

# **Gallatin Gateway County Water & Sewer District**

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## **PUBLIC MEETING**

**Date:** May 6, 2013

**Time:** 6:30PM

**Place:** Gallatin Gateway Fire Station, 320 Webb St., Gallatin Gateway, MT

**For:** Regular Meeting of the Board of Directors

## **AGENDA**

### **I. Call To Order**

- A. Call To Order
- B. Public Participation on Non-Agenda Items<sup>1</sup>

### **II. Approval of Minutes**

- A. Approval of Meeting Minutes for April 1, 2013
- B. Approval of Meeting Minutes for April 18, 2013

### **III. Reports of Officers, Standing Committees, and Special Committees**

- A. Report of General Manager & Report of Financial Condition
- B. Report of Site Selection Committee
- C. Report of Engineer
  - i. Technical Status
  - ii. RUS Reports, Administration and Draw Requests
  - iii. TSEP Reports, Administration and Draw Requests
  - iv. CDBG Reports, Administration and Draw Requests
  - v. DNRC Reports, Administration and Draw Requests

### **IV. Unfinished Business and General Orders**

- A. Discussion and Decision on Engineering Services Amendment #1
- B. CDBG Subrecipient Agreement Discussion and Decision (Larry Watson)
- C. Preliminary Presentation of 2013-2014 Budget (Matt Donnelly)
- D. Discussion Regarding Communication with County Commissioners (Sullivan)

### **V. New Business**

- A. Any New Business Which May Come Properly to the Board

### **VI. Adjourn**

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<sup>1</sup> The opportunity for members of the public to comment on District matters which are not on the agenda. Time limits may be imposed at the discretion of the President.

# **Gallatin Gateway County Water & Sewer District**

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## MINUTES OF THE

### **BOARD OF DIRECTORS**

A regular meeting of the Board of Directors of the Gallatin Gateway County Water & Sewer District was held in the boardroom of the Gallatin Gateway Fire Station on May 6, 2013. Present at the meeting were board members Merle Adams, Ted Border, Steve Janes, David Sullivan and Earl Wortman. Director Sullivan participated by telephone. General manager Matt Donnelly, grant administrators Teresa Doig and Larry Watson, and project engineers Kurt Thomson and Greg Benjamin were also present.

The meeting was called to order at 6:32 p.m. by President Border. Mr. Donnelly recorded the minutes of the meeting.

#### PUBLIC COMMENT

President Border asked for public comment on non-agenda items. Seeing none, he then proceeded to the next item on the agenda.

#### APPROVAL OF MINUTES

President Border confirmed that each member had reviewed the minutes of the April 1 meeting. Director Adams then moved to approve the minutes of the April 1 meeting. The motion was seconded by Director Wortman. After discussion, President Border called the question which was approved unanimously.

President Border confirmed that each member had reviewed the minutes of the April 18 meeting. Director Janes then moved to approve the minutes of the April 18 meeting. The motion was seconded by Director Wortman. After discussion, President Border called the question which was approved unanimously with Director Adams abstaining.

President Border then asked for and received unanimous consent to modify the agenda and move to a discussion of Engineering Services Amendment #1.

#### DISCUSSION AND DECISION ON ENGINEERING SERVICES AMENDMENT #1

Matt Donnelly presented a review and timeline of the site selection process and offered the staff recommendation that Engineering Services Amendment (ESA) #1 be approved. He noted that ESA #1 had received agency approvals from all relevant grantors.

Director Adams felt the amendment represented an excessive cost overrun for the services rendered during the site selection process. He requested that the amount be reduced. Directors Janes and Wortman also expressed

dissatisfaction. Greg Benjamin noted that the site selection process took a full year longer than anticipated and that additional surveying and additional fees were required. He countered that Stahly had rendered additional services in excess of the requested amount. A comprehensive discussion ensued in which members of the Board and members of the engineering team expressed differences of opinion regarding the circumstances and costs incurred during the site selection process. All parties agreed that the success of the project is paramount and that the preliminary design phase should continue.

Director Wortman then moved to approve ESA #1. Director Janes seconded the motion. After reviewing the preceding discussion and after careful consideration and deliberation President Border called the question which passed on a vote of 3-1 with Directors Janes, Sullivan and Wortman voting in the affirmative and Director Adams voting "no".

#### GENERAL MANAGER'S REPORT

Matt Donnelly presented the District's financials. He reported that the District had incurred \$40,467 in expenses for the month in legal and engineering fees. There is approximately \$300 in the General Fund.

#### SITE SELECTION COMMITTEE REPORT

President Border then moved to the report of the site selection committee. He noted that departed director Charlie White had been chair of the committee, and that in light of the uncertainty surrounding budgeting for additional land acquisitions it is appropriate to re-form this committee. After asking for volunteers, President Border re-formed the site selection committee with Earl Wortman, Ted Border and Matt Donnelly as members. The committee is tasked with finding additional property suitable for wastewater discharge. The committee's scope is limited. It cannot make an offer without Board approval. President Border said he would call a committee meeting in May.

#### ENGINEER'S REPORT

Kurt Thomson presented the report of the project engineer. He showed draft drawings of the collection and treatment system paying special attention to the routes through town. Mr. Thomson noted that he had a list of questions for the Board and that he would be seeking comment on the documents throughout the summer with the goal being to complete the final design in late summer. The project is expected to be put out for bid in the winter with construction scheduled for spring 2014.

Mr. Thomson reported he had received word from DEQ that the discharge permit application is complete and is under review. DEQ is allowed up to six months to review an application after a determination of completeness.

Teresa Doig reported on the budgetary status of the project and updated the Board on an agency conference call regarding the project that had been held in April. She affirmed that TSEP and all other relevant agencies had approved

ESA #1, and she then presents a TSEP draw request in the amount of \$43,421.38 to cover Stahly Invoice #14 and parts of Invoice #13. Director Wortman moved to approved the TSEP draw request in the amount of \$43,421.38. The motion was seconded by Director Janes. After review of the relevant invoices and discussion President Border called the question which passed unanimously.

#### CDBG SUBRECIPIENT AGREEMENT

Larry Watson presented on the status of the CDBG grant. He reported several startup conditions are yet to be met, one of which is executing the subrecipient agreement between the District and Gallatin County. Director Janes moved to authorize the President to sign the CDBG subrecipient agreement, and Director Wortman seconded the motion. After review of the document and discussion, President Border called the question which passed unanimously.

#### BUDGET FOR 2013-2014 FY

Matt Donnelly presented a preliminary budget for the 2013-2014 fiscal year. He noted that the District does not expect to be receiving fees for wastewater treatment and collection until after June 30, 2014 and therefore there is no income in the Sewer Enterprise Fund. He further noted that the District continues to incur general administrative expenses that are not related to the provision of wastewater collection and treatment and he suggested that it is time these expenses should be borne by benefited landowners within the District. He therefore showed the Board that he had budgeted \$10,000 income in the District's General Fund. If the Board approves this budget they will have to approve rates and fees to generate the income.

Mr. Donnelly noted that this was only a preliminary budget presentation with formal decision on budgets not required until June.

#### COMMUNICATION WITH COMMISSIONERS

President Border then moved to the next item on the agenda. He noted that Director Sullivan had drafted and disseminated by email a letter from the District to the Gallatin County Commission apprising the Commission of the District's current status and calling the Commissioner's attention to a section of the Gateway Neighborhood Plan that calls for all development in the Gateway Core to connect to the District's facilities. Director Adams moved to approve the letter with minor editorial changes and to ask Director Sullivan to mail to the Gallatin County Commission on behalf of the District. Director Wortman seconded the motion. After discussion, President Border called the vote which passed unanimously.

#### NEW BUSINESS

President Border asked for any unfinished or new business. Director Janes wished to inform the Board of the startup activities of the Community Communications Committee. Director Janes is developing a list of community members who might be well suited to serve on the committee. He will present the

list at the June meeting. He then reported the committee's recommendation that an informational meeting be held on June 4 at the Community Center for the purpose of disseminating information about the status of the project and to show preliminary design documents. He then asked Matt Donnelly to include the committee report on future agendas. Having concluded his report, Director Janes moved to adopt the recommendation of the committee to hold an informational meeting on June 4. Director Adams seconded. After discussion, which included discussion of content and format for the meeting, President Border called the vote which passed unanimously. Mr. Donnelly was asked to set up the venue.

President Border noted that the regular meeting on June 3 has not been canceled due to the June 4 informational meeting. President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 9:17 p.m.

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Secretary