

FOUR CORNERS WATER AND SEWER DISTRICT MINUTES
May 7, 2008

1. Call to Order

There being a quorum present, President Pearson called the meeting to order at 6:30 p.m. in the library of Monforton Elementary School, 6001 Monforton School Road, Bozeman, Montana.

Present: Mike Pearson, Ben Zavora, Richard Smith, Don McHenry, and Edward Schmidt

Also present: Wendy Heibert - bookkeeper for District; Susan Swimley, Attorney

Public: Tony Kolnik, Heidi LeDain, Steve Osmond, John Rosa and Ron Edwards

2. Approval of Ms. Heidi LeDain as Recording Secretary for the District.

MOTION: Mr. Smith moved, Mr. McHenry seconded, to approve of Ms. Heidi LeDain as Recording Secretary for the District as presented. The motion carried 5-0.

3. Approval of Minutes for May 7, 2008 meeting.

MOTION: Mr. McHenry moved, Vice President Zavora seconded, to approve the minutes of May 7, 2008 as presented. The motion carried 4-0; Mr. Smith abstained.

4. Consideration of Financial Reports

a. Approval of Financial Reports

Ms. Heibert referenced Vice President Zavora's question from previous meeting's annual audit of a \$200 payment was for '2007 Business Subscriptions'. Mr. Smith brought up that there was a remaining amount due to Utility Solutions of \$29,500; Ms. Heibert confirmed this and stated that \$200,000 had been paid.

1. Ratification of email – Formula for Payment to Utility Solutions

An email from Susan Swimley and responded to by board members dated Thursday, April 3, 2008 was sent to get approval to have Ms Heibert write a check to Utility Solutions and have one of the board members deliver that check the following day, and approve the policy adoption of: "It is the policy of the District that upon receipt of tax revenue funds from Gallatin County, the District shall, within 5 business days of receipt, pay 5/6 of the tax revenue funds to Utility Solutions." The board discussed wanting make changes to this policy after they ratified the email decision.

MOTION: Mr. Smith moved, President. Pearson seconded, to ratify the Formula for Payment to Utility Solutions from the April 3, 2008 email. The motion carried 5-0.

3. Annexation of Town Pump Property
 - i. 2nd reading of Four Corners County Water and Sewer District Ordinance #2008-02

President Pearson presented the second reading of Four Corners County Water and Sewer District Ordinance #2008-02. Ms. Swimley commented that because the property is contiguous to the District they will not require a hearing. Mr. Edwards added that the Town Pump Property is annexing for both sewer and water. Vice President Zavora noted that there will additionally be a well drilled for use only with the car wash that will include water recycling capabilities.

MOTION: President Pearson moved, Vice President Zavora seconded, to approve the 2nd reading of Four Corners County Water and Sewer District Ordinance #2008-02. The motion carried 5-0.

- d. Consideration and possible passage of Policy for Meters on Lots in the District as approved.

Mr. Edwards stated that the draft resolution has been given to Ms. Swimley and will bring the exhibit, draft resolution and map to the next District meeting for the board to review. This will include Items d, e, g, h, and i. Item 4d was continued to the next District meeting.

- e. Presentation of draft privacy policy for District consumers

Item 4e was continued to the next District meeting.

- f. Amendment to Rules and Regulations (rates and charges), Utility Solution contract for various service areas, report of ad hoc financial committee
 1. Discussion of draft of US Contract for additional service areas and proposed annexation of property.

Ms. Swimley stated that part of the revisions to the service area contract could end up in the regulations. Mr. Smith stated that he will present a report on the updated contract at the next District meeting. Item 4f was continued to the next District meeting.

- g. Short-term service contract for sewer service only for Monforton School and Garden Center (including Taco Time) for approval / consideration of draft policy

Item 4g was continued to the next District meeting.

- h. Review and Consideration of policy change to allow water only or sewer only service of existing structures within the District.

discussed in those meetings. Topics include conflicts and solutions in water districts and funding sources for public water/sewer loans. Mr. Kolnik also reported on a Water Policy Committee meeting he had attended and presented several letters and reports of past violations, and noted that enforcement problems needed have further follow-up.

8. Board Member Issues

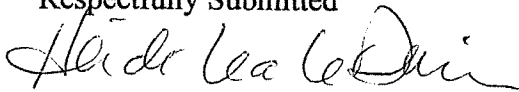
President Zavora suggested the District move the next meeting to Tuesday, June 3, 2008 to address scheduling conflicts that some Board members were facing. Ms. Swimley stated that she would post the change in the newspaper and Ms. Le Dain will call Monforton School to reschedule.

MOTION: President Pearson moved, Vice President Zavora seconded, to approve the schedule change to Tuesday, June 3, 2008 for the next Board meeting as presented. The motion carried 5-0.

9. Adjourn Meeting

There being no further business before the Board, the Four Corners Water/Sewer District meeting of May 7, 2008 was adjourned at 7:35 p.m.

Respectfully Submitted



Heidi L. Le Dain
Recording Secretary