

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES
October 6, 2010

1. Call to Order

There being a quorum present, Vice President Flikkema called the meeting to order at 6:30 pm, in the library of Monforton School at 6001 Monforton School Road, Bozeman, Montana.

Present: Vice President Nancy Flikkema, Treasurer Ed Schmidt and Cory Klumb.

Public: Susan Swimley, Erin McHenry, Amy Ellingson, Barb and Trevor Campbell and members of the public –refer to sign in.

2. Approval of Minutes from August 4, August 8, August 12 and September 1, 2010 meetings.

MOTION: Treasurer Schmidt made a motion, Cory Klumb seconded, to approve the minutes from the August 4, August 8, August 12 and September 1, 2010 meetings. The motion carried 3-0.

3. Consideration of financial reports

a. Approval of financial reports.

New rates were implemented September 20th and we are starting to receive payment. The need for a full time manager will alleviate the problems getting checks to US in a timely manner. In the future we will be able to pay US as soon as we receive the payment.

MOTION: Treasurer Schmidt moved to pay US the \$30,000 due for service. Cory Klumb seconded. The motion carried 3-0.

Mrs. Swimley recommended the board also pay Erin McHenry, Jan Klotthor and any insurance premiums due.

MOTION: Treasurer Schmidt moved to pay Erin McHenry, Jan Klotthor and any insurance premiums due. Member Klumb seconded the motion. The motion carried 3-0.

b. Discussion of Financial Issues of District

The board agreed the need for a full time bookkeeper/manager is necessary. The District will keep the external auditor so there are no financial conflicts. It was agreed to offer an independent contractor approximately 20.00 per hour for the position. A few of the Board members thought they might know of some interested parties.

4. Business

a. Update on Utility Solutions service contract.

The service contract is ready for adoption other than the highlighted area on page 4. The auditor felt it needed more controls all of which could be addressed by an independent bookkeeper/manager and scheduling payments to US on a regular basis. The Board discussed the need to consolidate the District's mailing address and bank location.

MOTION: Treasurer Schmidt moved to move the bank account to Big Sky Western Bank and the post office box to Mail & More at Four Corners. Member Klumb seconded the motion. The motion carried 3-0.

MOTION: Treasurer Schmidt moved to take \$1000.00 from the existing checking account to start the new account at Big Sky Western. Member Klumb seconded the motion. The motion carried 3-0.

Mrs. Swimley reported the mentioned changes the service contract appeared to be in order. She gave copies to the Board for review and was going to verify the exhibits were correct before the next meeting. It could be signed at the next meeting if the Board has reviewed and approved. The service contract would have to be amended to address the rate decreases approved for commercial due to use.

b. Gallatin County Road and Bridge Department update.

Mrs. Swimley directed the Board to the letter from Mr. Greenbaum. Marty Gagnon had not had a chance to respond to the request for information. She will respond with information as it becomes available. The letter asks for a refund of overcharges and after review there seems to be no basis for consideration of refund.

c. Becker commercial property with individual well.

They currently have an individual well and septic and have asked for an exception from the board regarding connection. They know they will have to connect to due to the state of their septic system but don't want to hook up to water. The Board had denied the requests but they have applied for a septic permit anyway and it was issued. Mr. Roark from the Health Department suggested the district provide him with a procedure manual for application into the district including district boundaries to help alleviate confusion. The Board agreed this was necessary.

Barb Campbell from Utility Solutions would like to run sleeves under Jackrabbit for future expansion of water and sewer service areas. Money would be saved by putting the sleeves under the road while it is under construction. She needs to ask the County to allow her to proceed and it would be helpful having a letter of support from the Board.

MOTION: Treasurer Schmidt moved to draft a letter of support to put sleeves under Jackrabbit while it is under construction. Member Klumb seconded the motion. The motion carried 3-0

d. Determine policy for users who are renters.

Currently the owner is always but the bill goes to the renter and if they move out and don't pay it defaults back to the owner. US would like to request the Board clarify the policy so they could just bill the owner. The Board would take it under advisement.

e. Annexation requests

1. Rasmussen, Hokanson, Gallatin County Road Department and Rocky Mountain Bank.

The annexations are on track for election by the end of the year.

2. Request for Board instruction on holding annexation election for non-contiguous properties.

This should have been removed from agenda.

f. Policy issues

1. Out of District use of fire hydrants /water

This will be addressed with policy issues

2. Consideration of wells for irrigation

On hold

3. Consideration of separate rate structure for publicly funded entities.

US reported on usage data of the publicly funded entities. Monforton School is currently hooked to the system and has been monitored for about 2 weeks. They are in the correct category based on the usage so far. The Road and Bridge Department average about 10,000 gallons per month and appear to be categorized correctly based on the data. They are similar to commercial users. There is no data from the Fire Hall. Mrs. Swimmley reminded the Board they would have to establish a methodology to structure a rate decrease and also have a rate hearing to implement.

MOTION: Member Klumb moved the Board not entertain a decrease in rate for publicly funded entities and commercial condos. Treasurer Schmidt seconded the motion. The motion passed 2-1.

5. Public Participation

None

6. Board member issues

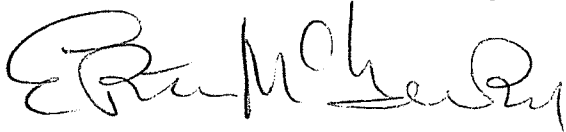
None

7. Adjourn Meeting

There being no further business before the Board, the Four Corners Water/Sewer District meeting of October 6, 2010 was adjourned at 8:10 p.m.

Respectfully Submitted,

Erin McHenry, Recording Secretary

A handwritten signature in black ink, appearing to read "Erin McHenry". The signature is written in a cursive, flowing style with some loops and flourishes.