



BOARD DIRECTORS MEETING
6 PM JUNE 9, 2025
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 Bob Phillips, Diana Nelson, Eric Krebs, Jennifer Battles, Shirley Haines, Connie Olson, Tim Roth and Carrie Wheeler. Also in attendance was General Manager Rusty Schmidt, and Office Manager Sara Bender

APPROVAL OF AGENDA: made a motion by Connie Olson to approve the agenda adding a topic to the miscellaneous section regarding recent changes to open meeting laws. Diana Nelson seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES: Connie Olson made a motion to approve the minutes from the May meeting. Eric Krebs seconded the motion. 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. Connie Olson 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 21st Draw for Engineering Services: The total for draw 21 for engineering services is \$51,453.01. This consists of \$10,661.50 for professional services, \$21.75 for transportation, and \$40,769.76 for LRE subcontracting. The remaining amount on the contract for engineering services is \$560,850.67.

MANAGERS REPORT

2. Monthly Water Loss and Leak Detection: Daily production is 877,000 gallons per day. Line loss for May was 5.99% with the overall annual average so far of 9.5%. There were a couple of hydrants that were replaced on Hacienda and Haven St that were not shutting down correctly, which the service team discovered during routine leak detection. The service team is currently leak detecting in the O'Brien and Johnston area.

PROJECTS AND FUTURE DEVELOPMENT

3. Apple Valley Housing Project Update: The sewer is complete on Lodi Ln for phase 2, but they are

going to be redoing some of the offsite sewer services as they did not meet the criteria upon camera inspection. There is about 60 homes for phase 2 and the total build out for all phases of Apple Valley is 452 total.

4. Ennen Housing: The 12" watermain installation is supposed to start 6/10/25 and they will begin on the northern end of Reservoir Rd, this will take 2 to 3 weeks to complete. Plans for phase 2 have been approved but will not begin for a little bit longer.

5. N. Valley Dr. Water Main Project: We are currently waiting on some additional information from the City in terms of their plans for widening the road. There is currently surveying being done at this location.

6. N. Neel Housing Project: Pro X has completed the sewer installation and has started on the water mains and services. They recently tied into Patricia St, that is almost complete and then will need to be tested.

7. 1mg Tank Painting Project: The sandblasting is complete and the interior painting other than the floor and the bottom 3 feet of the sides are complete. They leave sand in the bottom 3 feet of the tank to avoid over spraying when painting. The remaining sand has been sucked out and they will finish the painting. The contract amount for this project is \$91,870.00 and the first pay application is for \$35,000.00.

8. County and State ARPA 2 MG Storage Reservoir: Preload was back on site as of May 24th, and there are no pay requests at this time. They are currently working on the wire wrap and that process consists of 14 phases of wire wrapping followed by shotcrete. The expected completion date is August 8th.

9. County and State ARPA Madison Well Project: We received the most recent pay application from Hydro today for \$8,550.00 for doing camera work in the well and installing the lockable lid. The original permitting for the well was for a maximum yield of 700 gpm. Because the yield is 1,000 gpm, additional permitting through the state was submitted for the additional 300 gpm. Due to the increased yield, a higher horsepower pump is required as well as some other increased pricing due to the upsizing. The pump and VFD proposal came in at \$645,042.00. Some discussion arose regarding approving the proposal for the pump and VFD before we know if the state has approved the permit for the additional 300 gpm. The manager explained that he was unsure how the pricing for the proposal would change if we waited the additional time needed for the state for approval of the permit, and that if the permit was denied by the state, we would continue to request it until it was approved as we would want to utilize all the capability of the well and can justify the additional water based on our growth and regionalization efforts. In addition, the upgraded pump could still produce at the 700 gpm. A motion was made by Connie Olson to approve the pump and VFD proposal. Carrie Wheeler seconded the motion. The motion carried with all in favor with the exception of Tim Roth, who voted no.

10. County and State ARPA Well House and Generator Project: Due to the yield of the well being higher than expected, there is some upsizing needed for the generator and the electrical service. AE2S is preparing plans for the upgrades and will have them available soon as RCS is now planning to start this project in July, rather than August.

OTHER TOPICS

11. Water Rights Investigation: The water rights transactions are all complete, all that is left is for the state to come out and inspect the turnouts, but we are able to utilize those rights until that occurs. Between

the 147.8 acre feet from the Murphy Ditch rights, the 109.7 acre feet from the Southside Ditch rights and the 69.3 acre feet from the Little Giant Ditch rights we have acquired an additional 100 million gallons of water annually.

12. Foth Engineering Service Agreement: Foth Engineering submitted a work order for services for the N Valley Dr project to provide engineered plans, construction services and the public bid process for the water upgrades and sewer adjustments. The maximum cost for engineering is \$147,920.00, which includes the surveying at the project. It is estimated that we will only use up to \$85-90K for engineering as we will do much of the construction admin and observation. The other work order submitted by Foth is for \$49,887.00 for design and surveying of our easement and future road as well as a future intake to the new property recently purchased from Houk.

MISC. INFO:

- No election - all petitions turned in-
- Intake property lot line adjustments
- Valley heights subdivision
- BE connection fees paid \$337,950.59
- Senate Bill 74 and House Bill 1059 changes to open meeting laws will take affect July 1, 2025 require government entities to review open meeting laws annually. This group will review at the July meeting and every July at the election of officers.

There being no further business, the meeting was adjourned at 6:55 pm.