



Board Meeting Agenda for Tuesday, May 17, 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 April 19, 2022
- 3) Public Comment: Non-Agenda Items- Time Limit on public comment 5 minutes

I. General Business

- 1) Ordinance 2022-02- Corti- Second Reading
- 2) Ordinance 2022-03- FCWSD- Second Reading
- 3) Resolution 2022-04- EG Mediation
- 4) Monthly Operation & Maintenance Report
- 5) Monthly Financial Report
- 6) Draft Budget-Review
- 7) General Manager Topics
- 8) Board Member Topics

II. Next Meeting Date – Tuesday- June 21, 2022

III. Adjourn Meeting

**FOUR CORNERS WATER AND SEWER DISTRICT MINUTES DRAFT 2
REGULAR MEETING, April 19, 2022**

DRAFT

Call to Order

Vice President Nancy Flikkema called the regular meeting of the Four Corners Water and Sewer District (FCWSD) to order at 6:30 pm on Tuesday, April 19, 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

Staff/Public present: Phil George, General Manager (GM) from FCWSD; Amy Ellingson, District Administrator (DA) from FCWSD; and Libby Kueneke, Secretary

Approval of Minutes

February 15, 2022 Board Meeting

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

Public Comment on Non-Agenda Items:

No public comment.

GENERAL BUSINESS

New Board Member

Jon Claunch is the new board member for FCWSD.

Ordinance 2022- 02 Corti 1st Reading

Ordinance 2022-02: An Ordinance Accepting the Annexation Petition of Jay & Kelsey Corti for annexation into the Four Corners Water and Sewer District

The property is located between Monforton Road and Jackrabbit for sewer only. The property is 1 acre. A hydrant system and several other sewer only systems are set there already. The petition is for 1 EDU. Phil recommends approval.

Motion: Member Bob Thelen moved to pass the 1st reading of Ordinance 2022-02; member Brad Early seconded. No public comment. Motion passed 3-0.

Ordinance 2022- 03 1st Reading

Ordinance 2022-03: An Ordinance Accepting the Petition and Annexing Rainbow Subdivision Lots into into the Four Corners Water and Sewer District

FCWD is petitioning to annex 7 Rainbow Lots 190-196 to make them ready for purchasers' development. 1 EDU is assigned per lot without water rights. Phil recommends approval.

Motion: Member Brad Early moved to pass the 1st reading of Ordinance 2022-03; member Bob Thelen seconded. No public comment. Motion passed 3-0.

Resolution 2022-03: Land Sale- Rainbow

Resolution 2022-03: A Resolution of the Four Corners County Water and Sewer to approve the sale of Rainbow Lots 190, 191, 192, 193, 194, 195 and 196

The board agrees with the sale of the 7 Rainbow Lots 190-196.

Motion: Member Bob Thelen moved to approve Resolution 2022-03; Brad Early seconded. No public comment. Motion passed 3-0.

Monthly Operations and Maintenance Report

Phil George offered the report.

- SBR 2A is out of service as of 2/22 due to a broken rod and gearbox. Needed parts are on backorder. The supplier hopes to deliver needed parts soon.
- The next phase of WRF construction is underway. The digester excavation and under slab piping is complete. Concrete installation and final grading is planned for the next few weeks.
- The Elk Grove Booster Station replacement project is scheduled for site/pipe work in 4 weeks.
- Procuring parts are causing serious delays with little to no delivery expectations in multiple areas causing operation disruptions. The GM is working to build an inventory of regularly needed parts- 1 spare backup stock for the long run.
- WRF SBR 3 & 4 was approved by the DEQ as of 3/22 and work has begun. Sime Construction was selected for the excavation job for their pricing and quality of work. Shoring and wells will be put in place in the next few weeks. Dewatering should begin in about a month.

Monthly Financial Report

Amy Ellingson provided the report.

- Paving was finished at the FCWSD main office as of 4/22.
- The lead water operator and a MSU professor are creating a Water Infrastructure Project for students to create a digital mapping of FCWSD this spring that will continue to be updated.
- Monforton teachers and MSU students have been approached for summer painting and maintenance employment.
- A landscaper will clean overgrowth around the ditch by the FCWSD office and at the WRF due to overgrowth ground. Native grasses will suppress weed problems. A water truck will minimize dust during construction.
- The Stip Bond water status is at \$3,400,078 and sewer status is at \$8,121,583.
- The DA reviewed the March budget vs. actual for the shared, sewer, and water expenses. The office expenses were up from 2/22 due to annual subscriptions including billing software, the third insurance installment, and paying ahead on the environmental insurance three year payment.
- The rate increase went into effect, and residents of the district have been notified in their bills.
- The GM and DA will begin drafting the annual budget to present to the board as a draft in the 5/22 meeting to be approved in the 6/22 meeting.
- The GM will start tracking the bond monthly and biannual payments on a separate page on a monthly basis.

General Manager Topics

Phil George offered the report.

- Procuring parts is causing serious delays.
- DEQ has approved all remaining projects.
- Odor complaints continue. The county commissioner and county health department have requested a meeting. FCWSD has hired Webster Environmental Associates, an independent analyzer, to provide options for odor solutions. Meetings begin in 5/22. Surveying and sampling will follow.

Board Member Topics

- FCWSD will develop pamphlets for relevant neighborhoods including Spanish Meadows and the housing east on Shandolynn as these areas have adjacent fire hydrants issues continue.
- Next steps of the Rainbow lot land sale was discussed. 4 of 7 lots have serious interest. FCWSD's lawyer will use a buy sell agreement, and then FCWSD can go to a title company and close. FCWSD can start distributing buy sell agreements. 8 people, including commercial developers, have spoken to FCWSD with interest.
- No progress will occur on the Love Lane water tank issue until 2023/2024 after a water analysis. A well can't be installed at Love Lane or at Middlecreek Booster Station due to low production. Morison-Maierle's engineering expert examined these sites and determined the projects to not be economically viable.

Public Comment:

None

Next Meeting Date: Tuesday, May 17, 2022

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of April 19, 2022 adjourned at 7:20 p.m.

Libby Kueneke, Secretary

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 3 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:
Dated: April 19, 2022

Four Corner's County Water and Sewer District

Nancy A. Filibkema
Its: Vice President

Attested: Missy Kramer
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 3 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:
Dated: April 19, 2022

Four Corner's County Water and Sewer District

Nancy A. Filibkema
Its: Vice President

Attested: Roby Knank
Secretary

2nd Read and approved:
Dated: _____, 2022

Four Corner's County Water and Sewer District

Its: _____

Attested: _____
Secretary

RESOLUTION 2022-04

A Resolution of the Four Corner County Water and Sewer District authorizing the General Manager to negotiate resolution of *Elk Grove Development Company v. Four Corners County Water and Sewer District and Elk Grove Homeowners Assoc., Inc.*, Cause No. DV18-788A

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 Board is well advised of the pending litigation of Elk Grove Development Company v. Four Corners County Water and Sewer District and Elk Grove Homeowners Assoc., Inc., Cause No. DV18-788A, which was remanded to the District Court for further proceeding;

WHEREAS, the Board is aware the mediation required by the District Court Scheduling Order mediation is scheduled for May 31, 2022.

NOW THEREFORE, the Four Corners County Water and Sewer District hereby authorizes General Manager Phil George to attend the mediation, and resolve, if possible, the *Elk Grove Development Company v. Four Corners County Water and Sewer District and Elk Grove Homeowners Assoc., Inc.* on behalf of the District.

All recitals set forth above are incorporated herein.

Dated this __ day of May 2022.

Cory Klumb, President

ATTESTED:

Libby Kueneke, Secretary



Operation & Maintenance Report. April 11, 2022

1. SBR 2A is still out of service due to supply chain issues. FCWSD personnel have initiated an alternate temporary repair plan.
2. WRF expansion – Digester floor is in place, first section of wall is scheduled for concrete placement on May 12, 2022. SBR 3&4 construction includes excavation at 60%, sheet pile 100% and Dewatering at 100%. Final excavation and prep for slab scheduled to begin next week.
3. Elk Grove Booster station project broke ground today.
4. Lift station emergency repairs are increasing in frequency due to flushable wipes and rags plugging pumps. Articles of clothing are also being pulled out of pumps.



May 2022

General Administration Actives and Issues:

- Water Infrastructure Project- MSU
- Summer Employment
- Ad out for full time position

Current Stip

Bond \$272,747

Water \$ 3,401,480

Sewer \$ 8,124,931



Month End YTD Budget vs. Actual

April 2022

Shared Expenses

	<u>April 2022</u>	<u>Budget</u>
Income/Expense		
Expense		
500-Shared General Admin Expenses		
510- Board Members	15,187	10,000
520- Personnel Expenses	709,542	708,333
530- Office Expenses	57,181	50,000
540- Vehicle Expenses	48,200	50,000
550- Professional Services (Shared)	184,269	223,330
560- Other Expenses (Shared)	89,512	66,666
Total	1,103,891	1,108,329



FOUR CORNERS

Water & Sewer District

Month End YTD Budget vs. Actual

April 2022

Water

	<u>April 2022</u>	<u>Budget</u>
Income/Expense		
Income		
400- Operating Revenues		
410- Water Revenues	1,504,557	1,458,333
450- H2O Meter	77,985	
Expense		
600- Water O&M Expenses		
*610- System Operating Exp (Water)	241,197	150,000
620- Repairs/ Maintenance Expenses	54,259	58,330
630- Professional Services (Water)	237	4,166
Total 600- Water O&M Expenses	295,693	212,496
Half of Shared Expenses	497,752	554,164
Total Expenses	793,445	766,660

- *610- \$166,071 is H2O Meter Cost



Month End YTD Budget vs. Actual

April 2022

Sewer

	<u>April 2022</u>	<u>Budget</u>
Income/Expense		
Income		
400- Operating Revenues		
420- Sewer Revenues	1,428,595	1,437,500
Expense		
700- Sewer O&M Expenses		
710- System Operating Exp (Sewer)	189,672	270,830
720- Repairs/ Maintenance Expenses	84,035	79,166
730- Professional Services (Sewer)	207	4,160
Total 700- Sewer O&M Expenses	273,914	354,156
Half of Shared Expenses	497,752	554,164
Total Expenses	771,666	908,320

Bond Status

Property Tax Bond

- SRF Series 2019 11.3
 - June 1 Balance
 - 1st payment 7/1/2022- \$268,650
 - 2nd payment 1/1/2023- \$225,306
 - Total- \$493,956

- Series A 2021
 - July 1 Balance
 - 1st payment
 - 2nd payment
 - Total

- Total Payment Plan
 - Actual to date

- Taxable Properties

Revenue Bond

- Series B 2021
 - July 1 Balance
 - Monthly payment- \$64,164.88- as of January to June 2022
 - Annual Plan
 - Actual to date

Bond Reserves- Full Funded

- SRF Series 2019- \$272,747
- Series A 2011- \$201,518



FOUR CORNERS

Water & Sewer District

	Budget 21-22	Projected Actual	Proposed 22-23
- Water Income	1750	1726	1825
- Sewer Income	1725	1714	1775
Water			
- Op Expenses	255	248	265
- Short Term Asset Rev	69	18	0
- Rev Bond	720	477	528
- Shared Expenses	665	674	717
Total	1709	1417	1510
Operating Reserves			
- Water	41	309	315
Sewer			
- Op Expenses	425	335	455
- Rev Bond	205	145	432
- Short Term Asst Rev	34	34	34
- Shared Expenses	665	674	717
Total	1329	1188	1638
Operating Reserves			
- Sewer	396	526	137

General Admin Expenses

	Budget 21-22	Projected Actual	Proposed 22-23
- Board	12	16	20
- Personal Expenses	850	905	1000
- Office Admin	60	64	80
- Vehicle Expenses	60	68	60
- Professional Services	268	200	175
- Other Expenses	80	95	100
Total	1330	1348	1435

- **Additional Hire**
- **Summer Help**



FOUR CORNERS

Water & Sewer District

	Budget 21-22	Projected Actual	Proposed 22-23
Water			
- Income	1750	1726	1825
Expenses			
- Operating	180	180	180
- Repairs/Maintenance	70	67	80
- Professional Services	5	1	5
Sub Total	255	248	265
- Short Term Assets Rev	69	18	0
- Rev Bond	720	477	528
- Shared Expenses	665	674	717
Total	1709	1417	1510
Operating Reserve	41	309	315



FOUR CORNERS

Water & Sewer District

	Budget 21-22	Projected Actual	Proposed 22-23
Sewer			
- Income	1725	1714	1775
Expenses			
- Operating	325	222	250
- Repairs/Maintenance	95	112	200
- Professional Services	5	1	5
Sub Total	425	335	455
- Short Term Assets Rev	34	34	34
- Rev Bond	205	145	432
- Shared Expenses	665	674	717
Total	1329	1188	1638
Operating Reserve	396	526	137



General Manager Topics- May 17, 2022

- Odor Complaints-WRF: Hired Webster Environmental Associates
 - o 1st meeting May 17, 2022
 - o Sampling end of May
- Digester Status
- SBR 3&4 Status
- Elk Grove Booster Replacement- Status
- Elk Grove Wastewater Treatment Life Extension- Status
- SCADA- Status