

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: Wednesday, July 22, 2022

Time: 6:30 PM

Place: Gallatin Gateway Fire Department, 320 Webb St. Gallatin Gateway, MT

A teleconference bridge for public input can be joined at **1-605-562-8400** and

using **Participant Access Code 1286503** or by using the following web link:

<http://hello.freeconference.com/conf/call/1286503>

AGENDA

I. Public Participation on Non-Agenda Items¹

II. Conflict of Interest Disclosure²

III. Approval of Minutes

A. Approval of meeting minutes for May 16, 2022

B. Approval of meeting minutes for June 8, 2022

IV. Old Business

A. None

V. New Business

A. Consideration of Terms of Annexation Agreement and Petition for Annexation for 475 Gateway Road South

B. District Insurance - Renewal or find a new provider

C. Delinquent Account Letter Review

a. There are currently (4) delinquent accounts

VI. Reports of Officers, Standing Committees and Special Committees

A. General Manager's Report

- District Capacity Report

B. Existing Will Serve Agreements

C. Gateway Village Report (Director Fox)

VII. Adjourn

¹The 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.

²An opportunity for Board members to disclose any potential, perceived or real conflict of interest on any item on the agenda or for any District business.

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 5/16/2022. Present at the meeting were board members Eric Amend (remotely), Ted Border, Cary Fox, as was District Council Swimley. Staff present included APE representatives Andrew Huggins and General Manager Sam Proconier. Members of the public included Pete Stein, and Tom Hennesh.

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

A. President Border asked for public comment on non-agenda items. No comments were made.

B. President Border made the motion to appoint Director Amend as an official member of the District's board. Director Fox seconded the motion, and it was passed unanimously. Director Amend has accepted the position as board member.

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

Director Amend moved for the approval of 4/11/2022 minutes as is. Director Fox seconded the motion. Motion passed 3-0.

OLD BUSINESS

A. THE JUMP

Tom Hennesh who is a co-owner of The Jump is planning to host a concert June 11th on their property; this event will be a nonprofit event for a group of veterans, and additional parking is needed.

The Jump presented a proposal to use some of the District's property to the east as overflow parking. The Jump is committed to picking up trash, mowing, and adding the District onto their insurance policy.

There was a general discussion of potential vehicular impact to the District's property. The primary concerns would be damage to the District's well head, and soil compaction that may cause problems to a future drain field site. APE Representative Huggins noted that due to the lack of infrastructure and potential damage thereof, there would probably be no lasting impact to the site.

District Council Swimley encouraged the board to approve the Jump's proposal, provided the engineer confirms the low risk to the District's property. There was a consensus to speak with the engineer to assuage any concerns that may arise.

Director Fox makes motion for one time use of District property for the Jump to use for their event with the conditions laid out. Director Amend seconds, motion passed unanimously.

District Council Swimley will work on a license agreement for the Jump.

B. 475 Gateway Road South

District Council Swimley notes the District is negotiating terms of an annexation agreement, and distributed a 4/27/2022 letter from John Kauffman.

District Council Swimley is insistent with 475 that the District must have some kind of financial security, she is concerned about a flood event that would wipe out east/west bank. There is ambiguity in 475's response regarding pollution insurance; they have not pursued this coverage at this time. Though there is no resolution, John Kauffman asked that his letter be presented at the May board meeting.

It is noted that Mr. Pfeil does not have the right to tie into the District line; 475 has installed pipe up to the District's line, but has not made any breach of the line as of yet. Annexation is advantageous for 475 because they will pay less on a monthly basis than if they were on an out of District contract. District Council Swimley defers to the Board, but notes she does not believe 475's insurance is sufficient. If responsibility is assumed as indemnitor, there could be a catastrophic event for which the District would be held liable. Info on the boring has been acquired and flood exhibits have been provided. Director Fox would like to see more clarity from 475 South and an agreement made in the Pfeil name before they continue discussion. President Border agrees. Pete Stein discussed the concern of past events that could trigger a larger problem; there is potential for cottonwoods to collapse, creating a dam and flooding the area in question. Director Amend agrees that appropriate liability insurance needs to be attained.

There is continued discussion of potential negative events that could occur. District Council Swimley will relay the details and consensus of the discussion to John Kauffman.

C. VRU COUNTS

There are properties that have recently connected to the District line, and will be charged accordingly. Gateway Inn is in the process of coming online, GM Proconier estimates they will be using their allotted 50 VRUs, which is a significant increase from the previous 158. They will be billed within the next quarter.

Quarter 1

There is a general discussion about new and pending applications, as well as existing will-serves; Gary Kirt is adding units on his property and plans for completion by the end of summer. There are current will-serves that are approaching the 6 month mark, these locations will be contacted and charged. Gallatin Gateway, Genesis Engineering, and Montana Reclaimed Lumber are all coming on line; with these locations and pending applications the District is toeing the line of over capacity. There are approximately 87 VRUs that have been applied for; if the 160 gallons are made available and maximized by each property, the District will have exceeded available resources by roughly 40 VRUs. There is discussion about the purchase of VRUs from Four Corners, or the expansion of such on District property. When all VRUs from Four Corners are bought out this opportunity is obsolete.

D. BUDGET DRAFT

GM Proconier noted that the prediction for lot charges was on target, with \$30 being the only difference. Then same growth pattern that the District had laid out was followed for this budget proposal. GM Proconier added a few lots, with 139 lots predicted at the conclusion of the year.

The District is \$10,000 underwater on Budget, because of contract administration services; Peak Water Services is taking over Treasurer duties. President Border notes we need to figure out where \$10k is coming from.

Sewer Enterprise is taking most of the cost, and is the same as what was budgeted last year. 25 percent of this line item is Administration services; secretary income will come from this item as well. Prior year was copy and pasted- Answering Service accounted for \$2000 budgeted for last year, but will be removed from budget for this year.

Morris and Maierle Engineering contract was budgeted at \$7500 last year, but it is concluded that only \$5000 is needed.

Legal Services are a little higher because of need of council to help navigate 475 South's petition for annexation.

Treatment services from 4 corners is the same percentage from last budget but GM Proconier used 9 month averages instead of 6 months due to unusual flow on the odd month. 30 percent over what the cost was for 9 months.

There was a general discussion with regards to Facilities line item and where the total number came from. Especially with regard to the lift station. There is no certain answer, and GM Proconier will investigate.

Four Corners fees are based on total amount the District paid last year. With more usage, there is less need to pay.

There is discussion as to numbers regarding the shed was from last year's budget. This will be looked into as well. The number may have come from extra cash from Capital Improvements Fund; the tool shed may have been covered by this fund. It is noted that the District's fiscal year ends June 30th.

Plant Investment Charge

GM Proconier calculated this line item from the will serves that are not paid, plus extra for the upcoming year. President Border would like to stay conservative on income projections. Stacey's will serve is coming up on 1 year anniversary; Peak will contact them. Will-serves expire after 6 months, but there is some leniency with regards to projects in progress. If a second extension is issued and expired, the District would require payment, otherwise the VRUs from those locations would come available for application and purchase. Peak will bring list of existing will-serves to next month's meeting. The District will continue to reissue checks to Pfeil Acquisitions until it is deposited. It is noted that the District's position on the 22 VRUs that were allotted to 475 are back in the pool, if they wish to make use of said VRUs they will need to reapply. Peak did not include these VRUs in their initial calculation.

Overage from budget proposal came from legal services, amounting to approximately \$3000. This line item is upped for the upcoming year.

The Board will look at Budget and get back to Peak about it. Director Amend notes that the Board should carefully review the proposed budget; the General Fund is of greatest concern at this time, with largest expense coming from contract administration services.

E. ENGINEER RECORDS CONTRACT

Director Fox makes motion to renew Morrison-Maierle engineering fee structure agreed to, Director Amend seconds, motion passed unanimously.

NEW BUSINESS

None recorded.

REPORT OF OFFICERS, STANDING COMMITTEES, AND SPECIAL COMMITTEES

General Manager Report

A.

Peak will become signatory on the District's account. This needs to happen asap so invoices can be paid.

The discharge permit on record was for 2020, there is question as to whether the permit renewal filed (DEQ). Peak will make sure permit is in the queue and will ascertain when permit will be received.

B.TURNBAY

Locates were found with no issue, Peak is still waiting to hear from MDT.

Some funds may need to be added to budget; Peak needs to know exactly where pipe is, not just the wire.

Existing will Serve Agreements

None recorded.

Gateway Village Report

Nothing to report.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 7:54 P.M.

Alison W. Curry

Secretary

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 06/08/2022. Present at the meeting were board members Eric Amend, Ted Border, Cary Fox. Staff present included GM Sam Procnier and APE representative Huggins.

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. No comments 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

Due to delinquency of May's minutes draft, there was a consensus to approve those minutes at July's District board meeting.

OLD BUSINESS

A. BUDGET

GM Procnier noted that he had adjusted the numbers in contract admin services. The adjusted budget reflects that 75% comes from the Sewer Enterprise Fund and 25% from the General Fund, it is noted that this is the biggest difference from last year's budget.

The utilities from the lift station was corrected, it is no longer being accounted for twice. Utilities were all included on the one line item.

Expense for locating the main was added onto budget; this number was provided from SIME, and was slightly higher than anticipated.

Capital Enterprise \$11,637 is what was initially budgeted, and \$8,681 is what SIME charged, so the District ended about \$3k ahead last year. Peak left this at \$10,000 for the time being; an increase may be necessary if the project for MDT is more expensive than estimated. This will be determined once Peak has heard back from MDT.

The Plant Investment Charge is reduced from \$40k to \$35k in order to be more conservative; this reflects the standing projections for flows as well.

The balance sheet is provided, there is general discussion about the details of the District's bookkeeping, Profit/Loss, etc. Peak will plan to email members of the Board copies of these financial documents.

Depreciation is recorded at about 10 percent of total number.

President Border notes the need for extra cash in case there are surprises from MDT, Director Amend mentioned it would be wise not to dip into the asset reserve if it can be avoided.

Lift station is looked at once a year, this will happen shortly. Peak is waiting to hear from MDT before pursuing the scope. It is more economical to perform the scope when a crew is in proximity as opposed to sending a team out specifically for that task.

There is discussion about location of manholes, APE representative Huggins noted that the as-builts that Peak has reviewed are quite accurate. President Border saw a groundfill project occurring near the North end of Webb street, and he inquired as to whether Peak has investigated the risk to District lines. Peak has done some locates but can't say affirmative for that particular area; President Border notes that the manhole in this location is obvious and the associated lines shouldn't be at risk of impairment.

There is a new house on Tracy Street that was coming online during the transition of treasurer duties to Peak. GM Proconier spoke with the owners, the Doyles, they were wrapping up their project and should be connecting to District line shortly.

With regards to the budget, Director Amend would like to see the Contract Admin Services worked out on paper; the board is fairly comfortable with the budget proposal overall.

Director Amend moves to approve budget, Director Fox seconds, motion passed unanimously.

NEW BUSINESS

None recorded

REPORT OF OFFICERS, STANDING COMMITTEES, AND SPECIAL COMMITTEES

General Manager Report

A. MDT PROJECT

Locates were achieved and reburied. Peak is still waiting to hear a status update from MDT, and will connect and press them for a response.

B. LIFT STATION INFILTRATION ISSUES

APE representative Huggins notes lift Station that line dumps into had a major overflow of water and a subsequent mess has ensued. The water was flooded into the treatment plant, this valve was restricted to stem the flow. The tie-ins in the force main were assessed, Super Sun LLC was in poor condition, this is caused in part by tanks/penetrations not sealed properly, the water has saturated this area and was being addressed by the contractor. They were able to tackle the issue despite the threatening environment and the flow has decreased going into Four Corners plant. Issue is found at Ecocamp, package lift station had 2 penetrations where water was very close to the surface and constantly flowing, these were capped to stop the flow. It was determined that Ecocamp and Super Sun LLC both contributed to the issue at hand. Peak checked the flow from the lift station in Gallatin Gateway, but the water level remained in an acceptable range. Although the flooding has been resolved, Peak is not sure how Four Corners will handle the bill. Flow data will be recorded once a month, Peak reported the flow data from the omni site. There is a discussion about average of flows over the course of a month, flow is monitored coming from Lift station that the District pumps into, this includes water from Elk Grove subdivision; an exact amount cannot be determined. Peak recommends that Four Corners divvy up excessive fees between each tie in. The lift station near the Antique Barn was full, there was no discernible infiltration there was evidence of overflow; it is likely all sites have contributed to the overflow, so all will be responsible for extra cost. This has been discussed with all associated owners. Another site has transferred ownership recently, Peak spoke with the owner; they have one tie-in, but two new buildings under construction with small package lift stations. They applied for additional VRUs awhile ago, Peak has pressed the owners for more info but they have not been responsive. Peak will pursue the owners to ascertain the required information. The meter from this site's tie-in was never installed, so there is no read-out. APE representative Huggins summarized all concerns at hand and Peak will discuss excess fees with all users, monitor flow meters, and update the District with relevant information. President Border inquired about when these installations were done, discussed the need for the District's engineer to address concerns and approve necessary actions.

CAPACITY REPORT

The capacity report was updated and made available. There are no pending applications, and there were no questions of GM Proconier at this time.

Existing will Serve Agreements

Peak contacted everyone with existing will-serves, this is at least the 6 month point of issuance; since Peak took over duties as the manager.

STACEY's

June 15th is the expiration of the will-serve for Stacey's they have issues with encroachment- they asked for an additional 6 months, but are willing to reapply for 8 VRUs if the District prefers. There is discussion with whether there should be an upcharge for VRUs that are reapplied for; Director Amend would like to keep current rate, so it does not skew the numbers of the Operations Budget. Peak will increase their PIC charge and reissue a will-serve once payment is received. President Border raised the question of how much more usage the site may be using based on visible activity; this is inconclusive at this time.

Peak will look into whether Stacey's has an old flow meter on their well, and they will be notified about increased PIC charges.

MONTANA RECLAIMED LUMBER

There has been a lot of dialogue with Lutson, LLC about what their intentions are for construction and the associated usage of the District's resources. Their VRU allotment was upped slightly: .2 VRUS. Peak made changes to their will-serve and it will not expire until November.

LINDA COX

Linda Cox is asking for extension due to difficulty getting contractors to finish the job. Director Amend notes there needs to be consistency with charges/clients; Peak will increase her picc charge and issue an extension.

DOHLE

Peak has reached out to Dohles but they have not been responsive. They have a structure and although there is no known connection, Peak will pursue contact with them since their will-serve is expired. There is currently one VRU allotted to Dohles; they had applied for one new one for a total of two VRUs. Their original will-serve could not be found.

ECOCAMP

They have residents in first house, and Peak will charge accordingly. There are two structures connected to the force main, with only one being occupied. Peak has contacted the owners, they confirmed that meters are ordered and they are awaiting shipment; Peak gave them until August to be installed. There is a consensus to start charging flow rates for any lines that are connected to the force main. Ecocamp is allotted 11 VRUs, so Peak will be billing for the 4.4 VRUs that are already tied in.

GENESIS ENGINEERING

Peak will get in touch with Genesis Engineering in the next month as their will-serve will be expiring. Peak has kept their VRUs at the current 17, but laid out contingencies that the flow meter will be monitored, and if the allotted amount is exceeded, this will be reflected in an overage charge.

LOHSS CONSTRUCTION

Lohss is allotted 7 VRUs; they are preparing to break ground. Their PIC charges were paid last August, and Peak is allowing until this August before the PIC charges will be increased.

RONALD PAGE

Ron Page was allotted 3 VRUs, however his 6 months has expired and he has not responded to Peak as of yet. He will need to pay increased PIC charges, otherwise those 3 VRUs will be open for application. In this instance, the District can issue him a refund check, and he can reapply when ready.

There is the possibility that the District will no longer accept applications in the near future, as VRU capacity will soon be maximized.

This concludes will serve report.

District Council Swimley has written up a contract for the concert hosted by The Jump; Peak signed off and the event has been approved.

There is no update on 475 South since last month.

Gateway Village is becoming occupied, 2 units are occupied and they are hoping to have several more by the end of the month. For the time being Scenic City hauls off sewage until flow meter registers a certain rate, at which point the Gateway Village plant will be used.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 7:24.

Alison W. Curry

Secretary

KASTING, KAUFFMAN & MERSEN, P.C.

A T T O R N E Y S A T L A W

JOHN M. KAUFFMAN
JANE MERSEN
DENNIS L. MUNSON
LILIA N. TYRRELL
JORDAN P. HELVIE

716 SOUTH 20th AVENUE, SUITE 101
BOZEMAN, MONTANA 59718
TEL: (406) 586-4383 FAX: (406) 587-7871
E-MAIL: reception@kkmlaw.net

KENT M. KASTING, *Of Counsel*

June 7, 2022

VIA EMAIL

Susan B. Swimley
Attorney at Law
1807 West Dickerson #B
Bozeman, MT 59715

Re: Gateway W&S District – 475 Gateway, LLC/Pfeil Acquisition, LLC
Subject to Rule 408 M.R.Evid.

Dear Susan:

I apologize for the delay since your last communication on this issue. The delay is mine alone, given my other obligations.

My client and I have tried to be creative to resolve the impasse that we are facing. I believe the following represents the last best offer from 475 Gateway, LLC / Pfeil Acquisition, LLC to resolve and compromise the dispute with Gateway Water and Sewer District (the “District”) as it relates to the provision of wastewater services.

To address the demand for environmental insurance and recognizing the uncertainty that comes along with being about to secure and maintain such a product into the future, my client would agree to obtain environmental pollution insurance so long as the cost of the same does not exceed 50% of the cost of wastewater service rates after the completion of annexation. It is our understanding that the monthly service rate, post annexation, will be \$1,100 or \$13,200 annually. As a result, insurance will be obtained as long as the premium for the coverage is at or below \$6,600 (using current rates). The last quote we received for the coverage was \$3,562 for \$1,000,000 in coverage. Therefore, at current sewer rates, the premium could increase quite a bit before the cap is triggered. In addition, my client will own the line as it goes beneath the river and indemnify the District, as discussed in my earlier correspondence. Finally, if

Susan Swimley
June 7, 2022
Page 2

coverage is not available, then the requirement for insurance would be lifted and the property would become security for the indemnification.

It is our hope that this compromise will bridge the gap between the parties and we can move forward. We have worked diligently to find a solution that avoids future conflict. Please let me know if the foregoing achieves that result.

Sincerely,



John M. Kauffman

c. Client (email only)



MONTANA ASSOCIATION OF COUNTIES PROPERTY & CASUALTY TRUST

CERTIFICATE OF COVERAGE

This certifies that Gallatin Gateway County Water & Sewer District is a member of the Montana Association of Counties Property & Trust and Casualty as such is provided with the following coverages:

- General Liability
- Auto Liability
- Fidelity & Crime
- Errors & Omissions
- Employee Benefits
- Law Enforcement
- Sexual Abuse
- Property Coverage
- Boiler & Machinery

These coverages are provided for the period **07/01/2022 - 07/01/2023**. Coverage limits are attached to this certificate. Coverage exists for all entities acting within the scope of their duties. Questions about coverage should be addressed to MACo PCT, 2717 Skyway Drive, Helena, MT 59602-1213 to the attention of Shannon Chamberlain.

Signed: *Shannon Chamberlain*

MACo PCT Representative
Shannon Chamberlain
Trust Administrator

Agent: **Tyler Delaney**



MONTANA ASSOCIATION OF COUNTIES PROPERTY & CASUALTY TRUST

Declaration of Coverage

SUMMARY

| | |
|------------------------------------------------|------------------------|
| Covered Entity | Coverage Period |
| Gallatin Gateway County Water & Sewer District | 7/1/2022 - 6/30/2023 |
| PO Box 383 | MACo Policy # |
| Gallatin Gateway, MT 59730 | 8189PCT2023 |

Certain provisions in this agreement restrict coverage. The entire agreement should be read carefully to determine your rights and duties and to determine what is and is not covered.

DECLARATION

In consideration of payment of the contribution set out in this document and in reliance upon the statements in the Application and any supplementary information pertaining thereto, which shall be deemed incorporate herein, being representations which, if inaccurate, will render this coverage null and void, and relieve the Trust from all liability, the MACo Property and Casualty Trust agrees to provide coverage as follows:

SECTION I COVERAGE

| Coverage | Limits | Excess Policy |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------|
| Real & Business Property <small>as provided by: MACo PCT Memorandum of Property Coverage</small> | Property Valuation | MACo PCT Property Program |
| | Earth Movement | |
| | Flood Special Hazard Areas: Zone A or prefixed A Zone V or prefixed V | |
| | All other Flood Zones | |
| Equipment Breakdown | Accident | Hartford Steam Boiler |
| | Electronic Circuitry Impairment | |
| Fidelity & Crime | Employee Theft | \$500,000/Occurrence |
| | Forgery or Alteration | |
| | Theft, Disappearance & Destruction | |
| | Computer Fraud | |
| | Funds Transfer Fraud, including False Pretenses | |
| Terrorism | Act of Terrorism | Underwriters at Lloyd's of London |
| | Act of Sabotage | |



**MONTANA ASSOCIATION OF COUNTIES
PROPERTY & CASUALTY TRUST**

Declaration of Coverage

| SECTION II COVERAGE | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------|
| As provided by MACo PCT Memorandum of Indemnity Coverage | | |
| | Retroactive Date | Reinsurance Policy |
| General Liability | Not Applicable | Ambridge Partners LLC |
| Automobile Liability | Not Applicable | |
| Errors and Omissions Liability | 7/1/2010 | |
| Employee Benefits Liability | 07/01/2020 | |
| Sexual Abuse Liability | 07/01/2020 | |
| Each coverage is subject to its own provisions, which may be different from those of other coverages of this agreement. | | |
| Claim Type | | |
| | | Limit of Indemnity |
| Each Claim | | \$750,000 |
| Each Occurrence | | \$1,500,000 |
| Uninsured Motorists – Per Statutory Minimum | | \$25,000 |
| Medical Pay for GL & AL – Each Person | | \$5,000 |
| Medical Pay for GL & AL – Each Occurrence | | \$50,000 |
| Weed & Mosquito Spray Sub Limit – Each Occurrence | | \$500,000 |
| Coverage for all liability coverages per the MACo PCT Memorandum is up to the statutory limits of \$750,000/ claim; \$1,500,000/occurrence. Claims that are not subject to state tort limits are covered up to \$5,000,000 as provided by Ambridge Partners LLC reinsurance for Federal and out-of-state claims. | | |
| The above limits are subject to the following additional limits: | | |
| Annual Aggregate in respects to products and completed operations per member | | \$1,000,000 |
| Annual Aggregate in respects to all Section II coverages per member per year for all claims and occurrences | | \$5,000,000 |



MONTANA ASSOCIATION OF COUNTIES PROPERTY & CASUALTY TRUST

Declaration of Coverage

MAINTENANCE DEDUCTIBLE

For individual claims, the Trust's coverage limits set forth above will be reduced by the amount of the deductible set forth under the section below. However, the covered party shall be responsible for only one Maintenance Deductible per line of coverage for any multi-loss occurrence. These losses shall be subject to the highest applicable Maintenance Deductible.

| Line of Coverage | Maintenance Deductible |
|------------------------------|-------------------------------|
| Property Coverage | 1,000 |
| Auto Physical Damage | 2,500 |
| Crime | 1,000 |
| General Liability | 1,000 |
| Automobile Liability | 1,000 |
| Errors & Omissions Liability | 1,000 |
| Employee Benefits Liability | 1,000 |
| Sexual Abuse Liability | 1,000 |
| Total Contribution | 22,410.85 |

Invoice



Payment Due Date: 8/15/2022

Invoice #: 8189PCT2023

Montana Association of Counties
Property & Casualty Trust

Covered Member: Gallatin Gateway County Water &
Sewer District
Attn: Accounts Payable
PO Box 383
Gallatin Gateway, MT 59730

Mail Payments To:
Montana Association of Counties

Property & Casualty Trust
2717 Skyway Dr, Ste C
Helena, MT 59602
(406) 449-4370

Billing Cycle & Payment Information

| Invoice Date | Billing Type | Interest Assessed | Amount Due This Invoice |
|--------------|--------------|-------------------|-------------------------|
| 6/7/2022 | Yearly | | \$22,410.85 |

Description

| Description | Amount |
|-------------------------------------------------------------------|-------------|
| MACo Property & Casualty Trust Contribution 07/01/2022-06/30/2023 | \$22,410.85 |

Important Information

Please make all checks payable to: MACo PCT

To ensure proper credit, please write your policy number on your check or enclose this statement.

Gallatin Gateway County Water & Sewer District

Remit To:

Montana Association of Counties
Property & Casualty Trust
2717 Skyway Dr, Ste C
Helena, MT 59602

Payment Information

| | |
|-------------------------|-----------------|
| Account #: | 8189 |
| Invoice #: | 8189PCT2023 |
| Due Date: | August 15, 2022 |
| Amount Due: | \$22,410.85 |
| Amount Enclosed: | |

Thank you for your continued trust in Montana Association of Counties Property & Casualty Trust!

JUNE 30, 2022 DELINQUENT ACCOUNTS - GGCWSD

| Last Name | First Name | Mailing Address | | Legal Description of Property | Assessment# | FY21 Uncollected delinquent balance | FY22 Delinquent Balance due on 6/30/22 | Delinquent Account Fee (per GGCWSD Rules & Regs sec 624) | Total FY22 Delinquent Balance and penalties |
|---------------------|------------|-----------------|---------------------------------|-----------------------------------------------|-------------|----------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------|
| Engler | Edwin | P.O. Box 585 | Gallatin Gateway, MT 59730 | SALESVILLE, ORIG PLAT OF, BLOCK 10, LOT 10 | RHF12887 | \$ - | \$ 1,604.52 | \$ 60.00 | \$ 1,664.52 |
| Triangle E Holdings | | P.O. Box 585 | Gallatin Gateway, MT 59730 | SALESVILLE, S11, T03 S, R04E, BLOCK 9, LOT 12 | RHF12618 | \$ - | \$ 145.70 | \$ 60.00 | \$ 205.70 |
| Schans | Jason C. | P.O. Box 435 | Gallatin Gateway, MT 59730 | SALESVILLE, ORIG PLAT OF, BLOCK 6, LOT 8-9 | RHF12642 | | \$ 619.10 | \$ 60.00 | \$ 679.10 |
| Benes | David | P.O. Box 429 | Gallatin Gateway, MT 59730-0429 | SALESVILLE, ORIG PLAT OF, BLOCK 1, LOT 8 | RHF12842 | | \$ 85.30 | \$ 60.00 | \$ 145.30 |
| TOTAL | | | | | | \$ - | \$ 1,750.22 | \$ 120.00 | \$ 1,870.22 |

GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

July 15, 2022

Edwin Engler
P.O. Box 585
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 10, LOT 10

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30th) may be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

| DELINQUENT BALANCE DUE (due and payable as of 6/30/2021) | TOTAL ACCOUNT BALANCE DUE |
|-----------------------------------------------------------------------------|--------------------------------------|
| \$1604.52 | \$2,045.52 |

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, or it will be levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

\s

Sam Proconier
General Manager

Gallatin Gateway Water & Sewer District
PO Box 383, Gallatin Gateway, MT 59730
Email: customerservice@gatewaywsd.com
406-595-0951

GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

July 15, 2022

Triangle E Holdings
P.O. Box 585
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 9, LOT 12

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30th) shall be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

| DELINQUENT BALANCE DUE (due and payable as of 6/30/2021) | TOTAL ACCOUNT BALANCE DUE |
|-----------------------------------------------------------------------------|--------------------------------------|
| \$145.70 | \$201.70 |

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, to avoid it being levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

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Sam Procnier
General Manager

Gallatin Gateway Water & Sewer District
PO Box 383, Gallatin Gateway, MT 59730
Email: customerservice@gatewaywsd.com
406-595-0951

GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

July 15, 2022

Jason C. Schans
P.O. Box 435
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 6, LOT 8-9

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30th) shall be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

| DELINQUENT BALANCE DUE (due and payable as of 6/30/2021) | TOTAL ACCOUNT BALANCE DUE |
|-----------------------------------------------------------------------------|--------------------------------------|
| \$619.10 | \$964.30 |

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, to avoid it being levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

\s

Sam Proconier
General Manager

Gallatin Gateway Water & Sewer District
PO Box 383, Gallatin Gateway, MT 59730
Email: customerservice@gatewaywsd.com
406-595-0951

GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

July 15, 2022

David Benes
P.O. Box 429
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 1, LOT 8

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30th) shall be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

| DELINQUENT BALANCE DUE (due and payable as of 6/30/2021) | TOTAL ACCOUNT BALANCE DUE |
|-----------------------------------------------------------------------------|--------------------------------------|
| \$85.30 | \$396.50 |

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, to avoid it being levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

\s

Sam Proconier
General Manager

Gallatin Gateway Water & Sewer District
PO Box 383, Gallatin Gateway, MT 59730
Email: customerservice@gatewaywsd.com
406-595-0951

Gallatin Gateway WSD Capacity Report

| | | | |
|--------------------------------------------------------------------------------------------------------------|----------------|--------|----------------------------------------------------------------------|
| Current VRU's in Service | 162.21 | | |
| Additional Will Serve VRU's | 88.28 | | |
| Applied for VRU's | 1 | | Subtotal VRU's |
| | | | 251.49 |
| Current Capacity and Flow for GGWSD w/ in Service VRU's (5000gal Reserve Included) | | | |
| Purchased Flow to FCWSD (total, no reserve) | 37080 | | Total VRU's (160gal/VRU) Alloted to FCWSD |
| Average Monthly Flow | 14000 | | Average Flow / In Service VRUs |
| Available Flow (w/ reserve) | 18080 | | Total Possible VRU's (Based on Average Flow) Alloted to FCWSD |
| | | | 200.5 |
| | | | 86.3 |
| | | | 371.69 |
| Future Capacity and Flow for GGWSD once Will Serve VRU's Connect w/ 5000g Reserve | | | |
| Total Future VRU's in Service | 250.49 | -----> | VRU Allotment to FCWSD (160gal/VRU) |
| Predicted Flow Rate w/ 160gal/VRU | 40078.4 | -----> | Flow Rate Allotment to FCWSD |
| Predicted Flow Rate w/ current Ave. | 21619.3 | -----> | Flow Rate Allotment to FCWSD |
| Predicted Flow Rate Using Current Average Flow for in service VRU's and 160g/VRU for Will Serve VRU's | 28124.8 | -----> | Flow Rate Allotment to FCWSD |
| | | | -49.99 |
| | | | -7998.4 |
| | | | 10460.7 |
| | | | 3955.2 |