

RAPID VALLEY SANITARY DISTRICT  
BOARD OF TRUSTEES MEETING  
July 8, 2019

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Chairman Dwight Peterson called the meeting to order at 7:00 p.m. Present at roll call were Clyde Elwood, Andy Fitzgerald, Shirley Haines, Rick Hensley, Diana Nelson, Connie Olson, Dwight Peterson, Bob Phillips and Jack Tomac. Also, in attendance were Rusty Schmidt, Manager; Dustin Dale, CETEC; and Marty Garwood, Clerk.

APPROVAL OF AGENDA: A motion was made by Rick Hensley to approve the agenda. Clyde Elwood seconded the motion to approve the agenda. Motion carried.

APPROVAL OF MINUTES: A motion was made by Diana Nelson to approve the minutes from the June meeting. The motion was seconded by Bob Phillips. Motion carried.

APPROVAL OF FINANCE REPORT: The financial reports were distributed to the Trustees for their review prior to the meeting. A motion was made by Connie Olson to approve the Finance Report. Diana Nelson seconded the motion. Motion carried.

ITEMS FROM THE PUBLIC: None.

PRESIDENT'S REPORT:

1. Oath of Office & Election of Officers: The Oath of Office was signed by the three returning trustees: Elwood, Peterson, & Olson. Clyde Elwood made a motion nominating Rick Hensley for Chairman, Andy Fitzgerald as Vice-Chair, Shirley Haines as Treasurer, and Bob Phillips as Secretary. The motion was seconded by Connie Olson. As there were no other nominations and all voted in favor, the motion passed and the officers were duly elected. At this time, Mr. Hensley assumed his role as Chairman. All trustees signed the annual Confidentiality and Conflict of Interest Disclosure Statement.

MANAGER'S REPORT:

2. Water Loss: Line loss was at 8% for the month. Approx. 780,000 gallons were produced daily during the month of June. Production is down from last year. Repairing the two leaking fire hydrants and other major leaks has made a big difference. Line loss is approx. 54,000 gal/day less than 2018. The Nanostone filters and the new coagulant are working great even with the high NTU due to Rapid Creek running so high.
3. Johnson Ranch Rd. Phase 4: KTM is working on the required revisions to the plans for phase 4. This phase includes the tie-in to the water main on Garden Ln. This includes a 30' dedicated easement for the 12" water main going to Garden Ln.
4. Orchard Meadows Lift Station: This project is out for bids now. The Manager and Engineer will review all the parameters after the bids have been received. The project will commence this fall.
5. Diamond Ridge Development: The 12" water main should be started by the end of July. The contractor removed too much dirt from the booster station lot and had to do some re-grading to bring it back up. Access to the booster station will be through the water tank lot.
6. Murphy Ranch Reservoir Rd Loop: The project for the 12" water main connecting to Reservoir Rd. was completed last week. It has all been tested and is now in operation. There were no issues with this project. Some clean-up still needs to be done.

7. Avenue A: Doyle Estes is the developer for this project. The plans have been completed and approved. This phase will consist of an 800' dead end watermain, which we normally would not allow. This location is in the high-pressure zone so the future second phase will connect to the water main on the north end of Degeest. Mr. Estes signed an agreement that he will complete the loop to Degeest St. within one year of final platting.
8. Homestead Phase V: The plans are still be adjusted for this project. This project will provide another loop to Meadowridge Dr.
9. Amko Advisors: The Manager informed the Board that a telephone conference was held on June 26<sup>th</sup> with himself, the Attorney, Mark Deraney (Amko) and the bond counsel. There will be another conference call on July 9<sup>th</sup> with the S&P Global to review the District's financial position and method of operation. After that conference call, if the Manager and Mark Deraney feel it is a very good possibility of obtaining a high rating, the District will go out for bids on the bonds. The cost to obtain the rating ~~and go out for bids~~ will be \$18,500 which the BOT has already approved. The Manager reminded the BOT that once the bids come in, the BOT will decide at that time whether or not to proceed. The Board will need to approve a resolution outlining the parameters of what the District will accept for bids. Amko and the Manager recommend \$4.32m as the highest amount of the bond. This amount will cover all the fees, etc. They also recommend 3.88% as the highest interest rate acceptable. This bond will be sufficient to refinance 2 of the 3 rural development loans. The Board will also need to decide who can accept the bid; i.e. the Manager, the Manager & Chairman, or the entire board. A motion was made by Jack Tomac to have the Manager and Chairman accept the bids and follow the recommendation of the Manager for the \$4.32m as highest amount of the bond and 3.88% as the highest interest rate acceptable. The motion was seconded by Clyde Elwood. Mr. Tomac amended the motion to include the Resolution Number 19-2019. Mr. Elwood agreed with the amended motion. All were in favor and the motion carried.
10. RVFD/Murphy Water Main: The Manager has contacted Racicky Ditching about installing this water main. They are available and can start around the first of August. The estimated cost of the project will be \$23,000 - \$27,000 which is a cost of \$50/foot. A motion was made by Clyde Elwood to proceed with this project. The motion was seconded by Dwight Peterson.

Miscellaneous:

- A front-wheel drive 2013 Ford Transit van was purchased for \$8500. The sewer camera and meter reading equipment have been installed in the van.
- Update on approved projects:
  - One-half of the SCADA upgrade project for the water treatment plant has been completed. The remainder will be done in August
  - The Manager has contacted Great Plains Structures about re-sealing the high-level tank this fall. The approx. cost will be \$33,000
  - The Engineer will start working on the design for the Diamond Ridge booster station in September
- The Water Rights Board will meet in Pierre in October
- Heavy Constructors is doing some warranty work on Longview

There being no further business, the meeting was adjourned at 7:50 p.m.

Respectfully Submitted,  
Marty Garwood  
Office Operations