

## **FOUR CORNERS WATER AND SEWER DISTRICT MINUTES SPECIAL MEETING October 22, 2015**

### **Call to Order**

President Cory Klumb called a special October meeting of the Four Corners Water and Sewer District to order at 6:35 pm on Thursday, October 22, 2015, in the library of Monforton School at 6001 Monforton School Road, Bozeman, Montana.

Board Members present: President Cory Klumb, Treasurer Ed Schmidt, Member Nancy Flikkema, and Member Valerie Gravage.

Public: Marty Gagnon representing MMI, Susan Swimley, Attorney and acting General Manager, Cassie Owens, Bookkeeper, Deborah McAtee of Magpie Consulting, Maralee Parsons, Secretary, Matt Donnelly, Terry Malloy, Cass Malloy. From Utility Solutions: Barb Campbell, Trevor Campbell, and Amy Ellingson

### **Approval of Minutes for the September 15, 2015 and September 24, 2015 meetings.**

September 15: Member Valerie Gravage requested item (4D ii) be corrected to "Board member asked" for clarification on outstanding invoices.

September 24: No corrections noted.

**MOTION:** Member Nancy Flikkema moved to approve the September 15, 2015 minutes as corrected, and approve the September 24, 2015 minutes as written. Member Valerie Gravage seconded. *The motion carried 4-0.*

**Public Participation on Non-Agenda Items:** None

### **General Business**

#### **A. Discussion, update possible decisions on**

##### **I. Purchase Updates**

##### **a. Release of financing contingency**

Susan sent a letter on behalf of the District saying they had released the financing contingency after the September 24, 2015 Board meeting.

##### **b. Loan Closing:**

Susan held a conference call on October 21 with all of the funding agencies and confirmed the finances are on track. The Board will consider the levy resolutions tonight, and if signed, the 30-day protest period will begin. The Board will need to hold a special meeting on November 23, 2015, to hear protests, which are to be sent to Susan Swimley's office. December 23, 2015 has been selected as the closing date.

##### **c. PSC – provide order**

Susan advised the PSC has approved the transaction, and according to the terms of the stipulation, the District will need to advise MCC within one year that it has provided Elk Grove pertinent financial information, cost of service options, etc., in order for Elk Grove to decide whether or not to annex into the District. If Elk Grove annexes into the District, PSC will no longer have jurisdiction.

##### **d. Discussion on modification of water rights (US)**

Barb Campbell advised she is not prepared to discuss this topic at this meeting, so it was postponed to the November meeting.

**e. Waiver Tara DePuy representing Gallatin Gateway County Water and Sewer District (GGWSD) re: bulk sewer sales agreement**

Susan advised that GGWSD has retained Tara DePuy to represent them in negotiations with FCWSD in obtaining bulk sewer rates. Susan also represents GGWSD, and she cannot represent both FCWSD and GGWSD in negotiations so recommended that GGWSD retain Ms. DePuy. Ms. DePuy has previously represented FCWSD, and has requested that FCWSD allow her to represent GGWSD in these negotiations by signing a waiver of conflict of interest.

**MOTION:** Member Valerie Gravage moved to approve signing of waiver of conflict of interest for Tara DePuy. Member Nancy Flikkema seconded. **Motion carried 4-0.**

**f. Job descriptions (GM, operator, admin asst, community interface) and policy manual.**

Deborah McAtee led the discussions on the proposed job descriptions and policy manual. The content came from similar positions at Big Sky and River Rock.

**GM:** She stated that the GM position is the most critical and presumably would be the first hire, so the Board should consider that the GM could potentially rewrite the job descriptions based on needed skills and responsibilities. There was discussion among the Board on making the GM job description more general in nature and less task-specific. Susan stated she would like to begin advertising for a GM soon. Member Valerie Gravage suggested the content of the GM job description be left as is, and she will prepare the advertisement for the position.

Marty Gagnon stated that FCWSD has planned on 4 hires: GM/operator; Admin; 2 operators. The Board discussed possibly combining some of the job descriptions based on how US currently handles the duties. The Board generally agreed that a newly hired GM would need to modify job descriptions based on District need and skill sets.

**MOTION:** Treasurer Ed Schmidt moved to approve all job descriptions with a modification to Community Interface by moving the meter reading function to the Admin Asst. position, and the approval is subject to review by the District's external auditor, to ensure job descriptions meet the required standards of separation of duties. Member Valerie Gravage seconded the motion. **The motion carried 4-0.**

**Policy Manual.** There was general discussion on changes or clarifications as suggested by member Valerie Gravage. Deborah McAtee captured changes in the meeting and she will incorporate these changes into the next draft to be presented to the Board. Changes requested:

- *Employee Behavior, Confidentiality:* Strike word "District" from "keep all District and customer information confidential..."
- *Conflict of Interest* section is a duplicate to Ethical Standards, so omit this section.
- Combine *Customer Service* section with *Conduct* section.
- Under *Discipline* section, change "mission" to "statutory purpose". Change "major or egregious" to "some" violations may result in

- discipline...” and remove “based on the severity of the offense”.
- *District Vehicles*: remove “Board Members” may operate District vehicles.
  - *Outside employment*: covered in ethical standards so combine.
  - Remove *Firearms and Weapons* section.
  - *Licensure*: District will pay for the operator’s licenses.
  - *Smoking*: Remove “premises” (smoking prohibited in office and vehicles)
  - *Substance abuse*: make this section more general to reference the law.
  - There will be no District sponsored events that includes alcohol, so re-word this section.
  - *Telephone Use*: Second 2 paragraphs are already covered in the driving section and the conduct section.
  - *Holidays and Vacation Time*: there was general discussion on the number of paid holidays, number of days of vacation provided, whether to combine vacation and sick days into PTO, how to pay out upon termination of employment, capping of accrual, etc.

**MOTION:** Member Nancy Flikkema motioned to change the policy manual to state 6 holidays, 16 PTO days (to start). Member Valerie Gravage seconded. 2 members in favor, 2 members oppose. **Motion did not carry.**

**MOTION:** Member Nancy Flikkema motioned to table the discussion on the policy manual; member Valerie Gravage seconded. **Motion carried 4-0.**

Deborah will make the corrections requested and will send out a revised manual to be reviewed.

ii. **Special Meeting Monday November 23, 2015** to consider protests of notice of levy: It was determined that a quorum can be available with a start time of 7:00 PM.

### Utility Solutions – Monthly Report

The report was distributed earlier via email but was not included in the Board packet but is posted on the District’s website. No discussion ensued.

### Engineer Report

Mr. Marty Gagnon, MMI, provided the report. Brookshire subdivision will start discussion soon, which will be an annexation of 6 lots into the District. The District has not yet received the annexation application.

### Financials

- i. **Financial Statement Review** – provided to Board
- ii. **Outstanding Invoices – Payment Approval** Treasurer Ed Schmidt advised there are 4 outstanding bills to be paid: Cassie Owens (\$1,124.46); Morrison-Maierle, Inc (\$26,002.16); Ron Edwards (\$562.50); Susan Swimley (\$19,630.40).  
**MOTION:** Member Nancy Flikkema moved to pay all of the outstanding current invoices. Member Valerie Gravage seconded. **Motion carried 4-0.**

### Policy Issues: Consideration and possible adoption of:

- a. **Ordinance 2015-05 Amending Rules and Regs to define “unit” and require 1 meter per unit.**

The first reading of Ordinance 2015-05 was performed.

**MOTION:** Member Valerie Gravage moved to approve Ordinance 2015-05. Treasurer Ed Schmidt seconded. **Motion carried 4-0.**

**b. Resolution 2015-07 Modifying Charges for Out of District Service – Bulk Water and Sewer to Elk Grove**

This resolution adopts the same rate Elk Grove is currently paying, once FCWSD assumes control and ownership of the water and wastewater facilities serving the Elk Grove subdivision.

**MOTION:** Member Valerie Gravage moved to approve Resolution 2015-07. Member Nancy Flikkema seconded. **Motion carried 4-0.**

**c. Ordinance 2015-04 – Annexation of Kostelcky Lot B of Minor Subdivision 332 – First Reading**

Will Serve letter was received, and property is adjacent to District boundary. First reading of Ordinance 2015-04 was performed.

**MOTION:** Member Nancy Flikkema moved to approve Ordinance 2015-04. Treasurer Ed Schmidt seconded. **Motion carried 4-0.**

**d. Ordinance 2015-06 - Annexation of Lutsen – Montana Restored Lumber – 81599 Gallatin Road – First Reading**

Remainder lot 180 in Rainbow subdivision. Will Serve letter received and is adjacent property. The first reading of Ordinance 2015-06 was performed.

**MOTION:** Member Nancy Flikkema moved to approve Ordinance 2015-06. Member Valerie Gravage seconded. **Motion carried 4-0.**

**e. Ordinance 2015-07 – Annexation of APK – First Reading**

Numerous lots in Rainbow subdivision, north of Elk Grove. The first reading of Ordinance 2015-07 was performed.

**MOTION:** Member Nancy Flikkema moved to approve Ordinance 2015-07. Member Valerie Gravage seconded. **Motion carried 4-0.**

**f. Resolution 2015-8 Intent to levy special assessment to repay special assessment bond to be issued for the purpose of acquiring wastewater system**

**MOTION:** Treasurer Ed Schmidt motioned to approve Resolution 2015-8. Nancy Flikkema seconded. **Motion carried 4-0.**

**g. Resolution 2015-9 Intent to levy special assessment to repay special assessment bond to be issued for the purpose of acquiring water system.**

**MOTION:** Member Valerie Gravage motioned to approve Resolution 2015-9. Treasurer Ed Schmidt seconded. **Motion carried 4-0.**

**Correspondence**

Susan advised that one correspondence was received from a customer who was surprised that the District is still doing a tax levy.

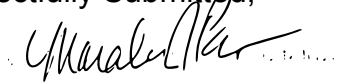
**Business Update** - nothing to report

**Board Member Issues** – nothing to report

**5. Adjourn**

There being no further business before the Board, the Four Corners Water/Sewer District meeting of October 22, 2015 at 8:27 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Maralee Parsons", written over a faint dotted line.

Maralee Parsons  
Secretary