

Rapid Valley Sanitary Dist. Water Service

BOARD OF TRUSTEES MEETING
6 PM NOVEMBER 18, 2024
4611 TEAK DR RAPID CITY SD, 57703

Chairman Andy Fitzgerald called the meeting to order at 6:00 p.m. Present at roll call were Tim Roth, Diana Nelson, Connie Olson, Eric Krebs, Jennifer Battles, Shirley Haines, Carrie Wheeler, and Bob Phillips. Also in attendance was Manager Rusty Schmidt, and District Clerk Sara Bender.

APPROVAL OF AGENDA: Bob Phillips made a motion to approve the agenda. Eric Krebs seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES: Connie Olson made a motion to approve the minutes from the October meeting. The motion was seconded by Diana Nelson. Motion carried unanimously.

APPROVAL OF FINANCE REPORT: The financial reports were distributed to the Trustees for their review prior to the meeting. Diana Nelson made a motion to approve the Finance Report. Bob Phillips seconded the motion. Motion carried unanimously.

ITEMS FROM THE PUBLIC: No one from the public was in attendance.

PRESIDENT'S REPORT:

1. Drinking Water Surcharge Revenue Bond 2023 14th Draw for Engineering Services: The 15th draw for engineering services is \$37,661.56 This invoice consists of \$32,840.75 for construction services, \$3,955.46 for subcontractors and \$865.35 for travel services. The total to date for engineering services is.

2. 2025 Budget Committee Recommendations: The Budget committee met recently and proposed the following changes. A residential water rate increase of 3% for the minimum charge which equates to \$.63 per month. The committee is also proposing a 5% increase to the per 1,000-gallon charge which is \$.23 per 1,000 gallons. Our cost-of-service analysis indicated we were under charging for commercial irrigation the committee is proposing a rate increase to \$7.96 per 1,000 gallons. Proposed changes to the residential sewer rates are an increase of 2% on the minimum charge which equates to \$.47 per month and a 3% increase on the per 1,000-gallon charge which is equal to \$.18 per 1,000 gallons. The committee is also proposing changes to water use resolution attachment A and sewer use resolution attachment B to increase late fees from \$9 to \$10 and to increase the after-hours non-emergency charge on water use resolution attachment A from \$75 to \$150.00. Commercial water and sewer rates are proposed at the same percentage as residential. Connie Olson made a motion to approve the proposed budget as presented to include the changes to Water Use Resolution Attachment A and Sewer Use Resolution Attachment B. Diana Nelson seconded the motion. Motion carried unanimously.

MANAGERS REPORT

3. Monthly Water Loss and Leak Detection: Daily production was 974,560 gallons per day with a

12.54% water loss. There were a couple leaks fixed on Serenity Ct as well as a leak found on Club Ct and a water main break on Sharp Dr and Sharp Ln intersection. The service team will continue leak detecting south of Twilight Dr on J Ct and May Ct.

PROJECTS AND FUTURE DEVELOPMENT

4. Apple Valley Housing Project Update: The sewer installation is complete on Anderson Rd and Long View Rd other than the final walk through and PRV pit installation. All the foundations for the first 20 lots in phase 1A have been installed and some houses are constructed with open houses being advertised recently. Fees have all be paid for phase 1B and the extension fees have been paid for phase 1C with water and sewer installation beginning.

5. County and State ARPA 2 MG Storage Reservoir: the 7th pay application is \$662,924.70. They recently installed the roof but are demobilizing because the temperatures are getting too low in the evenings. They will resume work this spring. There is about \$1.2 million left in that contract.

6. County and State ARPA Madison Well Project: The drillers have reached a depth of 3,880 feet and have installed the 10” casing and filled around the casing with concrete. This needs to be set for 72 hours and then the teams will drill down approximately 300 feet to the production zone. Once the drilling is complete, they will begin testing. There is about \$843,000 left on the contract for the well. The 6th pay application is for \$86,467.50.

7. County and State ARPA 12 Watermain to Box Elder: The 5th pay application is for \$142,379.14. This is the final large pay application for Site Works, retainage still needs to be paid. There is still some work to be done with DSI and Muellenberg Electric for the meter pit.

8. Generator and Intake Upgrade Projects: November 21st is bid opening for the well house, generators, pump and piping and the bid will be awarded on November 29th. The bids need to be awarded and the performance bonds submitted to SD DANR by the end of December. The consensus of the group is to allow the manager and the facilities committee to approve the final bids to keep the process moving forward to meet the state deadlines.

OTHER TOPICS

9. Rapid City Public Works Updated Water Reclamation Agreement: Mr. Tech with Rapid City Public Works called Wednesday October 23rd and said they would have a draft agreement to me by Friday October 25th. I did not receive any follow-up on that Friday so I had our legal contact Rapid City legal and they said they would have a draft agreement by the end of November and a meeting is planned for the first part of December.

10. Water Rights Investigation: The final report was received from White Sands and will be submitted to SD DANR with the application. The results showed the Little Giant Ditch has 69.3 acre feet to be transferred, this would be about 22.5 million. The Southside has 109.7 acre feet to be transferred which amounts to about 35.7 million gallons. A motion was made by Connie Olson to continue to pursue the water rights purchase of the Little Giant Ditch and Southside Ditch rights from Mr. Buxton. Carrie Wheeler seconded the motion. Motion carried unanimously.

11. Sweep Account Information: We contacted Wells Fargo about a better interest rate for our checking account because we carry a high balance. They suggested a sweep account. A sweep account sweeps the funds at the end of the banking business day into a government backed money market fund. The All Springs Government Money Markey Fund was incepted in 1987 and has 111 billion dollars in assets. I had Talbot review state laws to verify we are able to utilize this type of investment. The current

rate as of 9-30-2024 was 4.86%. This could provide a substantial return on our checking account and does not affect our daily transactions. A motion was made by Connie Olson to move forward with the sweep account. Diana Nelson seconded the motion. Motion carried unanimously.

MISC. INFO:

- Office staff recently launched a new website that has some new alert features and is easier to manage and update.
- Trustees recently attended the SD Rural Water Leadership conference in Pierre

Shirley Haines made a motion and Bob Phillips seconded the motion to enter into executive session at 7:18 for contractual discussions and annual employee compensation discussions. The trustees came out of executive session at 8:24 pm. There being no further business, the meeting was adjourned.