



BOARD DIRECTORS MEETING  
6 PM DECEMBER 08, 2025  
4611 TEAK DR RAPID CITY SD, 57703

Chairman Andy Fitzgerald called the meeting to order at 6:00 p.m. Present at roll call were Bob Phillips, Diana Nelson, Jennifer Battles, Shirley Haines, Tim Roth, Connie Olson and Carrie Wheeler joined the meeting via phone. Eric Krebs was absent Also in attendance was General Manager Rusty Schmidt, and Office Manager Sara Bender

**APPROVAL OF AGENDA:** made a motion by Bob Phillips to approve the agenda. Tim Roth seconded the motion. Motion carried unanimously.

**APPROVAL OF MINUTES:** Connie Olson made a motion to approve the minutes from the November meeting. Diana Nelson seconded the motion. Motion carried unanimously.

**APPROVAL OF FINANCE REPORT:** The financial reports were distributed to the Trustees for their review prior to the meeting. Diana Nelson made a motion to approve the Finance Report. Bob Phillips seconded the motion. Motion carried unanimously.

**ITEMS FROM THE PUBLIC:** No one from the public was in attendance.

**PRESIDENT'S REPORT:**

**1. Drinking Water Surcharge Revenue Bond 2023 27th Invoice for Engineering Services:** The 27<sup>th</sup> invoice for engineering services is \$10,651.75. This consists of \$10,525.75 for professional services and \$126.00 for transportation. The remaining balance on the contract is \$179,477.23.

**MANAGERS REPORT**

**2. Monthly Water Loss and Leak Detection:** Daily Production for November was 667,800 with water loss of 6.96% for the month. The annual running average for water loss for 2025 is 5.69%. Several service line leaks were fixed in November on Meadowland, Scott, Spade and S Neel. There was also a leak fixed on Carol St that was teed off and running into an old well on another property, but fortunately it was valved off. This has been corrected and the main shut off valve for those homes located and added to our GIS system.

**PROJECTS AND FUTURE DEVELOPMENT**

**3. Ennen Housing:** Phase 2 has not started yet but the extension fees have been paid. The contractor indicated that the sales for the smaller homes has slowed down, so they are going to start with 2B which

is the larger homes. The paving of Reservoir Rd to Anamosa is complete.

**4. Homestead St. Extension:** We are still waiting for the redlines to be returned on the plans. The developer will be required to move to lower the 12" water main. This development will consist of 38 homes and will be in its own pressure zone coming off the Diamond Ridge booster station.

**5. County and State ARPA 2 MG Storage Reservoir:** Pay application 13 has not been received yet. The fence and splash pan have been completed. The remaining balance on the contract is \$436,669.00. There will be a tour conducted on December 11<sup>th</sup> for a couple of the county commissioners.

**6. County and State ARPA Madison Well, Well House and Generator Project:** Pay application 2 has not been received yet. The concrete floor was completed and the pan and approach poured. The contractor is thinking about putting the fence up sooner than planned to help with the trouble they have with materials being stolen. They are also going to begin the framing and water infrastructure soon.

## OTHER TOPICS

**7. 1mg Tank Exterior Painting:** Carr Coating has submitted a proposal for the 1mg tank exterior painting. They plan to use water jet to remove the old paint and catch the debris using geotextile fabric. They plan to use power rollers for the paint to prevent any overspray to minimize damages to surrounding homes. The proposal is for \$99,300.00. A motion was made by Connie Olson to enter into a contract with Carr Coatings in the amount of \$99,300.00 for the exterior painting of the 1mg tank. Jennifer Battles seconded the motion. Motion carried unanimously.

**8. Compressor Room Addition:** WREA came and rerouted the power and the floor was poured. The framing will begin soon and the contractor estimates completion within 60 days.

**9. WREA Peak Shaving Program:** WREA is implementing the Peak Shavings program in January, and they will be conducting testing in December for the contact notifications. The potential savings with the new well, intake and treatment plant is approximately \$100,000.00.

**10. Cyber Security Secure SD:** Secure SD a cybersecurity program for government agencies has funding for security assessments and implementation of other cyber security measures to protect public entities as many have limited protection and are main targets to hackers. There have been few systems that have taken advantage of this since its implementation, so we have completed the initial survey and are waiting for them to reach out to us on the next steps. The assessment is free, and implementation of suggested hardware or software is at no cost to the entity. Once they have reached out, we will have to approve a memo of understanding and then we can begin the process of the assessment and implementation. The district has completed a full IT assessment with Marco Technologies which moved us to encryptions, MFA, multiple daily backups by Computer Solutions for our billing program and to Barracuda, which is stored to the cloud, and an on-site external hard drive for backup redundancy in case the cloud is inoperative. This also lead to the implementation of CrowdStrike Falcon for anti-virus system, which has Overwatch program which is a continuous updated threat hunting service utilizing a CrowdStrike security team and AI 24/7 to hunt hackers and stop breaches. To have the Secure SD assessment will provide the district with another team of experts to look at additional or other security options.

**11. Cellular Lease Proposal:** Harmoni Towers, a construction management company that negotiates telecommunication facilities has reached out and would like to lease a 100' x 100' area on our 22 acres on Radar Hill Rd. The consensus of the group was that the max offer presented of \$1000/month would not be

something they would be interested in, it was the majority consensus of the group to have the manager communicate with Harmoni and see where it goes. There was also an email sent from another telecommunications company (Symphony) in regard to an offer to pay up to 21x the annual lease to take over the Verizon lease on our tower. With the 15% escalator on the current contract we would earn more revenue, however the consensus of the group was to see if they would be willing to pay equal or close to the amount it would be with the 15% escalator over time and to make sure contractually the district would not be hindered in any way.

### **MISC. INFO:**

- ATC January 13-15, 2026 – Early bird registration deadline 12/15/2025
- Future use permit should be approved by the end of January.

A motion was made by Bob Phillips at 7:05 pm to enter into executive session as per SDCL 1-25-2 to discuss contract negotiations. Jennifer Battles seconded the motion. Motion carried unanimously.

The board came out of executive session at 7:30pm. A motion was made by Connie to approve a 20% water rate reduction on the districts current year residential 1000 gallon rate for Box Elder. Jenny Seconded the motion. Motion carried unanimously.

There being no further business, the meeting was adjourned at 7:40pm.