

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES REGULAR MEETING, June 15, 2021

Call to Order

Vice President Nancy Flikkema called the regular meeting of the Four Corners Water and Sewer District (FCWSD) to order at 6:31 pm on Tuesday, June 15, 2021, at the office of the Four Corners Water & Sewer District at 495 Quail Run Road, Bozeman, Montana.

Board Members present: Vice President Nancy Flikkema, member Bob Thelen, member Brad Early

Staff/Public present (including those via Zoom): Phil George from FCWSD; Amy Ellingson from FCWSD; RJ Klotz; Amanda Knutson; Kyle Griffith; Jim Dolan; Tom Kallenbach; Matt Elwell; Michele Piazza; "iphone user unknown"; "John and Barb"; and Libby Kueneker, Secretary

Approval of Minutes

In Resolution 2021-06, \$10,500 was clarified as the amount specified for the sewer capacity fee as water and sewer must be tracked separately. Water, \$3,500, and sewer, \$10,500, combine to total \$14,000.

Motion: Member Bob Thelen moved to approve the minutes as written. Member Brady Early seconded. No public comment. The minutes were approved 3-0.

Public Comment on Non-Agenda Items:

RJ Klotz, resident of the Northstar Homeowners Association on Timberview, expressed interest in joining the 4 Corners Water and Sewer District Board due to past experience including Water Well Driller, Wildland Firefighter, Big Sky Chamber of Commerce Director of membership sales with communication with Big Water and Sewer District, and Four Corners' Wildfire Defense Systems.

GENERAL BUSINESS

Ordinance 2021-08-Brooks/Lennon- 2nd Reading

Ordinance 2021-08: An Ordinance Accepting the Annexation Petition of Andrew & Mandy Brooks and Matthew & Brindley Lennon for annexation into the Four Corners Water & Sewer District

The property is located east of Town Pump on Valley Center Road. The petition is for 1 EDU for an office connected to their storage unit area. Phil recommends approval.

Motion: Member Brad Early moved to pass the 2nd reading of Ordinance 2021-08; member Bob Thelen seconded. No public comment. Motion passed 3-0.

Ordinance 2021-09- Childre- 2nd Reading

Ordinance 2021-09: An Ordinance Accepting the Annexation Petition of James & Erin Childre for annexation into the Four Corners Water and Sewer District

The property is located north of Monforton School on Monforton Road. The petition is for 1.5 EDUs. The request is for sewer service only. The .5 EDU is for an ADU. Phil recommends approval.

Motion: Member Bob Thelen moved to pass the 2nd reading of Ordinance 2021-09; member Brad Early seconded. No public comment. Motion passed 3-0.

2021-2022 Budget Approval Resolution 2021-08

Resolution 2021-08: A resolution of the Four Corners Water and Sewer District to approve the 2021-2022 Budget.

The district was presented a draft budget on May 18, 2021. \$18,000 has been added to the Professional Services category to increase IT security for the 2021-2022 year in light of recent nationwide internet hacking activity. A service Internet Provider Company proposed a 3 year commitment for \$1,500 per month. \$18,000 is a fixed price, but costs will fluctuate depending on the number of computers and laptops covered.

A bid requirement starts at \$80,000, so this cost did not require a bid. FCWSD spoke with several companies and conducted an in person meeting.

Motion: Member Bob Thelen moved to pass Resolution 2021-08; member Brad Early seconded. No public comment. Motion passed 3-0.

Bond Discussion/Possible Resolutions

Phil George provided the report.

FCWSD has good bonds in place but is looking to refinance bonds to a lower rate. No new proposal has come, but FCWSD is preparing. Paperwork should be complete in a few weeks, which may require a special meeting if an acceptable proposal is received.

Capital Improvement Plan-Discussion

Phil George provided the report.

- Capital Improvement Discussions seek to capture ARPA funds.
- Interfacing with county and state.
- Gathering preliminary engineering reports to get matching funds for each of FCWDs 5 projects.
- County not yet ready to discuss plans for their \$22 million dollars.
- State has seminars and online applications with directions to pursue accessing funds.
- Morrison-Maierle is assisting and providing PERs on 4 projects.
- Seeking a fully integrated SCADA project to refresh all FCWSD SCADA. The originator of the SCADA project, Larry, and the GM will meet June 16th to prepare for submission.
- State requires submission by July 15h. County must receive the submission first.

Monthly Operations and Maintenance Report

Phil George provided the report.

- Rapid Infiltration Phase 1 of new ponds adjacent to WRF is complete. Phase 2 should be completed by July 1st.
- Lightning strike ruined some components but is covered under maintenance.
- SBR phase 2 construction is slated to be finished in August, awaiting shipment of the MCC master control panel.

General Administration Activities and Issues

Amy Ellingson provided the report.

- Both new employees began.
- Paving of the parking lot pushed to June 29th to increase the paving an inch to allow utility for heavier trucks.
- Summertime maintenance by new employees is underway.
- FCWSDs retirement and social security provider, Primerica, has their annual representative meeting at the end of June.
- Met with Wolfguard to discuss and get a bid for security and IT support.

- Passed a surprise State safety inspection. Now posting OSHA regulations on jobsite illnesses and injuries.
- Settled with SCS which built the WRF. Finalized paperwork should come by the end of June.
- More money has been transferred to STIP. The bond has been satisfied and stays steady only gaining interest.

Monthly Financial Report

Amy Ellingson provided the report.

- The Office Expenses and Shared Expenses continue to run over
- Overall, the budget is running under what is budgeted so far this fiscal year.
- Water running over budget for expenses, partly due to new system operating expenses
- Overall, water is under budget when factoring in matching funds.
- Sewer is running over budget in income and running under budget for expenses

Manager Topics

Phil George provided the report

- Main goal is getting approvals ready this next month to access bonds, maintaining progress with DEQ, and finishing outstanding legal issues with the FCWSD attorney.
- The new plant's odor issue is improved. Absorption crystals and a berm with plants and trees need to be added. A biofilter needs to be enclosed.
- One property owner believes the new WRF near him has devalued his property. A berm has been added to make it less visible. Adding trees and shrubs will make it even less visible.

Board Member Topics

No board member topics.

Public Comment:

- Tom Kallenbach asked how the \$1.5 million to update Elk Grove's water booster system will be used, what is broken, and where to find engineering plans. He stated the lawsuit will continue.
- Plans will be ready later this week. The system will receive a complete booster replacement and upgrade to give broader capability and better reliability and service. No funds will be used to move water offsite; FCWSD doesn't have that legal right. The variable frequency pumps will not be removed. A new variable frequency drive system will be installed. The GM is seeing if the tank can be enlarged to provide for potential commercial lots and a request to purchase pasture where FCWSD wells are located.
- Michelle Piazza asked why the pumps are being replaced and the system is being expanded if the system isn't broken, no new people are coming out, and the water isn't being moved off site.
- After 16 years with no preventive maintenance by the previous company, there is rust and a broken in-line meter which creates a possibility of having a system failure on this isolated system without backup systems. The GM offered a tour of the needs and damage.
- Matt Ellwell asked if \$1.5 is a projected cost, if FCWSD has gotten quotes, and how far into the process FCWSD has gotten. He is concerned of the cost and how it compares to the upgrade costs stated at Elk Grove's annexation.
- The GM isn't privy to conversations at Elk Grove's annexation. He offered to show and explain the needs and plans. \$1.5 is a high budget and a guess. The GM is seeking matching funds from the ARPA. He has not yet received bids to substantiate the costs.

- Tom Kallenbach said he believed the amount allocated for upgrading the booster station at Elk Grove's annexation was around \$100,000. He asked why APK was allowed to connect last year with no hydraulic analysis. He said he believed the issue has built over time and APK shouldn't have been allowed to connect. He requested the board's resignation.
- The GM clarified the potential system failure isn't imminent, but the system is in poor condition.

Next Meeting Date: Tuesday, August 17, 2021

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of June 15, 2021 adjourned at 7:05 p.m.

Libby Kueneke, Secretary