

**SEELEY LAKE SEWER DISTRICT
REGULAR BOARD MEETING
April 18, 2024**

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|--------------|----------------|---------|----------------|-----------|---------|
| Tom Morris | President | PRESENT | Cheri Thompson | Director | ABSENT |
| Pat Goodover | Vice President | PRESENT | Troy Spence | Director | ABSENT |
| Jason Gilpin | Director | PRESENT | Felicity Derry | Secretary | PRESENT |
| Bill Decker | Manager | PRESENT | | | |

Public Attendance – Appendix A

CALL TO ORDER:

The meeting was called to order at 6:01pm. The meeting was held remotely at the Barn, 2920 Highway 83, Seeley Lake, MT and via Zoom.

APPROVAL OF AGENDA:

Tom Morris moved to approve the agenda. Jason Gilpin and Pat Goodover seconded the motion, which was unanimous.

PRESIDENT’S COMMENTS:

Tom Morris noted that there was a lot to cover and requested for people to be respectful of time. In light of that to try to keep public comments to five minutes or less to allow everybody a chance to talk.

PUBLIC COMMENT:

None.

CORRESPONDENCE:

None.

MINUTES:

March 21, 2024

Tom Morris moved to accept the minutes for the regular meeting (March 21, 2024). Jason Gilpin seconded the motion. There was no discussion. The motion was carried.

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| Tom Morris | Aye |
| Pat Goodover | Aye |
| Jason Gilpin | Aye |
| Cheri Thompson | Absent |

Troy Spence Absent

FINANCIAL REPORTS:

Invoices

Tom Morris reviewed the March invoices.

Tom Morris moved to approve the invoices as presented. Pat Goodover seconded the motion. There was no discussion. The motion was carried.

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| Tom Morris | Aye |
| Pat Goodover | Aye |
| Jason Gilpin | Aye |
| Cheri Thompson | Absent |
| Troy Spence | Absent |

February 2024 Financial Reports

Felicity Derry reviewed the February financial reports. Tom Morris asked how the District was doing in relation to the budget. Felicity Derry referred to the financial report, noting that the District was at 80% of income and 22% of expenses year to date for the FY2024 budget.

MANGER’S REPORT:

Bill Decker noted that the Missoula City/County Health Department (MCCHD) will measure the static levels of the monitoring wells. They will also sample monthly for the same tests that the District had run in the past and survey all the monitoring wells that have transducers. Bill Decker had met with Ecocity Builders, who provide communities with green alternatives for development, but he did not think that they met the District’s needs.

Bill Decker attended the Community Council meeting to give a progress report, which in the end he did not do. Ermine Construction and Lazy Acres RV Park were there to give a proposal and invited the public to pressure the Sewer District’s Board to accept their proposal. Bill Decker felt that Ermine Construction was getting between the District and their consultants and had requested that the Board remove them from the agenda and to not communicate with them until the District was ready to receive bids.

At that meeting Bill Decker spoke with Becky Beard, who was running for the Senate. Her background was in water and wastewater and would be a good friend to the District. Bill Decker had met with the Missoulian to correct information in their previous article.

Tom Morris added that it looked like Bill Decker had hours to bill, despite the fact Bill Decker said he had none, and felt that the manager should be paid.

UNFINISHED BUSINESS:

Action Plan for 2023-2024 - Committee Reports

Pathfinder Article & Email Newsletter

None.

Fluorescence Excitation Emission Matrix (EEM) Sampling

Bill Decker noted that the final report had not been received. The preliminary report did prove that there was some contamination and from people.

Test Map

None.

Monitoring Wells & Lake Sampling

Jeanna Miller, MCCHD, clarified that they would perform monthly testing for nitrate and the other testing would be quarterly.

WET Proposal Next Step

Steve Anderson, WET, introduced himself and noted that WET would review the different options that had been proposed for the last project and then reviewed some possibilities. They had reanalyzed the ground water and geologic data. WET wanted to reevaluate the zero discharge options in the PER and how to handle discharge. Finally, to reevaluate and minimize the scope of the collection system, which for the previously proposed project was approximately \$11 million. Noting that the District would need a treatment and collection system.

Steve Anderson reviewed the groundwater monitoring that had been performed from the old and new wells, showing nitrate hotspots and confirmed that there was no need to drill any additional wells. WET was proposing to look at the hotspot areas and delineate priority treatment zones, ensuring that the proposal met Missoula County and DEQ requirements. It would be important to meet with all of the interested parties. For lower density areas a small cluster system could be utilized. Once the treatment zones had been finalized, then WET would move on to develop a treatment system and evaluate the different technologies, including the option put forward by Ermine Construction, and formulate a rating matrix. The location of the treatment would be important.

Once completed, there would be a chosen technology, the treatment zones would be outlined and then the next step would be a preliminary treatment and collection system design. It was hard to say how long this would take. Once the technology was evaluated then the preliminary design could begin. Upon the completion of the preliminary design the pursuit for funding would start. Once the

funding was in place, bid documents would be finalized and permitting and contractor selection would begin.

Jim Haueter asked what was WET's evaluation of the program that was proposed for the RV Park and was it adequate to handle the flow for the town? Steve Alexander replied that an MBR was a proven technology and was typically the most expensive option, but the costs for all options would be evaluated. It might be a better deal, because it had been sitting in storage. Steve Alexander reviewed the flow that was listed in the PER and noted that if the design could be less than 154,000 gallons per day it would lower the cost of the project. From the preliminary information that he had received from Ermine Construction to date, it would handle the required flow.

Jim Haueter asked if it would be acceptable to the County and DEQ. Steve Alexander replied that it would be.

Nancy Butcher asked if there were issues and concerns about that (MBR) system. Steve Alexander replied that the maintenance cost tended to be higher, but they can be modified. Depending on the discharge requirements, there might be technologies that could be cheaper. The site would need to be considered, ultimately utilizing gravity feed would be the least expensive option. Bill Decker added that utilizing the RV Park Site would require a lease agreement with the RV park. In his opinion a lease agreement between the District and a private property owner was the least favorable option, and listed the reasons why. It would be better to own the property; the State land was still available, along with all of the rights-of-way. Steve Alexander added that nothing would be ruled out at this point.

Bill Beers noted that WET wanted community involvement and asked how they would achieve that. Steve Alexander replied that WET would like a community meeting once a few technologies had been selected and to present the best technological solution to the problem, taking everybody's emotions and feelings into account.

Tom Morris asked what experience he had with the odor. Steve Alexander replied that any sewage treatment plant would have odor. If you were down wind you would smell it sometimes. It was a bacterial process with which smells were associated, but it depended how they were operated.

Steve Alexander gave his background, at the request of Bill Decker.

Bill Decker reviewed how the District had got to this point and how WET had been selected to be the District's engineers. This was a fresh start for the District, to find a solution to the problem and it was great that so many people were attending the meeting. Steve Alexander agreed that there were issues and something needed to be done.

Bill Decker continued that the District would have an idea of the type of system within the next ten weeks. The District would continue with the process and follow the timeline, to ensure that the District would be able to secure as much funding as possible.

Jim Haueter asked, based on the studies from the (monitoring) wells and the regulations from the State and the County, how long before we get shut down by the County? It was nice to have a schedule and be thorough, but it was getting worse and there were regulations. At what point might the County step in and say you cannot build anymore? Jeanna Miller, MCCHD, replied that they had a

responsibility to protect the environment. There was a contamination issue, which had to be addressed and which they were legally obligated to address under State law. Their tools to address that were wastewater permitting. In the absence of a community led solution, MCCHD would be forced to change the existing regulations to make them stricter. The current regulations only addressed new and increased use, there was nowhere in the special management area that you cannot develop, but you were required to use a very advanced treatment that treated to 7mg/L of nitrate or less. To move the needle on nitrate concentration would mean addressing existing use, which was a different conversation. People did not have \$30-50,000 to upgrade their septic system.

Jim Haueter questioned that it would cost \$30,000-50,000 for an individual to build an acceptable system for one house. Jeanna Miller replied that there were lots of different systems. A gravity system in an ideal location might still cost \$10-15,000. For a pressure system, in a more complicated placement it could cost \$30,000 for a conventional system. For a system that removed nitrates the cost would be double. Steve Alexander confirmed that it would cost close to \$30,000 and the homeowner was responsible for the maintenance also. The best option would be to main sewer as much as possible.

Tom Morris questioned the use of cell systems. Steve Alexander replied that SepticNet was designed to be onsite for less than 4,000 gallons a day. Ten houses could be connected to one system, but it was never envisioned to be used for 80,000 gallons a day. There were other systems that were designed for that kind of flow.

Tom Morris noted that with the lay of the land a regular gravity system could cost \$30,000, while a SepticNet system had a smaller footprint that would not require the excavation. Steve Alexander replied that it would still require all of that and more and explained how his system worked.

Tom Morris noted that there was a sense of urgency with the one monitoring well that had a nitrate level of 12ppm and then reviewed the State drinking water standard that it there had been discussion of lowering it.

Jon Haufler noted that he was glad to hear that there were plans to move forward. He was glad the Sewer Board recognized that they had to act on the problem. The community had been restricted for years. The revised land use plan that was approved by the Commissioners in 2010 was very clear that there were two outcomes for the downtown area. One with the sewer and one without. He would encourage the Board to move as quickly as they can to a system.

Tom Morris asked about the potential funding sources. Josh Vincent reviewed the potential funding options noting that they had to find an acceptable solution and have the community get what they need, and that the County and the regulators do also. The amount of water that was available and water rights were reviewed.

Tom Morris requested that the typos on the WET agreement be corrected.

Tom Morris moved that once the typos in the agreement had been cleaned up to authorize WET to move forward with the scope of work. Pat Goodover seconded the motion. There was no further discussion. The motion was carried.

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| Tom Morris | Aye |
| Pat Goodover | Aye |
| Jason Gilpin | Aye |
| Cheri Thompson | Absent |
| Troy Spence | Absent |

FY2025 Budget

Tom Morris noted that end of the fiscal year was in June; however, this was not an action item so it would have to be approved at the May meeting, along with the assessment methodology.

Bill Decker noted that if the Board approved the same assessment as FY2024 there were sufficient funds in the reserve to get WET going. Bill Decker then reviewed his proposed amendments to the FY2025 budget. Tom Morris noted that Bill Decker’s proposed amendments were close to his and then reviewed his proposed amendments. The reasons for the District to complete an income survey were discussed.

Pat Goodover agreed with the numbers and reasoning and questioned the reserve offset. The reserve offset was discussed. Tom Morris noted that the total amount assessed would potentially be less than last year, if the same assessment methodology was utilized, which he recommended.

DNRC Grants

Bill Decker noted that there was \$5,000 remaining in the RDG grant. This grant needed to be closed out to enable the District to apply for other grants. There was discussion on how to close out the grant and how the grant administration might look in the future

Tom Morris moved to close out the current grant so that the District can begin applying for new grants. Jason Gilpin seconded the motion. There was no discussion. The motion was carried.

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| Tom Morris | Aye |
| Pat Goodover | Aye |
| Jason Gilpin | Aye |
| Cheri Thompson | Absent |
| Troy Spence | Absent |

NEW BUSINESS:

FEMA Funding

Adriane Beck, Missoula Office of Emergency Management, introduced herself and noted that Sara Hartley, Montana Disaster & Emergency Services (DES), had also joined the meeting. They were there to review the funding opportunities that were available to communities via the FEMA hazard mitigation assistance. There were two funding opportunities that could be utilized by the community, the Hazard Mitigation Grant Program (post disaster funding) and the Building Resilient Infrastructure

and Communities Grant (BRIC). These two programs were reviewed and how they could be applicable. The funding that was available, the match and what the funding could be used for was outlined. This funding would be applied for through Missoula County.

Tom Morris questioned if the funds approved for the WET contract would be eligible for grant reimbursement? Sara Hartley noted that there was a potential for reimbursement, but it depended on the timing of the work and the declaration date.

Tom Morris questioned asked if there was anything else other than an income survey that would qualify the District for a 10% match. Adriane Beck noted that an income survey might not be necessary. Sara Hartley outlined why.

Tom Morris questioned if properties in the Special Management Area that were outside of the District could be covered by the same grant. Adriane Beck replied that as Missoula County would be the recipient and the District would be a subrecipient and the scope would not be limited to the District boundaries.

Jim Haueter questioned how this project would qualify for post disaster relief? Adriane Beck explained how a disaster declaration, such as the Rice Ridge Fire, triggered the release of funds and how that funding could be used to mitigate a hazard to the environment and health.

Shannon Therriault, MCCHD, asked that in light of the long lead time, could an application for a design grant be submitted before a design had been finalized. Adriane Beck outlined how grant funds could be used to fund the feasibility study of alternative options and the initial cost benefit, so down the line when applying for design dollars the cost benefit would be completed.

Tom Morris asked if Missoula County required authorization from the Board. Shannon Therriault replied that MCCHD would not operate unilaterally, but was willing to be helpful in any way to secure funding. Tom Morris added that although this was not an action item, there was general consensus that the Board would be in favor of Missoula County pursuing this funding. Shannon Therriault agreed to start the planning process with formal approval in the May meeting. Sara Hartley added that the State had multiple consulting firms that could provide technical assistance with application development.

Bill Decker thanked Shannon Therriault, MCCHD, for facilitating the February Zoom meeting with FEMA for the District to learn what funding opportunities were available. Shannon Therriault, MCCHD, wanted to thank Adriane Beck and Sara Hartley for all of their help and expertise in finding this path to an opportunity for funding the District's project.

NEXT REGULARLY SCHEDULED MEETING: May 15, 2024

There was discussion moving the meeting to a Wednesday May 15, 2024 and the Board agreed on the date. This meeting will be held in person at the Barn and via Zoom.

AGENDA ITEMS FOR NEXT SCHEDULED MEETING:

Tom Morris noted that the following items should be added to the May agenda: Action Plan – Committee Reports – Pathfinder Article, Monitoring Well & Lake Sampling discussion/action, WET Proposal discussion/action, FY2025 Budget discussion/action, Assessment Methodology discussion/action. Set a Public Hearing date, FEMA funding discussion/action, DRNC Grants discussion/action, and Election discussion.

ADJOURNMENT OF MONTHLY BOARD MEETING:

Tom Morris moved to adjourn the meeting at 7:33pm. Pat Goodover seconded the motion.

Attest:

Tom Morris, President

Felicity Derry, Secretary

