

MINUTES OF THE
COLONIAL PINE HILLS SANITARY DISTRICT
October 17, 2023

The Board of Trustees of the Colonial Pine Hills Sanitary District met on October 17, 2023 at the CPHSD Office Building. President Mills called the meeting to order at 7:00 PM. Trustees present included Edward Mills, President; Don Nolting, Vice President; LeRoy Draine, Trustee; Ron Colerick, Trustee; and Peter Rausch, Trustee. Present also were Jim Martin, Manager; Mike Riker, Operator; Talbot Wieczorek, Legal Counsel; and Steve Burgad, Maintenance.

AGENDA:

Rausch made motion, seconded by Nolting to approve tonight's agenda as written. The motion passed with a unanimous voice vote.

MINUTES:

Rausch made motion to approve the minutes of September 19, 2023 as written. A second was given by Draine. The motion passed with a unanimous voice vote.

FINANCIAL REPORT:

The financial report for September was presented. Mills opened the floor for discussion and/or comments. Colerick noted that while water sales revenue is down in 2023 compared to the same time in 2022, the electrical cost did not drop nearly as much as a percentage of water sales. Martin responded that electrical cost is not directly related just to the amount of water produced each month. Electricity is used by much more than just well production. No other discussion was had so Draine made motion, seconded by Rausch, to approve the financial report. It passed by unanimous voice vote.

MANAGER'S REPORT:

Martin reported that he has inspected all the fire extinguishers, eye wash stations and well houses this month. He has replaced first aid kits that have expired with new kits and replaced the eye wash bottle in the Conifer well house. He presented the Board with the draft FY2024 Budget for review. He mentioned that Beth Nelson and her team have found all but two curb stop valves. The exceptions are a home on Eagle Canyon Drive and the Corner Pantry. The District has purchased a mini-iPad for map work in the field. The cost was \$649 spread over 30 payments at zero interest. Martin will be out of town October 22-29. There being no further discussion Draine made a motion, seconded by Rausch to approve the Manager's report. The motion passed by unanimous voice vote.

OPERATOR'S REPORT:

Mike Riker presented the Operator's Report for September. He made comparisons for water produced during September and early October. All systems are operating normally. All samples taken were either within normal parameters or, as in the case of bacterial samples, absent. There being no questions Nolting made motion, seconded by Rausch to accept the Operator's report. The motion passed by unanimous voice vote.

OLD BUSINESS:

1. *Replacement of 4 Inch Pipelines:* Riker presented an estimate as to the current cost of replacing the Kerry Drive pipeline and adding some 600 plus feet of pipeline between Pinewood Drive and Dunsmore Road at the Section Line on the southeast side of the Sutton Trust land. The estimate, in today's prices, is 1.2 million dollars. This includes mobilization, engineering and contingency. There were zero comments by the Board members. This subject will be spoke of at some future time.
2. *Tapping Fees:* This subject was a continuation of the discussion began last month. In September, the Board unanimously approved the new "Water Services Handbook" that raised the tapping fees from \$1,000 for a ¾" meter to \$3,500. This number was considered to be more appropriate when comparing fees in other small water systems. However, later as the discussion began to speak of the new twelve home development to the south of Countryside South, doubts begin to appear as to the amount that should be collected as tapping fees. Tonight, the discussion was about the fees themselves as well as to how much the District puts into this. Currently, we collect a tapping fee but we purchase and provide the tapping saddles, curb stop valve and the meter at our cost. The reason we do the provision is that we want these items to be uniform across the distribution system. Tonight, the discussion was whether or not these items should be purchased by the District or the Developer. After a long discussion with legal counsel, it was determined to keep the tapping fee as included in the "Water Services Handbook" but call it a Connection Fee and have the developer pay for the three items in the connection process. Under no situation is the District going to pay for any other infrastructure such as pipes, hydrants, etc.
3. *Falcon Crest 2 Development:* No other developments have occurred. Martin presented the developer with our initial list of items that we require. We do have an updated map that shows drainage of the area.

NEW BUSINESS

1. *BHFCU Certificate of Deposit:* Martin stated that we have a 48-month CD that will mature on November 2nd that, if rolled over, will renew at 3.5 percent. He suggests we renew this in a one-year CD that will earn 5.25 percent. Draine made motion to do this, seconded by Nolting. The motion passed by unanimous voice vote.
2. *Western Dakota Regional Water System:* We are a Class II voting member of this organization that is looking into the feasibility of bringing Missouri River water to the Black Hills. This is a long-term project that has just begun. At the Annual Meeting in September Jim Martin was nominated to be on the Board of Directors representing the Sanitary District.

At 8:22 PM, Draine made motion to adjourn, seconded by Rausch. The motion passed by voice vote.

Respectfully submitted,
Jim Martin, Manager/Clerk