**Gallatin Gateway County Water & Sewer District**

MINUTES OF THE

**BOARD OF DIRECTORS**

A regular meeting of the Board of Directors of the Gallatin Gateway County Water & Sewer District was held at the Gallatin Gateway Fire Station, 320 Webb Street, Gallatin Gateway, MT, on 2/8/2023. Present at the meeting were board members Eric Amend, Ted Border, and Cary Fox. Staff present included GM Procunier and District Engineer Brad Hammerquist. Members of the public included Andrew Gower, Jaime Vazquez, Dick Shockley, Marlene Sadaj, Pete Stein, and Phil George.

President Border called the meeting to order at 6:30 p.m. Secretary Alison Curry recorded the minutes of the meeting.

PUBLIC PARTICIPATION OF NON-AGENDA ITEMS

President Border asked for public comment on non-agenda items. Non recorded

CONFLICT OF INTEREST DISCLOSURE

President Border asked if there were any items of conflict of interest, or potential conflict of interest, to be raised. None were raised.

APPROVAL OF MINUTES

After confirming that all directors had a draft copy of the 12/14/2022 meeting minutes, President Border asked whether there were any corrections. Director Amend found one edit to be made. Director Amend then made the motion to approve minutes as amended, Director Fox seconded, and the motion passed unanimously. After confirming that all directors had a draft copy of 1/11/2023 meeting minutes, President Border asked whether there were any corrections. Director Amend found two numbers that needed to be edited, he then made the motion to approve minutes as amended, Director Fox seconded, and the motion passed unanimously.

OLD BUSINESS

None.

NEW BUSINESS

1. Long Term Plans for the District and Future Service Area

Flow report. The Gateway Inn has not opened both dorms, once these are inhabited, their flow rate will increase significantly. There is a general discussion of Current capacity and flow for GGWSD with in-service VRUs. Vs. Future capacity and flow for GGWSD once will-serve VRUs connect. It is noted that the will-serve for 475 Gateway South must be taken into consideration in the capacity report until the current litigation is resolved. Including this pending will-serve, there is a total of 82.32 issued will-serves for a subtotal of 298.43 VRUs. Purchased flow to Four Corners is 37,080, which factors in every customer using their full allocation of 160 gallons per VRU/per day, which amount to 231.75 VRUs. There is no reserve included in those numbers. If the District maintains a 5,000 gallon buffer, they will be able to sell a total of 200.5 VRUs. The current average monthly flow is 19,800 gallons, which reflects an initial increase of about 6,000 gallons, but has since shown a consistent flow rate once the first dorm at the Gateway Inn opened a couple months ago. The District anticipated both dorms, allotted a total of 50 VRUs, to maintain a flow rate of 8,000 gallons; there is one dorm currently operating at 6,000 gallons. If this trend continues once the second dorm opens up, the total flow rate would sit around 12,000 gallons, exceeding the projected flow rate by 4,000 gallons per day. President Border would like PEAK to check in with Gateway Inn to discuss occupancy level and water usage of the first dorm. GM Procunier will look into this. Director Amend notes that the Gateway Inn is nearly 30% over the projected flow rate for the first dorm and mentioned the potential for overage charges, GM Procunier agreed that if they exceed their allotment of 8,000 gallons per day this overage should be reflected in their bill. President Border discussed the need to meter their flow rate in short order, by way of a weir inserted into their main line or by some other means. GM Procunier said the data thus far provides evidence of the Gateway Inn’s significant impact on the District’s resources. This data provides the leverage for the District to require them to install flow meters to monitor ongoing usage. The Gateway Inn occupies the terminal end of the mainline, so President Border believes a weir in Gateway Inn’s main line would provide sufficient data of flow rate. GM Procunier mentioned that this weir will need installed before the Gateway Inn can be held accountable for excessive flow. Director Amend said he thinks their domestic water is already metered, which President Border confirmed. GM Procunier said the District could probably take percentages off their water usage to get an approximate read on their flow rate; he will investigate this approach.

Mr. Hammerquist said there are some meters that can be installed in manhole channels, an open-channel flow meter, that could be an option to monitor the usage. There is a general discussion about flow rates, averages, and current usage vs. projected usage.

Four Corner discussion

Mr. Hammerquist notes Four Corners has a maximum capacity that they intend to build to, after this is met there is no further plans for expansion. 2000 EDUs remaining, an Equivalent Dwelling Unit (160 gallons per day) is very similar to the VRU. These remaining EDUs are on a first come first serve basis, there is no way to know when these EDUs will be allocated. The EDUs cost $10,500 each. Director Amend inquired about the volume capability of the 6 inch main, Mr. Hammerquist believes there would be plenty of capacity beyond what the District currently holds as far as the pipe is concerned; He will look into the capacity of the District’s lift station and get back to the Board with this info.

President Border asked Mr. Hammerquist about the potential of the District’s land for the construction of a new water/sewer plant.

GM Procunier found the District’s permit for this land, it does not appear to have a flow requirement. However, there is a max concentration of nitrogen per day, this is 7.5 mg per liter. Director Amend said they figured they could treat 27,000 gallons per day within those parameters. Mr. Hammerquist will look over the permit and be in touch with the Board. Director Amend thinks the Board should pursue options for capacity from Four Corners, GM Procunier mentioned that the applicants for VRUs could potentially help fund the purchase of said capacity. The cost of a new plant would be very high, this could be prohibitive for the expansion of the GGWSD.

Mr. Hammerquist will look over some of these details and be in touch with the Board.

President Border asked about the use of wastewater for irrigation, Mr. Hammerquist said it has been considered for use in non-restricted areas for landscaping if it is treated to a high enough standard. If treated effluent is used for irrigation, a customer can avoid using their water rights for such use.

Mr. Stein asks about what the implications are if he gets rid of a building that he has hooked up to the sewer for which he is paying dues for. GM Procunier said he would have to bury the line all the way back to the easement and capped. (At the property line).

Phil George inquired about an agreement he had with Justin, the prior manager of GGWSD, in which anything North of Blackwood would be part of the Four Corners responsibility, whereas anything South of Blackwood would be in Gallatin Gateway’s sewer district. There is a customer who is located in the Four Corners District that is hooked up to the GGWSD sewer line. This customer’s line goes under the road and hooks into the gravity feed line. Director Amend doesn’t think the Board has a say in this circumstance, but suggested that Mr. George take this information to Rural Development. Mr. George will talk about this with Steve at RD. This connection is currently metered, however there is no meter on the actual main. GM Procunier mentioned that last spring there was an overage from infiltration, which was clearly not going through the District’s lift station. All those connections down that particular force main should have metered connections in case the lift station itself is experiencing infiltration. Mr. George said that if PEAK wants to require a different metering system, they can further discuss it.

Director Amend said they need to agree on a number for how many gallons/VRU to use as a basis for projections, etc

Mr. George said his most recent calculation was 146 gallons per VRU, he also said he believes a 10% buffer of capacity is reasonable to accommodate varying flows. Mr. George said that Four Corners main restrictions is because of their discharge capacity, which has been approved for the acreage that FCWSD possesses. Mr. George says he has two developments in the FCWSD that has irrigation rights, whereby skewing their number of gallons per VRU on the high end. He thinks a more accurate representations would be 120 gallons per VRU.

Director Amend calculated an average flow per VRU is about 122. This includes the 5,000 gallon reserve. He is concerned that once both dorms of the Gateway Inn are full, that the reserves of the District will be used up. There is discussion about how much flow the bigger developments will use once they are at capacity. Ms. Sadaj inquired about whether the District would allow the applicants for VRUs to help fund the purchase of more EDUS from Four Corners. Director Amend said there are many variables to pursue before the District could guarantee service to these pending applications. Director Fox said the Board is still in the analysis phase and it will be awhile before the decision of whether or not to purchase capacity from Four Corners will be made. Director Amend notes that as long as it is available and the engineering side is copacetic, the District will likely purchase more capacity from Four Corners. Director Fox asks about the difference between EDUs and VRUs. Mr. George said FFWSD sells the Equivalent Dwelling Units in such a way where the applicant can have a one bedroom, three bedroom, etc. If a specific unit exceeds their amount, FCWSD can force them to either use less or pay more, or else their contract will be terminated.

B. 475 Gateway Road South

Dick Shockley addressed the Board with regards to this project. Mr. Shockley cites the Gallatin County Growth Policy, which includes plan policy 3.1.1 which states that “New development should be designed to avoid the flood plain, [and that the] flood plain located in the town core is specifically identified as land not suited for development.” Mr. Shockley implores the Board to deny the petition for annexation, as 475 Gateway Road South is on a tract of land located within the established boundaries of this town core, consisting of mostly flood plain land. Mr. Shockley is concerned that annexation of this project into the GGWSD would promote further development in this flood plain. He does note that there is a FEMA letter of map revision, dated April 11, 2019, which describes an area within this tract of land and adjacent to the sewer district that is no longer considered to be in the flood way. The Board heard Mr. Shockley’s comments and noted the concise manner in which he presented his concerns.

C. 78888 GALLATIN ROAD PREDESIGN APPLICATION

GM Procunier noted that this project had a solid application, and had sent this along to the Board for review. Golden Eagle will have industrial space and office space. The application is for just shy of 4.5 VRUs, they possess a current septic/ secondary treatment system. The Golden Eagle project would occur in two phases with four buildings total, the first phase will construct two buildings comprised of approx. 20,000 square feet. The current septic system is sufficient to offer capacity for the entirety of the initial two buildings. The Golden Eagle is applying for capacity to serve the 2nd phase beginning in 2024-2025, Mr. Gower and Mr. Vazquez desire to secure a place in the queue for VRUs. Because of the location of 78888 Gallatin Road, this project would need to go through the annexation process in order to attain capacity from GGWSD, if/when VRUs become available. Director Amend said he thinks it would be irresponsible for the Board to approve any new projects until they review the future for potential capacity. There is concern that once current approved projects are completed that daily average flow will increase, resulting in the maximization of available resources. GM Procunier reiterated that the Golden Eagle project is in the queue for capacity; there is simply none to be had at this point in time. Director Amend made the motion to deny will-serve, Director Fox seconded the motion, and motion passed unanimously.

D. 401 MILL STREET PHASE 2 APPLICATION

This project has removed the third floor from the plans, in order to use less capacity. There will be commercial space on the first floor and apartments on the upper level; The application is for 4.97 VRUs. Ms. Sadaj expressed interest in the capacity report, GM Procunier provided her with a copy. This application will remain in the queue for VRUs. Director Amend made motion to deny will-serve, President Border seconded, and the motion passed unanimously.

Board Elections

Nominations for Board President

Director Amend nominated President Border for Board President, Director Fox seconded, motion passed unanimously. President Border nominated Director Amend as vice president, Director Fox seconded, and motion passed unanimously. GM Procunier mentioned that when Director Amend was appointed to the Board last Spring, the paper work never arrived at the county. GM Procunier said Director Amend should have an oath of office; GM Procunier will check to see if District Council Swimley is in possession of this paperwork.

REPORT OF OFFICERS, STANDING COMMITTEES, AND SPECIAL COMMITTEES

General Manager Report

The Gallatin Gateway Fire Department would like to halt the use of their conference room for public meetings. The GGWSD will need to find a new space for monthly board meetings. There is a general discussion of where these meetings can take place. The GGFD will allow some time in order to find a new location.

Existing will Serve Agreements

N/A

Gateway Village Report

GM Procunier will touch base with Clayton and get back to the board.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 8:08.

Alison W Curry

Secretary