

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: August 3, 2015

Time: 6:30PM

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

For: Regular Meeting of the Board of Directors

AGENDA

- 1. Public Participation on Non-Agenda Items¹**
- 2. Approval of Minutes**
 - a. Approval of Meeting Minutes for July 6, 2015
- 3. Reports of Officers, Standing Committees, and Special Committees**
 - a. General Manager Report, Treasurer Report, Approval of Expenditures
 - b. Report of Engineer
 - i. Technical Status
 - ii. RUS Reports, Administration and Draw Requests
 - iii. TSEP Reports, Administration and Draw Requests
 - iv. CDBG Reports, Administration and Draw Requests
 - v. DNRC Reports, Administration and Draw Requests
 - vi. COE Reports, Administration and Draw Requests
 - vii. SEARCH Reports, Administration and Draw Requests
- 4. Unfinished Business and General Orders**
 - a. Discussion and Decision on Engineer Amendment 6a to Review and Amend the PER for the District's wastewater treatment and collection project
- 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 August 3, 2015. Present at the meeting were board members Eric Amend, Ted Border, Ashley Kroon and David Sullivan. Director 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. Public attendees included Christie Francis, Tim Szafaryn, Earl Wortman and Pete Stein.

President Border called the meeting to order at 6:30 p.m. Secretary Maralee Parsons Sullivan recorded the minutes of the meeting.

PUBLIC PARTICIPATION OF NON-AGENDA ITEMS

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 July 6, 2015 meeting minutes, President Border asked whether there were any corrections. Director Kroon requested the GM report be modified to clarify that GM Donnelly did not attend the Commissioner's meeting along with Director's Kroon & Border. Director Sullivan made the motion to approve the minutes as amended, Director Amend seconded the motion and the minutes were approved as amended unanimously.

REPORT OF OFFICERS, STANDING COMMITTEES, AND SPECIAL COMMITTEES

General Manager Report, Treasurer Report, Approval of Expenditures

GM Matt Donnelly provided the report:

- The District received an email from DEQ advising that Gateway Village (GV) had re-submitted its gravel pit application. Mr. Donnelly briefly reviewed the application, and did not find any new information that would change the District's informative response to the first application, which requested DEQ ensure the activities on the applicant's site do not adversely effect the activities on the District's adjacent wastewater treatment site.
- The District's Supreme Court filing in response to GV's filing is due August 10. He has asked the attorneys to rebut the inaccurate statements made in the GV brief.

- This month Mr. Donnelly will be working to complete a non-binding memorandum of understanding with the Four Corners board as to what rate structures would look like, if the District were to hook up to them. Four Corners cannot sign a binding agreement until after the purchase of the system is complete (expected to be December) but they do have enough information now to start the discussion on rates, and a non-binding MOU should provide the Board and the engineer updating the PER enough information to begin defining and debating the options, to make the best decision for the constituents of the District.

Treasurer Maralee Sullivan reviewed the current monthly financial package for the current FY starting July 1, 2015:

- Expenses for the month of July included \$21 in advertising, \$304 in legal and \$1,764 in engineering expenses. The District's Line of Credit (\$25K total) with Big Sky Western was renewed in July for one more year. The A/R aging was reviewed: 7 accounts were sent a letter on July 15 (reviewed with the Board last month), stating that their account was in arrears greater than 90 days, and which explains the process for submission to the County for collections unless their account is brought current by August 15. Two of the recipients of the letter have since paid their account, however one account, Tristian Bingham, paid the past due charges (3 quarters total), less \$20 for the 2 late fees of \$10 each, and Ms. Sullivan read the note Mr. Bingham had included with his payment, protesting the late fees on "an unused" and "unwanted service". There was discussion among the Board on the options of crediting the late fees or allowing the late fees to remain on account, which would require the District to submit the account to the County. After some discussion, Director Amend made the motion to authorize Treasurer Sullivan to credit the \$20 late fees, and also send a letter to Mr. Bingham stating the Board's position that they have authorized forgiveness of the \$20 late fees one time only, but they are not discounting the legitimacy of the District's late fee policy and late fees will not be forgiven in the future. Director Sullivan seconded the motion, and it passed with 3 Directors in favor and Director Kroon opposed.
- The District received its annual insurance premium from MT Association of Counties (MACo) for \$1,445 and Ms. Sullivan requested Board approval to pay from the general fund. Director Kroon made the motion to pay MACo \$1,445; Director Amend seconded the motion, and it passed unanimously.
- The District completed its civil rights compliance review, required every 3 years by our federal granting agencies.
- The District was notified of a new law recently passed by the MT state legislature that requires Districts created by county government store its Board meeting minutes electronically with the county clerk, for all meetings held on or after July 1, 2015. Ms. Sullivan will ensure the District complies.
- Ms. Sullivan will be sending a RFP to 2 of the 4 accounting firms that are authorized to audit Montana government districts.

REPORT OF ENGINEER, GRANT AGENCY DRAWS & REPORTS

Kurt Thomson provided the engineer's report. He has asked DEQ for an update on the discharge permit application and also the collection system design review, and expects to hear back from DEQ in the next few days. He will advise when he hears more. The 30-day public comment period will begin August 17. Mr. Thomson will provide Director Kroon with the promised information on DEQ's sludge chlorination requirements.

Government reports, administration and draw requests:

- RUS: nothing to report
- TSEP: nothing to report
- CDBG: Larry Watson provided the report. At the June Commissioners' meeting, the Commissioners confirmed their finding of No Significant Impact and mailed it, along with the Request for Release of Funds, to Dept. of Commerce. The 15-day public departmental hearing period ended the first week of July. Mr. Watson has not been able to get a response from the department as to what their next action will be. He will be contacting them at least once a week to get a status update.
- DNRC: Nothing to report
- COE: Mr. Donnelly advised that funds would be dispersed to the District on a single-draw request; Teresa Doig is working with our grant administrator. Stahly invoices will need to be approved by the Board prior to submitting payment to Stahly.

UNFINISHED BUSINESS AND GENERAL ORDERS

Discussion and Decision on Engineer Amendment 6a to Review and Amend the PER for the District's Wastewater treatment and collection project

Mr. Donnelly reviewed the background on the amendment. When the District's PER was written in 2010, joining Four Corners (4C) was not deemed a viable option since the District could not negotiate terms with the owner of the private facility, which were acceptable to the federal government (grants) or the GG community. Now that the residents of 4C have authorized a bond to purchase the utility, the option is now viable, and the District would like to investigate further. RD advised Mr. Donnelly that RD funds would still be available if the Board chooses that option, but the PER will need to be amended with updated costs, etc. RD advised that grant funds are available (a SEARCH grant) to pay for the PER amendment. The District has completed its application for the SEARCH grant, and is waiting confirmation of approval. Engineer amendment 6a for \$17,800 is to do the work to amend the PER, and will be paid for by the SEARCH grant. After some discussion as to the timing of RD's formal approval of the grant, the Board decided to postpone the decision to approve the

amendment, until Mr. Donnelly can provide the Board with a more definitive timeline on grant approval. A special Board meeting will be called within one week to take action on this agenda item.

NEW BUSINESS

President Border asked for any unfinished or new business.

GM Donnelly asked that Directors Sullivan, Border and Adams file their election paperwork by August 22, for the November 3 election. He also noted the next meeting date falls on Labor Day and suggested a date change to the following Tuesday (Sept. 8). He also proposed changing the regular meeting venue from the fire station to the school, since the fire department is starting up trainings on Monday nights and there could be conflicts. There was general approval for the idea; Mr. Donnelly will investigate, and the September meeting will be held on Tues. September 8 (venue TBD).

Tim Szafaryn asked if it would be necessary for the District to hook up to water with Four Corners (4C), as well as wastewater, in order for 4C to determine flow via metering. Kurt Thomson advised that the District could meter its wastewater flow in bulk (not at the property level). Pete Stein asked if the 4C option goes through, would there be an opportunity for property owners between GG and 4C to hook up? Mr. Donnelly expects that the District would need to work in tandem with the 4C Board, in making any decisions to annex in non-District customers.

President Border asked for additional unfinished or new business, and seeing none, asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 8:00 p.m.

Secretary