

FLATHEAD COUNTY WATER DISTRICT #101

POB 1141, Columbia Falls, MT 59912

*** Meeting Minutes November 3, 2020 ***

General Meeting - by ZOOM teleconference:

I. Call to Order 7:00pm.

Directors present include Harold Herman, President, Russ Barnett, Vice President, Brian Rohletter and Linda Bosworth.

Also present: Shane Pierson, Certified Water Operator / General Manager; Robert Smith, A2Z Engineering; Tina Bondy, Board Secretary.

II. Minutes

- a. Secretary read the October 6, 2020 Minutes. Following Board discussion, Linda Bosworth moved to accept the Minutes as prepared. Harold Herman seconded and all voted in favor.

III. Time for Public Comment and Discussions

- a. No public in attendance.

IV. New Business

- a. **Proposal to Amend FCWD 101 By-Laws to extend seat terms of President and Vice President (Article VII, para. 2, Election of a Board President and Vice President);**

Linda moved for discussion and resolution - change the last sentence "neither position can be held for more than 2 consecutive terms" to "...more than 4 consecutive terms". If there is a President that the Board found the need to remove, that can still be done without waiting for a term to end. Want to ensure Board is not acting contrary to District Bylaws. All Board members in attendance agreed that this would be a good change if the Bylaws allow.

Shane raised a question about other water boards with which he works that don't have a term / time limit is there a requirement to have a limit? Further discussion with Board, regarding potentially removing that sentence entirely. Board discussed the original drafting where they were trying to be careful and didn't know what was going to happen with the board. Proposal to remove the sentence entirely. The Board shall elect a president and vice

president for a term of 1 year or until successors are elected. Linda made a motion to accept as a Resolution that there be no restriction as far as consecutive terms. Brian seconded and all voted in favor.

b. Proposal to Amend FCWD 101 By-Laws to have regular meetings held quarterly beginning in 2021, i.e. the first Tuesday of March, June, September, December (Article VI, para. 9, Meetings)

Linda proposed for discussion and resolution to amend “regular meetings of directors shall be held quarterly”. This would allow for the December meeting to finalize this before moving to quarterly for calendar 2021. The Board can always call special meetings as may be needed. Board noted that Bylaws cannot be changed at special meetings, however. Board asked Robert Smith, for advice regarding the water project, and whether he believes the District is far enough through the project to go to quarterly meetings to go into effect as of 2021. His response was that he certainly hopes to be wrapping everything up at the December meeting, so yes, should be through the project and could move to quarterly meetings.

Further Board discussion about Shane emailing to the Board monthly reports as he has done for other districts. Emails each month and then go through them at each quarterly meeting. During the winter, he doesn't do much, only minimal maintenance, water testing and emergencies.

Further Board discussion about signing checks for bills. Currently have 2 Board members signing all checks. Harold will arrange with Russ or Brian to continue to do this for payment of bills.

Linda made a Motion to accept this as a Resolution – to schedule Board meetings quarterly, on the first Tuesday of March, June, September and December. Harold seconded and all voted in favor.

c. Proposal to Amend FCWD 101 By-Laws to Public Notice Postings.

Per the existing By-Laws, the Board should still be posting notices for public meetings at the Junction Gas and Grocery.

Linda moved to enter a resolution that public meeting notices be posted on the District's website at least 3 days before each meeting and provide the website address in the By-Laws. Brian seconded the Motion and all voted in favor.

d. Page numbers for By-Laws.

Linda also requested that when Secretary contacted the District attorney to prepare the Resolution, that all pages of the By-Laws be numbered.

e. Resolution – next steps.

Discussion with Board that a Resolution prepared be signed by Harold as President and by Tina as Secretary. Then the By-Laws will be retyped and revised as of 11/3/2020. Tina will check with Randy to get these revised ASAP.

f. System Improvement Project – Update

John Toftum of T5 did not attend this meeting. Robert Smith did advise that T5 has gotten some of the punchlist finished, but still awaiting the hook up of the propane tank

Shane advised that not ready for final walk through, once all parts arrived, probably 2-3 days to get all of the little things finalized:

- Have had some settling around 3-5 meter pits that happened after the snow;
- Well 2 / Gordon wellhouse, a valve repair needed, but waiting on tank level gauge;
- New cap on the main well is on order, but not yet arrived.

Some of the parts are getting hard to come by; 90-120 days out in some cases. Once here it's a 15 min change. Again, probably a couple of days total to finish off the rest of the minor stuff. Not yet ready though for the final walk though. Tentatively scheduled for 11/9/2020. Won't need 3 board members to attend this time though.

V. Old Business

a. Membership with Montana Rural Water System (MRWS)

Hold off for now.

b. DEQ Water Test Requirements

Held off until project over other than the regular monthly testing.

c. 1 call locator Service

Holding off until spring.

VI. Operator's report

Shane provided the operator's monthly report.

Sold 405k gallons in October. \$891.00 in extra revenue, in addition to the monthly service fees. A water test taken at Outfitter's Supply failed. Another 5 repeats were required and failed again there and failed at tank. Both wells

passed and meter pit for Phyggs passed. Based on testing and results, the contamination is coming from the tank.

These failures now trigger DEQ Level 2 assessment. Mike Kroft will inspect and advise us of next steps. Shane has picked up the DEQ chlorinator, and has just received the okay from M. Kroft to dechlorinate the tank, drain and refill, and run the chlorinator for a couple of weeks.

Still technically under construction though, so may have a little leeway because of that. Robb confirmed the same. Advised that if we give tank a good spray down - expect it will take care of the problem. We know we have road dust in trusses and a hole drilled through the tank wall *after* the water was tested and passed during construction.

Believe that T5 should handle cleaning of tank and then Shane will set up test and chlorination. Shane will be there, but it's T5's responsibility to get the test to pass. Discussion with Robb as well best to have T5 handle the cleaning. John has been trying to work with Shane to get this scheduled. Impression is that T5 will be doing this at their cost, and will be an extra \$1100 or \$1200 in extra costs with Shane. Only additional time this month so far for Shane was a couple of hours to purchase chlorine and pick up chlorinator. Not a lot of time billed toward this issue yet, other than the DEQ calls / meetings. When chlorinating he will have to test chlorine residuals every day.

Couple of issues reported by Shane:

Received a call from a customer that has a minor child that must be home under quarantine for 14 days, and as a result, a parent must stay home as well and miss work and is now asking whether the District is offering COVID relief. Shane did talk with Randy about this, but didn't find anything in effect that states the District is obligated to do anything to offset this. District did advise they were willing to extend turnoff for non-payment to 90 days instead of 60 days and would not charge late fees in this instance.

Also advised of emails between customer Becker and District's legal counsel questioning whether the District began charging the new rates too early. Customer was confused by interpretation of language in the project status letter. Shane clarified that all active meter pits were installed and were again active when started charging. Shane will respond to the customer via email, but would like direction from Board. Shane intends to respond to say "All billed for usage when we had the meters in."

The letter that was mailed to all customers regarding the Letter that was sent out regarding the 2/4/2020 rate increase that there would be a monthly usage charge of \$2.20 per 1000 gallons once meters were installed and active.

This customer was one of the first meters installed, and could have started being billed back in August or sooner. Board advised Shane to respond: "You brought up the issue to the board. Board had put off billing an extra month to ensure all users that were using water would be fairly billed at the same time, and they were."

Shane also receive a letter from new owners of hotel. They are requesting a credit of \$265 (est) for refunding 2 rooms during water incident last month. Following the receipt of the letter and request, the Customer called Shane with some other questions and specifically about a bypass that is set up in the system. Shane is willing to go on his own time and show the hotel owners how to manage the bypass, and in return, the request to the District for the credit will go away. Board did discuss that if they bypass with their own filtration, there is no liability to the District. If something needs repair, it's on them. Shane made this very clear to the owners and he is doing this on his own time and not through the FCWD 101.

VII. Financial report

Secretary provided financial reports as of November 3, 2020 as follows:

Revenue (gross profit) to date this fiscal year: \$ 18,427.25

Expenses to date this fiscal year: \$ 10,417.65

Checking account balance: \$ 19,277.62

Asset Replacement account bank balance: \$ 28,888.79

Checks written / Payments issued during November, 2020 from Glacier Checking Acct:

Check # 439 to Pierson Services for monthly service: \$350.00

Check # 440 to Shane Pierson for project-related time: \$ 800.00

Check # 441 to Eclipse Tax and Accounting: \$384.10

Check # 442 to Tina Bondy for Board Secretarial: \$400.00

Check # 443 to Martin City County Water District: \$100

Check # 444 to M.E. Water Lab: \$117.50

Check # 445 to M.E. Water Lab: \$100.00

Check # 446 to Flathead County Taxes: \$45.10

Check # 447 to USPS: \$80.00

Check # 448 to Snyder Law Office: \$550.00

Monthly FCE electric bill - \$224.27

Board discussion about the past-due accounts.

Schultz was an error – billed for multiple accounts when shouldn't have.
(should be corrected in Quickbooks)

VIII. Correspondence

IX. Additional items for discussion

Harold advised the Board that there were a few additional bills to pay this month:

ME labs for the 5 tests again \$117.50

2017 violation report from one of the CWOs that passed away - Mike Kroft wanted to clean up before CCR report. Had ME Labs (\$100) create the CCR for 2017, to settle violation.

Taxes on lot behind Russ's property: \$45.10

Post office due \$80.

Secretary asked the Board if it would be okay to explore other options for the District website. Board agreed that would be fine to explore.

X. Adjournment 8:11pm

-- President to announce the next General Meeting of the Board is scheduled on December 1, 2020, 7pm, at the Badrock Fire Department / may be held by ZOOM teleconference.

--President to say, "This completes our business for this November General Meeting. This meeting is now adjourned."