

# SEELEY LAKE MISSOULA COUNTY SEWER DISTRICT

## Board of Directors Meeting

September 17, 2009

### Attendance:

Glen Morin	President	PRESENT	Ralph Kloser	Manager	PRESENT
Dave Whitesitt	Vice-President	PRESENT	Felicity Derry	Secretary	PRESENT
Bob Skiles	Director	PRESENT (6:10pm)	Tom Morris	Director	PRESENT
Bob Scott	Director	ABSENT	Matt Farrell	Public	PRESENT

### OPENING

The meeting was called to order at 6:04pm by Vice President, Glen Morin at Pyramid Mountain Lumber, Inc., located at 379 Boy Scout Road.

### PUBLIC COMMENT

Glen Morin introduced Matt Farrell and the Board.

Matt Farrell introduced himself and Glen Morin brought him up to date on the status of the sewer project. Matt Farrell had researched on the Internet for alternatives to sewer systems. He handed out some information on a system from a company in Alaska, which separates solids from liquids. He thought that it might be an alternative to an expensive sewer system. He has no financial interest in this company; he was trying to get involved and do his civic duty. Matt Farrell fielded some questions from the Board regarding the system. The Board discussed the possibility of using the system in some problem areas, but thought it unpractical to use throughout the system. Glen Morin said that they would research it further.

### MINUTES

The minutes for the August 20, 2009 meeting were presented to the Board. Felicity Derry noted that she would insert the ending time of 7:30pm in to the minutes.

Tom Morris moved to approve the minutes of the August 20, 2009 Board meeting, Dave Whitesitt seconded. The motion passed unanimously.

The minutes for the September 2, 2009 Special Board Meeting were presented.

Bob Skiles moved to approve the minutes of the September 2, 2009 Special Board meeting, Dave Whitesitt seconded. The motion passed unanimously.

The Board agreed that the resolution from the special meeting should be placed with the other resolutions and maybe organized in to a folder.

## **FINANCIAL REPORT**

### **Bills**

The bills were presented to the Board.

1.	RTK & Associates	Inv#84	\$	550.00
2.	Rock-N-Horse Ranch LLC (August)		\$	1952.73
3.	Felicity Derry		\$	75.00
4.	Seeley Lake Water District – Bookkeeping	Inv#44	\$	30.00
5.	ME Labs Inv#907504		\$	291.50
6.	Vince Chappell		\$	75.00

Tom Morris noted that the bills totaled \$2,974.23 and asked that Ralph Kloser total the bills in the future.

Tom Morris moved to pay the bills, Dave Whitesitt seconded. The motion passed unanimously.

Randy Gordon informed the Board that there would be another bill from Heritage Plumbing for copying the PERs as Heritage did not have the invoice ready when he picked them up. It was approximately \$281.37.

Tom Morris moved to pay Heritage Plumbing for the copying of the PER, Dave Whitesitt seconded. The motion passed unanimously.

## **FINANCIAL REPORT**

Felicity Derry informed that Board that she had not received the statement from Missoula County for August. Therefore the financials only showed expenses because there was no information on income, other than the interest from First Valley Bank.

Tom Morris moved to approve the financial report for August, 2009, Dave Whitesitt seconded. The motion passed unanimously.

## **CORRESPONDENCE**

### **Kim Hayes, TSEP**

Ralph Kloser read excerpts from the letter. There was money left over in 2007 of which two of the three remaining projects would be funded. The two other projects met the start up conditions, therefore releasing the funding to them. The contract with Seeley Lake Sewer District is terminated. The District reapplied for \$750,000 in 2009 and was successful. To secure this funding start up conditions must be met by June 30, 2011. If funds are still available the start up date could potentially be extended to December 31, 2011.

### **Missoula County Election Office**

Ralph Kloser received notification that there will be 5 people running for the 3 available seats. They are Dave Whitesitt, Glen Morin, Bob Skiles, Mike Lindemere and Cheryl Thompson. Unregistered voters need to register by October 5<sup>th</sup> in order to be eligible to receive a ballot.

## **CONTRACT MANAGERS REPORT**

Ralph Kloser circulated the summary. The majority of his time was spent on the article for the Pathfinder.

Dave Whitesitt moved to accept the manager's report and Tom Morris seconded. The motion passed unanimously.

## **CONSULTANT'S REPORT**

Randy Gordon circulated his report. He walked the potential plant site with Karen Linford who took GPS readings. It is approximately 1,000' to the east of Seeley Lane and 600' north of Morrell Creek Road. She will submit this to the other departments to see if any red flags are raised before going any further. Then a geologist could evaluate the property. Randy requested that the Forest Service send a letter of intent to lease as soon as possible. The next step would be to try to allocate funds from DNRC, TSEP or one of the other grants to pay for the DEQ permit, which Dave Aune estimated would cost \$30-60,000. Dave Aune had done a preliminary environmental report one; he said that he could finish it using the general criteria for about \$5,000. Randy would like to collect all of the information, do the report himself and save the \$5,000.

There is no official notification on the Federal appropriation, but it did not make it through the first committee. He is working with Cindy Wulfekuhle and Jean Harte from OPG on the State grants. We would be up against other municipalities and Districts for the CDBG grant. OPG does not want to expend the time and effort if we will be short on funding. Rory Schmidt has been very helpful with the USDA funding. Midwest Assistance Program (MAP) works with the EPA and we would be going after money to both clean and prevent ground water contamination.

Instead of hiring a lobbyist to chase the WRDA grants and appropriations, Tracy Stonemanning, from Tester's office, will get together with Randy Gordon in January to assist with the grant applications. She will also help put the money back in the appropriations bill. In the next couple of months he would like to get an aide from the office of each politician, as well as the County Commissioners, in a room and give them a presentation. They all know that the need for this project is there, but they are not convinced that the Board is behind the project. Then keep nagging at them until we can get the project done. It would be best to build the project in one phase. This will save money on inflation, operation and maintenance and it will lower the bill to the customer. If only one or two phases are operational the treatment plant will not operate efficiently.

If grant money cannot be secured the District may have to take out a loan to get the site permitted as well as for administration. There are many available through stimulus funds. This loan could be incorporated in to the capital cost of the project.

He has attended a CDBG meeting and also a Community Council meeting. He will be giving a presentation at the latter to bring them up to date with the status of the project. The Community Council has suggested

that they host the meeting with all of the political aides for a community wide effort and have each entity give a presentation.

There was an article in the Pathfinder. Randy Gordon had a meeting with Dale Bickell and Pat O'Herren about the website. They have been a very good resource for information. He is working on updating the number of septic systems in the District by referencing new septic permits issued by the health department since the last PER. The County has offered to host the website at no cost to the District. Scott Smith donated one of his workers from the software company to develop the website. Many people do research on the internet, including politicians. The District needs to be able to get factual information out there and dispel the rumors.

Glen Morin requested that an article listing progress should be put in the Pathfinder each month. Randy Gordon said that he would work on that. The Seeley Lake Community Council newsletter came out today. It included a summary of the Sewer District minutes written by Kris Gullikson. He asked her not to summarize our minutes, as the Board wanted only approved minutes published.

Bob Skiles asked about the debt election. Randy Gordon replied that it is one way to get the ball rolling. This would mean having a cost for the project, say \$18,000,000. If the District is lucky we might get 30-45% funded by grants and maybe get one third of the money from the appropriations bill. This would mean that \$13,000,000 out of the \$18,000,00 has been secured and the remaining \$5,000,000 will be paid for by the debt election. Because we are a district we are not required by law to have a debt election. It is highly recommended that we do. The money would go on their tax bill. If there is no debt election it makes it much harder to collect the money if customers do not pay their bill. It would be better to get the funding in place before the debt election is held. There are CDBG grants available that could help low to mid range income and the elderly with the hookup cost. These can be applied for every year. If the project is built in phases there will have to be a debt election every two years. The bond for the old phase will have to be paid off and the debt incorporated in to the new bond. This will mean that the user rate will keep changing. Building the system in one phase would avoid that.

Dave Whitesitt and Tom Morris were concerned that many people that live here now would have to move because they cannot afford it. Randy Gordon replied that nobody likes it, but that is the way it is. Dave Whitesitt stated that he thought a sewer would do more harm than good. The ground water pollution is going in to the river, not the lake. It is the boats that harm the lakes. When the sewer is installed there will be more people here and more boats on the lake. He did not agree with installing a sewer that is not needed and running people out of their homes.

Glen Morin said that something has to be done or else the EPA will put in a sewer. It is the Board's job to keep the cost down, but if we do nothing and walk away it will be mandated and that will cost much more. Dave Whitesitt said that \$20,000 per hookup would never get voted in. Randy Gordon said that if it got voted down then the Federal government would step in. The cost of the hookup would probably be more like \$10-12,000 per hookup. That is if we can get 2/3 of the \$18,000,000 in grants and appropriations. This would mean that \$5,000,000 would have to be divided between 500 lots, instead of the entire \$18,000,000. It is the District's job to protect the livelihood of Seeley Lake and protect the homeowner as best we can.

Matt Farrell left the meeting at 7:30pm

Glen Morin said that this is the best shot we have. We do not have all the answers; there are still a lot of questions. Bob Skiles said that Randy Gordon was hired so the Board does not have to argue, we can move forward. There will be a sewer in Seeley Lake; he is here so the 500 homes can divide the \$5,000,000 and

not the entire \$18,000,000. It is going to happen, the County Commissioners have forced it on other communities. We do not want that to happen here. Randy Gordon agreed that the Board is here to control what happens in the community. The reports from Washington DC about the Board were terrible. Glen Morin said that the politicians believe that half of the Sewer Board does not want the sewer. We had appropriation money and because of that they threw it out. Randy Gordon said that the appropriations bill listed \$27,000,000 for the combined project. Glen Morin said that the Board needs to come together and pass a resolution and send it to every commissioner and politician that the Board wants a sewer. The Board discussed that this had been done previously but there were many stipulations, therefore a new resolution should be made. Randy Gordon said that the entire Board should be at the meeting with all of the politicians. He reassured the Board that he would keep them apprised of such meetings so they could attend. The resolution has to show that the Board is behind the sewer no matter what. Dave Whitesitt said that he could not support a resolution that Seeley Lake needs a sewer no matter how much it costs and how many people it will drive out of town. Randy Gordon said that the PER says how much the sewer will cost. Tom Morris said that he is behind the PER but Randy Gordon has taken things out that he said would not work, such as the stubs to the house and the District paying for the stubs. Randy Gordon said that it was put in the PER because the Board wanted it in there. If the stubs are taken out and a local contractor does them it will lower the cost of the sewer because the hook ups would not have to be engineered and prevailing wages will not have to be paid. It is the difference between \$24 per foot and \$5-7 per foot if done by a local contractor. People do not have to hire a contractor, they can do it themselves and then have it inspected. Tom Morris said that he had concern as to how low income people would pay for the stubs. Randy Gordon said that the low interest loan would be for everybody as long as they were living on the property with the loan no matter what their credit rating. Glen Morin said that it still would be additional cost, however for most people the cost would only be about \$500. Dave Whitesitt asked how much collapsing the septic tank and filling it would be. Randy Gordon replied it would cost about an hour for a back hoe and \$80-90 for fill dirt. Dave Whitesitt was concerned how a \$100 sewer bill would affect the low income households. Randy Gordon replied that if it is done all at once as suggested the sewer bill would be approximately \$50.

Bob Skiles said that we need to be able to tell the public that if we get 2/3 of the cost funded then it will cost the customer \$58 per month. If it costs \$500 for hooking up the sewer then that is a figure that he can live with. Then if all of the logistics are known the Board can have a more civil discussion. Glen Morin agreed that the numbers needed to be looked at further. Bob Skiles said that the Board has to go to the people and tell them how much it is going to cost and they will tell us what they think. As a Board it is our job to come together and agree that there has to be a sewer in Seeley Lake. Our reasons can be different. It would be better if a little more information was available on the cost of hooking up, etc. Then the Board can say there will be a sewer and this is the way to do it, rather than outside agencies telling us what has to happen. Tom Morris added that the only way to go is with an SBR, which makes the effluent as clean as possible.

Glen Morin said that Randy Gordon will be setting up a booth at the Tamarack Festival. He will have a map of the District and the PERs. He would like the Board members to help him out also. Tom Morris said that the Board members and Randy Gordon need to be putting out the same information and he agrees with the concept of the resolution to show the combined support. Board meetings are for these discussions and they are going to happen. They are open meetings with minutes and the public can see the discussions we are having.

The Board agreed that the resolution would be on the agenda next month. Randy Gordon is going to double check that holding the meetings at the barn will work. The Board agreed that if the meetings are at the barn that the start time should be moved to 5:15pm. He will get some dates for Board training.

Tom Morris moved to approve the proposal from the consultant on the website with Board approval, Bob Skiles seconded. The motion passed.

Glen Morin wanted Randy Gordon to write an article for the Pathfinder. Dave Whitesitt suggested mentioning finding a site and Bob Skiles added changing the meeting location to the barn.

**NEXT REGULAR MEETING:**

Scheduled for October 15, 2009

**ADJOURMENT:**

Tom Morris adjourned the meeting at 8:18pm

Attest:

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Glen Morin, President

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Felicity Derry, Secretary