

SEELEY LAKE SEWER DISTRICT
MONTHLY BOARD MEETING
July 21, 2011

ROLL CALL

Glen Morin	President	PRESENT	Mike Lindemer	Director	PRESENT
Vacant	Vice-President	VACANT	Mike Boltz	Director	PRESENT
Bob Skiles	Director	PRESENT	Felicity Derry	Secretary	PRESENT
Greg Robertson	Missoula Co.	PRESENT			

Public Attendance listed in Appendix A

OPENING:

The meeting was called to order at 5:23pm by President, Glen Morin at The Museum & Visitor's Center, located on Highway 83 N.

MINUTES:

The minutes of the June 16, 2011 Monthly Board Meeting were presented to the Board.

Bob Skiles moved to accept the minutes for the June 16, 2011 monthly Board Meeting as presented, Mike Boltz seconded. The motion was then passed.

FINANCIAL REPORTS:

Invoices

Glen Morin reviewed the July invoices.

Mike Boltz moved to approve payment of all of the July invoices as presented, Mike Lindemer seconded. The motion was then passed.

May Financial Report

Felicity Derry noted that the May 2011 financial report received from the County had been superseded by a subsequent report. Therefore updated May financials had been circulated to the Board. The only change was that the income from the fee assessment was now \$967.61 as opposed to the previous -\$3.16.

Bob Skiles moved to approve the May 2011 corrected financial reports as presented, Mike Boltz seconded. The motion was then passed.

June Financial Report

The Board reviewed the June Financial reports.

Bob Skiles moved to approve the June 2011 financial reports as presented, Mike Boltz seconded. The motion was then passed.

PUBLIC COMMENTS:

Brian Birch said that he had noticed that The Lodges at Seeley Lake was not included in the Sewer District. Also if the resort tax had passed then The Lodges would be in the resort area and collecting resort tax. Therefore he thought it would be advantageous for the resort to have sewer and water if the resort were collecting the resort tax that would help pay for them. Glen Morin explained the process of annexation. The Board would like to include the homes on the lake to keep the lake clean. Mike Lindemer noted that part of the resort was on US Forest Service land and some State land. Bob Skiles added that it would be ideal to get Seeley and Riverpoint campgrounds, Camp Paxton and all the cabins along the lake included in the District.

Donetta Barney asked which phase they would be in. Glen Morin replied that they would be in Phase III. Brian Birch asked how many phases were planned. Glen Morin replied that there were four phases were planned to date.

CORRESPONDENCE:

Glen Morin noted that there was no correspondence.

OLD BUSINESS:

Inter-local Agreement

Glen Morin said that the Board had been working with Greg Robertson, Missoula County. Greg Robertson said that the draft agreement that had been circulated to the Board was fairly generic. It stuck to the statutory duties and was a starting point. It outlined the issues in the original offer and the money that Missoula County had offered the District. There was a standard termination clause for both sides. Also a standard maturity date so it could be updated every once in a while if needed. He requested that the Board review the agreement.

Glen Morin noted that his business had been keeping him busy and that he had not been able to dedicate much time to the Sewer District. He had been hoping that with Greg Robertson being the manager that would lighten his load. Greg Robertson said that he had started reviewing the Preliminary Engineering Reports (PER) and was getting up to speed with the financing. He did get an extension until June 30, 2013 for the EPA STAG. He contacted US Corps of Army Engineers and DNRC. He would strongly recommend keeping spending to a minimum. He would be working for the District for free. He felt that the District needed to build up their resources.

Also an amendment needed to be developed to the PER that included the new location. That would also involve the public process. Once that was accepted and adopted by the Board that would give him the master plan of where the District needed to be going. It would also put the District in a better position for public financing and grants. That should be one of the first orders of business. He did not want to start from square one. He noted that the current plan was for a really big \$20 million improvement. It was not affordable, based on what he had read. The finances were not out there. The District did not have the means to do that and there was no magic bullet. He suggested rethinking how the District would be served. It could be smaller package plants and limiting the collection system to island areas. He noted the problem with the District was that the population centers were scattered. There was a large amount of collection system between the

population centers with minimal hookups. That made it economically unviable. Sewer main was expensive to install. He would like to take a look at that and see if there were alternative means of service, and try to lower the cost that the District was currently facing with the plan that was in place. Great West Engineering did some good stuff, but the plan was not affordable. A plan was only as good as what the District could afford. They had the Cadillac plant and maybe it should be dialed back to a Chevy.

Bob Skiles objected to Greg Robertson's statement. The plan was not for a Cadillac plant. The purpose of the Sewer Board from the very beginning was to keep the cost down. It was not right for him to come in and tell the Board that they were trying to over spend. He did not think that was fair to the Board.

Greg Robertson said that he had not been suggesting that. He was saying that in his opinion the plant that the Board had was not affordable. Bob Skiles replied that the Board had said that numerous times. They wanted to get Greg Robertson to help the Board to make it affordable. Working for the Board he should not say that it was unaffordable. Everybody had to be on the same page. Greg Robertson said that he was looking at it from an engineering perspective and knew the resources that the District had available. He had done this kind of thing before. He noted that there was a certain capacity within the District, and they were beyond the capacity of that in terms of what had been presented to the Board. He did not want to offend the Board. The idea was that when a plan was delivered to the Board it must be in a constrained environment that was something that the community could accept in terms of the technology being used and one that the community could afford to do. He was not pointing fingers. He would like to take a fresh look to get that cost down further. The District was not there yet and would not be there for a while. They may not be able to get the cost down much. They needed to think about what other options were available to the District. It may involve some creative financing. The technology needed to be rethought a little bit in addition to its requisite cost. The suggested plant used a very expensive technology.

Glen Morin said that the engineer had not given them other options. Originally there was the lagoon system that had a more affordable O&M cost. Then they went to the SBR for which the maintenance was so high. They were the only options given to the Board. The only way to go with the current plan was to get the entire community involved in the financing to pay for the project.

Greg Robertson thought that part of the issue was that the population was not big enough to support the type of technology that had been suggested. At least not without some large intervention of Federal funds, and right now the Federal funds are not there. He had talked to the congressional delegation about future funding and they indicated that large reductions could be expected. For example the next transportation bill would be 30% less than the last transportation bill. That would be applied across the board. There would be a major reduction in funding for this kind of project making it harder and harder to secure grant funds. All he suggested was that the cost needed to be lowered to a range that the people within the District and the Board could accept and afford.

Walt Hill asked what a package plant was. Greg Robertson replied that it was a pre-engineered wastewater plant. They used several technologies and were targeted to serve smaller communities.

Glen Morin requested that the Board review the agreement before the next meeting and make comments.

NEW BUSINESS:

Well Monitoring

Tabled until the next meeting.

NEXT REGULARLY SCHEDULED MEETING: August 18, 2011

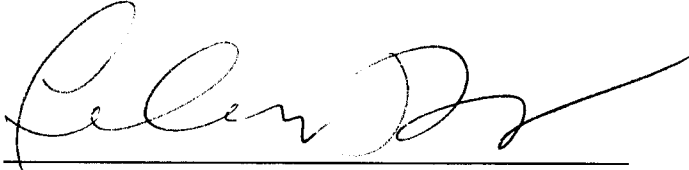
ADJOURNMENT OF MONTHLY BOARD MEETING:

Glen Morin adjourned that meeting at 5:59pm.

Attest:



Glen Morin, President



Felicity Derry, Secretary

