



BOARD DIRECTORS MEETING
6 PM JUNE 8, 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 Diana Nelson, Shirley Haines, Eric Krebs, Bob Phillips, Carrie Wheeler, Connie Olson, Jennifer Battles. Tim Roth and Connie Olson Also in attendance was General Manager Rusty Schmidt an Office Manager Sara Bender.

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

APPROVAL OF MINUTES: Carrie Wheeler made a motion to approve the minutes from the May meeting. Shirley Haines 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. Shirley Haines 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 33rd Invoice for Engineering Services: The 33rd invoice for engineering services was \$13,303.05. This consists of \$12,790.00 for construction services, \$195.05 for transportation and \$318.00 for subcontractors.

MANAGERS REPORT

2. Monthly Water Loss and Leak Detection: Daily production for May was about 1.2 million gallons per day. Production is up 12 million gallons from May of 2025. Line loss for the month was 3.93% and total production for the month was 37 million gallons. The service team has been doing leak detection in the Basswood and Harwood St areas and found a leaking curb box earlier in the day. They will be detecting in the old Saturn and other Planet St areas once done.

PROJECTS AND FUTURE DEVELOPMENT

3. Apple Valley Phase 3A & 3B: The sewer is complete for phase 3A, and the water should be complete this month. The connection fees of \$81,000.00 were recently paid for phase 2B. There are about 200 homes built so far for Apple Valley.

4. **Ennen Housing:** Phase 2A is complete and has passed all testing. All that is needed is the final inspection. The connection fees for phase 2B home construction were recently paid.

5. **Homestead St. Extension Project:** The water and sewer are complete for this project which consists The connection fees for this project will be \$54,000.00 and will be invoiced when construction gets started.

6. **County and State ARPA 2-Million-Gallon Storage Reservoir:** The final pay application is \$287,817.01. The one-year warranty start date was May 11, 2026. The total contract price for this project is \$2,822,010.14.

7. **County and State ARPA Madison Well, Well House and Generator Project:** The most recent pay application has not been received yet but the total is to be \$397,404.10. The generator and transfer switch have been installed and the electrical will be starting this month. The planned startup date is approximately mid-August.

8. **N. Valley Dr Project Southern Phase:** The first Bacti test was taken today on the new water main and we're waiting on the results before making the main live, which will create a loop. The contractor is having surgery and will be out for about 6-weeks. Construction will commence August/September. A pay application of \$48,508.76 was paid recently and 2 more were received today.

OTHER TOPICS

9. **Open Meeting Law Annual Review:** Senate Bill #74 was passed in 2025 for mandatory review of open meeting laws found in SDCL-1-25. Public bodies must have sufficient detail on the agenda on items that are up for consideration for the public's information. Executive sessions must cite the specific state statutory exemption. In addition for 2026 it is recommended to have public comment to be the first on agenda after agenda approval and to include "General Information Updates from Manager and Board Members". The current guide to South Dakotas Open Meeting Laws was provided for the trustees prior to the meeting for review. There was a consensus from each member of the board acknowledging the annual review of Open Meeting Law.

10. **Managed IT and Security Service:** A recommendation from the representative of the Cybersecurity and Infrastructure Security Agency (CISA) was to have a managed IT and security service at the office and the plant. We currently have CrowdStrike for online security and Barracuda for back up, but those are managed by the office staff, and KT Connections provides and manages the firewall in the office. At the recommendation of CISA we are adding an additional firewall and multifactor authentication at the plant as well as managed IT services from KT Connections at both locations. To have them manage all IT, backups and security is approximately only \$250 more per month than what we are paying for the CrowdStrike and Barracuda. KT will provide complete managed and secure IT services, workstation management, comprehensive monitoring, firewall management, onsite backup and local cloud backup, 24/7 monitoring and updates of network switches and wireless access points, Microsoft 365 Business Premium and cloud backup, security bundle for dark web monitoring, advanced email security, service and workstation end point detection and response, security assessments and vulnerability

General Information Updates from Manager and Board Members:

- All incumbents ran unopposed.
- Southside Ditch inquiry

There being no further business, the meeting was adjourned at 6:32 pm.