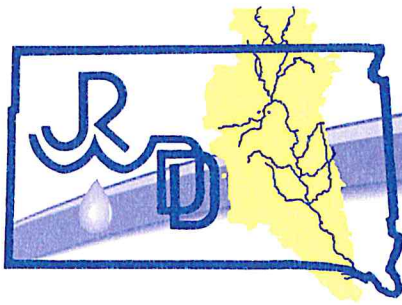




James River Water Development District

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JAMES RIVER WATER DEVELOPMENT DISTRICT BOARD OF DIRECTORS MEETING MINUTES SEPTEMBER 10, 2026

CALL TO ORDER: Chair Wiese called the meeting of the James River Water Development District (JRWD) Board of Directors to order at 9:30 AM on July 9, 2026 at the Davison County North Offices in Mitchell, South Dakota, with some members participating via Zoom.

ROLL CALL: The following people were in attendance:

DIRECTORS PRESENT

Dan Klimisch – Utica
LeRoy Braun – Mellette
Mike Wiese – Aberdeen
Dennis Bennett – Huron
Robert Braun – Aberdeen (viz ZOOM)
Pat Cerny – Yankton
Randy Stanley – Groton
Carol Millan – Mitchell

DIRECTORS ABSENT

John Rubendall – Mitchell

STAFF PRESENT

Rocky Knippling, District Manager/SCWP Coordinator
Matt Cavanaugh, Watershed Coordinator
Dave Bartel, Project Coordinator
Judy McDonald, CFO

OTHERS PRESENT: Jeff Haessig-Spink County Highway, Mike Gutenkauf-IMEG Corp., Ryan Patterson-Upper Crow Creek, Joe Schrader-City of Mitchell, Jay Gilbertson-EDWDD (Via Zoom)

APPROVAL OF AGENDA: **Motion** by Director Cerny, seconded by Director Millan, to approve the agenda as printed. **Motion carried.**

2027 BUDGET HEARING: Chair Wiese opened the public hearing on the 2027 JRWD proposed operations budget at 9:30 a.m. The District published a copy of the proposed budget and notices of the hearing in the official District newspapers as required by SD Codified Law 46A-3E-10. No written or verbal comments have been received prior to the meeting regarding the 2027 proposed operations budget. Chair Wiese invited public comments on the 2027 proposed budget as advertised and presented. No comments were received. Chair Wiese declared the public meeting closed.

CONFLICT OF INTEREST: Chair Wiese called for conflict of interest declarations regarding items on the agenda; none were declared. The following standing disclosures are ongoing until otherwise disclosed:

- Director Mike Wiese is currently a Brown County Commissioner
- Director Dan Klimisch is currently a Yankton County Commissioner

APPROVAL OF MAY 14, 2026 MINUTES: **Motion** by Director Millan, seconded by Director Stanley to approve the Minutes as presented. **Motion carried.**

APPROVAL OF JUNE 18, 2026 MINUTES: **Motion** by Director Cerny, seconded by Director L. Braun to approve the Minutes as presented. **Motion carried.**

APPROVAL OF JULY 9, 2026 MINUTES (Informational meeting only): **Motion** by Director Millan, seconded by Director Cerny to approve the Minutes as presented. **Motion carried.**

APPROVAL OF JULY 28, 2026 MINUTES: **Motion** by Director Bennett, seconded by Director Millan to approve the Minutes as presented. **Motion carried.**

PUBLIC COMMENTS: Chair Wiese opened the floor for public comments on items not listed on the agenda; no public comments were offered.

SPINK COUNTY HIGHWAY – ENGINEERING AND RIPRAP: Mike Gutenkauf, IMEG Corp., representing Spink County presented a request for \$150,000 for project assistance funds to support engineering and riprap, as part of a larger project, to replace Structure No. 58-160-042. Project construction is scheduled for the Spring 2027. **Motion** by Director L. Braun, seconded by Director Stanley, to approve \$150,000 in project assistance funding for Spink County Highway Department, with funds expiring September 10, 2028. **Motion carried** (Nay: Millan; Absent: Rubendall).

HUTCHINSON COUNTY LANDOWNER (Molan Township – Ulmer dam): Robert Ulmer submitted a request for \$9,639.35 in project assistance funds (representing 75% of a \$12,852.46 total budget) to repair a dam 4.5 miles upstream from the James River. **Motion** by Director Millan, seconded by Director L. Braun, to approve funding assistance of 75% of total project costs, not to exceed \$9,639.35, expiring September 10, 2028. **Motion carried.**

HUTCHINSON COUNTY LANDOWNER (Oak Hollow Township – Pelaez dam): Jose Pelaez submitted a request for \$52,891.73 in project assistance funds (representing 75% of a \$70,522.31 total budget) to construct a flood control dam to mitigate downstream runoff and soil erosion. **Motion** by Director Millan, seconded by Director R. Braun, to approve funding assistance of 75% of total project costs, not to exceed \$52,891.73, expiring September 10, 2028. **Motion carried.**

MARSHALL COUNTY LANDOWNER (Waverly Township – Bender dam): Ryan Patterson, Upper Crow Creek, representing Jason Bender presented a request for \$35,775 for project assistance funds (representing 75% of a \$47,700 total budget) to repair a flood retention dam providing controlled downstream flow. **Motion** by Director Stanley, seconded by Director Cerny, to approve funding assistance of 75% of total project costs, not to exceed \$35,775.00, expiring September 10, 2028. **Motion carried.**

LAKE MITCHELL UPDATE:

- City Engineer Joe Schrader (City of Mitchell) delivered an update on the status of the Lake Mitchell project:
 - U.S. Army Corps of Engineers (COE) permit remains pending.
 - DANR permits for Phase 1 (controlled drawdown of Lake Mitchell) have been approved through December 2027.
 - Water quality sampling will begin 1 month prior to drawdown and continue weekly, both upstream and downstream of the project, monitoring for suspended solids and dissolved oxygen.

SOUTH CENTRAL WATERSHED AND WATER QUALITY MONITORING UPDATE: Matt Cavanee and Rocky Knippling reported the following project activities:

- **2026 319 Funding:** 2026 319 funds have been received, and the contract is ready for the Board Chair's signature.
- **2027 319 Funding:** Applied for \$893,000 in 2027 319 funding on August 24, 2026.
- **RCPP Grant:** Currently awaiting response on a 5-year, \$10 million Regional Conservation Partnership Program (RCPP) grant application.
- **Water Quality Monitoring:** One final sampling run remains for the season. South James was prioritized for 2026 sampling but had low to no flows throughout the summer.

REPORTS: Staff, Directors, and Committees reported on the following activities of the District:

- **Annual Review of Open Meetings Law:** The board read and reviewed the South Dakota's Open Meetings Laws. **Motion** by Director L. Braun, seconded by Director Klimisch to acknowledge the completion of the Board of Directors' annual review of the SD meeting laws pursuant to SDCL 1-25-13 using the Attorney General's guidance documents. **Motion carried.**
- **Director Area 7 Vacancy:** The Board recognized an upcoming vacancy for Director Area 7 effective January 1, 2027, due to a lack of filed nominating petitions, pursuant to SDCL 46A-3B-9. **Motion** by Klimisch, seconded by Cerny, to publish notice in the official newspapers soliciting applications from eligible voters residing in Director Area 7, verify applicant eligibility, coordinate with county election officials, and schedule candidate review and appointment for the January 2027 meeting. **Motion carried.**
- **Investment Policy:** **Motion** by Director Klimisch, seconded by Director Stanley, to approve and adopt the JRWDD Statutory Investment Policy as presented. **Motion carried.** (A copy of the adopted policy is attached to these minutes as Exhibit A).
- **Personnel Committee:** **Motion** by Director R. Braun, seconded by Director Bennett, to appoint Rocky Knippling to the permanent District Manager position. **Motion carried.**
- **Adopt 2027 Budget:** Budget Committee Chair L. Braun presented the proposed Fiscal Year 2027 budget, which incorporates the statutory 2.7% Consumer Price Index (CPI) adjustment and an estimated 1.0% growth rate. **Motion** by Director L. Braun, seconded by Director Cerny to adopt the FY 2027 James River Water Development District Operations Budget as presented. **Motion carried.**

FY 2027 ADOPTED BUDGET SUMMARY

APPROPRIATIONS

Board of Directors \$40,835
Administration & Technical \$294,100
Professional Fees \$20,000
Capital Outlay \$5,000
Project Assistance \$816,665
Contingency \$25,000
Balance for Long Term Debt \$68,900

Total FY 2027 Appropriations \$1,270,500

MEANS OF FINANCE

Property Tax Revenue \$1,242,000
Miscellaneous Tax Revenue \$1,500
Miscellaneous Revenue \$27,000
Total FY 2027 Means of Finance \$1,270,500

- **Adoption of Resolution 2026-05 (2027 Tax Levy Resolution):** The Board considered Resolution 2026-05, authorizing a property tax levy of \$1,242,000.00 to be assessed and levied on all taxable property within the James River Water Development District for fiscal year 2026, payable in 2027. This resolution is a required component of the annual tax collection package transmitted to all District County auditors and treasurers, as well as the South Dakota Department of Revenue, on or before October 1. **Motion** by Director L. Braun, seconded by

Director Stanley, to approve Resolution 2026-05 authorizing the FY 2027 property tax levy request of \$1,242,000.00. **Motion carried.**

APRIL FINANCIAL REPORT: The Board reviewed the financial reports for the month ending April 30, 2026, as prepared by Judy McDonald. The reports detailed a total cash position of \$1,122,599.87. Significant expenditure highlights included project payments of \$11,460.00 to the U.S. Geological Survey for gaging stations and \$5,529.75 to Steve Brockmueller for a dam repair in Yankton County (carried over from 2025). **Motion** by Director Cerny, seconded by Director Bennett, to approve the April 2026 financial reports as prepared. **Motion carried.**

MAY FINANCIAL REPORT: The Board reviewed the financial reports for the month ending May 31, 2026, as prepared by Judy McDonald. The reports detailed a total cash position of \$1,620,299.95. Significant expenditure highlights included \$10,000.00 to SD Pheasants Forever for prescribed fire implementation, \$10,000.00 to the Davison Conservation District for a prescribed fire skid loader, \$8,746.55 to the Silver Lake Association for a lake improvement study and plan (carried over from 2025), and \$68,697.64 in SRF payments. Grant receipts included \$257,007.07 in federal reimbursements for October and November 2025 ARPA funds, which successfully closed out the ARPA grant. **Motion** by Director Millan, seconded by Director Stanley, to approve the May 2026 financial reports as prepared. **Motion carried.**

JUNE FINANCIAL REPORT: The Board reviewed the financial reports for the month ending June 30, 2026, as prepared by Judy McDonald. The reports detailed a total cash position of \$1,922,510.27. Significant expenditure highlights included \$48,395.00 to Willrodt Ford for a 2026 Ford vehicle. Grant and revenue receipts noted included \$101,120.91 in state reimbursements for November and December 2025 319 funds, \$154,976.00 in State SRF funds, and \$15,000.00 from the Vermillion Basin Water Development District for SCWP staff costs. **Motion** by Director Cerny, seconded by Director Klimisch, to approve the June 2026 financial reports as prepared. **Motion carried.**

JULY FINANCIAL REPORT: The Board reviewed the financial reports for the month ending July 31, 2026, as prepared by Judy McDonald. The reports detailed a total cash position of \$1,554,233.28. Significant expenditure highlights included \$11,460.00 to the U.S. Geological Survey for gaging stations, \$50,000.00 to the Town of Lesterville for storm drainage improvements, \$19,804.75 to the Davison County Highway Department for drainage fabric, riprap installation, and engineering, and \$133,321.25 distributed across several county conservation districts for 2026 tree plantings. **Motion** by Director Cerny, seconded by Director Bennett, to approve the July 2026 financial reports as prepared. **Motion carried.**

BOARD OF DIRECTOR AND STAFF REIMBURSEMENTS: The Board reviewed the staff travel expense submissions, which were provided for informational purposes. Directors reported on the specific meetings and activities related to their reimbursement requests. **Motion** by Director Klimisch, seconded by Director Wiese, to approve all reimbursements in accordance with established District policy. **Motion passed.**

ADJOURN: Being no further business, Chair Wiese declared the meeting adjourned at 10:51 AM.

Respectfully submitted:

Robert Braun, Secretary

Exhibit A: JRWDD Statutory Investment Policy (Adopted September 10, 2026)

**JAMES RIVER WATER DEVELOPMENT DISTRICT
INVESTMENT POLICY**

1. POLICY: Pursuant to SDCL 4-5-8, it is the policy of the James River Water Development District (JRWDD) to invest idle public funds in a manner that meets the daily cash flow demands of the District with the primary objectives, in priority order, shall be: a) Safety b) Liquidity and c) Return.

2. DELEGATION OF AUTHORITY: Authority to manage the District's investment program is granted to the Chief Financial Officer (CFO) and Manager, under the oversight of the Board of Directors, who shall refrain from personal business activity that could impair their ability to make impartial decisions. The CFO and Manager, acting in accordance with the written procedures and this investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy. In the event of an extended leave of absence, the Board of Directors shall appoint a replacement.

3. AUTHORIZED FINANCIAL INSTITUTIONS & DEPOSITORIES The Board of Directors authorizes the placement of cash resources in Designated Depositories approved annually.

4. AUTHORIZED AND SUITABLE INVESTMENTS

The District is empowered by statute to invest available money in the following types of securities, not to exceed 18-month maturities (SDCL 4-5-6):

- Interest-bearing checking and savings accounts.
- United States Treasury bills, bonds, and notes (SDCL 4-5-6).
- United States Government Agencies (SDCL 4-5-6).
- Certificates of Deposit (CDs)
- Certificates of Deposit (CDs) purchased through CDARS (Certificate of Deposit Account Registry Service)
- Money Market Mutual Funds—open-end, no-load (SDCL 4-5-6)
- Repurchase Agreements fully collateralized by allowable securities (SDCL 4-5-6)
- Local Government Investment Pools

When investing in CDs public funds will be invested at the highest rate of interest possible after attempting to secure competitive quotes.

5. COLLATERALIZATION

In accordance with SDCL 4-6A, 51A-10-9 and 52-5-20 Qualified Public Depositories will furnish collateral in a sum equal to one hundred percent (100%) of the public deposit accounts that exceed deposit insurance.

6. REPORTING The Chief Financial Officer will prepare an investment report monthly that provides a clear picture of the status of current investments.

7. INTEREST EARNED The interest earned from investments shall be credited to the respective funds or the general fund of the District (SDCL 4-5-9).

8. DIVERSIFICATION It is the policy of the District to reduce overall risks while attaining average market rates of return by diversifying its investments.