

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES SPECIAL MEETING, July 9, 2019

Call to Order

VP Nancy Flikkema called the special meeting of the Four Corners Water and Sewer District to order at 3:03 pm on Tuesday, July 9, 2019, in the conference room of Morrison-Maierle, 2880 Technology Blvd. W., Bozeman, Montana.

Board Members present: President Cory Klumb (via phone), Vice President Nancy Flikkema, Member Heather West, member Phillip George.

Others present: Marty Gagnon & Brad Hammerquist representing MMI; Susan Swimley, Attorney; Maralee Parsons, Secretary; Amy Ellingson, FCWSD. There were no members of the public in attendance.

Public Comment on Non-Agenda Items:

None were raised.

GENERAL BUSINESS

Resolution 2019-06 to Award Contract

Resolution 2019-06, *a Resolution of the Four Corners Water and Sewer District to Award Construction Contract for Water Reclamation Plant.* Member Phil George advised that the actual contract is not yet finalized, but this resolution would award the construction contract to Strategic Construction Solutions (SCS), who was determined to be the lowest bidder. He noted that due diligence was conducted by the engineer, including background checks on the company and its key personnel and sub-contractors. Brad Hammerquist advised that through personal interviews conducted with SCS, the engineers deemed the contractor effectively communicated a rational plan for project execution and an understanding of the scope of the project. They performed reference checks for projects of the same or higher complexity, and in general received positive feedback. It was also noted that discussions were undertaken with the low bidder and the second lowest bidder to identify cost savings opportunities to lower the overall cost of the project.

Motion: Member Phil George moved to approve Resolution 2019-06 to award the construction project to Strategic Construction Solutions; member Heather West seconded. *The motion carried 4-0.*

Resolution 2019-07 Bond WRF

Resolution 2019-07, *a Resolution of the Four Corners Water and Sewer District, Declaring it to be the Intention of the board of Directors to Levy Special Assessments to Repay a Special Assessment Bond to be Issued for the Purpose of Improving its Wastewater System Benefitting all Properties in the District and the Imposing of Assessments for the Financing a Portion of the Costs of Such Wastewater System Improvements and the Costs Incidental thereto and Calling for Publication of Notice of Passage of this Resolution and Establishing a Protest Period and Setting a Public Hearing.*

Phil George advised that this resolution declares the intent of the Board to levy a special assessment to pay for the Water Reclamation Facility, financing \$11,300,000 of the costs over 30 years with interest at a rate of 2.5% per year. He noted that at the time of the acquisition it was made known to District customers that expansion of the existing wastewater treatment plant would be necessary in order to accommodate users who had previously received commitments to be allowed to connect to the system. He also noted the District committed to not allow special assessments to go above \$650

annually (which will now be \$644 for each of the 2,097 lots or parcels, which includes water). A notice of intention to levy wastewater special assessments will be mailed to all 2,097 taxable entities, and the notice will also be published in the newspaper on July 14 and July 21, 2019. There will be a 30-day protest period between July 14 and August 14, in which written protests can be submitted to the District. A protest hearing will be held on August 20, 2019, in conjunction with the regular Board meeting. There was Board discussion on the need to clarify what the total amount will be, including the existing water portion of the debt. It was decided a cover page would be included with the notice being mailed, which summarizes the total annual per-parcel water & sewer assessments. There was some discussion on the timing of the contract award and signing of the contract prior to the end of the protest period. It was clarified that the contract is being awarded today with Resolution 2019-06, but the contract will be finalized and signed at a later date.

Motion: Member Phil George moved to approve Resolution 2019-07; member Heather West seconded. *The motion carried 4-0.*

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of July 9, 2019 adjourned at 3:40 p.m.



Maralee Parsons
Secretary