



Board Meeting Agenda for Tuesday, April 19, 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 February 15, 2022
- 3) Public Comment: Non-Agenda Items- Time Limit on public comment 5 minutes

I. General Business

- 1) New Board Member- Jon Claunch
- 2) Ordinance 2022-02- Corti- First Reading
- 3) Ordinance 2022-03- FCWSD- First Reading
- 4) Resolution 2022-03- Land Sale- Rainbow
- 5) Monthly Operation & Maintenance Report
- 6) Monthly Financial Report
- 7) General Manager Topics
- 8) Board Member Topics

II. Next Meeting Date – Tuesday- May 17, 2022

III. Adjourn Meeting

**FOUR CORNERS WATER AND SEWER DISTRICT MINUTES REVISED
REGULAR MEETING, February 15, 2022**

DRAFT

Call to Order

President Cory Klumb called the regular meeting of the Four Corners Water and Sewer District (FCWSD) to order at 6:30 pm on Tuesday, February 15, 2022, at the office of the Four Corners Water & Sewer District at 495 Quail Run Road, Bozeman, Montana.

Board Members present: President Cory Klumb, member Bob Thelen, member Brad Early, member Nancy Flikkema

Staff/Public present: Phil George, General Manager (GM) of FCWSD; Amy Ellingson, District Administrator (DA) of FCWSD; Jonathan Claunch; and Libby Kueneker, Secretary

Approval of Minutes

January 18, 2021 Board Meeting

Motion: Member Bob Thelen moved to approve the minutes as written. Member Nancy Flikkema seconded. No public comment. The minutes were approved 3-0.

Public Comment on Non-Agenda Items:

None

GENERAL BUSINESS

Ordinance 2022-01 2nd Reading

Ordinance 2022-01: An Ordinance Accepting the Annexation Petition of Gary & Harmina Dykstra for annexation into the Four Corners Water and Sewer District

The property is located on Jackrabbit near the blue silos. The petition is for 25 EDUs. The property is 20 acres. The GM recommends approval.

Motion: Member Nancy Flikkema moved to pass the 2nd reading of Ordinance 2022-01; member Bob Thelen seconded. No public comment. Motion passed 4-0.

Resolution 2022-01: Rate Increase

Resolution 2022-01: A Resolution of the Four Corners County Water and Sewer District to Increase Water and Sewer Rates

This resolution increases the base rate of water and sewer by 3%. The sewer variable rate will not increase. The water variable rate will increase by 4%. Rates haven't been raised for 42 months though parts and labor costs have increased with inflation. This raise will help encourage conservation. FCWSD will review rates more frequently moving forward. This raise comes into effect 04/22.

Motion: Member Nancy Flikkema moved to approve Resolution 2022-01; Member Brad Early seconded. No public comment. Motion passed 4-0.

Resolution 2022-02: Cost of Living Increase

Resolution 2022-02: A Resolution of the Four Corners County Water and Sewer District to set 2022 Cost of Living Increase.

Since the 7.1% cost of living increase in 2022 exceeded the 3% threshold, the GM is required to bring this increase to the board. The GM recommends raising it 5% due to the accompanying housing allowance. This benefit is taxed, temporary and renewed by the president of the board annually.

Motion: Member Bob Thelen moved to approve Resolution 2022-02; Member Nancy Flikkema seconded. No public comment. Motion passed 4-0.

Monthly Operations and Maintenance Report

Phil George offered the report.

- The WRF IPS Odor Control Upgrade Phase 1 is nearing completion and should be operational by 3/1/22.
- Evaluating the Odor Control Additive in Valley Center using odor logging equipment to determine proper dosage.
- Planning and procuring materials and contractors for multiple projects. Awaiting MDEQ approval to begin construction of Phase 2 Digesters.
- Evaluating WRF IPS Lift Station pumps for modifications to reduce maintenance and clogging.

Monthly Financial Report

Amy Ellingson offered the report.

- Met with Primerica for an employee financial review. May begin meeting more frequently.
- Renewed employee insurance policies. Many kept the same policy.
- No March meeting will occur.
- The Stip Bond water status is at \$3,398,714 and sewer status is at \$8,118,333.
- The DA reviewed the January budget vs. actual for the shared, sewer, and water expenses.
- A discussion will be forthcoming at a future board meeting on when and under what conditions to restart Elk Grove's system.
- A notice of rate increase will be sent to all residents in the 2/22 or 3/22 mailers directing residents to the website for more information.
- A campaign or a discount incentivizing residents to move from printed to electronic bills could save the district money and labor. The GM and DA will report ideas at the next board meeting.

General Manager Topics

Phil George offered the report.

- DEQ processes continue to lag. DEQ approved the Elk Grove Booster and the Elk Grove WWTP.
- Odor complaints continue at the WRF. Inversion layers tend to create odor issues. FCWD's goal is to fix all odor issues.
- Developing a Spares and Maintenance Strategy with a goal of no more than 1 day of downtime for any site. This goal will booster spares and keep good maintenance practice.
- Hired appraiser for 7 Rainbow lots. Hired surveyor has staked 90% of the property. FCWSD won't have to go to an auction if an offer for the appraised value is received. The property committee will meet to discuss if advertising should occur.
- Board Member Michelle Piazza resigned and suggested Jonathan Claunch from Elk Grove.

- The finance subcommittee shared a draft of their Financial Strategy for the board's input. Their goal is for FCWSD to accrue no further debt and continue having all operations paid through monthly billing. Excess Funds should be allocated to operational reserves, infrastructure replacement reserves, and bond debt reduction. In the future, capital will need to be generated from avenues other than selling EDUs.

Board Member Topics

A copy of the meeting notes was requested. The DA will share them.

Public Comment:

None

Next Meeting Date: Tuesday, April 19, 2022

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of February 15, 2022 adjourned at 7:22 p.m.

Libby Kueneke, Secretary

Ordinance 2022-02

ORDINANCE ACCEPTING THE ANNEXATION PETITION OF JAY & KELSEY CORTI, 220 SELWAY LANE., BOZEMAN MT 59718, AND ANNEXING PROPERTY INTO THE DISTRICT FOR A SEWER ONLY

WHEREAS, JAY & KELSEY CORTI, the owner of the real property, submitted a petition for annexation of a parcel of land described Lot 2 and Lot 2A O.S. of Tract 12 Minor Subdivision #520, being a tract of land located in the NW ¼ NW ¼ NE ¼ of Section 12, Township 2 South, Range 4 East P.M.M. in Gallatin County, Montana hereinafter also referred to as "Property" requesting that the Property be annexed into the Four Corners County Water and Sewer District to connect to *sewer service only*; and

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

WHEREAS, on February 15, 2022 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 will have sufficient future capacity to provide service to the Property.

WHEREAS, the JAY & KELSEY CORTI agrees to pay the sewer capacity fee for 1 Equivalent Dwelling Units ("EDUs"), with an EDU equal to a maximum daily flow of 160 gallons a day and average daily flow of 160 gallons per day per EDU. The District shall not provide sewer service in excess of the capacity provided herein. The District shall not provide water service to the Property.

NOW THEREFORE, the Board by passage of this ordinance annexes the Property described as Lot 2 and Lot 2A O.S. of Tract 12 Minor Subdivision #520, described above. District will provide sewer service to the Property not to exceed one (1) EDU equal to a maximum daily flow of 160 gallons a day and average daily flow of 160 gallons per day per EDU.

All recitals are incorporated as if fully set forth herein.

ADOPTED by the Board of Directors of the Four Corners County Water and Sewer District after first reading on April 19, 2022 with a vote of ___ in favor and ___ 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:
Dated: April 19, 2022

Four Corner's County Water and Sewer District

Its: _____

Attested: _____
Secretary

2nd Read and approved:
Dated: _____, 2022

Four Corner's County Water and Sewer District

Its: _____

Attested: _____
Secretary

Ordinance 2022-03

ORDINANCE ACCEPTING PETITION AND ANNEXING RAINBOW
SUBDIVISION LOTS INTO FOUR CORNERS WATER & SEWER DISTRICT

WHEREAS, Four Corners County Water and Sewer District submitted a petition for annexation of seven (7) lots in Rainbow Subdivision being Lots 190, 191, 192, 193, 194, 195 and 196 of Rainbow Subdivision of Bozeman Hot Springs Tract, being located in NE ¼ of Section 14, Township 2 South, Range 4 East, Gallatin County, Montana (amended plat reference D-41A11 / Doc. No. 277057) hereinafter the “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, at the April 19, 2022, a duly noticed meeting of the Board of Directors, the Board considered and accepted the Petition to annex the Property as contiguous property and determined that the systems have capacity in both water and sewer to provide service to one Equivalent Dwelling Unit (EDU) per lot 160 gallons per day per EDU. The District shall not provide water or sewer service in excess of the capacity provided herein; and

WHEREAS, the Four Corners County Water and Sewer District will be selling each lot and the future owner will need to purchase water and sewer capacity for the one EDU per lot from the Four Corners County Water and Sewer District at the time of closing. Additionally, the new owner will also need to provide proof of purchase of water rights.

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 Lots 190, 191, 192, 193, 194, 195 and 196 of Rainbow Subdivision of Bozeman Hot Springs Tract, being located in NE ¼ of Section 14, Township 2 South, Range 4 East, Gallatin County, Montana (amended plat reference D-41A11 / Doc. No. 277057) for one (1) EDU per lot described above.

All recitals are incorporated herein as if fully set forth.

ADOPTED by the Board of Directors of the Four Corners County Water and Sewer District after first reading on April 19, 2022 with a vote of _ in favor and _ 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:
Dated: April 19, 2022

Four Corner's County Water and Sewer District

Its: _____

Attested: _____
Secretary

2nd Read and approved:
Dated: _____, 2022

Four Corner's County Water and Sewer District

Its: _____

Attested: _____
Secretary

RESOLUTION 2022-03

A Resolution of the Four Corner County Water and Sewer District to Sell District Property in Rainbow Subdivision.

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 owns seven (7) lots in Rainbow Subdivision described as Lots 190 to 196 in Bozeman, MT 59718 (6.79 acres) described as Lots 190, 191, 192, 193, 194, 195 and 196 of Rainbow Subdivision of Bozeman Hot Springs Tract, being located in NE ¼ of Section 14, Township 2 South, Range 4 East, Gallatin County, Montana (amended plat reference D-41A11/ Doc. No. 277057) hereinafter the “Property”;

WHEREAS, pursuant to §7-13-2217(1)(d), MCA, the District has the power to dispose of real property, within or without the District;

WHEREAS, the District is not utilizing these lots for service and has no plan to future use of said lots; has had the lots corners staked and appraised and are ready to be sold;

WHEREAS, the Property is currently subject to the annexation process; .

WHEREAS, the District Board has given General Manager Phil George authority to sell and transfer the Property to one or more purchasers;

WHEREAS, the District will use the proceeds of the Property sale to pay down District bonded indebtedness.

NOW THEREFORE, the Four Corners County Water and Sewer District resolves adopt to Sell District Property being Lots 190, 191, 192, 193, 194, 195 and 196 of Rainbow Subdivision of Bozeman Hot Springs Tract, being located in NE ¼ of Section 14, Township 2 South, Range 4 East, Gallatin County, Montana (amended plat reference D-41A11 / Doc. No. 277057) hereinafter the “Property” effective on April 19, 2022.

All recitals set forth above are incorporated herein.

Dated this __ day of April 19, 2022.

Cory Klumb, President

ATTESTED:

Libby Kueneke, Secretary

AMENDED PLAT OF

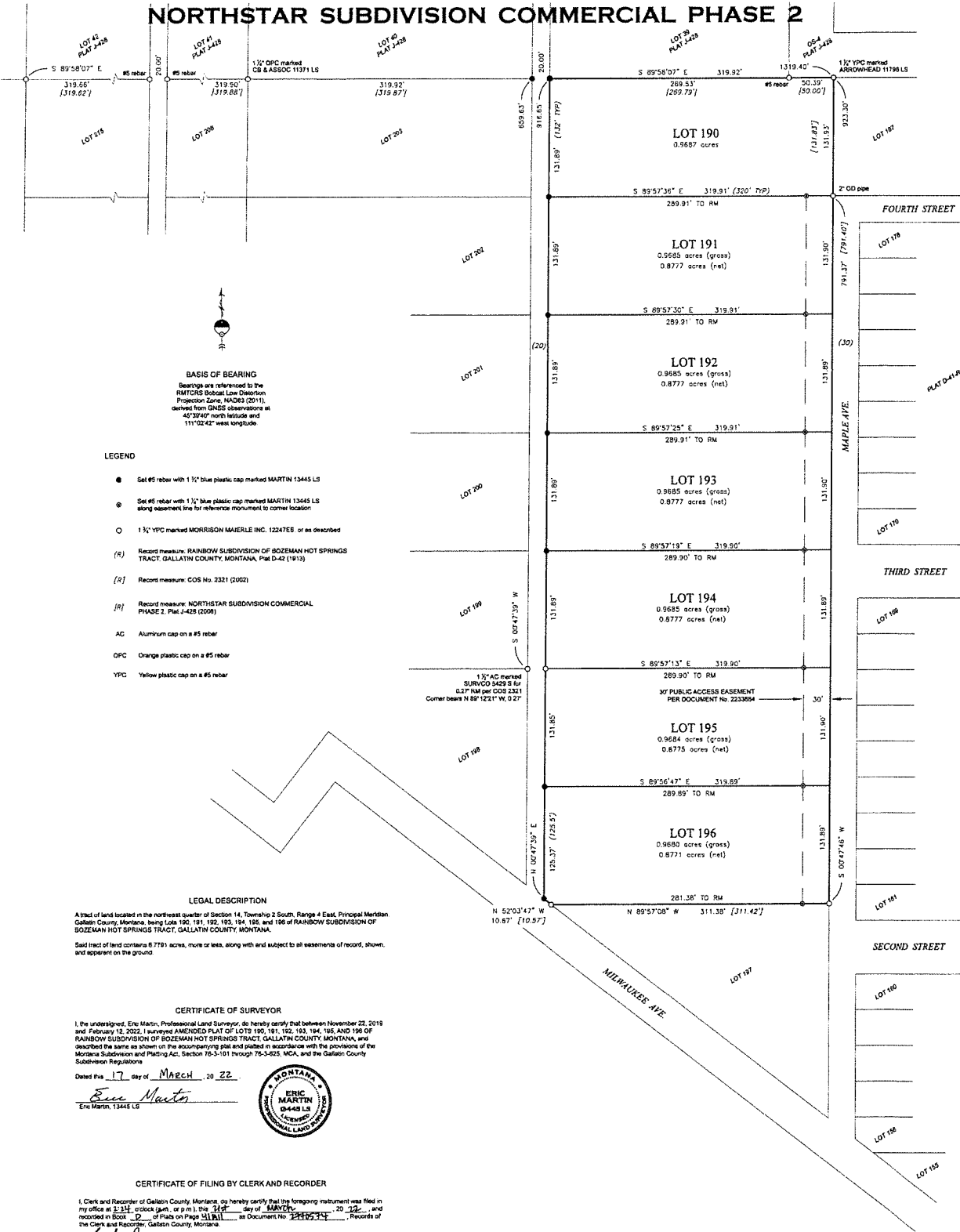
LOTS 190, 191, 192, 193, 194, 195, AND 196 OF RAINBOW SUBDIVISION OF BOZEMAN HOT SPRINGS TRACT, GALLATIN COUNTY, MONTANA

D-41A11

LOCATED IN THE NE 1/4 OF SECTION 14, TOWNSHIP 2 SOUTH, RANGE 4 EAST, PM, GALLATIN COUNTY, MONTANA

SURVEY PREPARED FOR: FOUR CORNERS COUNTY WATER & SEWER DISTRICT
PURPOSE: RETRACE AND MONUMENT THE BOUNDARIES OF LOTS 190 THROUGH 196

THIS RETRACEMENT SURVEY DOES NOT AGGREGATE OR EXPUNGE ANY EXISTING TRACTS OF RECORD. IT IS PREPARED FOR INFORMATIONAL PURPOSES ONLY



PROJECT:	1917	14	S	T	R
NAME:	1917-Plat D-41	25	14	14	14
DATE:	03/16/2022				

SCALE: 1" = 80 FT

Martin Land Services



Operation & Maintenance Report. April 11, 2022

1. SBR 2A has been out of service since mid-February due to a major mechanical breakdown. Repair parts have been on order for 2 months. Supplier hopes to have the replacements delivered soon.
2. The next Phase of construction at the WRF is underway. Digester excavation and under slab piping is completed. Concrete encasement of the piping is scheduled for today. Final grading and major concrete installation planned for the following week.
3. Elk Grove Booster Station replacement project is scheduled for site/pipe work to begin in 2 weeks.
4. Parts are a struggle to receive, little to No delivery expectations.



April 19, 2022

General Administration Actives and Issues:

- **Paving at Main Office**
- **Water Infrastructure Project- MSU**
- **Summer Employment**

Current Stip

Bond \$272,634

Water \$ 3,400,078

Sewer \$ 8,121,583



Month End YTD Budget vs. Actual

March 2022

Shared Expenses

	<u>March 2022</u>	<u>Budget</u>
Income/Expense		
Expense		
500-Shared General Admin Expenses		
510- Board Members	14,962	9,000
520- Personnel Expenses	611,344	637,499
530- Office Expenses	54,098	45,000
540- Vehicle Expenses	42,590	45,000
550- Professional Services (Shared)	183,375	200,999
560- Other Expenses (Shared)	89,136	59,994
Total	995,505	997,492



Month End YTD Budget vs. Actual

March 2022

Water

	<u>March 2022</u>	<u>Budget</u>
Income/Expense		
Income		
400- Operating Revenues		
410- Water Revenues	1,393,705	1,312,497
450- H2O Meter	72,285	
Expense		
600- Water O&M Expenses		
*610- System Operating Exp (Water)	234,215	135,000
620- Repairs/ Maintenance Expenses	48,105	52,497
630- Professional Services (Water)	237	3,744
Total 600- Water O&M Expenses	282,557	191,241
Half of Shared Expenses	497,752	498,746
Total Expenses	780,309	689,987

- ***610- \$163,812 is H2O Meter Cost**



Month End YTD Budget vs. Actual

March 2022

Sewer

	<u>March 2022</u>	<u>Budget</u>
Income/Expense		
Income		
400- Operating Revenues		
420- Sewer Revenues	1,285,878	1,293,750
Expense		
700- Sewer O&M Expenses		
710- System Operating Exp (Sewer)	173,271	243,749
720- Repairs/ Maintenance Expenses	70,282	71,244
730- Professional Services (Sewer)	207	3,750
Total 700- Sewer O&M Expenses	243,760	318,743
Half of Shared Expenses	497,752	498,746
Total Expenses	741,512	817,489



General Manager Topics- April 19, 2022

- Parts Struggle- Long/No lead times available
- DEQ- Approval Received
- Odor Complaints-WRF: Hired Webster Environmental Associates