

**Deer Mountain Sanitary District
Board of Trustees Meeting Minutes**

11187 Deer Mountain Road, Lead, SD & via Zoom
July 17, 2026

President Oz Enderby called the meeting to order at 5:00 p.m. Trustees present at the district office were Oz Enderby, Dan O'Connor, Joe Kosel, Rod Davis, and Marty Fabens. Water Operator Steve Ryan was also present. Attorney Talbot Wieczorek, AE2S Joe Noble, and Clerk Shari Kosel attended via Zoom.

Approval of Agenda [ACTION]

President Enderby presented the agenda. Motion by O'Connor, seconded by Davis, to approve the agenda. Motion carried unanimously.

Approval of Minutes – June 26, 2026 [ACTION]

Motion by Kosel, seconded by Fabens, to approve the June 26, 2026 meeting minutes. Motion carried unanimously.

Treasurer's Report [ACTION]

Enderby presented the Treasurer's Report. Motion by Kosel, seconded by Davis, to approve the Treasurer's Report. Motion carried unanimously.

Kamstrup Meter Report/Leaks/Operator Report/Steve

5:15 pm Public Hearing/Annexation of Real Property

Enderby began a discussion about property annexation, during which he read a detailed legal description of multiple properties in Lawrence County, South Dakota, that were proposed for annexation by the Deer Mountain Sanitary District. The board opened the public hearing to allow comments from property owners, including Steve and Donna Job, Jim Snyder, and Lisa Simonetti. However, no public comments were provided during the meeting. The board had previously obtained approval from the Lawrence County Commission for the annexation, which needed to be formally passed through a public hearing process.

Annexation of Real Property/Approval [ACTION]

The board approved the annexation of real property after closing the public hearing with no objections raised. Kosel moved to approve the annexation resolution, which was seconded by Fabens and passed unanimously. Following the approval, Wieczorek explained that a certified copy of the resolution and a map of the new territory boundaries need to be filed with the Lawrence County Register of Deeds for the annexation to be official. Enderby also mentioned plans to update the district map to reflect the new additions on the website.

Resolution 2026-26A & 26B Effective 7/10/2026 – Amending loans with the state to provide for a new payment schedule. Enderby updated that these have been approved and the bank has changed the loan to semi-annual effective 7/10/26.

Preliminary 2027 Budget Discussion.

Enderby noted our administrative budget is due at the end of August and goes to the county for the property tax assessments. Total budget right now is \$265,500. Enderby noted we also do an operational budget that will be done in August. O'Connor noted the legal fees may need to be adjusted.

Buldhaupt/Kroh /Skvicalo Meter Install Discussion.

Enderby discussed three pending meter installations with estimated costs ranging from \$3,000 to \$4,000 per installation. The team agreed to prioritize connecting Skvicalo to eliminate the old pump house connection and discussed two connection options for the Kroh property.

Future Elimination of Cabin Road Booster Station Discussion.

Noble joined to discuss plans for the Deer Mountain Village development, explaining efforts to eliminate a booster station serving six houses on top of the hill by using a new connection point. Noble discussed a potential opportunity to eliminate a booster station by extending water lines 700-800 feet to connect with Keating's development, which could serve multiple properties and reduce maintenance costs. Enderby expressed concerns about additional costs that fall outside the original contract and questioned the benefits and financial implications of the extension. The group reviewed maps showing original and current water line plans, with Noble clarifying that the proposed extension would be outside the original Deer Mountain Village boundaries and would require further discussion about cost-sharing with Keating. Kosel noted that we don't need this as it's for their development and DMV should be responsible for paying for it. O'Connor added that we need to talk to Keating, and Enderby agreed; this is all preliminary at this point. Enderby thanked Noble for updating the board.

Discussion-only items:

Public Comments. Resident Jeff Nelson inquired about the Aberle water shutoff and what could be shared publicly about the ongoing litigation. Wieczorek stated we did not prevail at the last hearing, and we sent notice many months ago stating water would be shut off June 30. When DMSD representatives went out to shut the water off, they discovered there was a loader owned, we believe, by Mr. Aberle, parked over the top of the shutoff. The loader was moved the next day. It was decided to wait until after the 4th holiday to shut off the water until July 7. Mr. Morris' attorney filed an injunction to prevent the water shutoff. The judge never set a hearing. There is a hearing set for July 22 for Morris' motion for injunction. It appears Aberle is feeding his system with hauled water at this time so he does have an alternate water source right now.

Trustee Comments/discussion only.

Enderby reminded everyone that petitions are due to S. Kosel by August 18 for two positions that will be open. Enderby noted that Core and Main would like to purchase meter pits from us, and he is working on it. Motion by O'Connor, seconded by Davis, to surplus the meter pits. Motion carried unanimously.

*Adjourn to Executive Session to discuss contractual/legal issues and any item allowed per SDCL Chapter 1-25 (if needed)

Next Regular Meeting August 14, 2026

Executive Session

Motion by O'Connor, seconded by Kosel, to enter executive session pursuant to the agenda to discuss the pending litigation at 6:02 p.m. Motion carried unanimously.

Executive Session Items:

- Aberle/Morris legal update
- Contractual/legal matters pursuant to SDCL Chapter 1-25

Motion by O'Connor, seconded by Fabens, to exit executive session at 6:28 p.m. Motion carried unanimously.

Adjournment

Motion by Kosel, seconded by Davis, to adjourn. Motion carried unanimously at 6:28 p.m.

Shari Kosel

Secretary/Clerk/Notary