

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: July 2, 2012

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 Items¹

II. Approval of Minutes

- A. Approval of Meeting Minutes for June 4, 2012

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

IV. Unfinished Business and General Orders

- A. Discussion regarding required connections for properties located in the District
- B. Resolution of Intent to Levy a Special Assessment

V. New Business

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

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 Gallatin Gateway Fire Station, 320 Webb St., Gallatin Gateway, MT on July 2, 2012. Present at the meeting were board members Earl Wortman, Merle Adams, Ted Border, David Sullivan, and Charlie White. Matt Donnelly and Maralee Parsons were present, as well as Terry Threlkeld (Stahly Engineering).

The meeting was called to order at 6:30 p.m. by President White. Maralee Parsons recorded the minutes of the meeting.

PUBLIC COMMENT

President White asked for public comment on non-agenda items. There were no non-agenda items raised.

President White proceeded to the next item on the agenda.

APPROVAL OF MINUTES

After confirming that all directors had a draft copy of the June 4 minutes, President White asked whether there were any corrections. Seeing none, Director Sullivan moved to approve. Director Border seconded the motion, which passed unanimously.

REPORT OF GENERAL MANAGER

Matt Donnelly reviewed 3 documents:

1. Statement dated June 10, 2012, from Stahly Engineering, which shows an outstanding balance of \$25,034.63 for services rendered, on top of invoices already paid (\$25K). Matt reported that Stahly is slowing down on work as the district does not currently have the funds to pay. The district needs to free up the grant money by getting the assessment passed.
2. GGWSD Profit & Loss statement (for FY ending June 30, 2012)
3. GGWSD Balance Sheet (as of June 30, 2012). Matt advised that the insurance bill was received today, \$1,361 due 8/15/12 at which point the district will be out of cash. The question was raised whether the directors could loan the district cash, but it is not legal to lend a government institution money. There is no news on the CDBG grant application; they were supposed to have advised by June 1, 2012, but to date we have not heard and hope to have some information by August 6 meeting.

REPORT OF SITE SELECTION COMMITTEE

Director Merle Adams reported on the progress of the site selection committee. The committee is meeting each week to discuss potential properties. On June 27 the committee met with the Johnson brothers who requested if the district can indemnify them. Susan is to follow up. There will be a meeting with Candice Dorsch on Friday July 6. The Ward property is out due to wells being down gradient. Johnson property is being pursued and may have the same issue of wells. Larsen: Susan is checking if covenants exist. Per Terry, 3 holes are dug for monitoring ground water. There is currently no water there. Derham site is out. Dorsch site has met all setbacks and could be a good site.

There was public comment on the site selection. One person commented that the site should be close to the center of town, not 5 miles north. Director Adams responded that the site must meet safety requirements and requires a willing seller. One advantage to going north would potentially allow growth by joining a larger system one day. Also, the district must purchase, not lease, the land. The district is creating a higher quality septic system (level 2) which treats waste before it goes into the system. Suszy Beauregard advised she lives near the Larson site which is being considered, and this land is near high end properties which flood irrigate, and it has restricted covenants. Matt Donnelly advised that the realtor and owners have not disclosed covenants, and Ms. Beauregard presented a copy of the covenants to Matt Donnelly. Another concern was that any property being considered must be disclosed as a potential sewer district site, until the sewer is actually built.

REPORT OF ENGINEER

Terry Threlkeld reported that Stahly will begin going house-to-house within the District to identify service connections and to get orientations for service connections for each building in the District. Kurt Thomson is in charge of the schedule and Terry could not provide an update. Terry commented that there is a concern within Stahly about the district's cash flow.

Director Border stated that Stahly had agreed to provide an updated budget, which was requested by the Board 2 months prior and still not received. Terry agreed to contact Kurt Thomson to provide an update to the Board.

DISCUSSION REGARDING REQUIRED CONNECTIONS FOR PROPERTIES LOCATED IN THE DISTRICT

President White opened the floor to a discussion of which properties within the District will be required to connect to the sewer system once it is built. Matt Donnelly directed the Board's attention to the letter from attorney Susan Swimley, attached to the June 4 minutes. Essentially, the legal advise is that the Board can discuss, but cannot pass Rules & Regulations (R&R) at this time,

because there is no system to enforce the R&R. Director Sullivan stated that we need everyone on board. It was suggested that properties with level 2 systems could be exempt, but that the Board must also consider public health issues with well contamination. Director Adams stated that the Board should be upfront and state now that all properties will be required to sign up. President White declared it is the intent of the Board to pass a resolution which will require all properties within the district to join the system, and this shall be captured in the meeting minutes. Matt Donnelly will also post this to the District website.

RESOLUTION OF INTENT TO LEVY A SPECIAL ASSESSMENT

There was a delay to passage of the Special Assessment resolution to allow community members more time to aggregate lots. Matt Donnelly advised that the difference between the current resolution and the one reviewed in April 2012 is the number of lot estimates; there are 4 pending applications for aggregation, which if completed would bring the lot estimates down from 137 to 133. The bond attorney advised leaving it at 137 parcels but with additional language stating that the assessment will increase if there are any aggregations resulting in a lot count less than 137. Director Sullivan motioned to approve the resolution; Director Border seconded the motion. The resolution was unanimously approved. Director White directed that the resolution of intent to levy a special assessment be appended to the minutes and posted on the website.

There will be an ad in the newspaper on July 7 and the 30 day protest period will commence that day. A public hearing will be held on August 6.

NEW BUSINESS

President White asked for new business. Seeing no additional new business, President White noted that the next meeting date is August 6, 2012.

President White then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 8:00 p.m. .

Secretary