

Gallatin Gateway County Water & Sewer District

PUBLIC MEETING

Date: December 3, 2012

Time: 6:30PM

Place: Gallatin Gateway Fire Station, 320 Webb St., Gallatin Gateway, 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 November 5, 2012
- B. Approval of Meeting Minutes for November 15, 2012

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

- A. Report of General Manager & Report of Financial Condition
- B. Report of Site Selection Committee
- C. Report of Engineer
 - 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

IV. Unfinished Business and General Orders

- A. Election of Officers
- B. Selection of Audit Firm
- C. Review and Decision on Land Offer from Gateway Village, LLC

V. New Business

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

VI. Adjourn

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.

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 Fire Station, 320 Webb St., Gallatin Gateway, MT, on December 3, 2012. Present at the meeting were board members Merle Adams, Ted Border, David Sullivan, Charlie White and Earl Wortman. Matt Donnelly and Maralee Parsons were also present.

President White called the meeting to order at 6:30 p.m. Maralee Parsons recorded the minutes of the meeting.

PUBLIC COMMENT

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

President White proceeded to the next item on the agenda.

APPROVAL OF MINUTES

After confirming that all directors had a draft copy of the November 5, 2012, minutes, President White asked whether there were any corrections. Director Border advised that Kurt Thompson had indicated to him a correction under the engineer's report: the district surveys are approximately 85% complete, not 95%. Director Wortman made the motion to approve the minutes as amended, Director Sullivan seconded the motion and the amended minutes were approved unanimously.

After confirming that all directors had a draft copy of the November 15, 2012, special meeting minutes, President White asked if there were any corrections. None were noted. Director Border made the motion to approve the minutes as written, Director Wortman seconded the motion and the minutes were approved unanimously.

REPORT OF GENERAL MANAGER

Matt Donnelly reported the P&L statement indicates a net income of \$ -1.1K in the general fund. All other expenses are captured in the project fund and are accrued as accounts payable on the balance sheet. The district has approximately \$300 in the bank.

There was discussion around the need for a bookkeeper as well as Treasurer for the District. Two potential candidates to fill the role of "bookkeeper" or possibly as financial manager were discussed: 1) Janine Roberts, who had previously advised she would be willing to do the books but does not want to be treasurer or attend meetings. 2) Dawn Smith of Rae Sewer district. Matt had contacted her

and she indicated she would be willing to help in this capacity and indicated she thought most of the work would be upfront in building the financial infrastructure and from then on it would be maintenance. On-going duties would include processing and payment of claims, monthly reports required by grant agencies, bookkeeping, assisting with grant documentation. Director Wortman made the motion to have Matt contact Dawn to request a quote for rates for building the financial infrastructure, as well as performing the required monthly duties. Director Sullivan seconded the motion and it passed unanimously.

REPORT OF SITE SELECTION COMMITTEE

Director Adams reported on the progress of the site selection committee. Negotiations continue with David Loseff for his property, and a written proposal has been received (see section below "Review and Decision on Land Offer from Gateway Village, LLC).

REPORT OF ENGINEER

Kurt Thompson gave the Engineer's Report. The last few homes remaining in the door-to-door surveys are houses with no one answering the door; they have left door hangers with no response. Some houses may be vacant. Director Adams suggested Director Wortman accompany the engineer to try to determine the owners. They have completed the highway and Loseff site survey and drafted the report. They are waiting on the design of the actual disposal site until the land is acquired. The request for a water discharge permit should be submitted this week to DEQ, and Kurt will send out an email to the Board and Matt when this has been done.

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

TSEP: Teresa is still waiting for the contract; once we have it we will be able to draw requests.

CDBG: Contract will come to the county, then it will take 1-2 weeks to get a sub-recipient contract to the Board to review.

DNRC: Needs a signed TSEP contract. District has spent \$25K of the \$100K; remainder will not be released until the TSEP is signed.

UNFINISHED AND NEW BUSINESS

Election of Officers:

Director Sullivan volunteered to assume the office of Treasurer. President White asked if all board members were in favor; all approved and Director Sullivan was elected Treasurer.

Director Adams nominated President White for another term as President. All Board members approved and President White was elected as President. President White nominated Director Border as Vice President. All board members approved and Director Border was elected Vice President.

Selection of Audit Firm

Two proposals from auditing firms were submitted to Matt in response to his written request for proposal for audit services. The firms submitting a proposal are Junkermier Clark Campanella & Stevens, P.C., of Bozeman, MT, and Anderson Zurmuehlen & Co., of Bozeman, MT. Both written proposals were reviewed prior to the meeting and discussed. The audit firm selected will be on contract to the District for a 3-year period. Director Wortman motioned to select Junkermeir, et al, and have Matt solicit a contract to be submitted to the Board for approval. Director Sullivan seconded the motion and the motion was unanimously approved.

Review and Decision on Land Offer from Gateway Village, LLC

The offer to sell was reviewed by the Board. Director Adams, who has been negotiating with Mr. Loseff, indicated that the written offer of 8 acres of property at a selling price of \$376K (\$47K/acre) does not include pipes which could be used as the forced main, which had been included in a previous verbal offer. Director Adams had tried to solicit 2 offers, one with pipes and one without, but the pipes are apparently now off the table. Director Border proposed offering to purchase only 7 acres at \$47K/acre because the offer at 8 acres will take the District 25% over budget. Director Sullivan proposed keeping the purchase at 8 acres to allow for growth. All agreed that in order to keep the project on schedule the Board needs to move forward with the land purchase. Director Sullivan motioned to accept the offer from Gateway Village for 8 acres. Director Wortman seconded the motion. The motion was passed with 4 of 5 Directors approving and Director Border dissenting. Leah will complete the buy/sell agreement, which will be sent to the Board and legal council to review and approve by email. Kurt added that there will need to be an easement in the agreement.

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

President White then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 7:38 p.m.

Secretary