

MINUTES OF THE
COLONIAL PINE HILLS SANITARY DISTRICT
July 21, 2020

The Board of Trustees of the Colonial Pine Hills Sanitary District met on July 21, 2020 at the CPHSD Office Building. Social Distancing was observed and facial coverings were required. Temperature of each person entering the building was taken. They ranged from 96.4 to 97.2. President Mills called the meeting to order at 7:00 PM. Trustees present included Edward Mills, President; Gerald Burdick, Trustee; LeRoy Draine, Trustee; and Peter Rausch, Trustee. Don Nolting, Trustee was absent with prior notification. Present also were Jim Martin, Manager; Mike Riker, Operator; Talbot Wiczorek, Legal Counsel; and Steve Burgad, Maintenance. Traci Hanson from Ketel, Thorstenson LLP was present to present the bi-annual audit report.

AGENDA:

Burdick made motion to approve the agenda as written, seconded by Draine. The motion passed with a unanimous voice vote.

BI-ANNUAL AUDIT REPORT:

Traci Hanson, CPA from Ketel, Thorstenson LLP (KT) presented the audit report. She commented on the way documents were passed from the District to the auditors and thanked Martin for his assistance with the documents and other information. She then proceeded to report on the purpose of the audit and the rules the auditors used in preparation. She reported that in the opinion of the auditors, the financial statements referred to present fairly, in all material respects, the financial position of the District for the fiscal years ending in 2018 and 2019. She reviewed the highlights of the report with some in-depth explanations of the Balance Sheets and the Revenues, Expenses, and Changes in Net Position. She explained why some items were higher or lower; mostly pertaining to the climate when discussing water sales to the new office building when discussing fixed assets. Depreciation also played a part in the final figures. She also spoke about the District's long-term debt. She stated the District to be in sound fiscal position. She also reported that KT has prepared the financial statements and that this is most usual for small organizations. She also reported that KT did the audit adjustments, again usual for small businesses. And lastly KT found the District to lack the segregation of duties. She stated this also to be normal in small organizations where there are a limited number of employees that can look at different parts of the financial situation. The District's response is that the Trustees receive a packet of information each month that includes the financial statements, checks written with details, bank statement and reconciliation statements. Thus, the Trustees become the overseers in this case. All three of these conditions have been listed in every audit going back to 2001. At the conclusion of the presentation, President Mills asked for a motion to accept the audit report. Burdick made a motion to accept the report, with Draine adding the second. The motion passed by unanimous voice vote.

MINUTES:

Burdick made motion to approve the minutes of June 16, 2020, as written. A second was given by Draine. Motion passed with unanimous voice vote.

FINANCIAL REPORT:

Martin gave the financial report for June. As in last meeting there appears to be no apparent change in revenue in regard to the COVID-19 virus. In fact, revenue is up for deposits made in June from May water billing. The same is true for deposits being made in July. We are warmer this summer and selling more water than last year so the revenue is higher. There were no questions or comments. Draine motioned to approve the financial report with Burdick adding the second. It passed by unanimous voice vote.

MANAGER'S REPORT:

Martin reported we now have 60 Kamstrup meters installed and have five on-hand. We have places for two of those as we get to it. Martin has hired Beth Nelson as an Administrative Assistant. She began on June 30th and is working three hours per day, Tuesday thru Friday. Addition hours may be added whenever school begins. He has also hired Theo Frerlichs as a meter reader. He will begin with the July readings scheduled around July 31st. Askland Construction completed the pipeline extension project for Wamberg Court with the addition of an isolation valve at the bottom of the street, the installation of a fire hydrant just above the cul-de-sac and the extension of the main beyond the payment, and the addition of four new service lines, taps and curb-stops. There is nothing under the asphalt except the main. The Fire Hall is still closed for meetings thus we will be meeting in our building for the foreseeable future. Rausch stated that on the second page of the Manager's report where the previously discussed items are located, we should remove the reference to the purchase of a new truck since we have purchased the Polaris Ranger. We should also scratch off the pipeline looking in CSS project as that was closed out by the just completed audit. There being no further discussion Burdick made a motion, seconded by Rausch, to approve the Manager's report. The motion passed by unanimous voice vote.

OPERATOR'S REPORT:

Riker gave the Operator's Report. He reported the production levels for July when compared with June and we are producing more water. All samples have been taken for the month and all the wells are working well with some glitches in the filtration skid from time to time. It has to be manually reset sometimes. Burdick asked about the water that was filling the ditch along Sheridan Lake Road. Riker said that the filtration skid glitched and would not process all of the water that the Nonanna well was producing and that the overflow went into the settling tanks behind the well house but when they were filled the overflow went out the three-inch vent pipe down to Sheridan Lake Road and emptied there. Burdick asked if this was common and Riker said it has happened before. After further discussion the Board requested Riker make contact with WesTec, the vendor of the skid, and ask them about the problem and if there is a solution. We can't be wasting water. Riker said he would do this. There being no questions Burdick made motion, seconded by Rausch to accept the Operator's report. The motion passed by unanimous voice vote.

OLD BUSINESS:

1. COVID-19: Martin stated that the window has been installed in the entry door with a pass thru area and a table has been constructed in the vestibule. The inside door is always locked. No one comes in the building unless cleared. Forehead temperature is taken.

2. Administrative Assistant Position: Discussed in Manager's Report, above.
3. Naylor Well House: Steve has collected all necessary materials to upgrade the building. It should be completed this week.

NEW BUSINESS:

1. Audience Comments: There were none.
2. Executive Session (Employee/Legal Matters): Not Required This Meeting.

At 7:41 PM, there being on further business Mills reminded the Board that we would again meet on August 18, 2020 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