

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: November 4, 2013

Time: 6:30PM

Place: Gallatin Gateway Fire Station, 320 Webb St., Gallatin Gateway, MT

For: Regular Meeting of the Board of Directors

AGENDA

1. Call To Order

- a. Call To Order
- b. Public Participation on Non-Agenda Items¹

2. Approval of Minutes

- a. Approval of Meeting Minutes for October 7, 2013
- b. Approval of Meeting Minutes for October 11, 2013

3. Reports of Officers, Standing Committees, and Special Committees

- a. Report of General Manager & Report of Financial Condition (Donnelly)
- b. Report of Community Liaison Committee (Janes)
- c. Report of Engineer (Thomson)
 - i. Technical Status
 - ii. Feedback and Discussion of Initial Design Drawings
 - iii. RUS Reports, Administration and Draw Requests
 - iv. TSEP Reports, Administration and Draw Requests
 - v. CDBG Reports, Administration and Draw Requests
 - vi. DNRC Reports, Administration and Draw Requests

4. Unfinished Business and General Orders

- A. None

5. New Business

- a. Any New Business Which May Come Properly to the Board

6. Adjourn

¹ The opportunity for members of the public to comment on District matters which are not on the agenda. Time limits may be imposed at the discretion of the President.

Gallatin Gateway County Water & Sewer District

MINUTES OF THE

BOARD OF DIRECTORS

A regular meeting of the Board of Directors of the Gallatin Gateway County Water & Sewer District was held at the Gallatin Gateway Fire Station, 320 Webb St., Gallatin Gateway, MT, on November 4, 2013. Present at the meeting were board members Ted Border, Steve Janes, David Sullivan, and Earl Wortman. Board member Merle Adams was absent. General Manager Matt Donnelly and Secretary Maralee Parsons Sullivan were also present. In attendance were Kurt Thomson from Stahly Engineering, and Larry Watson from Gallatin County. There were no members of the public present.

President Border called the meeting to order at 6:35 p.m. Maralee Parsons Sullivan recorded the minutes of the meeting.

PUBLIC COMMENT

President Border asked for public comment on non-agenda items. There were no non-agenda items raised.

President Border proceeded to the next item on the agenda.

APPROVAL OF MINUTES

After confirming that all directors had a draft copy of the October 7, 2013 meeting minutes, President Border asked whether there were any corrections. None were noted. Director Sullivan made the motion to approve the minutes as written, Director Wortman seconded the motion and the minutes were approved unanimously.

After confirming that all directors had a draft copy of the October 11, 2013 special meeting minutes, President Border asked if there were any corrections. None were noted. Director Wortman made the motion to approve the minutes as written, Director Sullivan seconded the motion and the minutes were approved unanimously.

REPORT OF GENERAL MANAGER & REPORT OF FINANCIAL CONDITION

Matt Donnelly reviewed the current monthly financial package (P&L and Balance sheet) for FY starting July 1, 2013. P&L YTD: Tracking 2 of 3 categories with activity (General Fund and Sewer Project Fund), with a new column for the lawsuit expenses. Balance sheet indicates the District has \$1,374 in the bank. The \$1,000 retainer fee for to defend the lawsuit is not indicated in this month's financials as the check is not cashed yet, but this was paid in addition to the \$1,500 for insurance. Also included in the financials is the actual vs. budget of engineering expenses. Phase 2 is essentially complete.

Election for the 2 expiring seats on the GGSWD would be held Nov 5; however, only one candidate filed for 2 positions, so at the December meeting the Board will appoint Steve Janes by acclamation for another term, expiring November 2017. This will leave one vacant seat, which can be filled by appointment of the Board at any time. Not having to run an election saved the District money. Director terms were reviewed: seats held by Adams, Sullivan and Border will expire in November 2015.

At the special meeting of October 11 the Board approved hiring Allan Payne to provide domain expertise to defend the lawsuit; \$1,000 retainer has been paid. Within about 45 days after being served, the District must file a response, which is currently being drafted by council. DEQ council will be taking the leadership role in the lawsuit. Mr. Payne is attempting to have the legal fees paid for by insurance. The project is still moving forward, and after some brief discussion the Board agreed to contact Ms. Swimley individually with any questions on the lawsuit.

There was some discussion around the Gateway Village (GV) sub-division application. It is still unknown when this will be on agenda at the County Planning Board. The District was notified that GV has amended the sub-division application from 8 phases to 5 phases, and will include an SBR system in phase 1, rather than upgrading to an SBR from a level 2 system, as was initially planned. Matt indicated this did not change the District's position in its response to the County Planning Dept., i.e., the District requests that GV submit a formal application to the District to hook-up to the public system. This will launch a formal process of determining capacity based on facts, rather than on speculation and gossip. The District strongly supports a single sewer system for the Gallatin Gateway community and encourages discussions with the GV developers.

Ordinance 2013-01 goes into effect on November 6, 2013, and the District will be sending out its first invoices for \$6 per month per lot, covering December and part of November. The District will need to discuss software options for billing. Director Sullivan has obtained information on 2 packages designed specifically for utilities, Black Mountain (\$5K for billing and \$5K for accounting) and CORE (\$850 for billing, no accounting). The District is currently using QuickBooks for accounting. Director Sullivan indicated that the CORE system has a feature that will allow multiple lots to be placed on one bill. Matt will schedule a meeting with the District's auditor to discuss requirements and suitability of software packages, and continue discussions at the December meeting.

Matt expressed his gratitude to out-going Director Wortman for his dedication to the Sewer District since its inception; all Board members echoed these sentiments. Director Wortman expressed his desire to stay involved by working with the Community Liaison Committee.

REPORT OF COMMUNITY LIAISON COMMITTEE

Director Janes reported for the committee. There has been some mixed sentiment received from community members contacted most recently, some opposed or indifferent to the project. He will be out of town for about 3 weeks, and expressed concern for the end of November timeline to have all resident feedback in place. Kurt indicated there is some wiggle room, especially for actual sewer service locations, but fewer changes made in the final design, the better.

REPORT OF ENGINEER

Kurt Thomson provided the engineering report.

Design: lift station and forced main remains in good shape; there are still some electrical things to finish up. Collection system is hinging on the easements. Some changes are being made to the treatment & disposal area based on the DEQ permit.

Easement on Pete Stein and neighbor's land: Pete Stein had asked his opinion on a smaller easement and shorter depth of main, (less disturbance). The school is upstream, which does not need a lot of depth, and downstream is the right of way just before old standard alley location; this works well and could be done, although not standard. Matt said he talked with Hart regarding his easement, and got a positive response, although not in writing. *Kurt to email to Matt the drawing of the easement that goes in front of Fort Martin.* Matt has not contacted Ron Page yet. All other easements are established. *Kurt to file the GG Inn easement ASAP.*

Kurt reviewed an updated cost estimate with the Board, although he noted that he had not yet received input from the contractor from whom he solicited feedback, despite weeks of prodding, but meanwhile other items have been updated. The updated estimate represents about \$325K in reductions from the 7/15/13 estimate, mostly due to the reduction of 50K gal to 30K gal/day. Treatment changes of note:

- #3 office/shop building (\$72K) & #14 level 2 enclosure (\$160K) are both now an alternate bid item.
- #5 septic tanks was adjusted because of 30K gal/day maximum, need to be 2.5 times our max day, so this item is reduced from \$336K to \$253K, although unit price is higher due to reduced scale.
- #12 Level 2 AdvanTex equipment reduced from \$453K to \$420K due to anticipated savings through a bid process.
- #15 dose tank reduced from 20K gal to 15K gal, with a cost savings of \$15K.
- #22 fencing changed to a 3 strand barbed wire with a savings of \$12.6K

There was some discussion around the schedule. Kurt indicated that a spring bid is now likely, rather than the previously anticipated January bid, due to reviews, which must occur by the funding agency & DEQ (min. 60 days). Matt asked how prices would be impacted, as we previously had been told that we

would get better prices bid in the winter. Kurt indicated that acceleration on the timeline is not possible but could push for a quick agency turn-around. The Board expressed surprise and disappointment in the delay of the bid schedule. *Kurt will review the reasons for the delay and report to the Board.* Kurt provided the pre-qualification document to the Board, asking for feedback. The vendor RFP will be advertised and Stahly will contact those vendors who are well known and can meet the requirements, to make sure they are aware of the RFP. Matt asked when the final design would be ready. Kurt indicated the final design would be complete and submitted to DEQ by the end of the 2013. Matt emphasized that the Board needs ample time to review the submittal to DEQ, and Stahly needs to incorporate that into its timeline, to ensure Board feedback is not requested "under the gun". Kurt agreed to give the Board ample time to review. Matt emphasized it is important to get the documents in front of the reviewing agencies ASAP to show forward progress on the project, and request the earliest possible agency review.

Matt Donnelly reported on the various government reports, administration and draw requests:

- RUS: nothing to report
- TSEP: Matt presented a draw request for \$4,340 to cover the Stahly invoices included in the meeting packet. Director Sullivan motioned to approve the invoices and the draw request; Director Wortman seconded the motion. The motion passed with 3 votes in favor, Director Janes abstaining.
- CDBG: Larry Watson reported that there has been no communication from CDBG since public hearing completed in July. Matt indicated that Susan Swimley had asked for some clarification on behalf of CDBG on the Vaughn property and the environmental review. Matt will ask Susan to clarify communications and bring Larry into the loop as needed.
- DNRC: Nothing to report

UNFINISHED BUSINESS AND GENERAL ORDERS

None.

NEW BUSINESS

President Border asked for any unfinished or new business.

President Border asked for additional unfinished or new business, and seeing none, President Border noted that the next meeting date is December 2, 2013.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 7:52 p.m.

Secretary

Summary of Action Items from November 4, 2013:

- ✚ *Matt to set up meeting with District auditor, including David and Maralee.*
- ✚ *Kurt to email Matt the drawing of the easement that goes in front of Fort Martin.*
- ✚ *Kurt to file the GG Inn easement ASAP.*
- ✚ *Kurt to review the reasons for the delay in the timeline from a January bid to a Spring bid, and report reasons for the delay to the Board.*
- ✚ *Kurt to ensure the timeline of the final design review allows ample time for the Board to review prior to DEQ and funding agency submission.*