

## **Deer Mountain Sanitary District Meeting**

DMSD office, 201 W. Main, Suite 301, Lead, SD & via Zoom  
November 4, 2022

President Oz Enderby called the meeting to order at 5:30 p.m. Trustees Enderby, Dan O'Connor & Joe Kosel were present at the sanitary district office along with water operator Steve Ryan. Attorney Talbot J. Wiczorek, Joe Noble with AE2S and Secretary Shari Kosel appeared via Zoom.

Enderby asked for a motion to approve the agenda with two new edits. Motion by O'Connor to approve the agenda & format, second by Kosel. Motion approved 3-0.

Enderby asked for a motion to approve the minutes of 9.6.22. Motion by Kosel to approve the minutes, second by Enderby. Motion approved 3-0.

Enderby asked for a motion to approve the Treasurer's report/account Receivables/Payable. Account balance of \$246,532.08. Motion by Kosel to approve the report, second by O'Connor. Motion approved 3-0. O'Connor inquired if the financials should be posted to the website. Wiczorek agreed a summary of financials can be posted along with meeting materials that would include monthly expenses and how they are categorized of monthly vs. project costs. C. Enderby will provide those monthly to be posted to the website.

Review of LC Permit for Brownsville Road Water Main. Enderby stated that he and Noble went to two county commission meetings and met individually with Allen Bonnema, the county highway superintendent. The commission added several stipulations to the permit. He further stated he met with Wiczorek & Noble about the stipulations and they have issues with three of them. The sanitary district is not happy with the permit and the way it's stated and we will review and revisit it. We have been approved for a permit, but we have some issues to work through. Noble commented that we didn't get the outcome we wanted, but we did get the permit and will look at options. Some of the stipulations don't increase the quality of the product and increase the cost of the project. Kosel inquired as to the necessity of the new lines since we have existing lines in place. Enderby noted that our budget indicates replacing all of the current infrastructure. The new line was to be placed on the other side of the road so we don't interrupt any service. Kosel inquired which commissioners asked for these new stipulations and costs. Enderby replied Randy Deibert brought up the issue of increasing the surety bond from \$5,000 to \$35,000. Kosel would like this reflected in the minutes and shared with Mr. Keating as this is his water district as well. O'Connor inquired if some of these stipulations could be reversed. Enderby noted that Bonnema is going to retire at the end of the year. Kosel added that Diebert will no longer be serving on the county commission with his upcoming election to the legislature. Kosel asked if we can reject this permit, and Enderby said yes.

Discussion/Implementation Schedule for Timeline for Bond Election/Proceedings. Enderby received an additional award from DANR \$3,047,350.00 which include an ARPA grant which reduced it to \$3,001,052.00 we would have to repay around two million. With this we need to do another Bond Election on December 15 from 7AM-7PM. Enderby read the two resolutions [Resolution 2022-15](#) and [2022-16](#). O'Connor motioned to approve Resolution 2022-15, Enderby second. Approved 3-0. O'Connor motioned to approve Resolution 2022-16, Enderby second. All approved 3-0.

- Resolution declaring necessity to issue bonds and calling for election 2022-15
- Resolution approving form of ballot 2022-16

Discussion of tax levy/options. Enderby commented that we are working with the BH Council of Governments and our attorney. Enderby met with Planning & Zoning and the Auditor's office this is for the current and future

water users within the Sanitary District. We have obligated water service to DMV to 200 homes. If we go with a fixed assessment like we do the road district, it would be for all of the 366 properties. O'Connor asked Wiczorek for this thoughts. Wiczorek defers to the assessor.

Requirements for ARPA Grant. Enderby noted that part of our loan is an ARPA Grant and the requirements needed to complete. Noble has already sent the specifications to DANR.

Status of Required Easement documentation. Wiczorek stated this provides a road access point to the tank while construction is being completed on Terry Summit Road. DMV is agreeable to the draft and we will receive the original. O'Connor made a motion to approve the easement and authorize Enderby to sign documents necessary to complete it. Kosel second. All approved 3-0. Enderby updated as to the other easements that are in progress. Enderby noted that the Nelson property for the water pump station easement is in discussion. At this time, Nelson would like compensation and asked for lifetime water for a lifetime easement, which Enderby stated would not work. Enderby opened it up for discussion with the trustees. O'Connor said no to free water. Kosel inquired about the water booster station and its necessity. Enderby replied that this is to get water to the top where our tanks are located. Kosel indicated maybe DMV should pay a portion of these costs. Noble noted that with this elevation, it will eliminate other booster stations that currently reside within the district. The new system will be a true gravity fed because DMV/KR purchased the system and provided a spot for the tank location and they then transferred the water system to the district. Noble noted the KR/DMV is installing a dual line at their expense for our development. Enderby asked if there was a consensus as to an offer to Nelson. Kosel would like to see KR/DMV be part of this discussion and expense. We will continue to work through this agreement.

Update of System-Wide Improvements/ Final Plans/Bidding/Timeline/DMV/AE2S. Noble and AE2S would like to go to bid in mid-January 2023 so we can procure the materials as soon as possible and get then on-site when viable weather allows for construction to begin. We have purchased the meters and meter pits and have them on site now.

Report on status of existing system/Steve. Enderby noted that we had a water pump go down. Ryan updated that the new pump will be installed this week without interruption to service. Enderby reminded everyone we are asking people to conserve water at this time, but there are no restrictions in place.

Update of water service for Eldon Kroh property (PP). Enderby and Andy Holmes found the shutoff valve and it is working. We can now provide him water service as soon as he gets the leaks fixed.

Status of agreement with Sugarloaf Development. Wiczorek updated the trustees that he has not heard back from his attorneys. Kosel inquired about seeking collections on the amount owing? Wiczorek said he will start that discussion again. Enderby spoke with Jerry Aberle at a chamber mixer where he indicated he wants to meet and Wiczorek isn't responding. Wiczorek noted that he has not heard from his attorneys since they stated they were meeting with Milt Morris, who has no part of the system.

Discussion only items:

Items from the public. A resident emailed asking about the short notice for meetings. Enderby stated at this time our meetings are set when issues arise that need to be addressed. We don't have monthly meetings at this point, but will most likely set these in the future. We try to meet on Fridays at 5:00 p.m. since our clerk/secretary and one trustee still works full time. The second question inquired about the addition of two trustees and why we have to wait a year. Enderby noted this is dictated by codified law and it must be held during our annual meeting in September.

Items from the Trustees. Kosel questioned about our recent outage when outside excavators pierced our water main. Kosel wants to make sure this mistake does not cost our sanitary district anything, from the cost of the water loss and repair of the line. Enderby noted time, labor, water & filter loss and has an invoice ready to send to the company. Kosel thanks everyone for all their work and this is quite a team with the complex issues. O'Connor added that when we started this endeavor years ago, we were in agreement that we were going to share costs with DMV/KR. Enderby noted that costs will be shared equitably.

Next Meeting is TBD.

O'Connor moved to adjourn the meeting at 6:44 p.m., second by Kosel. All approved 3-0.

Posted 11.9.22

Approved 12.16.22

Shari Kosel  
Secretary/Clerk