

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: August 1, 2011

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 (Adams)
- B. Public Participation on Non-Agenda Items¹ (Adams)

II. Approval of Minutes

- A. Approval of Meeting Minutes for June 6, 2011 (Adams)

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

- A. Report of General Manager & Report of Financial Condition (Donnelly)

IV. Unfinished Business and General Orders

- A. Discussion and Decision Accepting RD Grant (Donnelly)
- B. Discussion of CDBG Grant Application (Donnelly)
- C. Status of Other Grants and Grant Applications (Donnelly)
- D. Discussion on Required Actions to Begin Sewer Project Construction (Donnelly)

V. New Business

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

VI. 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.

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 in the boardroom of the Gallatin Gateway Fire Station on August 1, 2011. Present at the meeting were board members Merle Adams, Ted Border, David Sullivan, Charlie White and Earl Wortman. Matt Donnelly and Susan Swimley were also present.

The meeting was called to order at 6:30 p.m. by President Adams. Matt Donnelly recorded the minutes of the meeting.

PUBLIC COMMENT

President Adams asked for public comment. Seeing none, President Adams proceeded to the next item on the agenda.

CONSENT TO MODIFY AGENDA

To make efficient use of the time of several guests present, President Adams asked for unanimous consent to modify the agenda, moving Agenda Item IV.A to be taken up immediately. Seeing no objections, President Adams proceeded to Item IV.A.

DISCUSSION AND DECISION ACCEPTING RD GRANT

President Adams then introduced Clay Landry from Rural Development. Mr. Landry presented a Letter of Conditions to the Board indicating that upon acceptance of the conditions, and after countersignature by RD, the District would be awarded \$1,815,000 in grant funding, \$863,000 in loan funding through a Series A Loan to be secured by a Revenue Bond, and \$787,000 in loan funding through a Series B Loan to be secured by a special assessment. Mr. Landry explained that all grant and loan awards are contingent upon compliance with the terms and conditions outlined in the Letter of Conditions as well as any applicable federal regulations and RD policies.

After an extensive period of questions and answers, Director White moved to accept the conditions described by Mr. Landry for award of an RD grant/loan package for construction of a wastewater collection and treatment facility and to authorize President Adams to sign the Letter of Conditions. Director Sullivan seconded the motion. After debate, the motion was adopted by a unanimous vote of the Board.

Director White then moved to request that RD obligate the aforementioned funds and that President Adams be authorized to sign the request. Director Wortman seconded the motion, which passed unanimously.

Steve Troendle, who was in the audience, commented that the thoroughness of the income survey and the environmental assessment factored heavily in the decision by the RD National Office to fund this particular project. Mr. Troendle noted that the Midwest Assistance Program (MAP) conducted the income survey as a service, and at no charge, to the Gateway community. The Board of Directors expressed deep gratitude to MAP for assistance with the income survey and to Hyalite Environmental for developing and writing the environmental assessment at no charge to the District. It was noted that without these two volunteer efforts the RD funding may not have materialized.

CONSENT TO MODIFY AGENDA

To make efficient use of the time of several guests present, President Adams asked for unanimous consent to modify the agenda, moving Agenda Item IV.B to be taken up immediately. Seeing no objections, President Adams proceeded to Item IV.B.

DISCUSSION OF CDBG GRANT APPLICATION

Larry Watson and Warren Vaughan presented the current status of the CDBG application. It is anticipated that Gallatin County will sponsor the CDBG application, and Mr. Watson has scheduled a public hearing on September 20 in front of the County Commission to review and possibly sign the grant application on behalf of the District. The Board took up a discussion of how to get maximum involvement by local community members. It was decided that holding a local hearing sponsored by the District would be convenient for community members and would perhaps get better attendance. The Board agreed to hold a special meeting and public hearing regarding CDBG on September 13 at the Gateway Community Center. Matt Donnelly was asked to develop an agenda and to coordinate advertising the meeting.

The discussion then turned to writing the CDBG grant application. It was noted that with the award of the RD grant/loan package the CDBG grant application becomes crucial to provide financial relief for low income community members. Director Sullivan moved to direct Matt Donnelly to ask Great West Engineering to write the CDBG grant application. Director Border seconded. During discussion, it was noted that Warren Vaughan from Gallatin County had already contributed a great deal to the writing task. Terry Threlkeld then volunteered to take over the writing task at no charge to the District. After discussion, Director Sullivan withdrew his motion.

Director Sullivan then moved to ask Mr. Threlkeld to write and compile the CDBG application and to direct Mr. Donnelly to ask Great West to ask for a review of the completed CDBG application by Craig Erickson for a price not to exceed \$1200. Director Wortman seconded the motion, which passed unanimously. The Board then thanked Mr. Threlkeld for his generous offer.

APPROVAL OF MINUTES

After confirming that all directors had a draft copy of the June 6, 2011 minutes, President Adams asked whether there were any corrections. Seeing none, Director Sullivan moved to approve the minutes and Director White seconded. The minutes were unanimously approved.

REPORT OF GENERAL MANAGER

Mr. Donnelly gave a report of the financial condition of the district. He then led the Board through the MACO insurance policy and requested signatures to renew.

STATUS OF OTHER GRANTS

Mr. Donnelly then discussed the status DNRC and TSEP grants, noting that both organizations were proceeding to contract negotiations with the District.

STEPS BEFORE CONSTRUCTION CAN BEGIN

The Board then turned to a general discussion of steps required before construction can begin. The first order of business is to hire an engineering firm to provide engineering services for the District. Mr. Watson volunteered to help the District with the procurement process. President Adams then asked Susan Swimley to develop a general list of steps, including timeline, to carry the District through the construction process.

NEW BUSINESS

The meeting then turned to new business. There was a general discussion of growth in Gateway, and growth's impact on the sewer project. Mr. Threlkeld noted that a "Quality Schools" grant may be available in the next biennium to help cover the school district's sewer costs. Mr. Watson noted that the County is capable of administering the TSEP grant, and that the District can petition the County Commission to waive 50% of the admin fee for this service.

Seeing no additional new business, President Adams noted that the next meeting date is Labor Day. Director Wortman moved to change the September meeting date to September 6. Director White seconded the motion, which passed unanimously. President Adams noted that the next regular meeting will be September 6, and there will be a special meeting on September 13.

Director Sullivan moved to adjourn; Director White seconded the motion. After unanimous vote the meeting was adjourned at 8:31 p.m.

Secretary