

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES  
November 3, 2010

1. Call to Order

There being a quorum present, President McHenry called the meeting to order at 6:40 pm, in the library of Monforton School at 6001 Monforton School Road, Bozeman, Montana.

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

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

2. Approval of Minutes from October 6, 2010 meeting.

The Board noted that 3.b. was incorrect as the District is in need of a part time bookkeeper/manager at about 10 hours a week / 40 hours a month; 4.a. clarification that the service contract would have to be amended to change the rates in the future; Under 4.c. there was clarification in regards to the Becker property. He could apply for a septic permit and it might be issued as that is before the Board of Health.

**MOTION:** Vice President Flikkema made a motion, Treasurer Schmidt seconded, to approve the minutes, as amended from the October 6, 2010 meeting. The motion carried 3-0.

3. Consideration of financial reports

a. Approval of financial reports.

The district has not received the statement from First National Bank yet. The board agreed when it is received we should take the balance and transfer it to the new account at Big Sky Western Bank. Treasurer Schmidt reported the District is a little short on funds but should start receiving tax payments shortly. We do have outstanding bills to pay after we receive funds.

**MOTION:** Vice President Flikkema moved to pay Jan Klotthor the amount due for service. Treasurer Schmidt seconded. The motion carried 3-0.

b. Report in change in banking institutions/ change in postal.

President McHenry needs to stop and sign at the bank. Vice President Flikkema and Treasurer Schmidt already signed on both bank and postal accounts.

c. Clarification of payments of rates to Utility Solutions.

The Board has agreed the District will pay Utility Solutions twice a month.

d. Payment of fee and filing of annual financial statement.

Mrs. Swimley reported the documents are signed and the fees will be paid.

4. Hearing: Consider Gallatin County Road Department request to review rates (2008) and current bill.

Mrs. Swimley notified Mr. Greenbaum and the Gallatin county Road Department of the meeting and neither party is in attendance. Item will be tabled until end of meeting.

5. Business

a. Consideration, discussion and possible adoption of US service contract.

The Board had a chance to review the final draft of the proposed service contract. The proposed language changes by Mrs. Swimley were agreed upon by US. The contract seems in order. Leesa Gregory from Zoot observed the service contract did not address the ability for public viewing of an audited financial statement. Mrs. Swimley explained the service contract did not need to include a public view of the audited financial statement as the terms of the contract address past deficiencies and the current rates which should not fluctuate unless there is some unusual change like a spike in utility rates.

The Board requested some clarification of how the tax payments will be handled. Mrs. Swimley responded by pointing out the formula established which was going to be paid by the county directly to the District and then US. Auditing the payments would be the responsibility of the proposed new bookkeeper/ manager.

**MOTION:** Treasurer Schmidt moved to adopt the service contract with Utility Solutions as presented. Vice President Flikkema seconded the motion. The motion carried 3-0

b. Consideration of Resolution calling for Election on Annexation Requests  
Rassmussen, Hokanson, Gal. Co. Road Department and Rocky Mountain Bank.

Currently none of the parties want to annex. It was actually Bank of the Rockies not Rocky Mountain Bank.

c. Policy issues.

1. Out of District use of fire hydrants/ water.

On hold

2. Consideration of wells for irrigation.

This would affect very few users as most subdivisions don't allow private wells. The Board agreed they did not want to pursue this as an option.

3. Policy for users that are renters.

The current rules and regulations state the property owner is responsible for all charges.

4. Amendment to Rules and Regulations (ordinance requiring 2 readings and 30 days for enactment)

Mrs. Swimley reviewed the rules and regulations for accuracy. She did find some errors, mostly just typos. The Board directed Mrs. Swimley to go ahead and amend the rules and regulations to correct any inaccuracies.

- d. Election of officers.
  1. President
  2. Vice President
  3. Treasurer

**MOTION:** President McHenry moved to elect Mrs. Flikkema as President; Mr. Klumb vice President and Mr. Schmidt remains treasurer. Treasurer Schmidt seconded the motion. The motion carried 3-0

- e. Board member terms.

As there is a vacancy Mrs. Gravage a property owner from Quail Run has offered to sit on the Board.

**MOTION:** Vice President Flikkema moved to invite Mrs. Gravage to join the Board. President McHenry seconded the motion. The motion carried 3-0

- f. Committee on hiring Manager/ bookkeeper.
  1. Ratification of job description (s)

The job description was emailed to the Board for review and suggestions.

2. Timing of interviews

Mrs. Swimley has the names of 3 interested parties and will start setting up interviews for the hiring committee.

- g. Update on discussion with County regarding financial assistance to the District.

Mrs. Swimley met with the county commissioners as they wanted to help with the deficiency but the options were limited. They offered to stretch out the loan to 10 years with a low interest rate. They were going to run the numbers to get actual costs. It was a generous offer but will probably not be a viable option.

- h. Discussion of proposed legislative change to Water/Serer District Tax levy statute.

Mrs. Swimley knows a legislator who might be willing to carry the bill. The proposed legislation would allow for combining methods for establishing rates. The Board directed Mrs. Swimley to continue her work on this and contact the legislator.

- i. Update on protocol on complaints on water/sewer billing.

The complaints do get addressed from a customer service point of view by Mrs. Ellingson at US. She does look into any oddities that may be evident like a leak. US had sent the District an activity report which gave a status quo of the users. Mrs. Ellingson also explained the shut off protocol. US also reported on status of Bozeman Hot Springs, which is connecting to the system. US inquired to the Board if it should bill the Gallatin County Road & Bridge Department for the balance due resulting from the clerical error.

**MOTION:** Treasurer Schmidt moved to bill the Gallatin County Road & Bridge Department for the under billed amount in September. President McHenry seconded the motion. The motion carried 3-0

6. Public Participation

None

7. Board member issues

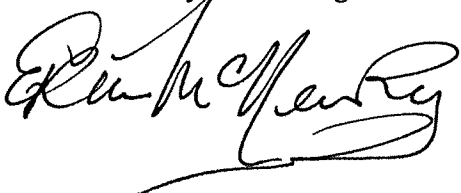
The tax bills have been mailed out to members of the district. Mrs. Swimley and Mr. Gagnon are starting to receive complaints from some users. Mrs. Ellingson at US tries to address the complaints to the best of her ability before forwarding them on.

8. Adjourn Meeting

There being no further business before the Board, the Four Corners Water/Sewer District meeting of November 3, 2010 was adjourned at 8:00 p.m.

Respectfully Submitted,

Erin McHenry, Recording Secretary

A handwritten signature in black ink, appearing to read "Erin McHenry", written in a cursive style.