



Board Meeting Agenda for Tuesday, February 15, 2022 @ 6:30 pm

At The

**Four Corners Water & Sewer District Office, 495 Quail Run Road,
Bozeman, MT, 59718**

Regular Monthly Meeting

- 1) Call to Order
- 2) Approval of Draft Meeting Minutes from January 18, 2022
- 3) Public Comment: Non-Agenda Items- Time Limit on public comment 5 minutes

I. General Business

- 1) Ordinance 2022-01- Dykstra Second Reading
- 2) Resolution 2022-01- Rate Increase
- 3) Resolution 2022-02- Cost of Living
- 4) Monthly Operation & Maintenance Report
- 5) Monthly Financial Report
- 6) General Manager Topics
- 7) Board Member Topics

II. Next Meeting Date – Tuesday- April 19, 2022

III. Adjourn Meeting

**FOUR CORNERS WATER AND SEWER DISTRICT MINUTES DRAFT 2
REGULAR MEETING, JANUARY 18, 2022**

Call to Order

Vice President Nancy Flikkema called the regular meeting of the Four Corners Water and Sewer District (FCWSD) to order at 6:35 pm on Tuesday, January 18, 2022, at the office of the Four Corners Water & Sewer District at 495 Quail Run Road, Bozeman, Montana.

Board Members present: Vice President Nancy Flikkema, member Bob Thelen, member Brad Early and member Michele Piazza

Staff/Public present: Phil George from FCWSD; Amy Ellingson from FCWSD; Brad Hammerquist; Sean O'Callaghan; Garrett McCallister and Libby Kueneke, Secretary

Approval of Minutes

November 16, 2021 Board Meeting

Motion: Member Bob Thelen moved to approve the minutes as written. Member Brad Early seconded. No public comment. The minutes were approved 4-0.

Public Comment on Non-Agenda Items:

No public comment.

GENERAL BUSINESS

County Planning Presentation

Sean O'Callaghan and Garrett McCallister offered the presentation.

The county seeks close coordination with FCWSD on future Four Corners growth and land use. A fiscally efficient plan with compact development will reduce infrastructure costs. The district emphasizes retiring debt and reducing maintenance and operation costs while the county emphasizes efficient land use, but both parties want to work together.

The GM would like to meet with county planners and the fire department to discuss allowing an extension of fire services. The board asked for more regular engagement with the county planners, particularly when new subdivision or zoning policy changes occur.

Ordinance 2021-01 1st Reading

Ordinance 2021-01: An Ordinance Accepting the Annexation Petition of Gary & Harmina Dykstra for annexation into the Four Corners Water and Sewer District

The property is located near Snyder Motors. The petition is for 25 EDUs, which cannot be provided until 2023. It is in the middle of an already annexed area. Phil recommends approval.

Motion: Member Brad Early moved to pass the 1st reading of Ordinance 2021-01; member Michele Piazza seconded. No public comment. Motion passed 4-0.

Monthly Operations and Maintenance Report

Phil George offered the report.

- The WRF's lead operator, Eric, made operational changes that reduced chemical and energy usage and reduced the quantity of dried sludge hauled to the landfill.
- Installed ventilators to reduce the temperature of unoccupied areas in the WRF's HVAC systems, thereby reducing energy usage this winter.
- The second IPS odor control structure improvements are nearing completion.
- Installed upgrades to Black Bull #1 VFDs.

Monthly Financial Report

Amy Ellingson provided the report.

- Implemented a new employee policy.
- Hired 2 new employees who started 12/2021.
- Renewed insurance policy and added cyber security, successfully coordinating with Wolfguard to ensure no coverage overlaps or gaps.
- Wolf Guard installed a new fire wall.
- Planned a homeland security visit to ensure facilities comply with deterrent.
- FCWSD must remove Heather West from all existing bank accounts and Amy Ellingson must be added to all accounts to have access to all bank accounts. Phil George, Amy Ellingson, Nancy Flikkema, and Cory Klumb will be on the bank account.
- The Stip Bond water status is at \$3.1M, and sewer status is at \$7.2M.

General Manager Topics

Phil George offered the report.

- Met with the property subcommittee and decided to sell the 7 Rainbow subdivision lots. The GM will get a survey of the land and get an appraisal. GM plans to hold an auction.
- Due to the inflation impact on water and sewer costs versus rates and the fact that no increase has occurred in 3 years, the GM proposed a 2 or 3% increase on the water base and sewer base rate, a 4% increase on the water and sewer variable rate, and a corresponding resolution for the February board meeting.
- The board agreed a 3% increase on the water base rate and a 4% increase on the water variable rate this year would be an appropriate response to recent inflation and applicable cost increases. Annual January rate reviews will occur.
- Meeting with the finance committee to decide how to properly plan reserves and capacity funding. Findings will be forthcoming to the board.
- In keeping with a 2018 policy, the GM informed the board of a 5% increase of employee wages due to a 7.1% increase in the cost of living, keeping in mind the recent housing allowance addition. This cost is within the annual personnel expenses budget.

Board Member Topics

Board member elections will occur February 7th, 2022. Cory Klumb, Nancy Flikkema, and Michelle Piazza have terms that are ending.

Public Comment:

No public comment.

Next Meeting Date: Tuesday, February 15, 2022

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of January 16, 2022 adjourned at 8:15 p.m.

Libby Kueneke, Secretary

Ordinance 2022-01

ORDINANCE ACCEPTING THE ANNEXATION PETITION OF GARY & HARMINA DYKSTRA, 64 RIVER FRONT ROAD BOZEMAN, MT 59718. ANNEXATION INTO THE FOUR CORNERS WATER & SEWER DISTRICT

WHEREAS, Gary & Harmina Dykstra, submitted a petition for annexation of 64 River Front Road, Bozeman, MT 59718, A Tract of land being commonly referred to as Parcel 6 of cos 681, Bozeman, MT 59718 (20.054 acres) with full legal description attached hereto as Exhibit A, being located in Section 24, Township 1 South, Range 4 East, Gallatin County, Montana ("Property") requesting that the Property be annexed into the Four Corners County Water and Sewer District to connect to water and wastewater services; and

WHEREAS, the Property is contiguous to the District boundary; and

WHEREAS, on November 16, 2021 at a duly noticed meeting of the Board of Directors, the Board considered the Petition to annex the Property as contiguous property and determined that the systems has capacity to provide service to the new proposed residence to be located on the Property; and

WHEREAS, Gary & Harmina Dykstra, will provide evidence of purchased of water rights to serve the property need to be provided for 25 EDU (4000 gpd total) for the Property and agree to pay the water & sewer capacity fee per EDU to the District; and

WHEREAS, the Property will need to provide its own irrigation water.

NOW THEREFORE, the Board by passage of this ordinance does accept the Petition and annex the Property described as Gary & Harmina Dykstra, submitted a petition for annexation 64 River Front Road, Bozeman, MT 59718, A Tract of land being parcel 6 of cos 681, Bozeman, MT 59718 (20.054 acres), being located in Section 24, Township 1 South, Range 4 East, Gallatin County, Montana ("Property") for particularly described in Exhibit A into the District to provide after transfer of water rights & payment of fees water and sewer service to the Property for 25 Edu (4000 gpd total).

Landowners/petitioners acknowledge prior to the second reading that should additional structures which utilized water or sewer on the property, the District makes no representation that the District will have sufficient water or sewer capacity to service future structures.

ADOPTED by the Board of Directors of the Four Corners County Water and Sewer District after first reading on January 18, 2022 with a vote of 4 in favor

and 0 against and second reading on _____, 2022 with a vote of ___ in favor and ___ against. This Ordinance shall be in effect 30 days after the date of the second reading.

1st Read and approved: Four Corner's County Water and Sewer District
Dated: January 18, 2022

Nancy A. Filipkema
Its: Vice President

Attested: Tiffey Kneche
Secretary

2nd Read and approved: Four Corner's County Water and Sewer District
Dated: _____, 2022

Its: _____

Attested: _____
Secretary

EXHIBIT A – Legal Description

The tract of land depicted and described on Certificate of Survey 681 more particularly described as

A tract of land located in the Northwest One-quarter and the Southwest One-quarter of Section twenty-four, Township 1 South, Range 4 East, M.P.M., Gallatin County Montana, further described as:

Commencing at the Southwest corner of said Section Twenty-four, thence South 89° 37'43" East along the South line of said Section Twenty-four a distance of 93.28 feet, Thence North 00° 00' 46" East along the easterly right-of-way line of State Highway 291, a distance of 2628.00 feet to the True Point of Beginning. Hence North 00° 00' 46" West a distance of 682.10 feet. Thence North 87° 23' 10" West along a fence line a distance of 304.58 feet. Thence North 03° 32' 37" East along a fence line a distance of 96.56 feet. Thence South 89°33' 34" West along a fence line a distance of 1115.99 feet to the True Point of Beginning. The Tract is 20.054 Acres.

RESOLUTION 2022-01

A Resolution of the Four Corner County Water and Sewer District to Increase Water and Sewer Rates.

RECITALS

WHEREAS, the Four Corners County Water and Sewer District (“District”) is a county water and sewer district duly established in 2003;

WHEREAS, the District is planning to raise the user’s rates of water & sewer by 3 %. The water variable rate will increase by 3%, the variable sewer rate will not increase.

WHEREAS, the rate adjustment does not require a rate hearing as it is below the voting threshold of 5% in any 12-month period.

WHEREAS, the District previously adopted a water and sewer rate which exceeded the 5% on the 16 day of October, 2018 and become effective January 2019.

WHEREAS, this was discussed at the Four Corners County Water & Sewer District’s January 18, 2022, meeting.

WHEREAS, Notice of the water and sewer rate increase will be mailed out in March 2022 to all existing customer to notify them of the change of rates.

NOW THEREFORE, the Four Corners County Water and Sewer District resolves for the General Manager to raise rates effective April 2022 billing cycles for all customers.

Dated this __ day of February 2022.

Cory Klumb, President

ATTESTED:

Libby Kueneke, Secretary



Water and Sewer Base Rates- 2022

Category	Base volume, gallons	Rate
1. Residential	0-4,000	\$85.20
2. Commercial Condos &Galactic Park Residential	0-6,000	\$127.80
3. Commercial	0-14,000	\$298.20
4. Additional EDU Users	0-4,000	Varies

In addition to the Base Rate a \$1.00 water reserve and \$3.00 sewer reserve per month will be added.

Water Variable Rates

Category 1		Category 2	
Volume Used, gal	\$/1000 gallons	Volume Used, gal	\$/1000 gallons
4,001-20,000	\$3.60	4,001-20,000	\$3.60
20,001- 36,000	\$4.63	20,001- 36,000	\$4.63
36,001- 52,000	\$5.66	36,001- 52,000	\$5.66
>52,000	\$9.27	>52,000	\$9.27

Category 3		Category 4	
Volume Used, gal	\$/1000 gallons	Volume Used, gal	\$/1000 gallons
14,001-20,000	\$3.60	4,001-20,000	\$3.60
20,001- 36,000	\$4.63	20,001- 36,000	\$4.63
36,001- 52,000	\$5.66	36,001- 52,000	\$5.66
>52,000	\$24.72	>52,000	\$24.72

Sewer Variable Rates will not change

RESOLUTION 2022-02

A Resolution of the Four Corner County Water and Sewer District to set 2022 Cost of Living Increase.

RECITALS

WHEREAS, the Four Corners County Water and Sewer District ("District") is a county water and sewer district duly established in 2003;

WHEREAS, the District employee handbook states if the cost of living is more than 3%, the General Manager must seek and obtain Boards approval prior to implementing said increase.

WHEREAS, the General Manager is suggesting a Cost of Living Increase of 5% for 2022 which was discussed by the Board February 15, 2022.

NOW THEREFORE, the Four Corners County Water and Sewer District approves the 5% Cost of Living Increase, effective upon passage.

All recitals set forth above are incorporated herein.

Dated this __ day of February 2022.

Cory Klumb, President

ATTESTED:

Libby Kueneke, Secretary



Operation & Maintenance Report. February 11, 2022

1. WRF IPS Odor Control upgrade Phase 1 is almost complete. Should be operational by the end of the month.
2. Odor Control additive in Valley Center is being evaluated using odor logging equipment to determine the proper dosage.
3. Multiple projects are in the planning and procurement of materials and contractors' phase. Construction of the Phase 2 Digesters will begin as soon as MDEQ approval is received.
4. WRF IPS Lift Station pumps are being evaluated for modifications to reduce clogging issues and reduce maintenance.



February 15, 2022

General Administration Actives and Issues:

- Yearly employee financial review w/Primerica
- Employee Insurance Renewal
- No March meeting

Current Stip

Bond \$272,524

Water \$ 3,398,714

Sewer \$ 8,118,333



Month End YTD Budget vs. Actual

January 2022

Shared Expenses

	<u>January 2022</u>	<u>Budget</u>
Income/Expense		
Expense		
500-Shared General Admin Expenses		
510- Board Members	1,500	7,000
520- Personnel Expenses	455,822	495,833
530- Office Expenses	41,372	35,000
540- Vehicle Expenses	37,067	35,000
550- Professional Services (Shared)	147,479	156,333
560- Other Expenses (Shared)	59,266	46,662
Total	742,506	775,828

- **Series B Bond- \$64,164.88- due on the 15th of the month**



Month End YTD Budget vs. Actual

January 2022

Water

	<u>January 2022</u>	<u>Budget</u>
Income/Expense		
Income		
400- Operating Revenues		
410- Water Revenues	1,058,425	1,020,831
450- H2O Meter	38,785	
Expense		
600- Water O&M Expenses		
610- System Operating Exp (Water)	147,359	105,000
620- Repairs/ Maintenance Expenses	37,822	40,831
630- Professional Services (Water)	237	2,912
Total 600- Water O&M Expenses	185,418	148,743
Half of Shared Expenses	371,253	387,914
Total Expenses	556,671	536,657

- **610- \$87,654 is H2O Meter Cost**



Month End YTD Budget vs. Actual

January 2022

Sewer

	<u>January 2022</u>	<u>Budget</u>
Income/Expense		
Income		
400- Operating Revenues		
420- Sewer Revenues	982,534	1,006,250
Expense		
700- Sewer O&M Expenses		
710- System Operating Exp (Sewer)	130,200	189,581
720- Repairs/ Maintenance Expenses	51,612	55,412
730- Professional Services (Sewer)	207	2,912
Total 700- Sewer O&M Expenses	182,019	247,905
Half of Shared Expenses	371,253	387,914
Total Expenses	553,272	635,819



General Manager Topics- February 15, 2022

- DEQ- Problems
- Odor Complaints- WRF
- Spares/Maintenance Strategy
 - Goal- 1 day downtime
- Property Disposition (Rainbow)
 - Appraiser- hired
 - Surveyor- hired
- Board Member