

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: October 2, 2017
Time: 6:30PM
Place: Gallatin Gateway School, 100 Mill St., Gallatin Gateway, MT
For: Regular Meeting of the Board of Directors

AGENDA

I. Public Participation on Non-Agenda Items¹

II. Conflict of Interest Disclosure²

III. Approval of Minutes

- A. Approval of Meeting Minutes for September 11, 2017
- B. Approval of Meeting Minutes for September 18, 2017

IV. Consent Agenda

- A. None

V. Reports of Officers, Standing Committees, and Special Committees

- A. General Manager Report, Treasurer Report, Approval of Expenditures
- B. 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
 - vi. INTERCAP Reports, Administration and Draw Requests

VI. Regular Business

- A. Discussion and Decision on Amending the Assessment Bond Due to Account for Changes in Number of Parcels Assessed
- B. Discussion and Decision on Adopting Board Calendar for Recurring Board-Related Topics

VII. Adjourn

¹ 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.

² An 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 School, 100 Mill St., Gallatin Gateway, MT, on October 2, 2017. Present at the meeting were board members Eric Amend, Ted Border and Elana Wexall. General Manager Matt Donnelly, Kurt Thomson from Stahly Engineering, and Pete Stein were also present.

President Border called the meeting to order at 6:34 p.m. Matt Donnelly recorded the minutes of the meeting.

PUBLIC PARTICIPATION OF NON-AGENDA ITEMS

President Border asked for public comment on non-agenda items. None were raised.

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 September 11, 2017 meeting minutes, President Border asked whether there were any corrections. Director Amend noted a misspelling in the General Manager's report, and moved to approve the minutes with the "vein meter" replaced with "vane meter" in the first paragraph of the General Manager's report. Director Wexall seconded the motion and the minutes were approved unanimously.

After confirming that all directors had a draft copy of the September 18, 2017 special meeting minutes, President Border asked whether there were any corrections. None were noted. Director Wexall made the motion to approve the minutes as written, Director Amend seconded the motion and the minutes were approved unanimously.

REPORT OF OFFICERS, STANDING COMMITTEES, AND SPECIAL COMMITTEES

General Manager Report, Treasurer Report, Approval of Expenditures

GM Matt Donnelly stated that he had nothing to report other than the topics already included in the meeting agenda. He deferred discussion of those topics to the appropriate place on the agenda.

GM Matt Donnelly reviewed the current monthly financial package (P&L and Balance sheet) for FY starting July 1, 2017. He noted that Accounts Receivable were high because the quarterly invoices had been sent just prior to the meeting.

He also noted that the Treasurer had implemented her plan for allowing online bill payments, and that a notice offering this service had been included with the invoices.

President Border asked for, and was given, unanimous consent to re-order the agenda to take up the matter of Construction Change Order #5.

REGULAR BUSINESS

Discussion and Decision on Construction Change Order #5 for Additional Manhole #17A and for Replacement of Manhole Base at Manhole #17.

The change order adds \$4,369.06 to the contract for labor and materials to install an additional manhole on Penny Lane and to replace the manhole base at existing manhole #17 to accommodate the changes to the route for the gravity main on Penny Lane. Mr. Thomson advised that he felt it was expedient to move the Penny Lane gravity main to the north side of Penny Lane to avoid excessive utility conflicts on the south side. The additional manhole and the change to the existing manhole are necessary to accommodate the change. GM Donnelly recommended approval. Director Amend moved to approve Change Order #5 for \$4,369.06; Director Wexall seconded. After discussion, President Border called the question. The motion carried 3-0 (two directors were not present).

REPORT OF ENGINEER, GRANT AGENCY DRAWS & REPORTS

Kurt Thomson provided the engineer's report. All gravity mains are installed and will be tested and inspected this month. The contractor still needs to relocate the manhole in front of the community center to comply with a MDEQ request. The force main is still progressing. Crossings at Blackwood, Zachariah, Gooch, Farmer's Canal and Cottonwood Creek still need to be made. There was a meeting September 29 between the engineer and contractor to discuss two items of concern: utility conflicts not shown on the plans; and groundwater with related dewatering activities. Kurt reported that he had scheduled another meeting October 3.

Pete Stein expressed a community concern that the contractor's recent change of superintendent may impact promises that JR Civil had made to community members regarding their properties. For one specific example, Mr. Stein noted that the previous superintendent had promised to use a certain type of excavating equipment for sensitive areas of the community. Mr. Stein observed that he hadn't seen the type of excavator promised by JR. He reiterated that he had spoken with several community members who feared that the replacement of the previous superintendent would have a detrimental impact on promises previously made by JR Civil.

GM Donnelly then presented the grant agency report and draw requests prepared by Teresa Doig. He presented the contractor pay application #7 for \$229,654.35 and Stahly invoice #61 for \$29,380.10, to be submitted to RD for payment through an and InterCap loan (\$254,665.39), and to TSEP for payment

through a TSEP grant (\$4,369.06). GM Donnelly advised that he recommends payment. Director Amend moved to approve contractor pay app #7, Stahly invoice #61, and approve the draw request as presented by Ms. Doig for a total of \$259,034.45. Director Wexall seconded the motion. There was no further discussion. The motion carried 3-0.

Discussion and Decision on Amending the Assessment Bond Due to Account for Changes in Number of Parcels Assessed

GM Donnelly then introduced proposed Resolution 2017-06. He informed the Board that the Series B bond and Special Assessment is scheduled to close on October 5. He noted that the Board had passed several resolutions authorizing the bond and incurring the debt. He further noted that there had been lingering uncertainty as to how many Low- and Moderate-Income (LMI) parcels would qualify for relieve of the assessment under the CDBG grant awarded to Gallatin County on behalf of the District. As of October 2, the Montana Dept. of Commerce (MDOC) has approved 20 LMI parcels. There are another 16 parcels owned by LMI residents, but for which MDOC has requested further information. It is the opinion of the District's bond counsel that the District should proceed with closing the Series B bond and assessment with 20 qualifying parcels. The remaining 16 parcels, if they qualify at a later date, can be processed using a tax prepayment mechanism through the County Treasurer. Using this mechanism the District can be assured that all qualifying community members can take advantage of this grant, which is targeted for LMI community members.

To implement this decision, and to close the bond, bond counsel has drafted Resolution 2017-06 which serves the purpose to correct previous assumptions as to the number of LMI qualifying parcels and to authorize closing the bond. GM Donnelly offered the staff recommendation to accept bond counsel's advice and adopt the resolution. He noted that no LMI community members would ultimately be adversely impacted by this decision.

Director Amend moved, and Director Wexall seconded the motion, to adopt Resolution 2017-06 as presented. Discussion followed. Director Amend noted that adopting the resolution does not prevent additional LMI residents from applying and qualifying for assistance. There was no further discussion. President Border called the question. The motion carried with a vote of 3-0.

Discussion and Decision on Adopting Board Calendar for Recurring Board-Related Topics

GM Donnelly then presented an informal calendar of Board activities. He noted that the purpose of the calendar is to advise the Board and staff of recurring activities either required by law, required by the District's bylaws and/or policies, or requested by the Board. He further noted that the calendar can be amended as necessary, and that it is for information only and is not binding. Director Amend moved to adopt the Board calendar as presented by the General Manager. Director Wexall seconded. After discussion, President Border called the question and the motion carried by a vote of 3-0.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 7:36 p.m.

Secretary