

**FOUR CORNERS WATER AND SEWER DISTRICT MINUTES DRAFT
REGULAR MEETING, September 21, 2021**

Call to Order

Board member Nancy Flikkema called the regular meeting of the Four Corners Water and Sewer District (FCWSD) to order at 6:31 pm on Tuesday, September 21, 2021, 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: Nathan Bilyeu, general manager Phil George, district administrator Amy Ellingston, secretary Libby Kueneke and attorney Susan Swimley

Approval of Minutes

June 15, 2021 Board Meeting

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

Approval of Minutes

August 17, 2021 Board Meeting

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

Public Comment on Non-Agenda Items:

No public comment.

New Board Member- Michele Piazza

Amy Ellingston, Phil George, and board member Bob Thelen interviewed Michele Piazza.

Motion: Member Bob Thelen moved to appoint Michele Piazza to the board for the remainder of the term. Member Brad Early seconded. No public comment. The board member was approved 3-0.

Ordinance 2021-11 Firepond Point, LLC- 2nd Reading

Ordinance 2021-11: An Ordinance Accepting the Annexation Petition of Firepoint LLC for annexation into the Four Corners Water and Sewer District

The property is located in Kennedy Subdivision. The petition is for 16 EDUs. Phil recommends approval.

Motion: Member Brad Early moved to pass the 2nd reading of Ordinance 2021-11; member Bob Thelen seconded. No public comment. Motion passed 4-0.

Ordinance 2021-10 Bill & Tidd's Excellent LLC- 1st Reading

Ordinance 2021-10: An Ordinance Accepting the Annexation Petition Bill & Tidd's Excellent LLC for annexation into the Four Corners Water and Sewer District

The property is located north of Valley Center adjacent to the North Dykstra Property. The petition is for 10 EDUs. Phil recommends approval.

Motion: Member Bob Thelen moved to pass the 1st reading of Ordinance 2021-10; member Brad Early seconded. No public comment. Motion passed 4-0.

Ordinance 2021- 12 WTGC, LLC- 1st Reading

Ordinance 2021-12: An Ordinance Accepting the Annexation Petition of WTGC, LLC for annexation into the Four Corners Water and Sewer District

The property is located north of Valley Center adjacent to the North Dykstra Property. The petition is for 50 EDUs. Individual lift stations will not be allowed. Phil recommends approval.

Motion: Member Brad Early moved to pass the first reading of Ordinance 2021- 12; member Bob Thelen seconded. No public comment. Motion passed 4-0.

Ordinance 2021-13- 8330 Huffine, LLC- 1st Reading

Ordinance 2021-13 : An Ordinance Accepting the Annexation Petition of 8330 Huffine, LLC for annexation into the Four Corners Water and Sewer District

The property is located south of Huffine and east of Cobb Hill. The property is 19 acres for apartment buildings. The petition is for 192 EDUs. Phil recommends approval.

Motion: Member Bob Thelen moved to pass the first reading of Ordinance 2021-13; member Brad Early seconded. No public comment. Motion passed 4-0.

ARPA Status

Phil George offered the report.

- Seeking state funding for some capital projects without headway. Will seek at the county level.

Bond Discussion/Possible Resolutions

Phil George and Nathan Bilyeu offered the report.

- FCWSD has 3 special assessment bonds. \$11.3M bond for the WRF must remain with SRF. \$6.7M RD Series 2015 bond and \$9.3M SRF Series 2015 bond will be placed under a new bond, the 2021-A New Bond, at \$14,268,735/ 25 years for a net savings of about \$536K.
- \$3.94M RD Water Bond and \$3.06M SRF Waste Water Bond will be placed under a new bond, the 2021-B New Bond, at \$5,141,304/ 15 years for a net savings of about \$405K.
- The total net savings is about \$941K. This true net savings accounts for all costs of issuance.
- Presently \$780K of the reserves are in a bond at STIP. As future reserve requirements will be \$268K at STIP and \$198K sent to Bond Trustees as a Reserve, \$313K will be returned into usable accounts.
- FCWSD must provide a fiscal year audit report to the trustee within 270 days of the end of the fiscal year and an annual budget to the trustee within 30 days after the BOD's approval.
- No pre-payment is available on New Bond 2021 A or B for the first 10 years.

- Bond refunding requires board determination that the new bond is in the best interest of the district. An election is not required.
- The average interest rate, 1.83%, and true interest cost, 2.28%, are lower than the current rates.

Motion: Member Michele Piazza moved to pass the first reading of Ordinance 2021-13; member Bob Thelen seconded. No public comment. Motion passed 4-0.

Monthly Operations and Maintenance Report

Phil George offered the report.

- SBR 2 operational and processing all the District's wastewater flow including Elk Grove and Gallatin Gateway flows.
- Elk Grove WWTP is shut down for process equipment upgrades and concrete repairs. The concrete looks great. Liners are being installed to further prolong the life of the concrete.
- Northstar and Commerce lift station meter vault installation is complete. Scaling of the flow on SCADA needs to be checked by MET.
- Installation of IPS additional odor control structure at the WRF is scheduled for early October.

Monthly Financial Report

Amy Ellingston offered the report.

- The audit is submitted and awaiting response, hopefully by the end of October.
- Capacity rate increase goes into effect 10/1. Many agreements have been written in response.
- Employee benefits are under review and new employee policies are being created
- STIP is current
- Over on vehicle expenses due to new vehicle
- Over on water income due to peak irrigation season
- Under in water operating expenses
- Slightly under on sewer income
- Under on sewer system operating expenses

General Manager Topics

Phil George provided the report.

- GM is seeking answers from the fire districts regarding Out of District Fires to determine new rates.
- In Elk Grove Maintenance, the current GM has different priorities than the past GM, joined the board when Elk Grove annexed, and wasn't party to discussions leading up to annexation.
- In Capital Projects, the Elk Grove Booster and WWTP have been submitted to DEQ for Review.
- WRF SBR 3&4 will be submitted to DEQ 9/2021.
- GM will meet on 9/22/21 to review the contract approach for the SCADA upgrade.
- Around 700 EDU's have been sold for SBF 3&4 in advance of October's price increase. There are about 1,800 EDU's remaining on SBF 3&4.
- Small storage garages with minimal heating mechanisms are needed to protect assets at the Elk Grove WWPT and WRF.

Board Member Topics

A documented list of what has been completed at Elk Grove was requested. The GM will compile one.

Public Comment:

No public comment.

Closed Meeting


A closed meeting occurred due to MCA section 2-3-203. Attorney Susan Swimley recorded minutes.

Motion: Member Bob Early moved to initiate the closed meeting. Member Brad Thelen seconded the motion. No public comment. Motion passed 4-0.

Next Meeting Date: Tuesday, October 19, 2021

Adjourn

There being no further business before the Board, the Four Corners Water & Sewer District meeting of September 21, 2021 adjourned at 7:55 p.m.

A handwritten signature in cursive script that reads "Libby Kueneke". The signature is written in dark ink and is positioned above the printed name of the signatory.

Libby Kueneke, Secretary