

MINUTES OF THE  
COLONIAL PINE HILLS SANITARY DISTRICT  
August 20, 2019

The Board of Trustees of the Colonial Pine Hills Sanitary District met on August 20, 2019 at the Whispering Pines Fire Hall. President Mills called the meeting to order at 7:00 PM. Trustees present included Edward Mills, President; Donald Nolting, Vice-President; Peter Rausch, Trustee; and LeRoy Draine, Trustee. Absent with prior approval was Gerald Burdick, Trustee. Present also were Jim Martin, Manager; Steve Burgad, Maintenance; Talbot Wieczorek, Legal Counsel; and Michael Riker, System Operator. The Audience consisted of Jeanette Mills.

AGENDA:

Nolting made motion to approve the Agenda as written, seconded by Rausch. The motion passed with a unanimous voice vote.

MINUTES:

Nolting made motion, to approve the minutes of July 16, 2019, with a spelling correction. A second was given by Rausch. Motion passed with unanimous voice vote.

FINANCIAL REPORT:

The Financial Report for July was given. Martin reported a slight increase in water sales revenue. With the absence of rain, we are selling more water and August should even be better. He asked if we should move the money currently in the Pioneer Bank and Trust to the Black Hills Federal Credit Union. He gave the background that the Pioneer account was originally opened with \$210,000 that had been in the Credit Union but that amount was over the Federal Deposit Insurance amount so the money was moved. At this time there is only \$10,000 in Pioneer and the interest rate they pay on Money Market Accounts is about half what the Credit Union pays. At this time Nolting made motion to have Martin move this money to the Credit Union. The motion received a second from Rausch. The motion passed by unanimous voice vote. With no other discussion or comments, Nolting motioned to approve the financial report with Rausch adding the second. It passed by unanimous voice vote.

MANAGER'S REPORT:

The Manager's report for the month of July was presented. Martin reported that the Okpealuk Court pipeline extension project is now complete, less the asphaltting. Material cost was \$6,150.07, excavation & repair was \$15,402.00 and driveway horizontal boring was \$728.45. The additional cost for the asphalt will be \$12K to \$15K, as estimated by Martin. He is putting together a list of six places requiring asphalt repair and will be going out for bids this month. Steve is still doing clean-up and landscaping for the areas disturbed by the isolation valve installation project. Steve returned the unused materials (valves, restraints, etc.) to Northwest Pipe and we were credited slightly over \$2,000 after a small re-stocking fee. Midco Diving & Marine cleaned the storage tank on August 8<sup>th</sup>. This is done every five years. They said the tank looked very clean and they found no defects. However, they were unable to find

the exact source of the water seeping out on the South side of the tank. They used a food safe dye but could not find any seepage on the inside. They suggested the pinhole is probably in the epoxy sealant along the horizontal seams and may be able to be repaired from the outside. Mike Riker has called the tank manufacturer for guidance. The cost for cleaning the tank was \$2,399. We did receive a check from the insurance company for the Conifer pump motor that was damaged by lightning. They paid the entire bill less our deductible. Our meter readers have given notion they no longer will read meters after the July 2020 reading. Martin stated he has begun the FY2020 budget process and hopes to be ready to present it at the October meeting. There being no further discussion Draine made a motion, seconded by Rausch, to approve the report. The motion passed by voice vote.

#### OPERATOR'S REPORT:

Mike Riker made the Operator's Report. He stated the well production for the month of July and the first fourteen days of August. Water production is up and is reflected in the amount of water being sold. He reported the monthly samples will be collected this week and that all wells are running normally with a few minor programming fixes. He stated that the static water level in the two Madison aquifer wells is still increasing from all the runoff. He reported he has gotten a few alarms for the pre-filter on the Skid but that he has made some adjustments that appear to have cleared that. Mills reported that the lights are out on three sides of the Croyle II well house. There being no questions Rausch made motion, seconded by Nolting to accept the Operator's report. The motion passed by unanimous voice vote.

#### OLD BUSINESS:

1. Okpealuk Court Pipeline Extension Project: Discussed during the Managers and Operators report. This project is complete and does not require further discussion. Draine commented that he thought that Dan's Ditching did a very good job on the project.
2. City Sewer Agreement: There has been no additional information pertaining to this subject since the last meeting with the City back since May 20<sup>th</sup>. Martin commented that when this subject was first brought up two and a half years ago the sole purpose was to discuss the future of the 24 acres known as the "Sutton Family Trust Property" located generally behind the Corner Pantry. At that time the City had said they would not allow for Septic systems to be installed in this area. The District wanted to have an agreement as to who would own the sewer systems in this future development. Currently there is a draft agreement that is going between us and the City that addresses a number of things but does not satisfy our original concerns. After a lengthy discussion on the subject Nolting made a motion to have Attorney Wieczorek prepare a letter to the City pertaining to the development of the "Sutton Family Trust Property" absent any other agreement between the District and the City. This letter will specifically state that this property is within the defined boundaries of the District and accordingly the District will be the sole source of water utilized within this property. A second to this motion was given by Draine. After additional discussion, Mills put the motion up for vote. It was approved a unanimous voice vote.
3. Financial Contingency Program: Martin stated that at the July meeting he was given authority to develop a contingency plan for raising rates should water sales drop sufficiently enough for the District not to be able to pay its bills. This is assuming the rainy weather would continue. He reported he has developed a plan that will add

\$15,000 per year and is still working to extend that to \$25,000 per year. As of this meeting he does not believe this plan will be required.

4. Kamstrup Metering System: Martin has developed a plan for the installation of the Kamstrup radio read metering system to be installed over the next three or four years, once we can do this financially. The total cost of this system would be some \$110,000. This will be further discussed in future months.

NEW BUSINESS:

1. Audience Comments: There were none.
2. Executive Session (Employee/Legal Matters):

At 7:44 PM there being on further business Mills reminded the Board that we would again meet on September 17, 2019 and asked for a motion to adjourn. Draine made such motion, seconded by Rausch. The motion passed by unanimous voice vote.

Respectfully,

Jim Martin  
Manager/Clerk