Rapid Valley Sanitary Dist. Water Service

BOARD DIRECTORS MEETING
6 PM AUGUST 10, 2026
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 Jennifer Battles, Shirley Haines, Diana Nelson, Connie Olson, Bob Phillips, Tim Roth and Carrie Wheeler. Also in attendance was General Manager Rusty Schmidt an Office Manager Sara Bender.

APPROVAL OF AGENDA: Jennifer Battles made a motion to approve the agenda. Connie Olson seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES: Shirley Haines made a motion to approve the minutes from the July meeting. Bob Phillips seconded the motion. Motion carried unanimously.

APPROVAL OF FINANCE REPORT: The financial reports were distributed to the directors for their review prior to the meeting. Connie Olson made a motion to approve the Finance Report. Shirley Haines seconded the motion. Motion carried unanimously.

ITEMS FROM THE PUBLIC: No members of the public were in attendance.

PRESIDENT'S REPORT:

1. Nominating Committee Recommendation for Vacancy: The nominating committee, Andy Fitzgerald, Bob Phillips and Tim Roth met on July 28th to interview candidates for the vacant board position. Some discussion arose regarding each candidate's qualifications as both candidates were highly qualified to fill the position. The chairman called a vote of each director. The final vote was 4 votes in favor of Kathy Graff. Tim Roth made a motion to nominate Kathy Graff for the open board position. Jennifer Battles seconded the motion. Motion carried by a majority vote.

2. Second Reading of Proposed Change to Sewer Use Ordinance 14-2: The board approved the first reading of the proposed changes to Sewer Use Ordinance 14-2. The changes are as follows:

Sec. 3 All costs and expenses incidental to the installation and connection of the building sewer shall be borne by the owner(s). The owner(s) shall indemnify the district from any loss or damage that may, directly or indirectly, be occasioned by the installation of the building sewer. The owners shall incur all costs for maintenance and repair or replacement of their entire sewer service from sewer main connection to the building or residence. Residential services are able to be repaired at the district's discretion ~~by the district~~ with no cost to the owner if service is collapsed or a complete physical separation is evident which has caused a backup of sewage on the premises. ~~From the~~ The district will only repair such defect from the sewer main to the curb line or a maximum of 12' from the center line of the sewer main whichever is applicable. The District will only undertake such repairs upon~~This is property boundary after~~ the resident ~~verifies with~~providing the ~~a~~ District ~~representative~~ video showing the location of defect and the defect being located within the area encompassed from the sewer main to the curb line or a maximum of 12' from the center line of the sewer main, whichever is less. This does not include plugged sewer services due to flushing materials or objects that create blockages, belly's, cracks, indentations or roots. Inspections due to sale or transfer of properties are not covered under this ordinance. The D~~d~~istrict will not reimburse any cost for the video that is required for the inspection. A repair authorization form is required to be signed by the owner of the property. The owners shall indemnify the D~~d~~istrict and hold it harmless from any loss or damage from sewer main backups, unless the backup ~~to be~~is a direct result of sole negligence o~~f~~n the D~~d~~istrict~~'s part~~.

Connie Olson made a motion to approve the second reading of the proposed changes to Sewer Ordinance 14-2 to take effect after publication. Tim Roth seconded the motion. Motion carried unanimously.

3. Drinking Water Surcharge Revenue Bond 2023 35th Invoice for Engineering Services: This invoice was submitted for $11,871.73. This consists of $11716.25 in construction services and $155.48 for transportation. There is $98,935.00 remaining on the contract.

MANAGERS REPORT

4. Monthly Water Loss and Leak Detection: Daily production for July was about 1.8 million gallons per day, with the highest day of production of 2.3 million gallons. Production year to date is 220 million gallons and 380 million gallon of production is anticipated for 2026. The last time the system produced this much water was 2012 and at that time the system had an average of 16% water loss, and year to date water loss for 2026 is 4.6%.

PROJECTS AND FUTURE DEVELOPMENT

5. Apple Valley Phase 3A: The infrastructure for phase 3A is complete and testing is also complete. Phase 3B is anticipated to begin in the fall.

6. Ennen Housing Phase 3: Construction has not started for phase 3 yet, but the punch list for phase 2 was recently completed. Once construction begins on phase 3 the extension fees of $47,600 will be due.

7. Murphy Ranch Phase 10 D-1: The plans for Murphy Ranch phase 10D-1 and 10D-2 have been approved and will consist of 40 lots. Construction will begin the beginning of 2027.

8. Diamond Ridge Cul-de-sac: Plans are approved for this project; it is just 4 lots. The staking for construction has been done and work will begin in about 30 days.

9. County and State ARPA Madison Well, Well House and Generator Project: RCS completed their wage validation, and we received 3 pay applications totaling $930,488.05. We have another pay application coming from Hydro Resources in August which should get us to the remaining $238,393.98 needed to meet the October deadline.

10. N. Valley Dr Project Southern Phase: Construction is still on hold and the contractor's surgery may have a longer recovery than anticipated. The construction easement is good through the end of the year, so the project will be completed by then. Expected restart date is mid-September. The remaining on the contract is $72.871.55

OTHER TOPICS

11. 1 mg Tank Painting: Carr Coatings has started on the paint removal for this project. Initially there was indications of potential lead paint which would have required additional steps for the removal process, and a change order, however after the sample was taken there was not any lead in the old paint. They currently have a strip of about 20 feet complete. We also requested a quote from them to add two 12-foot logos on the tank, similar to the ones on the new 2mg tank. The cost to do the logos is $13,600.00. Connie Olson made a motion to approve the application of the logos on the tank for the cost of $13,600.00. Carrie Wheeler seconded the motion. Motion carried.

12. Managed IT and Security Service: The new KT Connections managed IT service onboarding is mostly complete. In addition we are going to have them manage our phone system and network bridge, which will save about $500 a month from the current service provider and should provided better reliability.

13. 100hp Distribution Pump for Treatment Plant: We currently have 3-50hp pumps and 1-100 hp pump and during high demands we need to run 3 pumps to maximize system demand. A quote was requested for another 100 hp pump This would allow for 5.4 mgd that could be pumped. The cost for the pump and VFD is $52,075.70. A motion was made by Connie Olson to purchase the pump and VFD for the intake. Shirley Haines seconded the motion. Motion carried unanimously.

General Information Updates from Manager and Board Members:

There being no further business, the meeting was adjourned at 6:47 pm.