

The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardIDis108>

Minutes of the
Board of Water and Natural Resources
In-Person or Remote
Matthew Training Center
523 East Capitol
Pierre, SD

July 30, 2024
1:00 p.m. Central Time

CALL MEETING TO ORDER: Chairman Jerry Soholt called the meeting to order. The roll was called, and a quorum was present.

The meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

BOARD MEMBERS PRESENT: Jerry Soholt, Gene Jones, Jr., Todd Bernhard, Jackie Lanning, Cameron Becker, Gary Drewes, and Bruce Jennings.

BOARD MEMBERS ABSENT: None.

OTHERS: Bruce Bonjour and Christine Biebel, Perkins Coie; Jessica Cameron Mitchell and Miles Silbert, PFM; Greg Skutnik, U.S. Bank NA; and Julie Johnson.

APPROVE AGENDA: Motion by Drewes, seconded by Bernhard, to approve the agenda. A roll call vote was taken, and the motion carried unanimously.

PUBLIC COMMENT PERIOD: There were no public comments.

CONSULTING CONTRACT WITH PERKINS COIE, LLP FOR BOND COUNSEL SERVICES FOR SRF PROGRAM SERIES 2024A BOND ISSUE: Tina McFarling reported that staff has been working with bond counsel, Bruce Bonjour with Perkins Coie, and financial advisor, Jessica Cameron Mitchell and Miles Silbert with PFM, since late May 2024 on an upcoming bond issue. As a result, a consulting contract is needed with Perkins Coie for bond counsel services for the bond issue.

Mr. Bonjour has served as bond counsel for the South Dakota Conservancy District since 1994. Mr. Bonjour proposed fees of up to \$95,000 for bond counsel services for the 2024A bond issue. This is an increase over the Series 2022 bond issue; however, the previous fee of \$85,000 was use in the Series 2018, Series 2020, and Series 2022 bond issues. The increased fee reflects an increase of less than two percent per year dating back to 2018.

Services to be provided by bond counsel will include the preparation of an Official Statement for the Series 2024A bond and the initial SEC rule 15c2-12 continuing disclosure undertakings, as well

as all advice and opinions on other matters customarily provided by bond counsel related to the proposed Series 2024A bonds.

Working with the legal counsel from the Office of Attorney General, staff prepared the First Amendment to Agreement for Legal Services for bond counsel services for the 2024A bond series. The contract runs through December 31, 2024. Ms. McFarling noted that the draft resolution was included in the board packet.

Staff recommended approval of a resolution authorizing the execution of the bond counsel contract.

Motion by Bernhard, seconded by Lanning, to adopt **Resolution No. 2024-137** authorizing a contract with Bruce Bonjour, Perkins Coie, to serve as bond counsel for the 2024A Series bond issue and authorizing the chairman to execute the contract. Motion carried unanimously.

SERIES RESOLUTION AUTHORIZING STATE REVOLVING FUND PROGRAM BONDS SERIES 2024A: Ms. McFarling reported that it is anticipated that the South Dakota Conservancy District will issue approximately \$180,000,000 in State Revolving Fund Program Bonds during the week of August 19, 2024.

The issue will consist of one tax-exempt series, 2024A being issued to provide leveraged funds for both the Clean Water and Drinking Water State Revolving Fund Programs.

Bruce Bonjour, Perkins Coie, discussed the specifics of the Series Resolution, which provides board approval of the Preliminary Official Statement, the Continuing Disclosure Agreement, Notices of Sale for Series 2024A, and supporting schedules prepared by the Conservancy District's financial advisor. The Series Resolution authorizes the chairman and/or secretary of the Conservancy District to file a Coverage Certificate for each program with the Trustee and to do all acts and to execute or accept all documents as may be necessary to carry out and comply with the provisions of the resolution and the documents approved by the resolution. Mr. Bonjour also discussed the amendments to the Master Indenture.

Jessica Cameron Mitchell, PFM Financial Advisors, discussed the structure of the bond issue, current market conditions, and coverage requirements.

Ms. Cameron Mitchell answered questions from the board regarding Standard & Poors and Moody's bond ratings.

Staff recommended that the board approve the Series Resolution authorizing the State Revolving Fund Program Bonds, Series 2024A and the execution and delivery of certain documents.

Motion by Bernhard, seconded by Jones, to adopt **Resolution No. 2024-138** authorizing the State Revolving Fund Program Bonds, Series 2024A. A roll call vote was taken, and the motion carried unanimously.

ELECTION OF OFFICERS: Motion by Lanning, seconded by Drewes, to nominate Jerry Soholt as chairman, Gene Jones, Jr. as vice chairman, and Todd Bernhard as secretary, and to cast a unanimous vote for the slate of officers.

Ms. Lanning stated that each of these board members have confirmed their willingness to serve in these roles for the period of July 30, 2024, through September 30, 2025.

A roll call vote was taken, and the motion carried unanimously.

ADJOURN: Motion by Becker, seconded by Lanning, to adjourn. A roll call vote was taken, and the motion carried unanimously.

Chairman Soholt declared the meeting adjourned at 1:20 p.m.

Approved September 26, 2024.



Chairman, Board of Water and Natural Resources

Secretary, Board of Water and Natural Resources