

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: September 3, 2013

Time: 6:30PM

Place: Gallatin Gateway Community Center, 145 Mill St., Gallatin Gtwy, MT

For: Regular Meeting of the Board of Directors

AGENDA

I. Call To Order

- A. Call To Order
- B. Public Participation on Non-Agenda Items¹

II. Approval of Minutes

- A. Approval of Meeting Minutes for August 5, 2013

III. Reports of Officers, Standing Committees, and Special Committees

- A. Report of General Manager & Report of Financial Condition (Donnelly)
- B. Report of Community Liaison Committee (Janes)
- C. Report of Engineer (Doig)
 - i. RUS Reports, Administration and Draw Requests
 - ii. TSEP Reports, Administration and Draw Requests
 - iii. CDBG Reports, Administration and Draw Requests
 - iv. DNRC Reports, Administration and Draw Requests

Iç. Unfinished Business and General Orders

- A. Public Hearing on Draft Rules & Regulations Establishing Rates and Governing the Administration of the District; and First Reading of an Ordinance Establishing Rules & Regulations (Donnelly)
- B. Discussion of Gateway Village Subdivision Application to Gallatin County (Donnelly)
- C. Discussion and Decision on Authorizing Moving a Public Well at Cottonwood and Highway 191 to Increase the Distance Between the Well and the District's Mixing Zone (Donnelly)

ç. Reports of Officers and Committees (cont.)

- A. Technical Report of Engineer (Thomson)

çI. New Business

- A. Any New Business Which May Come Properly to the Board

¹ The opportunity for members of the public to comment on District matters which are not on the agenda. Time limits may be imposed at the discretion of the President.

çII. Adjourn

Gallatin Gateway County Water & Sewer District

MINUTES OF THE

BOARD OF DIRECTORS

A regular meeting of the Board of Directors of the Gallatin Gateway County Water & Sewer District was held at the Gallatin Gateway Community Center, 145 Mill St., Gallatin Gateway, MT, on September 3, 2013. Present at the meeting were board members Merle Adams, Ted Border, Steve Janes, David Sullivan, and Earl Wortman. General Manager Matt Donnelly and Secretary Maralee Parsons Sullivan were also present. Also in attendance were Larry Watson from Gallatin County and Pierre Martineau, Gallatin County Commissioner. There was no one in attendance from Stahly Engineering.

Public attendees included Dick & Donna Shockley, Dick DeBernadis, Sandra Hart, Debbie Allsep, Lauri Olsen, Brook Savage, Frank Silva, Tammy Sturgis, Ann & Jeff Prescott, Doug Alexander, George & Mary Ellen Stewart, Mr. & Mrs. Don Hargrove.

President Border called the meeting to order at 6:35 p.m. Maralee Parsons Sullivan recorded the minutes of the meeting.

PUBLIC COMMENT

President Border asked for public comment on non-agenda items. There were no non-agenda items raised.

President Border proceeded to the next item on the agenda.

APPROVAL OF MINUTES

After confirming that all directors had a draft copy of the August 5, 2013 meeting minutes, President Border asked whether there were any corrections. Director Janes requested one small addition to the action taken by Stahly Engr regarding the potential re-sale potential of level 2 systems. Director Sullivan made the motion to approve the minutes as amended, Director Wortman seconded the motion and the minutes were approved unanimously.

REPORT OF GENERAL MANAGER & REPORT OF FINANCIAL CONDITION

Matt Donnelly reported on current status. DEQ has issued the District's draft discharge permit, and public comment period closed on Aug. 8. DEQ has 30 days to decide whether they will issue the discharge permit or hold a public hearing (which would be followed by a 60-day decision making period). The engineers are in a holding pattern until this is decided.

Matt reviewed the current monthly financial package (P&L and Balance sheet) for FY starting July 1, 2013: There is \$1400 in the bank due to a draw against the line of credit and money remaining from the land purchase. \$61K in payables

(\$55K to engineers and \$6K to attorney), with a \$1500 debt to Big Sky Western Bank.

Matt also attended a recent school board meeting, at which 3 of the Sewer District Directors were also present, but no Sewer District business was discussed at the meeting. The school board had some general questions about the sewer project and Matt believes the questions were answered to their satisfaction.

REPORT OF COMMUNITY LIASON COMMITTEE

Director Janes provided the report. He has been getting in touch with property owners and documenting discussions; he had some follow-up questions for the engineers but they were not present at the meeting to address these questions. There have been some questions/concerns about the impact of the proposed Gateway Village development. The Board agreed the District needs more detailed information on the project in order to discuss the impacts.

REPORT OF GENERAL MANAGER

Matt Donnelly reported on the various government reports, administration and draw requests:

- RUS: nothing to report
- TSEP: nothing to report; TSEP does not want to see draw requests until the discharge permit has been issued.
- DNRC: nothing to report
- CDBG: Larry Watson provided the report. 3 days remaining on the public comment section for the environmental assessment. Concerns were filed with Dept. of Commerce by David Loseff's legal council, who hired their own engineer to do an evaluation of the environmental documentation and did their own evaluation. Issues raised included questioning whether the assessment been updated when District property was changed from the Loseff property to the Vaughn property, as well as concerns regarding the distances between property boundaries. County commissioners did make a comment back requesting that if DEQ were to hold a public hearing, that it be held in Gallatin County rather than Helena, so interested parties could attend. A public hearing will hold up the issuing of the discharge permit by an additional 60 days; significant delays will impact all agency money.

Matt clarified that during the public hearing process the District is not allowed to rebut the comments submitted (one by County Health, one by GG school, as well as four submitted by Gateway Village— two from engineers and two from attorneys). If there is a public hearing, then the District will be able to rebut the statements made in the comments. Later in the meeting, Larry Watson read an email aloud which he had just received from the Director of DEQ, advising that based on level of interest raised during the public hearing period, no public hearing is planned and DEQ will take final action on the discharge permit no later than Sept 9, 2013.

UNFINISHED BUSINESS AND GENERAL ORDERS

Public Hearing on draft Rules & Regulations Establishing Rates and Governing the Administration of the District; and First Reading of an Ordinance Establishing Rules & Regulations

A copy of the District's proposed Rules & Regulations (R&R) dated August 5, 2013, as well as a brief overview summarizing the purpose and structure of the R&R was included in the meeting handouts. Matt Donnelly briefly reviewed the Overview and encouraged public comments throughout the process. The current draft R&R is a result of combining R&R's from other districts, followed by Board review and input. Director Border, Director Janes and GM Matt Donnelly spent approximately an additional 12 hours reviewing the document and proposing additional changes, which were then presented by Matt at the meeting. **The changes that were proposed, discussed, and adopted by unanimous vote of the Board, as well as public comment, are detailed at the end of the minutes.**

Upon completion of the review of the R&R, Matt Donnelly publically read the following Ordinance 2013-01:

AN ORDINANCE GOVERNING THE OPERATION OF AND ESTABLISHING RATES, FEES AND CHARGES FOR THE GALLATIN GATEWAY COUNTY WATER AND SEWER DISTRICT

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE GALLATIN GATEWAY COUNTY WATER AND SEWER DISTRICT AS FOLLOWS:

That pursuant to the authority granted under Section 7-13-2218 and Section 7-13-2301, MCA, the Board of Directors of the Gallatin Gateway County Water and Sewer District ('District') hereby adopts an ordinance regulating the public wastewater system, the installation and connection of wastewater services, and the use of the facilities of the District; and that said regulations shall be codified in the Rules and Regulations of the Gallatin Gateway County Water and Sewer District attached hereto; and

That pursuant to the authority granted under Section 7-13-2301, MCA, the Board of Directors of the Gallatin Gateway County Water and Sewer District ('District') hereby adopts an ordinance establishing rates, fees and charges for the public sewer and water system; and that said rates, fees and charges shall be codified in Section 6 and Appendix A of the Rules and Regulations of the Gallatin Gateway County Water and Sewer District attached hereto.

ADOPTED by the Board of Directors of the Gallatin Gateway County Water and Sewer District after reading on September 3, 2013 and second reading on October 7, 2013. This Ordinance shall be in effect 30 days after the date of the second reading.

Discussion of Gateway Village Subdivision Application to Gallatin County

Matt Donnelly reported that the District council has recommended a written response, included in the meeting packet, which recommends that the Board ask the County Commissioners to require Gateway Village to apply for a connection to the public sewer District, per the District's application process. There are 8

phases proposed in the sub-division, and the application will outline the timing and enable the District to determine if there is sufficient capacity. There were some clarifying questions, and editing suggestions to the letter by the Board. There was a public question as to the timing of this request for public comment. Matt summarized the process: a sub-division's pre-application was sent out to the various public districts for comment, then the application itself is sent out and is commented upon again, and this current topic of discussion is in response to the application.

Director Wortman made the motion to authorize GM Matt Donnelly to send the letter, with the suggested edits and also allowing for minor formatting changes, to the County Commissioners; Director Sullivan seconded the motion, and it was adopted unanimously.

Discussion and Decision on Authorizing Moving a Public Well at Cottonwood and Highway 191 to Increase the Distance Between the Well and the District's Mixing Zone

TSEP wants the well at the Buffalo station whether or not DEQ will require it. The cost will be about \$5K. A draft letter is prepared and included in the meeting packet. Director Sullivan motioned to authorize GM Matt Donnelly to send the letter; Director Wortman seconded the motion, and it passed unanimously.

Report of Engineer

Nothing to report as there were no engineers present at the meeting.

NEW BUSINESS

President Border asked for any unfinished or new business, and seeing none, noted that the next meeting date is October 7, 2013.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 8:40 p.m.

Secretary

The following changes to the Gallatin Gateway County Water and Sewer District's proposed Rules & Regulations (R&R) dated August 5, 2013, were proposed and read aloud:

Chapter 1 General Provisions

Move section 1005 "Interruption of Service" from page 61 to a new Section 122 and remove the word **wastewater** both times it is used in the first sentence. So section 122 will read:

122 Interruption of Service

The District reserves the right to temporarily interrupt service to its customers for the purpose of addressing emergency situations or making connections, extensions, repairs, replacements, and/or additions to the District system. Whenever possible the District shall give reasonable notice to its customers in advance of accomplishing such work.

There was no public comment and no Board discussion.

Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.

Move section 1011 Liability of District from page 61 to a new section 123 and remove the word **wastewater** in sentence 1,2 and 3. So section 123 will read:

123 Liability of District

The District shall only be responsible to a customer for providing service in accordance with the conditions set forth herein, irrespective of ownership of the property served. The District shall not be responsible for inconvenience, damage, or injury to persons or property resulting from the District's termination, discontinuance, or interruption of District service to any property in accordance with these rules and regulations. The

District is responsible for facilities up to the service wye or tee. All facilities from the building up to and including the service wye or tee are the responsibility of the property owner. The General Manager shall determine whether a line is a service line or a public main if a discrepancy occurs.

There was no public comment and no Board discussion.

Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.

There were no additional public or Board comments on chapter 1.

Chapter 3 Wastewater Use Regulations

Move section 802 Allocation of Capacity from page 42 to a new section 303 and renumber all subsequent sections from 303 thru the end of the chapter. So section 303 will read:

303 Allocation of Capacity

The District will conduct an ongoing monitoring program to estimate the maximum facility treatment capacity ('maximum capacity') for the public system. Based upon the maximum capacity, the Board will determine from time to time a safe operating capacity ('operating capacity'). The operating capacity of the public system will always be lower than the maximum capacity to provide a margin of safety to ensure that public health and the environment are protected. Until the current flows reach the operating capacity as determined by the Board, there will be available capacity for connecting legal obligations to the public system on a first come, first served basis. Remodeling of existing structures will also be permitted to connect to the public system if capacity is available.

There was no public comment and no Board discussion. Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.

Section 304 Connection to the Public Sewer System Required

In the first sentence towards the end, after *weather conditions permit* add the words ***the house, building, or structure is within the wastewater service area***, So section 304 will be 305 because of the insertion of the additional section above and will read:

305 Connection to the Public Sewer System Required

The Owner of any house, building, or other property, which is used for human occupancy, business, employment or recreation, which property abuts on any street or public right-of-way in which there is or may be located a sewer main, shall, at the owner's expense, install a suitable sewer service facilities therein, and connect such facilities directly to the sewer main within 180 days after the date of official notice to do so, provided that a sewer main is located in the right-of-way within a distance of five hundred (500) feet from the owner's property line, weather conditions permit, *the house, building, or structure is within the wastewater service area*, and the wastewater capacity is sufficient to serve the property. The Owner must obtain a Connection Permit pursuant to the procedures described in Chapter 8. The cost of connecting to the public system shall be at the expense of the Owner or lessee and shall be done in accordance with the provisions of this Ordinance.

There was public comment asking if it is a requirement to hook-up, and also if someone has just put in their own sewer, must they connect to the public sewer system, whether they want to or not? Matt Donnelly replied that a resolution requiring everyone within the District to hook-up, has

been passed by the Board. A question was raised about the lack of financial ability to hook-up. Matt Donnelly replied that there are no charges to hook-up to the system, but acknowledged that the monthly charges could be a financial hardship to some. The availability of financial assistance is unknown at this time, although the District has secured a low-income grant from CDBG to pay the property owner's assessment, for which people will be able to apply.

Motion to accept the change was made by Director Wortman and seconded by Director Sullivan, and the motion passed unanimously.

Section 312 .11 delete in it's entirety it is the same as 312. 7

There was no public comment and no Board discussion.

Motion to accept the change was made by Director Sullivan and seconded by Director Adams, and the motion passed unanimously.

There were no additional public or Board comments on chapter 3.

Chapter 6 Rates, Fees and Charges

In the first sentence of Section 601 replace the word **promulgate** with **establish**.

The first sentence will then be:

The purpose of this Chapter is to establish rules enabling the District to generate sufficient revenue to:

In the second paragraph of section 601 at the beginning of the first sentence delete the words **Factors such as actual and / or**. The sentence will be:

Estimated volume and delivery flow rate shall be considered and included as the basis for the rates, fees and charges assigned to each User.

There was no public comment and no Board discussion.

Motion to accept the change was made by Director Wortman and seconded by Director Janes, and the motion passed unanimously.

The title of Section 611 Capacity Determination Application Fee should be replaced with **611 Predesign Application Fee**. The term **Capacity Determination Application** will be replaced with **Predesign Application** throughout the document.

In the first sentence of 611. 1 after the words **offsets the cost of** add the words **assessing capacity,**

So 611 .1 will be:

I. Purpose: The Predesign Application Fee offsets the cost of *assessing capacity,* reviewing and processing Predesign Applications.

There was one public question as to whether this applied to just new people hooking up or existing customers (answer is just new people). There was no further public comment and no further substantive Board discussion.

Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.

In 611. 2 replace the word **all** with **the**

Also add **and infrastructure** after the District have adequate capacity So 611. 2 will be:

v. Cost Basis: The basis for the Predesign Application Fee includes *the* expenses related to evaluating, reviewing, publishing and/or other activities necessary to evaluate whether the facilities of the District have adequate capacity *and infrastructure* to accommodate the applicant's requirements.

There was no public comment and no Board discussion.

Motion to accept the change was made by Director Wortman and seconded by Director Sullivan, and the motion passed unanimously.

Section 612. 2 replace **all** with **the** also add **inspecting**, after expenses related to So 612. 2 will be:

D. Cost Basis: The basis for the Extension Application Fee includes *the* expenses related to *inspecting*, evaluating, reviewing, publishing and/or other activities necessary to evaluate whether the applicant's proposed Sewer Main meets the standards and requirements adopted by the Board.

There was no public comment and no Board discussion.

Motion to accept the change was made by Director Wortman and seconded by Director Sullivan, and the motion passed unanimously.

Section 613. 2 replace **all** with **the** also delete **proposed** from the first sentence and delete the last two sentences **The applicant shall not be permitted to tap the District's Sewer Main. The tap must be performed by District personnel or others subcontracted by the District.** So 613. 2 will be:

2. Cost Basis: The basis for the Connection Application Fee includes *the* expenses related to evaluating, reviewing, publishing and/or other activities necessary to evaluate whether the applicant's Sewer Lateral and Lateral Stub meet the standards and requirements adopted by the Board. This fee shall include costs of inspecting and tapping by District personnel or others subcontracted by the District to do so in place of District personnel.

There was one question from the public: Can you guys tell applicants who to hire? For the lateral stub will need to be done by our contractor but applicant can hire at will a contractor to run from District tap to applicant's

house. There was no further public comment and no further substantive Board discussion.

Motion to accept the change was made by Director Wortman and seconded by Director Sullivan, and the motion passed unanimously.

Section 614. 2 delete **replacing** so 614. 2 will be:

2. Cost Basis: The Plant Investment Charge shall be based upon the estimated cost of the treatment capacity consumed by the proposed use.

Section 614. 3 in the second to last sentence delete **User** and replace with **Applicant** so that sentence will be:

The *Applicant* shall bear all costs included in the cost basis.

Director Janes asked if there was still time to petition to annex in to the District now, rather than having to bear costs of annexing in later? Matt replied that it is MT State law that anyone can petition to annex in at any time, but it will be up to the Board to accept or deny the petition, based on factors such as impacts to construction costs (engineering changes etc.). Significant changes to project scope could impact grant money. There was no public comment and no further substantive Board discussion.

Motion to accept the change was made by Director Wortman and seconded by Director Sullivan, and the motion passed unanimously.

Section 615. 2 replace **all** with **the** So 615. 2 will be:

2. Cost Basis: The basis for the Service Request Application Fee includes *the* expenses related to establishing or modifying Customer accounts.

There was no public comment and no Board discussion.

Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.

Section 616. 2 replace **all** with **the** So 616. 2 will be:

2. Cost Basis: The basis for the Annexation Application Fee includes *the* expenses related to reviewing and/or processing applications for annexation. The cost basis also includes any pass-through fees or charges levied by Gallatin County required to process the application.

Section 616. 3 after **Method of Allocation**: add **The applicant shall bear all cost included in the cost basis**. Delete **The applicants...each** and add **If there are multiple petitioners on an application each** delete **the applicant** at the end of the sentence and replace with **each petitioner** In the second to last sentence delete **service** So 616. 3 will be:

3. Method of Allocation: *The applicant shall bear all cost included in the cost basis. If there are multiple petitioners on an application each shall bear a share of the costs included in the cost basis proportionate to the estimated capacity required by each petitioner. The fee shall be paid to the District at the time an*

application is filed with the District. See Appendix A, Schedule of Rates, Fees and Charges for current fee amount.

***There was no public comment and no Board discussion.
Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.***

Section 617. 2 replace **all** with **the** So 617. 2 will be:

2. Cost Basis: The Charge for Discontinuance or Reestablishment Service includes *the* expenses related to disconnecting or reconnecting Customer services.

***There was no public comment and no substantive Board discussion.
Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.***

Section 618. 1 Delete **any increase in the cost of treating the effluent or sludge due to the presence of industrial Pollutants** and add ***the cost of reviewing and processing the Industrial Discharge Permit Application.*** So 618. 1 will be:
The Industrial Discharge Permit Fee offsets *the cost of reviewing and processing the Industrial Discharge Permit Application.*

Section 618. 2 After **the fee amount shall be the** add ***cost to test, analyze, process, and / or other activities necessary to determine the*** also after **actual or estimated** add ***additional*** So 618. 2 will be:

2. Cost Basis: The basis for determining the fee amount shall be the *cost to test, analyze, process, and / or other activities necessary to determine the* actual or estimated *additional* cost of treating the effluent or sludge due to the presence of industrial Pollutants.

Section 618. 3 Delete the entire first sentence **Any person discharging industrial Pollutants** which cause an increase in the cost of treating the effluent or sludge from the District's wastewater treatment facility shall pay for such increased costs, as determined by the District. and replace with ***The applicant shall bear all cost included in the cost basis.*** So 618. 3 will be:

3. Method of Allocation: *The applicant shall bear all cost included in the cost basis.* See Appendix A, Schedule of Rates, Fees and Charges for current fee amount.

***There was no public comment and no substantive Board discussion.
Motion to accept the change was made by Director Sullivan and seconded by Director Adams, and the motion passed unanimously.***

Section 620. 2 After **administrative expenses** add ***may*** also delete **employee compensation** So 620. 2 will be:

2. Cost Basis: General administrative expenses *may* include, but are not limited to, general liability insurance; errors and omissions liability insurance; fidelity and performance bonds required by law and authorized by the Board; provision of public notice of Board action; Board compensation; and professional services that are general in nature such as audit services and general legal services.

620. 3 In the third sentence delete **currently** so the sentence will be:
Benefited Properties that are not connected to the facilities will be billed quarterly to the owner of the property on the last day of each calendar quarter.

There was some public comment on the timing of the \$6/lot monthly fee. Matt advised that there will be a second reading of the R&R at the October 7, 2013 Board meeting and if passed by the Board at that meeting, it will take 30 days to go into effect. Fees would start about Nov. 7. Matt clarified that the only fee going into effect on Nov 7 will be the \$6 fee; monthly O&M fees are still an unknown until construction costs are known. Addition of O&M fees will require another public hearing with notice. There was no further public comment and no further substantive Board discussion.

Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.

621. 2 After maintenance add **and repair** also after treatment add **and collection** So 621. 2 will be:

2. Cost Basis: Ongoing expenses related to wastewater treatment and collection include a proportionate share of the District's billing system; salaries of wastewater plant operators; maintenance *and repair* of the treatment *and collection* facilities; periodic cleaning and flushing of the collection system; etc.

621. 3 Second sentence after **determined** add **at least** So the sentence will be:
All unit costs shall be determined *at least* annually on the following basis:

621. 3(b) In the last two sentences delete **200** and replace with **225 gpd**

Add 621. 3 (c) Any person discharging industrial Pollutants which cause an increase in the cost of treating the effluent or sludge from the District's wastewater treatment facility shall pay for such increased costs, as determined by the District. See Appendix A, Schedule of Rates, Fees and Charges for current fee amount.

*There was no public comment and no Board discussion.
Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.*

623. 3 After the last sentence add ***This assessment is levied by the County Treasurer on affected properties.***

***There was no public comment and no Board discussion.
Motion to accept the change was made by Director Sullivan and seconded by Director Adams, and the motion passed unanimously.***

There was no further public comment or Board discussion on chapter 6.

Chapter 7 Billing, Delinquencies and Deposits

704 After delinquent delete 31 days from the date the billing is mailed and add ***and subject to the late payment fee no less than 43 days from the last day of the billed month*** So 714 will be:

All bills must be paid at the District office (or other designated location) promptly when due. Bills are due upon receipt but shall become delinquent *and subject to the late payment fee no less than 43 days from the last day of the billed month.*

There was some public comment and Board discussion around the term of 43 days being too lenient, and it would be cumbersome to track and notify customers that they are delinquent. After some discussion it was decided by the Board to leave the existing wording except change delinquent date from 31 days to 21 days.

Motion to accept the modified change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.

711 Delete the first two paragraphs and the last sentence in Paragraph three Add ***Bills become delinquent as specified in section 704.*** to the beginning of the second paragraph. So 711 will be:

Bills become delinquent as specified in section 704. Delinquent public system user fees under this Ordinance shall be a lien upon the property served by the public system. Liens shall be executed against all delinquent accounts in accordance with Montana law and specifically 7-13-2301 MCA. In the event of foreclosures or other reasons for changes in ownership, unpaid delinquencies, together with interest, costs, and reasonable attorney fees, shall remain a continuing lien upon the property against which each such assessment is made.

***There was no public comment and no Board discussion.
Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.***

713 Delete the last sentence ***Wastewater service may be discontinued at the customer's current location until all outstanding accounts are paid in full plus payment of any applicable charges for discontinuance and/or reestablishment of service and any required deposits are restored.***

***There was no public comment and no Board discussion.
Motion to accept the change was made by Director Sullivan and seconded
by Director Wortman, and the motion passed unanimously.***

724 Delete **refuse / discontinue service to** and replace with **consider also** after involved add **to be delinquent** So 724 is:
Failure to make deposits, increase deposits, or restore deposits after notification shall be due cause for the District to *consider* the customer involved *to be delinquent* until such deposit has been made plus the payment of any applicable charges for discontinuance and/or reestablishment of service.

***There was no public comment and no Board discussion.
Motion to accept the change was made by Director Sullivan and seconded
by Director Wortman, and the motion passed unanimously.***

There was no further public comment or Board discussion on chapter 7.

Chapter 8, Applications and Permits: replace entire chapter with new chapter provided at the meeting. There are no substantive changes other than the renaming of the Capacity Determine Application to the Predesign application. The other changes are all reformatting.

***There was no public comment and no Board discussion.
Motion to accept the change was made by Director Sullivan and seconded
by Director Wortman, and the motion passed unanimously.***

There was no further public comment or Board discussion on chapter 8.

Chapter 10 Initiation or Termination of Service

By previous motion, section 10.05 & 10.11 were deleted from chapter 10, as both were moved to chapter 1.

There was some Board discussion on changing the title of chapter 10 from “Initiation or Termination of Service” to “Penalties, Remedies and Appeals”.

***There was no public comment and no Board discussion.
Motion to accept the change was made by Director Wortman and seconded
by Director Sullivan, and the motion passed unanimously.***

There was no further public comment or Board discussion on chapter 10.

Chapter 11 Sewer Laterals and Extensions: No changes proposed.

There was no public comment and no Board discussion on chapter 11.

Appendix A changes proposed:

1. Appendix A the table will be reformatted to match the sequence/order the permits are described in Chapter 6.
2. Capacity Determination needs to be deleted in the table and footnote and replaced with Predesign.
3. Add Non Compliance Penalty (to be defined in chapter 10)
4. The Rate, Charge or Fee for the following is **To Be Determined** on the following:

WW OM&R Charge

WW Facility R&R Charge

Extension Application Fee

Connection Fee

Plant Investment Charge

Charge for Discontinuance or Reestablishment of Service

Industrial Discharge Permit Fee

Non-Compliance Penalty

There was some public discussion on the late fee and how it was determined. After some discussion including the possibility of charging a percentage of the past-due balance, it was decided to leave the \$10 fee as for now and revisit the late charge when the OM&R charge is instituted. One public comment advised it would be best to add "per lot" to the \$6 per month charge, and the Board agreed this is needed for clarity.

There was no further public comment or Board discussion on chapter Appendix A.

Motion to accept the changes was made by Director Janes and seconded by Director Sullivan, and the motion passed unanimously.

Appendix B:

Proposal that Appendix B not be adopted, as the Volume Ratio Unit (VRU) conversion schedule needs further analysis and discussion, as monthly charges will be directly tied to this. Appendix B will be re-written at a later date.

There was some public comment on how word about rates will be provided to non-District people. Matt agreed to put together a mailing list for interested parties.

Motion to accept the change was made by Director Sullivan and seconded by Director Wortman, and the motion passed unanimously.