

**Gallatin Gateway County Water and Sewer District**  
**MINUTES OF THE**  
**BOARD OF DIRECTORS**

A regular meeting of the Board of Director for the Gallatin Gateway County Water & Sewer District was held on October 12, 2020 at Gallatin Gateway Farmhouse Cafe. and a number to attend via teleconference was also provided. Present at the meeting were board members Matt Donnelly, Ted Border, and Maralee Parsons Sullivan. General Manager Justin Brechtelsbauer, District Administrator Linda Cox and District Council Susan Swimley were also present. Members of public present included Tom Henesh, Jeff Pheil, Pete Stein, with Gwen Allen, and Megan Buecking attending via teleconference.

President Border called the meeting to order at 6:30 p.m. Linda Cox recorded the minutes of the meeting.

PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

President Border asked for public comment on non-agenda items. No public comments were made.

CONFLICT OF INTEREST DISCLOSURE

President Border asked if any items of conflict of interest, or potential conflict of interest, needed to be raised. None were raised.

APPROVAL OF MINUTES

Two amendments that involved correcting typing errors were suggested for the meeting minutes of August 10<sup>th</sup> and 13<sup>th</sup>, 2020. Director Sullivan moved voted to approve minutes as amended and President Border seconded the motion. The motion was accepted unanimously.

CONSENT AGENDA

None

REGULAR BUSINESS

**A. Petition for Annexation of Pheil Acquisitions 1st Reading**

Susan Swimly suggested that the ordinance not be accepted or read in November until the annexation petition is signed by Mr. Pheil.

Megan Buecking shared that it is not a straight forward project. This property is in the 100-year flood plan and a sewer line is permanent infrastructure, while this is a recreational area, is not intended for commercial or residential use. The owner has allegedly been charged with a violation of his 310 permit and has been issued a cease and desist order, which has not yet been resolved. A hearing conducted by the Gallatin Conservation District is scheduled for October 14, 2020. Information on the meeting is on the Gallatin Conservation District's website.

Gwen Allen agreed with and supported everything Megan said.

Pete Stein queried the group as to why Pheil Acquisitions is petitioning to be annexed into the District.

Jeff Pheil said he wanted to join the district in order to contribute to the District. He also reiterated that the alleged 310 permit violation is alleged and that the work associated with this alleged violation was not related to the project involved in the annexation.

Susan Swimley explained that in-district customers who are in arrears on their payments can be billed on their tax bills, while out of district customers have to be sued for non-payment. This makes the collection of unpaid fees easier for in district customers. In-district customers also contribute to the assessment, which means that as the number of in-district customers increases, the assessment for each individual customer decreases. She also assured the group that the risk associated with the sewer line and any potential damage would be paid by Mr. Pheil, not by the community. The annexation petition has been altered to reflect that future risk is assumed by Mr. Pheil.

Tom Henesh, a consultant, expressed his support the Annexation Petition of Pheil Acquisitions. He stated that Mr. Pheil followed the appropriate course of action in obtaining a will serve letter from the district.

Director Donnelly moved to accept the first reading to annex Mr. Pheil and Director Sullivan seconded. Director Donnelly will not support the second reading if the annexation is not signed by Mr. Pheil and if the hearing conducted by the Conservation District finds evidence that a violation occurred. The first reading was accepted unanimously.

#### B. Resolution for annual assessment of Properties in District of Gallatin Gateway

The annual assessment per lot previously was \$201.79 for 133 lots. A grant provided funding for lower income customers to cover their annual assessment. When the funding was allocated to cover the annual assessment for this group of customers, 22 lots, rather than 20, were prepaid. Also, after the first annexation a total of 134 lots were assessed rather than 133.

These two changes meant that a recalculate of the annual assessment was required. Therefore, the resolution sets the per lot assessment at \$203.61. Director Sullivan moved to approve the resolution and Director Donnelly seconded the motion. The resolution was adopted unanimously.

#### C. Notice of transfer of Sale of Gallatin Gateway Inn and Gateway Village (Mike Ducennois) to Speak along with Q & A

The Gateway Inn and Gateway Village have been sold. The Gateway Inn now has now submitted an application to add 82 beds and may submit an application for 300 beds. The Gateway Village is intending have their own sewer system and may turn over its operation over to the District. Board member Donnelly is encouraged that they are talking. Mike Ducennois did not attend the meeting

## General Manager Report

The Profit & Loss Statement indicates that revenue is up. Director Maralee Sullivan requested that income and expenses summaries for general funds and for sewer enterprise funds, along with the year-to-date budgeted totals and how much actual totals vary from budgeted totals, be produced quarterly. Looking at the budget, liability insurance premium has decreased.

In his O & M report, General Manger Brechtelsbauer provided a flow summary and lift station statistics. In past years, less flow was used.

Scenic City Enterprises is running behind on jetting and inspecting the sewer main and cleaning the lift station at the end of Lynde St. Work should start Wednesday, October 14, 2020 on Rabel Lane then move down to Penny Lane. It should be done by the end of the week.

A prefab shed has been identified that is competitive with construction using raw materials. President Border and General Manager Brechtelsbauer will expedite the shed building

## ADJOURN

Meeting was adjourned by President Border after he asked for unanimous consent to adjourn. Hearing no objection, President Border adjourned the meeting at 7:30 pm.