,970

**Motion** by Connelly, seconded by Kassube to rescind the District cost-share assistance grants (\$6,970) as requested. Motion carried unanimously.

The Manager also reviewed the status of the EDWDD Riparian Easement Program (REP). Established using a one-time (2009, payable in 2010) special tax assessment of \$250,000, the REP was created to support the acquisition of long-term or permanent land-use easements on property adjacent to major rivers and streams within the District. He noted that two awards had been made using these funds, \$160,820 to the Northern Prairies Land Trust (NPLT) for a US EPA Section 319 funded effort and \$49,910 set aside to leverage a USDA Wetland Reserve Enhancement Program (WREP) project. This left a balance of \$39,270 in unobligated REP funds.

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The Manager stated that the NPLT project has closed, having expended only \$16,544 of the REP grant. A balance of \$144,276 remains. Most of the funds committed to the WREP project remain, but all have been obligated and pay out is expected over the next year or two.

The Manager requested that the Board 1) rescind the commitment for the balance of REP funds pledged to the defunct NPLT project, 2) revert the balance of unobligated REP funds ( $\$39,270 + \$144,276 = \$183,546$ ) to the District's general assistance fund, and 3) abolish the REP.

**Motion** by Duffy, seconded by Soholt to rescind the commitment for the balance of REP funds pledged to the defunct NPLT project, revert the balance of unobligated REP funds (\$183,546) to the District's general assistance fund, and abolish the REP as requested. Motion carried with Directors Anderson, Brown, Connelly, Duffy, Kassube, Moes, Soholt and Chairman Jarrett in favor and Director Scheibe opposed.

### 2013 Fiscal Audit Report

Paul East, CPA, with East, Vander Woude, Grant and Company, reviewed the Final Audit Report of the District finances during 2013. Copies of the final audit report were distributed to Board members earlier in the month. There were no substantial accounting errors or significant problems with the District's fiscal accounts and records. The report had been submitted to the State Department of Legislative Audit and had been accepted.

**Motion** by Connelly, seconded by Moes to accept and approve the 2013 fiscal audit report. Motion carried unanimously.

The Manager noted that a public notice will be placed in the official newspapers of the District stating that the audit had been completed and is available for examination, as required by South Dakota Codified Law 46A

### Project Assistance Requests

South Dakota Association of Rural Water Systems - Dennis Davis, Executive Director of the South Dakota Association of Rural Water Systems (SDARWS), presented a request for District cost-share assistance. SDARWS is seeking \$17,000 in District support for the acquisition of a valve exerciser/vacuum excavator. This equipment would be of use to small communities and rural water systems (RWSs) in the normal operation and maintenance of their facilities. This equipment has also been extremely valuable during critical/emergency situations. However, the cost of outright purchase of this gear has been a deterrent for an individual public water supplier systems (PWSSs). SDARWS will acquire the equipment and make it available to PWSSs on an as needed basis.

The projected total cost of the equipment is \$45,000. The West River Water Development District has committed \$11,000 to this effort, and the James River WDD has committed \$17,000. District support would complete the funding package. SDARWS will acquire the necessary trailers/vehicles to transport the equipment.

**Motion** by Duffy, seconded by Connelly to award \$17,000 in District cost-share assistance to SDARWS to be applied toward the costs of acquiring a valve exerciser and vacuum excavator as requested. Motion carried unanimously, with Chairman Jarrett abstaining.

City of Sioux Falls - Andy Berg, City of Sioux Falls, requested District cost-share assistance in support of a United States Geological Survey (USGS) project entitled, “High-Resolution Hydrographic Mapping for parts on Lincoln and Minnehaha Counties using LiDAR-Derived Digital Elevation Models.” The effort will use available LiDAR data set to develop high resolution topographic and drainage maps for the area in and around the City. Specifically, it will cover three (3) 10-digit hydrologic units, HU10171020312, HU1017020312 and HU1017020317, which encompass portions of the Big Sioux River watershed in south central Minnehaha County and northern Lincoln County.

The overall project costs are projected at \$84,000, with the USGS providing \$28,000, \$5,000 from SD Department of Transportation, \$8,500 each from Lincoln County and the City of Harrisburg, and \$17,000 from the City of Sioux Falls. Mr. Berg requested that the District provide the balance of the funding (\$17,000) for the project.

The Manager noted that an initial version of the proposal did not include collection of new data on road crossings (culverts, bridges, etc.), but that the current version accommodates this issue. He and Mr. Berg both noted the importance of this information, and indicated they would be working with other stakeholders to gather this data.

**Motion** by Kassube, seconded by Scheibe to award \$17,000 in District cost-share assistance in support of the USGS project entitled, “High-Resolution Hydrographic Mapping for parts on Lincoln and Minnehaha Counties using LiDAR-Derived Digital Elevation Models” as requested. The Manager noted that although the request came from the City of Sioux Falls, District support would most likely take the form of a joint funding agreement with the USGS. Motion carried unanimously.

TSG Marketing - Randy Stratton, President of TSG Marketing, Sioux Falls, presented the Board with a request for District cost-share assistance in support of a project entitled the Dakota Habitat-Conservation Video Program. The focus of the effort is the loss of native habitat (prairies grasses and wetlands) and the resulting adverse impacts on hunting/recreation. Mr. Stratton made no specific request for assistance, but noted that they were seeking sponsors at various contribution levels.

The Manager noted that while there are clear water quality and quantity benefits that would result from the protection and restoration of grasslands, and hence the increase in habitat, this outcome was a secondary concern in this project.

Several directors raised questions about the proposals/projects implication that farmers and ranchers, and the practices that they employ, are responsible for the loss of habitat, and that if they could just be shown the “error of their ways,” then things could all be solved. It was noted that no agricultural groups had been approached about the project, nor did there appear to be a plan to do so. Finally, there were questions about the effectiveness of a short (15 minute) video in addressing such a complex topic.

**Motion** by Moes, seconded by Anderson to defer consideration of this request at this time. Motion carried unanimously.

Friends of the Big Sioux - Dana Loseke, President, presented the Board with a description of the goals and function of the Friends of the Big Sioux River. It is comprised of individuals from businesses, business organizations, outdoors groups, and private citizens in the Sioux Falls metropolitan area. The goals of the organization are to influence all stakeholders, urban residential, urban commercial, and agricultural entities that it is in everybody's interest, and everybody's responsibility, to do their part in improving the water

quality in the Big Sioux watershed. Conservation of water for essential ag and urban uses is a secondary interest.

He noted that at this point in time, rural land owners, in cooperation with conservation districts, and the City of Sioux Falls, are making major strides to reduce contamination sources along Skunk Creek and the Big Sioux River through the Central Big Sioux River Watershed Project. The Friends of the Big Sioux River will conduct outreach and education to municipal residents and businesses as to what they can do to improve water quality and practice water conservation.

The group has developed a five year plan with initial focus on reducing urban runoff from yards, parking lots, and streets. They hope to reduce pet wastes, sediment from construction sites, lawn fertilizer runoff, herbicide runoff, yard wastes, and the reduction of trash. Long range plans include improving soil permeability and encouraging a move to low impact development by the city and developers.

Mr. Loseke, on behalf of the group, requested \$6,000 from the District to begin their urban education and outreach program for 2015. A five year plan has been developed with an annual budget estimated at \$15,000 which will include participation in the lawn and garden show, Riverfest, and the Homebuilders Show. Other outreach plans will include billboards, print, and TV.

**Motion** by Duffy, seconded by Kassube to award \$6,000 in District cost-share assistance to the Friends of the Big Sioux River as requested. Motion carried unanimously.

### 2015 Legislative Session Preview

The Manager provided an overview of expected water resource issues likely to arise during the 2015 Session of the South Dakota Legislature, which will begin on January 13<sup>th</sup>, 2015. The session will open with Governor Dennis Daugaard giving the State of the State address, and culminate on March 30<sup>th</sup>.

*An Act to repeal certain obsolete and unnecessary statutes relating to the Department of Environment and Natural Resources.* This bill will repeal five existing statutes the SD DENR believes are unnecessary:

1. SDCL 34A-6-23 - An already executed requirement that municipalities submit solid waste plans.
2. SDCL 45-2-4.1 - An obsolete reference that the state geologist operates under the direction of the Governor. The state geologist is an office administrator under the direction of the Secretary of DENR.
3. SDCL 46A-1-9 - A law requiring periodic review of the list of state wild and scenic rivers. There is no list of wild or scenic rivers, nor does the Department ever expect any to be listed.
4. SDCL 46A-1-16 - A law stating a state policy as to wild and scenic rivers. Again, there are no designated state wild or scenic rivers.
5. SDCL 46A-16-2 - A law regarding the South Dakota-Minnesota Boundary Waters Commission that is not consistent with the very limited functions of this group.

*An Act to provide for the establishment of river basin natural resource districts and to repeal certain provisions regarding county drainage management.* This is one of two bills being proposed by the Regional Watershed Advisory Task Force (RWATF). It creates nine (9) basin natural resource districts that would be tasked with a variety of water management roles and responsibilities.

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The Annual Omnibus Water Bill. The annual legislation that allocates state funds for water resources activities and provides spending authority for the SD Board of Water and natural resources and DENR.

The Manager stated that he anticipated spending much of the first month of the Session at the Capitol in Pierre acting in his capacity as the District lobbyist, primarily tracking the RWATF legislation.

### **Executive Session**

**Motion** by Soholt, seconded by Scheibe to go into executive session at 4:10 p.m. to discuss personnel and legal issues with the Manager/Treasurer. Motion carried unanimously.

Chairman Jarrett declared the executive session closed at 4:25 p.m.

### **Adjournment**

There being no further District business, Chairman Jarrett declared the meeting adjourned at 4:25 p.m.

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Roger Scheibe, Secretary

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