



**East Dakota Water Development District**  
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Brookings, SD 57006  
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**MINUTES**  
**September 15, 2016**

The Board of Directors of the East Dakota Water Development District (EDWDD) held a regular meeting on September 15, 2016, at the District office in Brookings. Chairman Jarrett called the meeting to order at 9:05 a.m. The following persons attended:

**Directors Present**

Lois Brown  
Mary Ellen Connelly  
Gary Duffy  
Martin Jarrett  
Kay Kassube  
John Moes  
Jerry Soholt  
Janelle Weatherly

**Directors Absent**

Mark Anderson

**Others Present**

Roger Hageman, Lake County Commission  
Guanghui Hua, South Dakota State University  
Gabe Laber, DGR Engineering  
Dana Loseke, Friends of the Big Sioux River  
Chad Rezac, City of Crooks

**Staff Present**

Kevin Christenson  
Jay Gilbertson  
Jeremy Hinke  
Deb Springman

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**Administrative Items**

Approval of Agenda - The Manager asked to have the schedule report on Bacteria Fate and Transport Studies removed from the agenda.

**Motion** by Weatherly, seconded by Brown to approve the agenda as so amended. Motion carried unanimously.

Minutes - The Board reviewed the Minutes of the August 18<sup>th</sup>, 2016, meeting.

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

Financial Reports - The Board reviewed the August 2016 financial reports.

**Motion** by Soholt, seconded by Moes to accept the August 2016 financial reports. 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 - Directors Connelly, Jarrett, Kassube, Sohlt and Weatherly attended the Mayor's Big Sioux River Water Summit in Sioux Falls on September 7<sup>th</sup>.

Director Duffy attended the SDSU College of Agriculture and Biological Sciences Advisory Board on September 2<sup>nd</sup> in Huron.

Director Moes attended meetings of the Upper Big Sioux River Watershed Advisory Board in Watertown on August 18<sup>th</sup> and September 13<sup>th</sup>.

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

1. **August 24<sup>th</sup>** - Centerville. Vermillion Basin Water Development District Board of Directors.
2. **August 25<sup>th</sup>** - Brookings. Program update from Tom Brandner, SD DENR Ground Water Quality Program.
3. **August 30<sup>th</sup> & 31<sup>st</sup>** - Brookings. Lower Brule Sioux Tribe Environmental Protection Office meetings.
4. **September 2<sup>nd</sup>** - Huron. South Dakota State University College of Agriculture & Biological Sciences Advisory Board.
5. **September 2<sup>nd</sup>** - Huron. Discussion of possible nitrate outreach and testing program with SD Corn, James River and Vermillion Basin WDDs.
6. **September 7<sup>th</sup>** - Sioux Falls. 2016 Mayor's Big Sioux River Water Summit
7. **September 8<sup>th</sup>** - Aberdeen. James River Water Development District Board of Directors.
8. **September 12<sup>th</sup>** - Pierre. Agricultural Land Assessment Implementation and Oversight Advisory Task Force.

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Upcoming Meetings

1. **September 20 - 10:00 a.m.** - State Capitol Building, Pierre. River Basin Natural Resource Districts Oversight Advisory Task Force.
2. **September 22 & 23** - Spearfish. South Dakota Board of Water and Natural Resources.
3. **September 27** - Ortonville, MN. Minnesota River Headwaters Watershed Restoration and Protection Strategy (WRAPS) Technical Advisory Committee.
4. **October 4 - 12 noon** - Cedar Shores, Oacoma. Water development districts managers.
5. **October 20 - 9:30 a.m.** - TBD, Watertown. EDWDD October Board of Directors Meeting.
6. **October 26 & 27** - Deadwood. South Dakota Association of Rural Water Systems Managers Group.
7. **October 27 - 8:00 a.m.** - SDSU Student Center, Brookings. 2016 Eastern South Dakota Water Conference.

Payment Requests - The Manager presented several payment requests from District-sponsored activities that will require 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>
SDSU/Stormwater treatment (Hua)	\$ 974.14
SDSU/Bioreactor assessment (Kringen)	\$ 11.00
USGS SD WSC - FFY 2016 Stream gage JFA	\$ 8,200.00
USGS SD WSC - High-resolution hydrographic maps	\$17,000.00
Friends of the Big Sioux River/Outreach activities	\$ 1,291.06
<b>Total</b>	<b>\$27,476.20</b>

**Motion** by Duffy, seconded by Kussube to authorize payments totaling \$27,476.20 as requested. Motion carried unanimously.

Equipment Purchase Authorization - The Manager requested authorization to purchase two computer systems to replace aging and out-dated current systems. Projected costs for the two units is \$1,500.

**Motion** by Moes, seconded by Weatherly to approve the purchase of the two new computer systems as requested. Motion carried unanimously.

### **Project Assistance Requests**

City of Crooks - Chad Rezac, City of Crooks, presented a request for District cost-share assistance to complete a facility plan of their drinking water and waste water systems. DeWild, Grant & Rekert Engineering has been engaged to conduct the investigations, at a projected total cost of \$22,000. A Small Communities Planning Grant from the South Dakota Department of Environment and Natural Resources (DENR) has been requested for \$17,600. The City is requesting District assistance in the amount of \$2,200, which is fifty percent (50%) of the balance of the project costs.

**Motion** by Duffy, seconded by Brown to provide District cost-share assistance to the City of Crooks covering fifty percent (50%) of the local costs of the proposed studies, up to a maximum of \$2,200. Motion carried unanimously.

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 stations for Federal Fiscal Year (FFY) 2017 (October 2016 - September 2017).

During FFY 2016, 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 \$8,200. The proposed FFY 2017 JFA would be for a continuation of support for this gage at a cost of \$8,450. No new gage sites have been proposed. The Manager requested Board approval of the FFY 2017 JFA for the Bruce gaging station.

**Motion** by Kassube, seconded by Connelly to approve the FFY 2017 JFA with the South Dakota Water Science Center for \$8,450, and to authorize the Manager to execute the JFA. Motion carried unanimously.

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SDSU Civil & Environmental Engineering Department - Dr. Guanghui Hua presented a request for District cost-share assistance for a USGS 104(b) project entitled, "Evaluation of Nitrate Removal Rates of Denitrifying Bioreactors Using Agricultural Residue Media." The objective of this study is to evaluate the nitrate removal performance of selected agricultural residues and a combination of a residue and woodchips. Denitrifying bioreactors have emerged as an important edge-of-field treatment technology to reduce the nitrate loads from subsurface drainage. Wood media are by far the most widely used materials in field-scale denitrification bioreactors. Despite the general acceptance of wood-based materials, carbon substrates derived from agricultural residues such as corn cobs, corn stover, and wheat straw, have shown greater nitrate removal rates than woodchips. The results of this study can lead to the development of new bioreactors using woodchips and agricultural residues, which may enhance the nitrate removal efficiency and reduce the bioreactor cost.

The total proposed budget for the one-year project is \$69,000. \$23,000 is to be requested from the 104(b) Program, with SDSU providing \$40,000 as in-kind match. Dr. Hua's request of the District is for \$6,000 in support. District funds would be used to cover supply and materials costs, along with water quality analyses. The Manager noted that this is the same level of support provided 104(b) Program projects in the past.

**Motion** by Kassube, seconded by Connelly to pledge District cost-share assistance of \$6,000 toward support of the project entitled, "Evaluation of Nitrate Removal Rates of Denitrifying Bioreactors Using Agricultural Residue Media," as requested. The Manager again noted that USGS 104(b) funding decisions would be announced in early December, so that if this project was not supported, District funds could be rescinded and applied elsewhere with minimal disruption. Motion carried unanimously.

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**Hearing on the 2017 EDWDD Operations Budget**

Chairman Jarrett opened the public hearing on the 2017 EDWDD Operations Budget at 10:00 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.

**2017 EDWDD BUDGET**

MEANS OF FINANCE

100	Tax Revenue	\$	705,535
200	Grant Revenue	\$	355,000
300	Capitol Reserves	\$	365,000
400	Miscellaneous Revenue	<u>\$</u>	<u>4,000</u>
<b>TOTAL FY 2017 MEANS OF FINANCE</b>			<b>\$ 1,429,535</b>

APPROPRIATIONS

			<b>GENERAL FUND</b>
01	Board of Directors	\$	37,586
02	Administration	\$	129,238
03	Technical Assistance	\$	284,125

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04	Operational Expenses	\$	107,220
05	Professional Services	\$	37,500
06	Capitol Outlay	\$	41,000
07	Grant Expenditures	\$	355,000
08	Project Assistance	\$	332,866
09	Contingency	<u>\$</u>	<u>105,000</u>
TOTAL FY 2017 APPROPRIATIONS			\$ 1,429,535

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

The Manager requested Board authorization for the Chairman and Secretary to sign District Resolution 16-1, 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 2016, payable in 2017, 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 SD Department of Revenue, on or before October 1.

**Motion** by Moes, seconded by Soholt to adopt the 2017 EDWDD Operations Budget as presented, and to authorize the Chairman and Secretary to sign Resolution 16-1. Motion carried unanimously.

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### District Updates

Nitrate Monitoring Project - The Manager reviewed results to-date of the District's nitrate testing program. He also reviewed ongoing efforts to develop a cooperative outreach program to provide opportunities for individuals to obtain information on nitrate concentrations in water sources (wells, tiles, ditches, streams) of interest. He is working with representatives of SD Corn, SDSU Cooperative Extension and the James River and Vermillion Basin Water Development Districts.

Outreach Activities - The Manager briefed the Board on his contributions to the Quality On Tap magazine published by the South Dakota Association of Rural Water Systems. He also discussed a proposal to provide a monthly/quarterly column on water resource issues for distribution through the South Dakota Newspaper Association.

### Adjournment

There being no further District business, Chairman Jarrett declared the meeting adjourned at 12:05 p.m.

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John Moes, Secretary

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**RESOLUTION 16-1**

**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 15, 2016 adopted a budget of \$1,429,535 for the calendar year 2017 and which is hereby attached and incorporated by reference; and

**WHEREAS**, an estimated \$702,535 of said budget is to be raised by a new 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 2017 to wit:

COUNTIES	REAL PROPERTY TAX LEVY
Brookings	\$70,968
Codington	\$60,554
Deuel	\$21,929
Grant	\$27,473
Hamlin	\$25,171
Kingsbury	\$31,041
Lake	\$36,664
Lincoln (Sioux Falls only)	\$70,115
Miner	\$9,967
Minnehaha	\$324,139
Moody	\$24,514

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;
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

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**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 2016 taxable property valuation, and a certified copy of the budget for 2017 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 15<sup>th</sup> day of September, 2016, with the approval of the East Dakota Water Development District Board of Directors.

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Martin Jarrett, Chairman  
East Dakota Water Development District

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John G. Moes, Secretary  
East Dakota Water Development District

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