

TIMBER LAKE CITY BOARD
SPECIAL MEETING
MARCH 22, 2022
6:00 PM
CITY FINANCE OFFICE

- 1) Board President Tom Hermes called the meeting to order at 6:05 PM.
 - Board Present: Tom Hermes, Jess Schlosser, Michael LaCompte, Sandra Koenig, and Brent Biegler
 - Council Absent: None
 - Employees Present: Karla Nordyke
 - Guests/Others Present: Kathy Nelson and Ann LaCompte

- 2) Declaration of Conflict of Interest
None of the Trustees self-disclosed a conflict of interest on any agenda item. No conflict of interest was identified by the Board.

- 3) Approval of Agenda:
Schlosser motioned to approve the agenda with no changes. LaCompte seconded. Motion carried.

- 4) NEW BUSINESS
 - A) Annual Report (2021)
Pursuant to SDCL 9-22-20, Nordyke presented the City's Annual Report for the year ended December 31, 2021. Reports presented were a) the statement to be published and b) the required exhibits for the SD Department of Legislative Audit. The report details the receipts, expenses, and financial condition of the City, including the amount of funds in the treasury and where and in what funds amounts are deposited or invested. Schlosser motioned to approve the 2021 Annual Report. Koenig seconded. Motion carried. Nordyke is directed to publish the annual report and to submit the required exhibits to Legislative Audit. The annual report is also available for review at the City Finance Office and posted on the Community website (www.tlsd.us/PublicInformation).
 - B) Audit Report (Draft): 2021 Financial Records
The Board reviewed and discussed the independent auditor's draft report and financial statements for the year ended December 31, 2021. It is noted the auditor's report indicates no material deficiencies and the two, anticipated, significant deficiencies

which result from a lack of segregation of duties in the Finance Office. Hermes motioned to accept the auditor's report. Koenig seconded. Motion carried.

C) Community Development Block Grant (CDBG) Application

The Board reviewed and discussed the wastewater infrastructure improvement project and grant application. The City is applying for \$770,000 grant funding from the CDBG. Initially, the City will televise and clean the remaining 13,366 linear feet of sewer mains to determine the best course of action of either repair and/or replacement of the current infrastructure. Total replacement or relining (CIPP technology) will be utilized in this project. The project will also extend service to the northwest and gravity feed wastewater to the current infrastructure and to the southwest where a lift station and 4-inch force main will be constructed. The City includes local cash of \$50,000. Schlosser motioned to approve the grant application. Biegler seconded. Motion carried. The City expects to know the funding outcome in July, 2022.

D) SD-DANR Revolving State Fund (RSF) Loan/Grant Application

The Board reviewed and discussed the SD Department of Agriculture and Natural Resources (SD-DANR) RSF funding application. The City is applying for \$2,693,400 funding from SD-DANR for the Timber Lake Wastewater Infrastructure Improvements project. The first phase of improvements to upgrade the wastewater infrastructure will be to complete a system wide cleaning and televising of all unlined sewer mains in town. The estimated cost to clean and televise the remaining 16,366 linear feet of unlined sewer mains is estimated to cost \$91,868. A complete system removal and replacement of the existing 16,368 linear feet of 6, 8, 10, and 12-inch non-lined sewer mains is estimated to cost \$2,903,182. Finally, an extension of sewer main to the north that would gravity flow into the current sewer system and an extension of sewer main to the southwest would be collected at a new lift station where a 4-inch force main would pump that waste to the current infrastructure. This portion of the project will add an additional \$518,350 in costs. Given these estimates, a complete overhaul of the current infrastructure plus the additional sewer lines and lift station is estimated to be \$3,513,400. The City includes local cash of \$50,000. Koenig motioned the funding application be approved. Schlosser seconded. Motion carried. The City expects to know the grant and/or loan funding package in July, 2022.

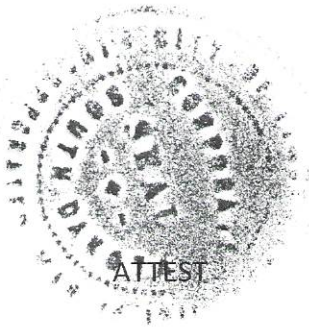
E) EPA Funding (Lead in Water Service Lines)

Nordyke presented information about the Bipartisan Infrastructure Law. President Biden's leadership and bipartisan Congressional action have invested more than \$50 billion through EPA's programs. This law will deliver resources to remove lead pipes in water service lines; President Biden's goal is to remove 100% of lead service lines. South Dakota has been allocated \$63,041,000 and these federal funds will be funded through the SD-DANR Revolving State Fund over the next five years through the

bipartisan Infrastructure Law. Discussion occurred. The Board directed Nordyke to contact SD-DANR and/or EPA to get answers to a few questions. It will be necessary to identify any lead water service line(s) and/or lead joint(s) on service lines. More discussion will follow as information becomes available.

5) Adjourn:

At 7:28 PM, Schlosser motioned the meeting be adjourned. Koenig seconded. Motion carried.



APPROVED:

Tom Hermes

Tom Hermes, Board President

Karla Nordyke

Karla Nordyke, City Finance Officer

Recorded: March 24, 2022

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