



Draft minutes of the February 19, 2015 Special Board Meeting

CALL TO ORDER: The West Dakota Water Development District convened for the special board meeting at West River Electric, 3250 SD Hwy. 44 Rapid City, SD. Chairperson Deurloo called the meeting to order at 1:33pm. Roll Call was taken: Directors present were Ken Moss (District 1) Dan Richer (District 2), Mike Mueller (District 3), Lavern Koch (District 4), Robert Akers (District 5), Tim Rogers (District 6) *arrived 2:59pm*, Ken Steinken (District 7), Jeannette Deurloo, (District 9) Absent: Sandra Beshara (District 8). A quorum was declared. Staff present: Denise Livingston, manager. Others present: Chuck Jasper, Dennis Wagner, Dan Driscoll, Jay Gilbertson, Joanne Noyes, Richie Nordstrom, George Ferebee, Carol Ferebee, Dr. Rebecca Leas, Rick Summerville, Gena Parkhurst.

Chairperson Deurloo called the meeting to order at 1:33pm. The meeting started with the pledge allegiance and opening prayer.

Approval of the Agenda: Richer suggested moving operations and management to the top of the agenda in order to accommodate Mr. Gilbertson’s schedule. Moved by Richer seconded by Steinken to approve the agenda as amended. Motion passed unanimously.

New Business:

Operation and Management Strategic Planning - Mr. Jay Gilbertson, Manager of East Dakota Water Development District briefed the board on the other Water Development Districts’ operations, management services, budget in order to help spur the dialogue of what West Dakota’s board members envisions for their district. Mr. Gilbertson was available for questions. No detailed discussion was held.

WDWDD Board Policies 11 & 13 – Mr. Dennis Wagner, Black Hills Community Bank, was available for discussion and questions regarding the Bank’s resolution for ‘authorized signatories’, requirements of the Patriot Act, and WDWDD’s policy 13.

POLICY 13: DISTRICT BANK ACCOUNTS

*The District general checking account will be located at bank as designated by the Board. **There shall be two different, individual signatures required on checks written on this account. Authorized signatures shall include** the chairman, vice chairman, treasurer and/or secretary of the Board.*

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Upon action by the Board, other bank accounts may be established as needed to conduct the business of the District. Transfer of funds from these accounts to the general checking may be made by the chairman, vice chairman, secretary and/or treasurer of the Board.

{Initial Approval - May 21, 2014}

At this time Vice Chair Moss and Secretary Mueller, have not signed the resolution due to the requirement of giving the bank their Social Security number. This information is required due to the Patriot Act. Nor will Mueller or Moss step down from their position to allow another board member to assume the role and fulfill the duties of the positions.



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Policy 11 refers to the income directors receive. All income paid must be reported to the IRS. This requires a 1099 to be filed, therefore, requiring Social Security information.

Directors may decline payment but if they receive any income, 1099 requirements must be met.

POLICY 11: DIRECTORS FEES AND EXPENSES

It is the responsibility of members of the District Board to attend all regular and special board meetings. Each director attending the regular Board meetings, or special meetings as called by the Chair, shall receive a director's fee of \$100.00 (taxes will be extracted from payment or it will be responsibility to report and pay taxes).

Discussion was held. Regarding Policy 13 options for resolution to the issue are:

- Change bank resolution to reflect only the Chair and Treasurer. This would require changing the Board's policy and only leaving two people responsible for signing all checks (including their own). Regardless, the secretary's signature is still required on the bank's resolution.
- Replace Vice Chair Moss and Secretary Mueller with directors willing to fulfill the duties of the position.

Moved by Mueller seconded by Moss that the bank resolution issue will be resolved by March 2nd by Mueller and Moss. The manager clarified that unless different action was taken today that the only resolution to the issue would be for the officers to sign the resolution according to the Patriot Act, otherwise no other action could be taken until the March 17th meeting unless another special meeting was called. Motion passed unanimously.

No action was taken on Policy 11. This issue is the responsibility of the treasurer.

Executive Session as per 1-25-2 -Contract Negotiations (4) Moved by Richer seconded by Mueller to go into executive session. Discussion was held regarding clarification of why an executive session is needed. Rogers and Akers voiced concern over lack of sufficient reasoning to go into executive session and perhaps legal counsel is needed for guidance. Roll Call vote was taken: those voting in favor of executive session were: Moss, Mueller, Richer. Voting Against: Rogers, Akers, Koch, Steinken, Deurloo. Motion failed.

Discussion continued regarding needing legal counsel. It was determined that no action should be taken regarding selection of legal counsel at this time.

Meeting was adjourned at 3:45pm.

Respectfully submitted,

Mike Mueller, Secretary