



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

605-688-6741

605-688-6744 Fax

MINUTES
December 17, 2015

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on December 17, 2015, 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
Jerry Soholt
Janelle Weatherly

Directors Absent

- none -

Others Present

Bonnie Dybedahl, South Dakota Farm Bureau
Paul East, CPA, East, Vander Woude & Grant
Mark Ermer, SD Department of Game, Fish & Parks
Dana Loseke, Friends of the Big Sioux River
Rachel McDaniel, South Dakota State University
Janice Shaeffer, CPA, East, Vander Woude & Grant

Staff Present

Kevin Christenson
Jay Gilbertson
Jeremy Hinke

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Administrative Items

Approval of Agenda - The Manager asked to move the 2014 Fiscal Audit Report to follow consideration of the November 2015 Financial Reports.

Motion by Moes, seconded by Soholt to approve the agenda as amended. Motion carried unanimously.

Minutes - The Board reviewed the Minutes of the November 19th, 2015, meeting. Director Connelly noted she should be listed as having attended the November 2nd Friends of the Big Sioux River meeting in Sioux Falls under **Report of Meetings and Conferences**. Under the description of the **SD Department of Agriculture County Site Analysis Program**, Chairman Jarrett recommended striking the last two sentences in the final paragraph, and Director Connelly recommended adding the following:

“It was the consensus of the Board that protection of water resources within the counties being assessed should be an overriding concern. In cases where county ordinances do not expressly provide such protection, the County Site Analysis Program should actively discourage potentially harmful development.”

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Motion by Soholt, seconded by Weatherly to approve the Minutes as so amended. Motion carried unanimously.

Financial Reports - The Board reviewed the November 2015 Financial Report.

Motion by Kassube, seconded by Connelly to accept the November 2015 Financial Report. Motion carried unanimously. Chairman Jarrett then asked that the report be placed in the District files.

2014 Fiscal Audit Report

Paul East, CPA, with East, Vander Woude, Grant and Company, reviewed the DRAFT Final Audit Report of the District finances during 2014. Copies of the DRAFT report were distributed to Board members. Mr. East noted that certain financial irregularities had been noted during 2014, and that a forensic audit had been conducted. The results of the forensic audit were turned over to Brookings County State's Attorney. He noted that work on the 2014 audit was delayed while this matter was pursued. The DRAFT report will be forwarded to the South Dakota Department of Legislative Audit (DLA) within the next week.

Mr. East stated that the District's financial position was very strong. Minor deficiencies (findings) noted in the 2013 Audit report had been substantially addressed, and that the Manager would be working with the District's accounting firm to further streamline the District's record keeping. There were no substantial accounting errors or significant problems with the District's fiscal accounts and records, beyond the issues identified in the forensic audit, which had been corrected.

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 it had been approved by DLA.

Motion by Connelly, seconded by Moes to accept and approve the DRAFT 2014 fiscal audit report. Motion carried unanimously.

Administrative Items (continued)

Report of Meetings and Conferences - Director Brown reported on the meeting of the Big Sioux River Watershed Project Steering Committee in Sioux Falls on December 9th.

Director Connelly attended the Ag United for South Dakota luncheon and the Friends of the Big Sioux River meeting, both held in Sioux Falls on December 15th.

Director Moes reported on the South Dakota Non-Point Source Task Force meeting in Pierre on December 8th and the December 16th meeting of the Lake Pelican Water Project District in Watertown.

Chairman Jarrett reported on the November 19th meeting of the Lake County Clean Water Committee held in Madison.

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The Manager commented briefly on the following meetings he attended:

1. November 24 - Ortonville, MN. Minnesota Headwaters Watershed Restoration and Protection Strategy (WRAPS) Steering Committee.
2. December 3-5 - Alexandria, MN. Minnesota Association of Watershed Districts Annual Meeting.
3. December 8 - Pierre. South Dakota Non-Point Source Task Force.
4. December 9 - Sioux Falls. Big Sioux River Watershed Project Steering Committee.
5. December 11 - Pierre. River Basin Natural Resource Districts Oversight Advisory Task Force.
6. December 15 - Sioux Falls. Ag United for South Dakota Annual Luncheon.

Upcoming Meetings -

1. **December 18** - Alcester. Big Sioux River water quality presentation at Alcester-Hudson High School.
2. **December 22 - 1:00 p.m.** - County Annex Building, Madison, MN. Lac qui Parle River WRAPS Steering Committee.
3. **January 5, 2016 - 9:00 a.m.** - Milbank. Water quality presentation to the Grant County Commission.
4. **January 8 - 1:00 p.m.** - various Digital Dakota Network (DDN) sites. South Dakota Board of Water and Natural Resources.
5. **January 12-14 - 10:00 a.m.** - Ramkota Conference Center, Pierre. South Dakota Association of Rural Water Systems Annual Meeting & Technical Conference.
6. **January 12 - 1:00 p.m.** - State Capitol, Pierre. Opening of the 91st South Dakota Legislative Session.
7. **January 13 - 7:00 a.m.** - State Capitol, Pierre. Breakfast with Water Development Districts.
8. **January 13 - 10:00 a.m.** - American Legion Cabin, Pierre. James River Water Development District Board of Directors.
9. **January 13 - 1:00 p.m.** - American Legion Cabin, Pierre. January EDWDD Board of Directors.

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

SDSU - In March 2011, the Board agreed to provide up to \$18,750.00 in cost-share assistance to Dr. Jeppe Kjaersgaard, Water Resources Institute at South Dakota State University (SDSU), for a project entitled, "Demonstration of nitrogen removal effectiveness of bioreactors for drainage water management." The District has made payments totaling \$11,840.29 in support of this effort to-date. SDSU has submitted a reimbursement request of \$338.08 for this project covering expenses incurred between November 1 and November 30, 2015.

Town of Florence (I & II) - In October 2013, the Board agreed to provide cost-share assistance to the Town of Florence to be applied toward the completion of facility plans for the community's water and waste water systems. Specifically, the Board pledged ten percent (10%) of the cost of the drinking water system facility plan, up to a maximum of \$1,000, and ten percent (10%) of the cost of the waste water facility plan, up to a maximum of \$1,250. The studies have been completed, and the Town has submitted a reimbursement request for \$2,250 (\$1,000 + \$1,250), the full amount of the District pledges. This would close out the District obligation to this effort.

City of Volga - In February 2015, the Board agreed to provide cost-share assistance to the City of Volga to be applied toward the completion of a facility plan for the community's drinking water system. Specifically, the Board pledged fifty percent (50%) of the local cost of the drinking water system

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facility plan, up to a maximum of \$6,600. The balance of the study cost was covered by a Small Communities Planning Grant from the South Dakota Department of Environment and Natural Resources (DENR) of \$8,000. The study has been completed, and the City has submitted a reimbursement request for \$6,600, the full amount of the District pledge. This would close out the District obligation to this effort.

State Climate Office (I, II & III) - In March 2014, the Board agreed to provide funds in support of the South Dakota Automated Weather Data Network (SDAWDN). Specifically, the Board pledged fifty percent (50%) of the cost of acquisition of two soil moisture probes, up to a maximum of \$3,000. The board also pledged fifty percent (50%) of the cost of installation of a new SDAWDN station near Colton, up to a maximum of \$7,500.

In January 2015, the Board agreed to provide additional funds in support of the SDAWDN. Specifically, the Board pledged fifty percent (50%) of the 2015 operational costs of the SDAWDN station near Flandreau, up to a maximum of \$1,500.

In February 2015, the Board agreed to provide additional funds in support of the SDAWDN. Specifically, the Board pledged one hundred percent (100%) of the 2015 operational costs of the SDAWDN station near South Shore (\$3,000), and fifty percent (50%) of the cost of acquisition of a soil moisture probe for the Flandreau SDAWDN station, up to a maximum of \$1,500.

The activities that the District supported have all been completed, and the State Climate Office has submitted a reimbursement request for all of the promised support, a total of \$16,500. This would close out the District obligation to this effort.

The Manager indicated the sum total of the payment requests was \$25,688.08. The paperwork submitted with the requests was in order, and consistent with the Board's awards of support.

Motion by Moes, seconded by Duffy to authorize payment of \$25,688.08 to cover the various requests as presented. Motion carried unanimously.

Appointment of District Legislative Lobbyist

Motion by Brown, seconded by Kassube to designate the District Manager as the District's lobbyist to the South Dakota Legislature. Motion carried unanimously.

Project Assistance Review - The Manager reviewed the status of several 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 (\$15,378 in total) previously committed to the following projects:

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<u>Award Date</u>	<u>Project</u>	<u>Award Amount</u>	<u>Unused Balance</u>
Oct 2011	SDSU Ag Drainage Hydrology Impacts	\$ 60,438	\$ 580
Dec 2011	UMR WD Whetstone River Diversion Study	\$ 15,000	\$ 2,500
Sept 2012	SDSU Extension Tiling BMP Publication	\$ 2,600	\$ 2,600
Oct 2012	Lake Herman Sanitary District Facility Plan	\$ 4,900	\$ 4,900
May 2014	City of Humboldt Waste Water Facility Plan	\$ 4,000	\$ 4,000
Oct 2014	Deuel County CD Grass Drill	\$ 5,000	\$ 798
			\$15,378

Motion by Connelly, seconded by Weatherly to rescind the unused balances of the District cost-share assistance grants (\$15,378) as requested. Motion carried unanimously.

Aquatic Invasive Species in South Dakota

Mark Ermer, Northeast Area Fisheries Manager with the South Dakota Department of Game, Fish and Parks (GF&P), updated the Board on the impact of aquatic invasive species (AIS) on South Dakota water resources. AIS has been a major GF&P focus in the past few years, and they are reaching out to all groups with a stake in the State's water resources.

***E. coli* bacteria Fate and Transport in South Dakota Waters**

Dr. Rachel McDaniel, South Dakota State University, presented a description of her planned research efforts into the fate and transport of *Escherichia coli* (*E. coli*) bacteria. Many water bodies in eastern South Dakota are impaired due to high bacteria concentrations, and these research efforts are anticipated to enhance activities designed to reduce bacterial loads.

Dr. McDaniel has received grant support for two studies, "Evaluating *E. coli* particle attachment and the impact on transport during high flows," with funding from the United States Geological Survey 104(b) grant program, and "Persistence of *E. coli* in Stream Sediments and the Impact on Water Quality," which is in line for SD DENR 319 funds. Field work for both proposals will focus on segments of Skunk Creek where the District has been conducting assessments of the SRAM Program.

Executive Session

Motion by Moes, seconded by Brown to go into executive session at 3:55 p.m. to discuss personnel and legal issues with the Manager/Treasurer. Motion carried unanimously.

Chairman Jarrett declared the executive session closed at 4:10 p.m.

Adjournment

There being no further District business, Chairman Jarrett declared the meeting adjourned at 4:10 p.m.

John Moes, Secretary