

FOUR CORNERS COUNTY WATER AND SEWER DISTRICT MINUTES
Board Meeting February 7, 2007

1. Call to Order: A quorum being present, the meeting was called to order at 6:30 p.m. in the library of the Monforton Elementary School, 6001 Monforton School Road, Bozeman, Montana

Present: John Hulme, Mike Pearson and Don McHenry

Also present: Susan Swimley, attorney for the District, Ron Edwards, District Consultant

Public: John Close

2. Approval of Minutes: Don moved approval of minutes from the January 3, 2007. Mike seconded the motion. Motion passed unanimously.

3. Old Business:

- a. Amendments to Rules and Regulations (rates and charges) Utility Solutions Contract for various service areas and report of ad hoc finance committee. –

No report

- b. Annual Report – (presented Ron Edwards)

Turner and Holmes was selected to conduct the audit for the District under a 3 year contract.

- c. Discussion of hiring bookkeeper - The District contracted with Wendy Hebert to be the bookkeeper for the District.

- d. Petitions for Annexation:
 - a. Gallatin Heights
 - b. APK (Buckland Siding)
 - c. Black Bull Run
 - d. Middle Creek Parklands (Flikkema)

No report as proceeding is tied to the engineering report.

- e. Litigation Update: (Susan Swimley presented)

Faust and McManus v. Four Corners County Water and Sewer District and Utility Solutions, has been appealed to the Montana Supreme Court and no filings have been made at this time.

The District is seeking reimbursement of its attorney's fees in Lohmeier v. Four Corners County Water and Sewer District. Lohmeier has objected and asked for a hearing on this matter. No hearing date has been set at this time.

The Board discussed the litigation in the First Judicial District between the objectors and DNRC.

- f. Engineering review of US (service areas and annexations) / HDR (Ron Edwards presented)

Written memorandum of Ron Edwards dated February 7, 2007 is attached.

- g. Discussion of allowing irrigation wells within District (Area 2). Topic delayed as no meeting with US has occurred yet.

4. New Business

- a. Discussion of officers duties / possible bylaws amendment. Susan reported that Richard asked if there was a treasurer position with defined duties. The current bylaws do not provide for such a position. The Board directed Susan to draft an amendment to the Bylaws to include that position.
- b. Election of Officers. The Board will conduct elections after it considers whether or not to create a Treasurer position.
- c. Discussion of board election procedures- Susan informed the Board that two (2) directors positions are up for election this year. The nomination petitions are at the Clerk and Recorder. A nomination petition may be filed between June 25th through August 23rd. If no nomination petitions are filed, then the Board members are filled by the remainder of the Board.
- d. Ratification of Treasurer's Resolution – Don moved to ratify Resolution 2007 – 01, a Resolution directing Gallatin County to Distribute the tax levy funds collect. Mike seconded the Motion. Motion passed unanimously.
- e. Other matters to be placed on future agendas

Ron suggested that the Board develop a "cook book" for annexation submittals and consider charging a fee for annexation. The fee would be to cover the charges for attorney time to review the annexation petition

and engineering time to review the application to engineering. It should also include requirements of submittal such as engineering analysis from the requesting parties engineers, a Utility Solutions capacity letter and sufficient copies and information for HDK to review the application.

The District and US need to finalize the contract for service south of Norris Road.

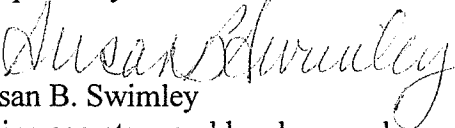
5. Public Participation:

John Close informed the Board the US is preparing to start sending out monthly bills in Service Area 2- north of the Norris Road.

6. Board Issues: none

7. Adjourn Meeting Meeting adjourned at 7:30 p.m.

Respectfully Submitted


Susan B. Swimley
acting secretary and legal counsel