

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES REGULAR MEETING, December 20, 2016

Call to Order

President Cory Klumb called the regular meeting of the Four Corners Water and Sewer District to order at 6:32 pm on Tuesday, December 20, 2016, in the library of Monforton School at 6001 Monforton School Road, Bozeman, Montana.

Board Members present: President Cory Klumb, Treasurer Terry Malloy, Member Heather West and Member Sarah Stahlberg.

Staff/Public: GM Kevin Kundert, Marty Gagnon representing MMI; Maralee Parsons, Secretary; Amy Ellingson, Shawn Lund.

Approval of Minutes

November 15 Board Meeting:

Motion: Member Sarah Stahlberg moved to approve the minutes as written, Treasurer Terry Malloy seconded. *The minutes were approved 4-0.*

Public Participation on Non-Agenda Items:

None were raised.

GENERAL BUSINESS

Monthly Water Usage & Financial Reports

The Board reviewed the monthly reports. GM Kundert advised he did not attach the QuickBooks financial reports, and stated he would email them out to the Board the next day. He noted that he has been spending time with the auditors and aligning the accounts in QuickBooks. They are also aligning the depreciation schedule for the District's main assets, to be broken into 4 categories: Wastewater System: Infrastructure and Piping; Water System: Infrastructure and Piping. They are making adjustments to correct the book value of both systems. New accounts are being added to QuickBooks to enable expense tracking to budget (which will be available next month).

Monthly Operation & Maintenance Report

The Board reviewed the report provided:

- Required winter changes to rotor timing & speed have been made, to avoid ice build-up.
- A microscopic evaluation of the wastewater sludge was performed for \$350, with results indicating that the force main from Valley Center lift station to Northstar lift station is the likely source of septic influent conditions, due to excessive retention time in the pipe; an evaluation of chemicals for efficacy and cost of treatment will be performed.
- A broken block heater in the Middle Creek generator was replaced.
- Fire hydrant images/maps were updated and data is shared with Central Valley Fire Dept.
- The new ferric chloride feed system storage tanks arrived with broken access lids; replacement parts are expected this month.
- Sludge levels are being controlled after modifying the SCADA systems and lift station controls.

- WWTP influent vault pump #3 failed and is being repaired under warranty.
- Driveway construction/repair work was completed in-house at the Northstar station and Elk Grove WWTP, at a significant savings over what it would have cost to hire a contractor.
- District files/system documentation and on-line libraries are being organized to improve document retrieval.
- Operational and employee documentation is being updated to reflect the current policies and procedures, and the website will undergo a similar review.
- Primerica reps have trained employees on the new plan, and the District has completed the 2% “catch-up” employer contribution.

Residential ADU (Accessory Dwelling Unit) Policy Discussion

GM Kundert advised that an ADU is not directly referred to in the District’s Rules & Regs. Historically an ADU has been considered an additional “unit”, so would require its own connection to the water and sewer mains, and a separate water meter for that unit. ADU’s are typically added when infrastructure of roads and piping are already in place, adding additional cost and disruption of roads. He proposed to the Board that the District’s definition of an ADU be created/modified so that separate and independent service lines to the main are not required, and a second water meter for the ADU not be required (but 2 EDU’s would still be charged and paid for). Middle Creek homeowner Shawn Lund reviewed a brief presentation of the history of his efforts to add an ADU to his lot. He is requesting that he be allowed 1 meter, 1 connection to his lot, and an additional base charge of a to-be-determined percentage of an EDU (he has already paid for an additional EDU). His presentation cited “residential ADU’s as classified by MDEQ are allowed to serve as a dependent utility service to the main residential structure, and not require a separate meter provided they fall under the maximum load capacities to the subdivisions lot loads. An additional service fee will be applied to the ADU per load calculations rendered by FCCWSD.” Board discussion indicated that the District’s existing rules have made it difficult for homeowners in the District to build an ADU on their lot. Board discussion focused on whether 2 connections and 2 meters should be required, and what the base rate should be for an ADU vs. a single-family residence (some percentage of an EDU). Discussion also focused on how to determine base rates based on population (e.g. bedrooms vs. square footage). The Board indicated they would like GM Kundert to put some definitions around apartments to be equated to the District’s EDU language, with a recommendation to the Board. Board members commented that requiring an additional line to the ADU is bad for infrastructure, is unnecessary as it is not a requirement from EDQ, a second meter is unnecessary if the bill goes to a single property owner, and making this change is good for sustainable growth.

MOTION: Treasurer Terry Malloy moved that FCCWSD would require only 1 connection and 1 meter for a residential unit and an ADU. Member Sarah Stahlberg seconded. ***The motion carried 4-0.*** This will be called an ADU policy using the DEQ definition of ADU. Kevin will propose the policy at the next meeting.

Permitting Process (Including Capacity Fee Payment) Policy Discussion

As a follow-up from the November meeting, GM Kundert provided more refinement on the definition of fees, to be approved by the Board, and requested Board approval on changes to fees as listed on the agenda:

Fee Increase of 5% for Water & Sewer Capacity Charges

Motion: Member Sarah Stahlberg moved to raise capacity fees by 5%, effective Dec. 26, 2015. Member Heather West seconded. ***The motion carried 4-0.***

Fee Implementation - \$150 Connection/Inspection Fee

Motion: Treasurer Terry Malloy moved to implement a \$150 Connection/Inspection Fee. Member Sarah Stahlberg seconded. ***The motion carried 4-0.***

There was further discussion on the timing of the payment of the capacity fee. Rather than paying 100% upfront, The District might consider allowing payment in 2 or more increments, TBD. GM Kundert will propose a policy for review at the next Board meeting.

GM Kundert requested approval from the Board to issue up to 3 EDU's without Board approval so only larger projects need be discussed at Board meetings. This will be shown on the new Connection Permit Form.

MOTION: Treasurer Terry Malloy moved to authorize the GM to approve 3 EDU's or less, for properties within the District, provided the request is for both water and sewer. Member Sarah Stahlberg seconded. ***The motion carried 4-0.***

Reduced Metering Equipment Charges

GM Kundert advised this is a cost correction for the metering equipment charges, to be sold at cost plus a \$50 fee.

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of December 20 2016 at 7:47 p.m.



Maralee Parsons
Secretary