

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES REGULAR MEETING, September 19, 2017

Call to Order

President Cory Klumb called the regular meeting of the Four Corners Water and Sewer District to order at 6:30 pm on Tuesday, September 19, 2017, in the library of Monforton School at 6001 Monforton School Road, Bozeman, Montana.

Board Members present: President Cory Klumb, Vice President Nancy Flikkema, Member Heather West, and member Phillip George.

Staff/Public: GM Kevin Kundert, Brad Hammerquist representing MMI; Maralee Parsons, Secretary; Dee Lehfeldt, Thomas Kallenbach, Justin Buchanan, Noah Archer.

Approval of Minutes

August 15, 2017 Board Meeting:

It was noted that the letter referenced in the Elk Grove Discussion came from an attorney representing Elk Grove Development Company, Inc., and the minutes should be revised accordingly.

Motion: Member Phil George moved to approve the minutes as amended; V.P. Flikkema seconded. *The motion carried 4-0.*

Public Participation on Non-Agenda Items:

None were raised.

GENERAL BUSINESS

Elk Grove Discussion/Update

GM Kundert noted that he has not personally received any feedback from Elk Grove residents regarding their possible annexation into the District. He stated that he believes District council Susan Swimley has received some feedback, but he has not received an update from her. V.P. Flikkema requested that Ms. Swimley attend Board meetings when possible.

Ordinance 2017-03 to Annex Lilley Minor Subdivision Lots 1&2 (21 EDU, 1st Reading)

GM Kundert advised that this property was approved for annexation and 21 EDU capacity at the February 2017 Board meeting, but the ownership of the project is now split and is being resubmitted with Ben and Jennifer Carter as owners of Lot 1 and Jacob Wetzberger as owner of lot 2. Member Phil George recused himself from voting on the topic.

Motion: VP Flikkema moved to accept ordinance 2017-03; member Heather West seconded. *The motion carried 3-0.*

Ordinance 2017-04 to Annex Lehfeldt Residence into the District (1 EDU, 1st Reading)

GM Kundert advised that an Ordinance is not being put before the Board at this point. The property is located on Monforton School Road NW of Middle Creek Parklands Booster station, and the property has not been subdivided yet. The property owner stated she will be doing a re-alignment, before annexing into the District, and prefers to

be served as an out-of-district customer initially and move to annexation when the land is re-aligned/subdivided. The Board agreed in general to serve the customer as an out-of-district customer, and the District will move forward with writing up a service agreement.

Pricing Options for Fire Suppression Lines/Hydrant Access

GM Kundert advised this is a topic being revisited from the August Board meeting, regarding pricing options for the out-of-District Shedhorn subdivision, consisting of 42 lots needing fire suppression. 7 pricing options based on total number of lots for fire suppression lines/hydrants were reviewed. The District also needs to ensure that water is not misappropriated so the District will want to own the infrastructure, with a payback agreement in place. GM Kundert will seek clarification on that issue with Susan Swimley and the project owners who have been discussing options, and will revisit the discussion at the next Board meeting.

Use of RI Basin Property as a Walking Park/Dog Park

GM Kundert presented a proposal to allow members of the local community to use some of the District's vacant land as a walking park and/or dog park. He noted that some local residents are already using the east side of the RI basin property as a walking park. He noted that the District did not provide permission before the land was mowed by a local resident earlier this year (Noah Archer, present), but offered his opinion that allowing this limited recreational use would allow the District to provide a benefit to local residents/workers, at little or no cost to the District. He further noted that the District would need to obtain a rider on its liability insurance at a cost of \$79/year. There was some clarifying discussion on the signage currently on the land, and what additional signage would be needed. Local property owner Noah Archer stated that many residents do enjoy using the land for walking, and further stated he is willing to maintain the grass and does not expect the District to pay for any improvements. It was noted there is one walk-through gate and the drive-through gate is currently locked. Board discussion concluded that allowing limited use of the land is acceptable, provided the District posts signs alerting residents that the land is private property, and should be used at their own risk, and the District should also post new signage on the locked fencing surrounding the ponds stating no access is allowed to the ponds. It was further noted that a "poop station" with bags should be installed on the west side of the fence, but the District should not be involved in the maintenance of it. GM Kundert will contact the insurance company for the new rider, and will work up signage to be reviewed by the Board at a later date.

Proposed Gallatin Gateway Sewer Line/Lift Station Operations & Maintenance

GM Kundert advised that he met with GGWSD GM Matt Donnelly to discuss the possibility of having FCWSD assume the operational responsibilities of the GGWSD system on a time and material basis, initially, with an interlocal agreement to be worked up. All training on the GGWSD systems will be provided/paid for by GGWSD as part of its project. The time commitment is anticipated to be low. Board discussion included the request to include depreciation on equipment and vehicles in the cost analysis, and GM Kundert also stated he did not believe the additional work would trigger the need for an additional employee. The Board indicated their general agreement to move forward, and GM Kundert will work up the time and material estimates.

Resolution 2017-03 to Approve: Policy for irrigation Wells on Commercial Properties

Following clarifying discussion it was decided to adopt the policy via Ordinance, and GM Kundert presented Ordinance 2017-03, *Amendment No. 2017-01 to the August 2008 Rules and Regulation Governing Water and Wastewater Service For the Four Corners County Water and Sewer District*. This ordinance establishes a process and criteria that would allow for irrigation wells on commercial lots that are 2 acres or larger as an exemption, provided certain criteria are met, as outlined in the Ordinance. It was noted that Mesa Labs had previously sought an exemption to drill irrigation wells, and was turned down, but this Ordinance would now provide them with an exemption. It was also noted that commercial properties less than 2 acres in size would still need to apply for an exemption from the Board.

Motion: Member Heather West moved to approve Ordinance 2017-03; member Phil George seconded. *The motion carried 4-0.*

Request for Irrigation Well(s): Lot 267 Middle Creek Parklands Subdivision Phase 1

It was noted that Lot 267 is just over 9 acres, zoned for mixed-use but listed on the documents as “commercial”. It was noted that this agenda item is therefore covered by Ordinance 2017-03, just approved by the Board, so GM Kundert is authorized to manage this request.

Resolution 2017-04 to Approve Special Assessment Tax for 2017

GM Kundert provided a summary of Resolution 2017-04, *Accepting the new 2017 Tax Assessment Amount per Lot, Tract and Parcel*. He noted that the 2017 tax went down over year 2016 by \$74.79 per lot, due to 1) Fees associated with interest payments were reduced and 2) the number of taxable lots increased from 1,384 to 1,521. GM Kundert said District council had told him that the tax rates could *not* be maintained at the same level, with the intent of the District paying off its loans sooner. After some general discussion the Board indicated that they would like to see the reduction in taxes (and the increase in number of lots) be highlighted as part of the public education component for the next round of bonds, to be timed around the mailing of assessments (usually October).

Motion: VP Nancy Flikkema moved to accept Resolution 2017-04; member Phil George seconded the motion. *The motion carried 4-0.*

Resolution 2017-05 to Approve Purchase of Dry-Prime Pump for C-1 Lift Station Work/Emergency Preparedness

GM Kundert noted that there is a lot of work planned on the primary C-1 lift station, and a pump is needed to bypass the flow around it while work is being performed. He is proposing the District buy one pump and rent one pump (purchase price of \$25K-\$30K), which was not budgeted. They can be rented for about \$1000/week. The District has had problems with C-1, due to age/corrosion from operating in a harsh environment. He noted that should a problem arise, the team would only have about a half-hour to solve the problem, so having a pump available is critical for the District’s emergency preparedness. He also stated that cleanup costs from one overflow could exceed the cost of a pump. It was noted there is an approximate \$30K savings in the budget due to the reduced 2017 tax payment. The Board provided approval for GM Kundert to proceed.

Engineer's Report

Brad Hammerquist provided the report. The engineers have been providing technical assistance for the C-1 lift station re-hab project. They are also working on confirming the construction and funding financials for the WWTP expansion plan.

Capacity Report

GM Kundert presented a schematic of the District's commitments for the remaining sewer capacity over the next 2 years. 80% of the sewer capacity is already used, with average use at 240-260 thousand gallons per day in June. Commitments account for approximately 556 EDUs, so he is recommending the District put a moratorium on issuing capacity prior to the WWTP expansion, unless the request is for "future" capacity. There was discussion on whether a recent infiltration of ground water into the sewer line might be skewing the actual use data, and GM Kundert stated that the data presented is accurate and not skewed by infiltration. The Board directed GM Kundert to consult with council Swimley on how the District should approach issuing a moratorium on the sale of sewer EDU's until the WWTP expansion is complete.

Monthly Water Usage & Financial Report

The Board reviewed the report. GM Kundert noted he has not had time to insert the budget into the financial reports. He noted he has not seen any anomalies in expense vs. budget in the first 2 months of the fiscal year.

Monthly O&M Report

GM Kundert provided the report.

- Digester mixer seal fail relays were installed in all digesters, with no indication of seal failures thus far.
- Bids were received for digester aeration upgrades and are under evaluations.
- Elk Grove booster communication problem has been resolved. Antennas were relocated to the top of the water tank and power output was adjusted.
- Replacement UPS units were installed at all remote stations.
- Northstar well #1 experienced a fault of the PLC. It was rebooted and the PLC restarted.
- Wastewater collection system cleaning and TV inspection to-date found a service connection in the Commerce Park area to be improperly installed and leaking ground water into the main. The original installer repaired the service connection and detection efforts indicate no further ground water leakage.
- The gear drive assembly for the WWTP oxidation ditch aerator rotor #1 has been replaced with a spare. The old unit will be rebuilt and used to replace the drive on rotor #2.
- Durston lift station pump #2 experienced a seal failure. The seal and pump is back online.
- The carbon filter system for odor control at the WWTP headworks building had the activated carbon removed and replaced, which should help reduce odor. Thomas Kallenbach offered a comment that the odor coming from the plant is unbearable and there is also a high-pitched noise being emitted. GM Kundert noted he is looking into some soundproofing options as well as additional odor control methods.
- Commerce Park lift station pump #2 plugged up and inspection revealed the wear

ring in the volute is worn out. New wear rings have been ordered.

- The 24-volt DC motor for the hoist on the crane truck began experiencing issues with high amperage draw and overheating. A new motor was installed and gearboxes were oiled and new main wires were installed.
- C1 lift station is showing signs of serious deterioration including the concrete structure itself; pump corrosion and suspected interior piping corrosion/erosion. Pump #1 was pulled to replace the diaphragm gasket and it was discovered that the seal fail system for both pumps had been removed at some point and the pump shows signs of more corrosion than usual. The oil was drained from the lower seal chamber and was found to be full of water. The seal was replaced and a new diaphragm gasket was also installed. Parts are on order for pump #2. The deteriorating concrete must also be addressed now.
- A second set of MPAs (Micro-Particulate Analysis) was performed on Northstar wells 1, 2 & 3; results have not yet been received.
- A second irrigation well was drilled at Gallatin Heights to provide irrigation water to the subdivision park, as stated in the contract.
- Chemicals for odor-reduction at lift stations and recorders to measure odor are being researched, with purchases planned for October. A recorder will be installed at the WWTP to establish a baseline and record and variations due to operational changes.
- New file cabinets were purchased for the office and WWTP.

Board Member Topics

VP Flikkema: 1) Asked if the District's new on-line billing system is up and running yet, and GM Kundert stated he has not had the time to complete the work and testing. 2) Asked the status on recruiting for a new Board member, and GM Kundert said Amy has called her contacts at the subdivisions in the District. There were initially 2 candidates interested in applying but one has dropped out. Noah Archer is the other candidate, and he briefly provided his background. The Board asked that the seat remain open and allow recruiting for another month.

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of September 19, 2017 at 8:20 p.m.



Maralee Parsons
Secretary