

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES REGULAR MEETING, JANUARY 19, 2016

Call to Order

President Cory Klumb called the regular meeting of the Four Corners Water and Sewer District to order at 6:37 pm on Tuesday, January 19, 2016, in the library of Monforton School at 6001 Monforton School Road, Bozeman, Montana.

Board Members present: President Cory Klumb, Vice President Nancy Flikkema, Treasurer Terry Malloy, Member Heather West (arrived 6:49), and Member Valerie Gravage (left 8:00).

Public: Marty Gagnon representing MMI, Susan Swimley, Attorney and acting General Manager, Deborah McAtee of Magpie Consulting, Maralee Parsons, Secretary, Cass Malloy, Cassie Owens, Ron Edwards, Jennifer Weigand representing MPERA. From Utility Solutions: Caleb Campbell, Trevor Campbell, Amy Ellingson, Zach Clark.

Approval of Minutes from 11/23/15, 12/1/15, 12/16/15, and 1/5/16 meetings

The following corrections to the 11/23/15 minutes were proposed:

- Item 6.1: Change *discussed* to *discussion*
- Item 6.2: Add: *The motion passed 4-0*

MOTION: VP Nancy Flikkema moved to approve the 11/23/15 meeting minutes as amended; member Valerie Gravage seconded. **Motion carried 4-0** (Heather West absent).

The following corrections to the 12/16/15 minutes were proposed:

- Call to Order Correct meeting date from *December 8 to December 16*
- Presentation of Audit: Cost of annual budget *for the audit* is expected to be 5 times the previous costs.

The following corrections to the 1/5/16 minutes were proposed:

- MPERA Retirement plan: Change *429 to 457*

MOTION: VP Nancy Flikkema moved to approve the 12/1/15 as written, and the 12/16/15 and 1/5/16 meeting minutes as amended; member Valerie Gravage seconded. **Motion carried 4-0** (Heather West absent).

Public Participation on Non-Agenda Items: None were raised.

General Business

Discussion, update and possible decisions on Transition Plan action items:

Hiring

Valerie Gravage advised that two additional candidates for GM were interviewed. Both candidates personally interviewed with Valerie and Cory, completed phone screenings, and toured the operations. Of the two candidates, Kevin appears to be the preferred candidate at this time. There was some discussion on each candidate's strengths and licensing.

MOTION: Member Valerie Gravage motioned to make an offer to candidate Kevin for the GM position, contingent on reference and background check results. Treasurer Terry Malloy seconded. **Motion carried 5-0.**

Insurance

Heather West advised that the rep from PayneWest was not available to attend the meeting. More information on the insurance plans was provided via email from the

rep., which Heather will forward to the Board. Following some discussion on the decision made by the Board at the 1/5/16 Board meeting regarding the amount of insurance coverage to be paid by the District, the Board decided the decision will remain unchanged. Heather advised that the workman's comp. paperwork is ready to go.

Retirement

Jennifer Weigand from MPERA (Montana Public Employee Retirement Administration) provided a brief overview of MPERA's 457 deferred compensation plan. There was discussion on the benefits of the program, which is optional for employees.

MOTION: Member Valerie Gravage moved to adopt Resolution 2016-3 adopting MPERA, and sign the MPERA contract. VP Nancy Flikkema seconded. ***Motion carried 5-0.***

Update from Double Tree

Trevor advised he will now include the analytical reports in his monthly report to the District. The full reports will be included on the District's website. Caleb reported on chemical purchases and maintenance/repair service calls made during the month.

Engineer's Report

Marty Gagnon provided the report:

- He has not received plans for the Monforton School expansion, and he advised Kyle from TD&H of this, and also that the contract for the expansion has not yet been negotiated.
- Korner Klub's drainfield is failing, and they would like to discuss hooking up to FCWSD (would be an annexation agreement). They are currently working up the numbers and will follow up.
- Blackbull completed a sewer extension into middle creek park grounds (correcting a previous oversight).
- Ron Edwards discussed Garden Center, which is interested in potentially annexing into FCWSD. He has served as the operator for their wastewater treatment plant for about 10 years. They are using 2.5 acres for 2 large drainfields, and they have a building, which could be retrofitted for District use and would provide a good location for the District to acquire additional land. Ron has proposed to Garden Center that they join FCWSD; updated cost estimates will be prepared by Marty at Garden Center's expense. One or two FCWSD Board members would be welcome at the follow-up meeting at the end of February. Both Marty and Ron feel this would be a win-win for all parties, and they both encourage annexing both water and sewer services.

Financial

Financial Statement Review

The Board reviewed the financial package previously distributed. Susan Swimley advised that after the current bills are paid, the District will have about \$50K in its account, and cash flow from rates will be starting soon. Some portion of the District's bills being paid this month will go against the money borrowed. Double Tree's bill is estimated to be \$45K, the District will have enough to pay that bill and incoming rates will ensure sufficient cash flow.

Outstanding invoices – payment approval

MOTION: VP Nancy Flikkema moved to approve the 5 presented invoices. Treasurer Terry Malloy seconded. **Motion carried 4-0** (Valerie Gravage absent).

Office Equipment Needs

- Susan advised that she signed a lease with J&H for the District to obtain a Canon printer on a 60-month lease (no maintenance agreement).
- There will be a meeting this Thursday with Cassie, Amy & Deborah to decide on use of QuickBooks, separation of duties, time commitment from Cassie, etc. The District needs to ensure all billings are segregated and attributed to categories such as District Sewer, District Water, Elk Grove Water, Elk Grove Sewer, etc.
- Amy advised she has gotten a quote for business cards and needs the new District email addresses. The Board agreed the acting GM can approve.
- Cassie advised the cost of a remote check deposit device, which deposits checks electronically. The monthly fee would be \$35, plus a \$75 set-up fee and the cost of the machine (\$300-600). She will email the information to the Board.
- The District needs to enable on-line credit card payments for both District and Elk Grove customers; Amy will follow up with the Bank.
- The Board agreed that the office items discussed fall under the budget authority of \$2500 given to Susan, Cassie, Deborah and Amy to discuss and make decisions.
- Zach inquired as to whether he would be reimbursed for District calls made on his personal cellphone, or will the District supply a cellphone. This will be a GM decision for the long run, and until then the District will reimburse after his start date as a District employee. The Board also provided approval for Zach to drive the District truck to/from home and work (can't be used for personal business).
- Treasurer Terry Malloy commented that the District's overall phone system also would need to be looked at.

Policy Issues – Consideration, discussion and possible adoption of:**Revised employee manual including mileage reimbursement**

Deborah McAtee advised the only change made to the manual is to include reimbursement for mileage. If an employee is driving for work in his/her personal vehicle, the District will reimburse at the IRS rate.

MOTION: Treasurer Terry Malloy moved to approve amended Employee Manual. VP Nancy Flikkema seconded. **Motion carried 4-0** (Valerie Gravage absent).

Interlocal with Gallatin Gateway

Susan advised that Rural Development has returned the draft interlocal agreement with their comments. Marty has reviewed the comments and responded. GGWSD will receive a copy of the draft with the changes next week. The agreement will on the agenda for the Four Corners Board to approve in February.

Fiscal policy

Deborah briefly reviewed the fiscal policy document previously distributed, which the Board should read and review and can email Deborah with any questions. Once a GM is in place the District will need to adopt a version of this document.

Correspondence

Susan advised that the Elk Grove HOA has requested that one or more District Board members attend their homeowners meeting on Feb. 22, 2016, at 6:00 at Monforton School. Susan advised that the District does not yet have financial data on its expenses, to accurately determine the fiscal impacts of Elk Grove annexing into the District (the District has one year from date of purchase to provide this.) Cory will attend and Heather will also try to attend the meeting.

Business Update - none

Board Member Issues

Member Heather West advised she has the paperwork for employee credit cards ready, with a limit of \$2500/card.

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of December 2016 at 8:52 p.m.



Maralee Parsons
Secretary