



**Board Meeting Agenda for Tuesday, February 20, 2024 @ 6:30 pm**

**At The**

**Four Corners Water & Sewer District Office, 495 Quail Run Road,**

**Bozeman, MT, 59718**

**Regular Monthly Meeting**

- 1) Call to Order
- 2) Approval of Draft Meeting Minutes from January 16, 2024
- 3) Public Comment: Non-Agenda Items- Time Limit on public comment 5 minutes

**I. General Business**

- 1) Ordinance 2024-01- Second Reading Brentwood, LLC
- 2) Ordinance 2024-02- Second Reading DJDBD, LLC
- 3) Gallatin Gateway Discussion
- 4) O&M Report
- 5) Monthly Financial Report
- 6) General Manager Topics
- 7) Board Member Topics
- 8) Closed meeting- Montana Code 2-3-203(4)(a)

**II. Next Meeting Date – Tuesday- May 21, 2024**

**III. Adjourn Meeting**

**FOUR CORNERS WATER AND SEWER DISTRICT MINUTES DRAFT**  
**REGULAR MEETING, January 16, 2024**

**Call to Order**

Vice President Brad Early called the regular meeting of the Four Corners Water and Sewer District (FCWSD) to order at 6:33 pm on January 16, 2024, at the office of the Four Corners Water & Sewer District at 495 Quail Run Road, Bozeman, Montana.

Board Members present: Vice President Brad Early, Member Justin Hart, and Member Jeff Sipes

Staff/Public present: Kris Ortmeier; Phil George, General Manager (GM) from FCWSD; Amy Ellingson, District Administrator (DA) from FCWSD; and Libby Kueneker, Secretary

**Approval of Minutes**

November 21, 2024 Board Meeting

**Motion:** Member Jeff Sipes moved to approve the minutes as written. Member Justin Hart seconded. No public comment. The minutes were approved 3-0.

**Public Comment on Non-Agenda Items:**

Since Monforton School has more EDUs than are currently used. If more EDUs are needed, they can be purchased from the infill.

**GENERAL BUSINESS**

**Ordinance 2024- 01 First Reading**

Ordinance 2024-01: An Ordinance Accepting the Annexation Petition of Brentwood, LLC for annexation into the Four Corners Water and Sewer District

The property is located in Rainbow Subdivision. The petition is for 5 EDUs. Phil recommends approval.

**Motion:** Member Jeff Sipes moved to pass the first reading of Ordinance 2024-01; Member Justin Hart seconded. No public comment. Motion passed 3-0.

**Ordinance 2024-02 First Reading**

Ordinance 2024-02: An Ordinance Accepting the Annexation Petition of DJDBD, LLC for annexation into the Four Corners Water and Sewer District

The property is located in the Coolwater territory between Jackrabbit and Monforton. The petition currently is for 2 sewer-only EDUs. Phil recommends approval.

**Motion:** Member Jeff Sipes moved to pass the first reading of Ordinance 2024-02; Member Justin Hart seconded. No public comment. Motion passed 3-0.

**Resolution 2024-01: Capacity Fees**

Resolution 2024-01: A Resolution of the Four Corners County Water and Sewer to Modify Capacity Fees

The finance subcommittee and GM have decided recommended an increase capacity fees by \$500 on sewer and \$500 for water starting March 1st 2024. The infrastructure charge will not change.

**Motion:** Member Jeff Sipes moved to approve Resolution 2024-02; Member Justin Hart seconded. No public comment. Motion passed 3-0.

#### **Resolution 2024-02:COL**

Resolution 2024-02: A Resolution of the Four Corners County Water and Sewer to set a 2024 Cost of Living Increase

The December CPI report came in at 3.6%. The GM and Board decided on a 3% increase.

**Motion:** Member Jeff Sipes moved to approve Resolution 2024-02; Member Justin Hart seconded. No public comment. Motion passed 3-0.

#### **Resolution 2024-03: Rate Increase**

Resolution 2024-03: A Resolution of the Four Corners County Water and Sewer to Increase Water and Sewer Rates

Per the Board's decision to review rate increases yearly, the GM suggests raising water rates by 3%, and water variable rates from 4.5% to 4.95% to encourage responsible water use. The sewer variable rate will not increase. The GM proposes the increase go into effect in the April billing.

**Motion:** Member Jeff Sipes moved to approve Resolution 2024-03; Member Justin Hart seconded. No public comment. Motion passed 3-0.

#### **Monthly Operations and Maintenance Report**

Phil George offered the report.

- The WRF Expansion is nearing completion with start-up scheduled for February. The new gas main has been installed and the interconnecting building's steel siding is underway.
- The contractor performing lift station upgrades didn't have correct parts for 2 of the 3 lift stations scheduled this year. Valley Center and Black Bull 2 have been postponed until spring.
- Confirmation came on delivery of the remaining components to finish the odor control upgrade. They are scheduled to arrive in late July.
- WRF Digester blower #1 experienced a compressor failure. Parts are ordered and repairs have been made to bring it back on-line.
- WRF SBR Blower #1 shows signs of failure. The unit will be disassembled to correct the problem.

#### **Monthly Financial Report**

Amy Ellingson provided the report.

- The DA reviewed upcoming annexations.
- FCWSD's employee search continues. Job descriptions may change to fit needs.
- A salary study is underway.
- The Stip Bond water status is at \$4,578,561 and sewer status is at \$1,724,561
- The DA reviewed the December 2023 budget vs. actual for the shared, sewer, and water expenses.

#### **General Manager Topics**

Phil George offered the report.

- Scada is ongoing and the two servers are installed.
- Northstar Lift Upgrade has received DEQ approval.
- FCWSD is working with the Northstar HOA to plan and approve an expanded Northstar Easement.
- Effluent Filtration System construction will begin in Spring 2024. Parts are being ordered.

- The Capacity Status is at 954.
- The Odor Control equipment delivery has been delayed until June of 2024.

**Board Member Topics**

- The Board inquired if the recent cold snap caused problems. Some power supplies froze, turning off parts of the system. Through overtime work, replacements of parts were completed.
- The Board discussed which water conservation efforts would be most effective for the District.
- FCWSD closed the loop on previously contract compliance; the process continues to reveal new contract issues that FCWSD seeks to remedy.

**Public Comment:**

No public comment was made.

**Next Meeting Date:** Tuesday, February 20, 2024

**Adjourn**

There being no further business before the Board, the Four Corners Water & Sewer District meeting of January 16, 2024 adjourned at 7:33 p.m.

Libby Kueneke, Secretary

Ordinance 2024-01

ORDINANCE ACCEPTING THE ANNEXATION PETITION OF  
BRENTWOOD, LLC LOTS 52 and 53 of in N/E ¼ SECTION 14, TOWNSHIP 2  
SOUTH, RANGE 4 EAST. ANNEXATION INTO THE FOUR CORNERS  
WATER & SEWER DISTRICT

WHEREAS, Brentwood, LLC as owner of Lots 52 & 53 of the Amended Rainbow Sub. D-41-A6 being located in Northeast ¼ of Section 14, Township 2 South, Range 4 East, Rainbow Subdivision, Gallatin County, Montana ("Property") requesting that the Property be annexed into the Four Corners County Water and Sewer District to connect to water and wastewater services; and

WHEREAS, the Properties is contiguous to the District boundary; and

WHEREAS, on January 16, 2024 at a duly noticed meeting of the Board of Directors, the Board considered the Petition to annex the Property as contiguous property and determined that the systems has capacity to provide service to the new proposed residence to be located on the Property; and

WHEREAS, the Property will need to provide its own irrigation water.

WHEREAS, Brentwood, LLC will provide evidence of purchased of water rights to serve the Property need to be provided for 5 EDU (800 gpd total) average daily flow of 160 gallons per day per EDU and have agreed to pay the water and wastewater fee per EDU to the District.

NOW THEREFORE, be it ordained by the board of directors of the Four Corners County Water and Sewer District Board, by passage of this ordinance, the District does agree to annex the Properties, described above, into the District after transfer of water rights & payment of fees water and sewer service for 5 EDUs (800 gpd total) average daily flow of 160 gallons per day per EDU. The District shall not provide water for irrigation.

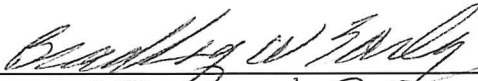
Landowners/petitioners acknowledge prior to the second reading that should additional structures which utilized water or sewer on the property, the District makes no representation that the District will have sufficient water or sewer capacity to service future structures.


ADOPTED by the Board of Directors of the Four Corners County Water and Sewer District after first reading on January 16, 2024 with a vote of 3 in favor and 0 against and second reading on \_\_\_\_\_, 2024 with a vote of \_ in favor and \_ against.

This Ordinance shall be in effect 30 days after the date of the second reading.

1<sup>st</sup> Read and approved: Four Corner's County Water and Sewer District

Dated: Jan 16, 2024

Its:   
UPFCWSO Board

Attested:   
Secretary

2<sup>nd</sup> Read and approved: Four Corner's County Water and Sewer District

Dated: \_\_\_\_\_, 2024

Its: \_\_\_\_\_

Attested: \_\_\_\_\_  
Secretary



Ordinance 2024-02

ORDINANCE ACCEPTING THE ANNEXATION PETITION OF DJDBD, LLC  
of LOT 2 & 3 MINOR SUBDIVISION 525 in N/E ¼ & N/W ¼ SECTION 12,  
TOWNSHIP 2 SOUTH, RANGE 4 EAST GALLATIN COUNTY FOR  
ANNEXATION INTO THE FOUR CORNERS WATER & SEWER DISTRICT-  
SEWER ONLY

WHEREAS, DJDBD, LLC, as owner, submitted a petition for annexation of a parcel of land described Lot 2 & 3 of Minor Subdivision 525 located N/E ¼ & N/W ¼ of Section 12, Township 2 South, Range 4 East P.M.M. Gallatin County Montana hereinafter also referred to as "Property" requesting that the Property be annexed into the Four Corners County Water and Sewer District to connect to *sewer service only*; and

WHEREAS, the property is contiguous to the District boundary; and

WHEREAS, on January 16, 2024 at a duly noticed meeting of the Board of Directors, the Board considered the Petition to annex the Property as contiguous property and determined that the systems will have sufficient future capacity to provide service to the Property.

WHEREAS, the DJDBD, LLC agrees to pay the sewer capacity fee for 2 Equivalent Dwelling Units ("EDUs"), with an EDU equal to a maximum daily flow of 320 gallons a day and average daily flow of 160 gallons per day per EDU. The District shall not provide sewer service in excess of the capacity provided herein. The District shall not provide water and shall not provide water service for any purposes.

NOW THEREFORE, the Board by passage of this ordinance does agree to annex the Property described as Lot 2 & 3 of Minor Subdivision 525 located N/E ¼ & N/W ¼ of Section 12, Township 2 South, Range 4 East P.M.M. Gallatin County into the District to provide sewer service to the Property not to exceed equal to a maximum daily flow of 320 gallons a day and average daily flow of 160 gallons per day per EDU. All recitals set forth above are incorporated herein as if fully set forth herein.

ADOPTED by the Board of Directors of the Four Corners County Water and Sewer District after first reading on Jan 16, 2024 with a vote of 3 in favor and 0 against and second reading on \_\_\_\_\_, 2024 with a vote of \_\_\_ in favor and \_\_\_ against. This Ordinance shall be in effect 30 days after the date of the second reading.

1<sup>st</sup> Read and approved:  
Dated: Jan 16, 2024

Four Corner's County Water and Sewer District

Its: 

Attested: 

Secretary  
2<sup>nd</sup> Read and approved:  
Dated: \_\_\_\_\_, 2024

Four Corner's County Water and Sewer District

\_\_\_\_\_  
Its: \_\_\_\_\_

Attested: \_\_\_\_\_  
Secretary





## Gallatin Gateway Discussion

January 2024

- Install water meters on all multiple VRU clients
  - VRU definition? Why?
  - Read **monthly** to insure contract compliance
- Lift station upgrade to be compatible- See attachment
- Maintenance: per memo
- Accounting: see memo
  - Late fees, ect
- Reporting- Who & how often
- Banking- handled by accountant? Who?
- Assets- no disposal of assets- maybe reuse as rent?
- New Clients
- Lawsuit
- Capacity
- Current Client list/VRU/metered/out of district
- Complete financial separation



## Operation & Maintenance Report. February 2024

1. The WRF Expansion equipment start-up will begin Feb. 12<sup>th</sup>. Wastewater processing in the new addition should begin later that week. Pending installation of ventilation system.
2. The extreme cold weather kept the crew busy repairing failed components. Upgrades are planned to address the weaknesses uncovered by the 40 below temperatures.
3. New pumps for the WRF Influent Pump Station have arrived and will be installed soon. This will greatly reduce the maintenance problem of the old pumps plugging up.
4. The Tertiary Filtration addition to the disposal field is out for bids and construction will begin this Spring.



**February 2024**

**General Administration Actives and Issues:**

- **Upcoming Annexations**
- **Employee Search**
- **Responsibility Roles and Wage Tiers**
- **No March or April Meeting**

**Current Stip**

**Bond \$1,121,685 (275K is bond reserve)**

**Water \$ 4,599,594**

**Sewer \$ 1,321,401**



**Month End YTD Budget vs. Actual**

**January 2024**

**Shared Expenses**

	<u>January 2024</u>	<u>Budget</u>
<b>Income/Expense</b>		
<b>Expense</b>		
<b>500-Shared General Admin Expenses</b>		
<b>510- Board Members</b>	<b>1,062</b>	<b>2,331</b>
<b>520- Personnel Expenses</b>	<b>541,460</b>	<b>831,250</b>
<b>530- Office Expenses</b>	<b>49,994</b>	<b>51,912</b>
<b>540- Vehicle Expenses</b>	<b>21,538</b>	<b>32,081</b>
<b>550- Professional Services (Shared)</b>	<b>45,423</b>	<b>87,500</b>
<b>560- Other Expenses (Shared)</b>	<b>72,932</b>	<b>105,000</b>
<b>Total</b>	<b>732,409</b>	<b>1,110,074</b>



**Month End YTD Budget vs. Actual**

**January 2024**

**Water**

	<u>January 2024</u>	<u>Budget</u>
<b>Income/Expense</b>		
<b>Income</b>		
400- Operating Revenues		
410- Water Revenues	1,206,511	1,254,162
450- H2O Meter	36,915	
<b>Expense</b>		
<b>600- Water O&amp;M Expenses</b>		
*610- System Operating Exp (Water)	93,632	115,500
620- Repairs/ Maintenance Expenses	5,218	93,331
630- Professional Services (Water)	3,751	2,912
<b>Total 600- Water O&amp;M Expenses</b>	<b>102,601</b>	<b>211,743</b>
<b>Half of Shared Expenses</b>	<b>366,204</b>	<b>555,037</b>
<b>Series B Loan</b>	<b>85,232</b>	<b>85,232</b>
<b>Total Expenses</b>	<b>554,037</b>	<b>852,012</b>

- \*610- \$9,184 is H2O Meter Cost



**Month End YTD Budget vs. Actual**

**January 2024**

**Sewer**

	<u>January 2024</u>	<u>Budget</u>
<b>Income/Expense</b>		
<b>Income</b>		
400- Operating Revenues		
420- Sewer Revenues	1,298,569	1,225,000
<b>Expense</b>		
<b>700- Sewer O&amp;M Expenses</b>		
710- System Operating Exp (Sewer)	173,113	247,912
720- Repairs/ Maintenance Expenses	31,573	116,662
730- Professional Services (Sewer)	0	7,000
<b>Total 700- Sewer O&amp;M Expenses</b>	<b>204,686</b>	<b>371,574</b>
<b>Half of Shared Expenses</b>	<b>366,204</b>	<b>555,037</b>
<b>Series B Loan</b>	<b>158,277</b>	<b>158,277</b>
<b>Total Expenses</b>	<b>729,167</b>	<b>1,084,888</b>





### General Manager Topics- February 2024

- SCADA- ongoing, servers installed- HMI in work
- Northstar Lift Station- DEQ Approved
  - o Northstar Easement- Build expected 2025
- Effluent Filtration- Spring execution; ordering parts
- Capacity Status- 919
- Odor Control Equipment- Delivery delayed till ~~June 2024~~ April 2024, operational in July



# FOUR CORNERS

## Water & Sewer District

February 2024

### Capital Projects

#### Cost to date

<u>Project</u>	<u>Budget</u>	<u>YTD</u>
Elk Grove Water Booster	\$1,000,000	\$562,800/\$575K to completed.
Booster Grant Funds	(\$500,000)	\$75,000- Final
Elk Grove WW Life Extension	\$2,000,000	\$1,506,519
Scada	\$1,200,000	\$619,096
SBR 3 & 4 WRF and 5	\$12,000,000	\$9,984,851
Odor Control	\$1,000,000	\$310,793
<b>Total</b>	<b>\$16,700,000</b>	<b>\$12,496,259</b>

#### Future Project FY 2023-2024

WRF Filter System	\$1,100,000
Water Model	\$100,000
Water Loops	
- Baxter to Creekside	
- Zoot Way to New Ventures	
NS Lift Station Replacement	\$900,000
Augmentation Gallery	\$200,000

#### Future Projects:

NS Lift Station Replacement	\$900,000
Water Storage	
Grit Removal System	