



**East Dakota Water Development District**  
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**MINUTES**  
**November 20, 2008**

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on November 20, 2008, at the Water Reclamation Plant, 4500 North Sycamore, Sioux Falls, SD. Chairman Eggers called the meeting to order at 10:05 a.m. The following persons attended:

**Directors Present**

Lois Brown  
Curt Eggers  
Doug Feten  
Martin Jarrett  
John Johnson  
Kay Kassube  
Jerry Siegel  
Robert Todd  
John Weidler

**Staff Present**

Jay Gilbertson  
Jeremy Hinke

**Others Present**

Shannon Ausen, City of Sioux Falls  
Andy Berg, City of Sioux Falls  
Paul East, CPA, East, Vander Woude, Grant and Associates  
James Feeney, SD Dept. Environment and Natural Resources  
Shirley Flemming, Florence  
Vincent Flemming, Florence  
Cory Foreman, RESPEC  
Donna Johnson, Town of Reville  
Bob Kappel, City of Sioux Falls  
Robert Kolbe, Minnehaha County Commission  
Eric Krantz, RESPEC  
Charles Lebeda, USDA NRCS  
Janice Shaeffer, CPA, East, Vander Woude, Grant and Company  
Alan Wittmuss, SD Dept. Environment and Natural Resources

**Administrative Items**

Approval of Agenda - **Motion** by Todd, seconded by Johnson to approve the agenda as presented. Motion carried unanimously.

Minutes - The Board reviewed the Minutes of the October 20 meeting. **Motion** by Jarrett, seconded by Weidler to approve the October Minutes as presented. Motion carried unanimously.

Financial Reports - The Board reviewed the October 2008 Financial Report. **Motion** by Weidler, seconded by Brown to accept the October 2008 Financial Report. Motion carried unanimously. Chairman Eggers then asked that the report be placed in the District files.

Report of Meetings and Conferences - Directors Jarrett, Todd and Weidler attended the Eastern South Dakota Water Conference in Brookings on October 22 & 23.

Directors Jarrett and Todd attended meeting of the Interlakes Water Quality Committee in Madison on November 6.

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Director Todd spoke to the Lake Madison Development Association on November 13 and the Lake County Conservation District on November 18 regarding water quality improvement efforts of the District and the Interlakes Water Quality Committee.

The Manager briefly commented on the following meetings he attended:

1. October 23 - Browns Valley, MN. Informational meeting on proposed diversion of the Little Minnesota River as flood protection for the community.
2. October 29 & 30 - Deadwood. SD Association of Rural Water Systems Managers Organization.
3. November 3 - Madison, MN. Lac qui Parle/Yellow Bank Watershed District (LQPYB WD) Board meeting.
4. November 7 - Watertown. SD Board of Water and natural Resources meeting via DDN.
5. November 10 - Ortonville, MN. Citizens for Big Stone Lake Board meeting.
6. November 13 - Brookings. SD Lakes and Streams Association Board of Directors.
7. November 18 - Madison, MN. LQPYB WD discussion on development of a TMDL report for dissolved oxygen for the Lac qui Parle River.

#### Upcoming Meetings -

1. **December 4-6** - Arrowwood Conference Center, Alexandria, MN. 38<sup>th</sup> Annual Minnesota Association of Watershed Districts Annual Meeting.
2. **December 4 - 7:00 p.m.** - Public Library, Madison. Interlakes Water Quality Committee.
3. **December 9 - 9:00 a.m.** - Matthews Training Center, Pierre. State Nonpoint Source Task Force Meeting.
4. **December 9-11** - Chamber of Commerce Building, Pierre. State Water Management Board.
5. **December 13 - 9:00 a.m.** - Jackpot Junction Hotel, Morton, MN. Minnesota River Basins Project AREA II/Redwood-Cottonwood River Control Area Joint Legislative Breakfast.
6. **December 18 - 1:00 p.m.** - EDWDD Office, Brookings. December EDWDD Board of Directors Meeting. A luncheon for past and present Board members, spouses and staff will precede the meeting.

Payment Requests - The Manager presented one payment request:

**United States Geological Survey** - At the November 2007 meeting, the Board agreed to provide District cost-share assistance totaling \$12,825 as cost-share for the operation and maintenance of three United States Geological Survey (USGS) gaging stations. The gages are located on the Big Sioux River below Watertown and near Bruce, and on Willow Creek near Watertown. The USGS has submitted it's a payment request for \$12, 825. **Motion** by Brown, seconded by Siegel to authorize payment of \$12,825 as requested. The Manager noted that this payment would complete the District obligation under this agreement. Motion carried unanimously.

2008 Director Election Results - The Manager noted that at the end of December 2008, the current terms of the Directors from all of the five odd-numbered director areas will expire, along with the appointed terms of Directors Todd (R4) and Siegel (M2). Earlier in the year, the incumbent Directors were the only persons to file the necessary nominating petitions for Municipal Areas 1 (Jarrett) and 3 (Kassube), along with Rural Areas 3 (Feten), 4 (Todd) and 5 (Eggers). Three candidates filed petitions for the M2 position. During the November 4<sup>th</sup> general election, Vincent Flemming, Florence, was elected to serve in this position. No valid petitions were filed for Rural Area 1. Consequently, Director Johnson, as the lawful incumbent, may

continue to serve until the next election cycle (2010), as allowed for in South Dakota Codified Law (SDCL) 3-14-1.

**Federal Fiscal Year 2008 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 Federal Fiscal Year (FFY) 2009 (October 2008 - September 2009). During FFY 2008, the District provided cost-share assistance for three gages: Big Sioux River near Bruce, Willow Creek near Watertown, and the Big Sioux River below Watertown. The Manager recommended the Board authorize support for only the gage on the Big Sioux River near Bruce, at a cost of \$6,900. He noted that it has been the District's practice to provide cost-share assistance for a 10-12 year period, which is long enough to develop a reasonable data set for predictive models. Both the Willow Creek and Big Sioux River below Watertown gages have been in existence for more than 10 years.

**Motion** by Jarrett, seconded by Siegel to approve the FFY 2009 joint funding agreement for \$6,900. Motion carried unanimously.

**Project Assistance Requests**

Town of Reville - Donna Johnson, Finance Officer for the Town of Reville, presented the Board with a request for cost-share assistance for the completion of a storm-water management/flood control study. The community is located on the eastern flank of the Coteau des Prairies upland in southern Grant County, and is subject to some pretty rapid water movement during spring snow melt and during major precipitation events. The City has engaged the services of a consultant (Aason Engineering Company, Watertown), which has proposed an investigation at a cost \$4,250. The Manager noted that past practice has been for the District to provide up to fifty percent (50%) of the local costs of such studies. In this case this would amount to \$2,125.

**Motion** by Weidler, seconded by Jarrett to provide District cost-share assistance of fifty percent (50%) of the costs of the proposed study, up to a maximum amount of \$2,125. Motion carried unanimously.

Lake Madison Improvement Association - Charles Lebeda, USDA District Conservationist for Lake County, presented the Board with a request for cost-share assistance for the construction of a dam on property owned by Thomas Wolf. Mr. Wolf's property is located in the watershed of Lake Madison, approximately 2 miles southwest of the western end of the lake. The dam would cover approximately 9 acres, and receive runoff from roughly 840 acres. 200 of these acres will be managed for wildlife habitat enhancement and recreation. Livestock grazing will be highly restricted, with an aim toward re-establishing native prairie grasses. The resulting lake would act as a sediment trap for runoff from the upstream areas. As part of their ongoing efforts to address water quality impairments in the watershed of Lakes Herman, Madison, Round, and Brant, the Interlakes Water Quality Committee (IWQC) has identified a number of agricultural, residential and commercial practices that they would like to see improved. The watershed in which the dam is proposed, with its close proximity to the lake, is a high priority area for efforts to lessen adverse water quality impacts.

Mr. Lebeda noted that the total project cost is estimated at \$78,110. The USDA Environmental Quality Incentive Program (EQIP) will contribute \$37,346, and SD Game, Fish and Parks have pledged \$6,000. At the request of the IWQC, the Lake Madison Development Association (LMDA) has pledged up to \$2,000

toward this effort, with the caveat that the funds be matched by East Dakota. At present, Mr. Wolf is looking at out-of-pocket costs around \$33,000. He also noted that the rental value of 200 acres in Lake County meant that the landowner was forgoing roughly \$10,000 per year.

**Motion** by Siegel, seconded by Brown to provide \$10,000 in District cost-share assistance to the Lake Madison Improvement Association (as the fiscal agent for the Interlakes Water Quality Committee) in support of the Thomas Wolf dam. The Manager noted that while this request was coming through a local entity with an interest in water quality improvements, this activity was not part of any formally organized watershed restoration project. As such, he was concerned that District assistance would establish a precedent for the future. It was the consensus of the Board that in this case, the effort represented an exceptional opportunity to address a known water quality impairment, while at the same time providing a high-profile example of this important type of action. They also noted that in this case, Mr. Wolf was both providing a substantial share of the construction costs, while at the same time giving up significant potential future income. Motion carried unanimously, with Directors Jarrett and Todd abstaining.

City of Sioux Falls - Andy Berg, with the City of Sioux Falls Public Works Department, presented the Board with a request for cost-share assistance (\$75,000) for an investigation entitled, "Sioux Falls Total Maximum Daily Load Assessment Project." The project will involve an assessment of water quality in the Big Sioux River and development of total maximum daily load (TMDL) reports for several river segments currently considered impaired. Specifically, the goals of this project are to: (1) assess the historic and existing health of the Big Sioux River from near Dell Rapids to just upstream of Brandon; (2) identify and allocate loads to the primary stressors that have led to the impairment of these reaches and listing in the *2008 South Dakota Integrated Report for Surface Water Quality Assessment* (IR); (3) develop TMDL reports for these reaches to specify the existing load, load capacity, and current departure from load capacity for the pollutants of concern, (4) identify best management practices (BMPs) that will restore beneficial uses in these reaches; and (5) provide information to the public and key stakeholders to increase watershed awareness and provide training sessions to appropriate management personnel.

Mr. Berg, along with representatives of the South Dakota Department of Environment and Natural Resources (DENR) and the environmental consulting firm (RESPEC of Rapid City) which will conduct the study went over the various elements of the investigation. In addition to going over all available historical data, including information collected as part of the EDWDD-sponsored Central Big Sioux River Watershed Assessment Project, RESPEC and DENR will install water quality sampling and stage recorders at various locations on the river and select tributaries. Sampling and stage and discharge measurements will begin in the spring of 2009, and continue for one year. Monitoring sites will also be established at several storm-water outfall locations around the City to assess the load contributed by these sources.

Historic and project-specific water quality data will be evaluated using the EPA's Hydrological Simulation Program - FORTRAN (HSPF) watershed assessment model. The HSPF model will provide a simulation of the runoff flow rates, sediment loads, and nutrient concentrations, along with a time history of water quantity and quality at any point in a watershed. The model will help identify areas within the watershed that are generating adverse contaminant loads, and an assessment tool to evaluate contaminant reductions. Appropriate best management practices (BMPs) will be identified to address identified impairment sources within the City.

The end product will be a series of TMDL reports for the five river segments currently considered impaired

due to elevated fecal coliform bacteria levels. These impairments impact use of the river for both immersion recreation and limited contact recreation. The same river segments have historically been listed as impaired due to excess total suspended solids (TSS). Although not listed at this time, TMDL reports will also be generated for TSS for the same river segments. The TMDL reports will identify the existing load, load capacity, and current departure from the load capacity of the river segments studied. They will further determine load allocations that are attributed to permitted point sources, including municipal separate storm sewer systems (MS4), nonpoint source contributors, background/natural loadings, along with a margin of safety. The project is scheduled to be completed in December 2010.

Mr. Berg noted that the total project cost is \$639,000. Funding has been secured from DENR in the form of a \$350,400 grant from the Environmental Protection Agency (EPA) 319 Non-Point Source Grant Program, a \$55,000 grant from the EPA 604(b) Grant Program, along with \$27,600 of DENR Fee Funds. The City is committed to \$100,000 in cash support, and will provide an additional \$31,000 of in-kind services. The request from East Dakota for \$75,000 would be spread over two years. Jim Feeney, DENR, noted that an additional \$70,000 of 604(b) funds had previously been provided to the City for project development and proposal preparation by RESPEC.

The Board had numerous questions about the project. Several centered around the District-sponsored Central Big Sioux Watershed Assessment Project (CBSRWAP), completed a few years ago, which included the very same river segments to be studied in this project. District staff completed TMDL reports for a number of impaired water bodies/river segments within the CBSRWAP area, but the State opted to defer writing the reports on the segments around Sioux Falls. Project proponents stated that actions on these segments was deferred because of uncertainty about the completeness of the available data set. It was noted that because of the impact of the TMDL load allocations, particularly the City's MS4 permits, it was determined that while the CBSRWAP data set was good, more information was needed before the TMDL reports established standards that must be met by permit holders. They also noted that it was hoped that in place of strict numeric limits on loading(s), the reports could be written with reductions in terms of the maximum extent practicable (MEP). MEP takes into consideration the practicality (economics) of treatments, particularly the high discharge (but low frequency) events.

Questions were also raised about the overall cost of the project (\$639,000). It was noted that basic data collection was only scheduled for one year, at six locations along the river, three tributary sites and three storm sewer out falls (at any one time). As listed in the budget, data collection from this limited network would cost \$339,000. Data assessment, modeling and report writing ring up another \$300,000. Compared to other watershed assessment projects, this is a considerable amount of money. By comparison, the CBSRWAP, which entailed multiple years of data collection, covered an area of over 2,000 square miles and over two dozen impaired water bodies, cost approximately \$660,000. It was explained that the budget reflects the cost of maintaining project staff in the area, water quality and discharge measurement collection in an urban environment and extra work required to develop the models necessary to complete the project. It was also noted that while there have been numerous TMDL reports prepared for water bodies across the state, these have been almost exclusively for rural watersheds. This represents only the second attempt to develop TMDLs for river/stream segments influenced by watersheds in municipal settings.

The issue of MEP-based TMDLs was also raised. It was noted that in every TMDL report developed in the state to date, the contaminant load allocations (point sources, nonpoint sources, background/natural loadings and a margin of safety) were defined in terms of actual numbers. Was there a reasonable possibility that a

TMDL without such numeric standards would be acceptable to EPA? The proponents noted that while no such TMDL had yet been accepted, MEP-based TMDL reports for segments of Rapid Creek in and around Rapid City were under review by EPA.

**Motion** by Siegel, seconded by Jarrett to provide \$75,000 in District cost-share assistance, over a two-year period, to the City of Sioux Falls for completion of the Sioux Falls Total Maximum Daily Load Assessment Project. The funds would be distributed in two equal payments, the first after the start of the project in March 2009, and the second in 2010. It was the consensus of the Board that while there remained questions and concerns about the proposed activity, completion of the TMDL reports for these water bodies was critically important and necessary if water quality impairments along the Big Sioux River were to be addressed. The Manager noted that he would ask for regular updates on the project. Motion carried unanimously.

### **2007 Fiscal Audit Report**

Paul East, CPA, and Janice Shaeffer, CPA, with East Vander Woude, Grant and Company, reviewed the Final Audit Report of the District finances during 2007. Mr. East noted that during 2007, the District earned and/or received slightly over \$712,500 in federal grant funds. Entities that receive over \$500,000 in federal funds are subject to auditing requirements and scrutiny of a significantly greater level than has been required in the past. He further noted that the resignation of the District's long-time bookkeeper just prior to start of the 2007 audit complicated the process. However, the audit revealed no substantial accounting errors or problems. The audit did contain several recommendations to improve the District's overall recording keeping procedures, particularly with regard to internal control over cash receipts, computer backup procedures and gather federal suspension and debarment information for contractual matters. Mr. East indicated that the report had been submitted to the State Department of Legislative Audit and had been accepted.

The Board requested that the Manager prepare a report on how the recommended corrective actions would be implemented for presentation at the December meeting.

### **Pending Director Area Changes for 2009**

The Manager noted that during the 2008 Legislative Session, House Bill 1174, An Act to revise certain provisions related to the composition of water development district boards of directors, repealed the provisions in current water development district (WDD) law that defines director areas in terms of separate rural and municipal districts (SDCL 46A-3B-2). WDD Director areas will, starting on January 1, 2009, be based solely on population. In anticipation of the perhaps significant changes that would result, language was included in the bill that would allow the existing District Board members to continue to serve until the subsequent (2010) election cycle. The expectation was that this would defer the actual reconfiguration of the WDD Director areas until late in 2009.

The Manager noted that following further review of the legislation by the Secretary of State's Office, it has been determined that the re-districting will need to take place early in 2009. The rational is to have in place a mechanism by which vacancies on a WDD Board could be filled. The Manager reviewed some of the impacts of the redistricting on the District.

First, given the population dominance of the City of Sioux Falls, there are likely to be two more director areas created in southern Minnehaha County. Of the District nine current nine directors, only three currently reside in (Brown, M4 & Kassube, M3) or near (Eggers, R5) the City. The remaining two director areas that include the balance of Sioux Falls (M1) and Minnehaha County (R4) are currently served by Directors Jarrett and Todd, who live in Lake County.

Second, under the soon to be obsolete rural and municipal director areas system, it has been possible for two directors to live in relatively close proximity to one another, and still be in separate director areas. In the Sioux Falls area, short distances between Director residences are not as critical. However, in the relatively low-density balance of the District, it would require the creation of some very oddly shaped, and obviously gerrymandered, director areas in order to retain all of our current directors.

However, the Manager noted that it should be possible to retain some of the existing distinction between rural and municipal areas, citing the State legislative districts as an example. There are legislative districts that contain predominantly rural and small town populations, with others that are mostly major municipal areas. It should be possible to redraw WDD director areas with the same basic premise, and therefore retain a semblance of the previous director area distinctions.

Finally, he noted that when the redistricting process is completed, there will likely be director areas in which more than one current director resides, and others in which no current director resides. However, in that the legislation allows for all valid directors to serve through the end of 2010, this apparent inconsistency will not be an issue. The matter will be covered further at the December meeting.

### **Project Updates**

Public Outreach & Water Quality Monitoring - Jeremy Hinke gave the updates on the Districts watershed assessment activities, children's water festival and the Dakota Water Watch volunteer monitoring program. Report writing is progressing for the Lake Campbell Reassessment Project, with a deadline of December 31, 2008. Although the project officially ends in December, staff are working with DENR to arrange for a dye test of septic systems around the lake in July 2009. 54 classes from 30 schools have indicated they would be attending the 2009 Big Sioux Water Festival. Traveling teacher resource trunks remain in circulation. Based on teacher recommendations, staff are looking into updating some elements in the trunks, and are exploring funding sources for creation of additional trunk sets focusing on water history and recreational water uses. A second Project Update was recently distributed to all Dakota Water Watch participants, along with past members and those who have expressed interest in the program. The update is also available on the District website. The Oakwood Lakes Association and the Four Lakes Improvement Association have each indicated a willingness to participate in the bacteria testing program in 2009. The Missouri River Institute is working on the on-line, citizen monitoring information database, and expect to have a preliminary version ready for testing in December.

Central Big Sioux River Watershed (Implementation) Project - The Manager provided a summary of activities prepared by Project Coordinator Roger Strom. Work is progressing on finalizing an easement on lower Stray Horse Creek southeast of Castlewood. Construction has begun on an animal waste management system north of Castlewood. Waste treatment will be achieved through use of vegetative treatment area. Earthwork is expected to be completed by early December. Mr. Strom is also working on organizing project files, and has prepared annual progress reports for DENR.

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November 20, 2008, EDWDD Board of Directors Meeting Minutes

## Adjournment

There being no further District business, Chairman Eggers declared the meeting adjourned at 12:55 p.m.

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Doug Feten, Secretary

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