

SEELEY LAKE SEWER DISTRICT
REGULAR BOARD MEETING
April 20, 2020

Pat Goodover	President	PRESENT	Walt Hill	Vice President	PRESENT
Mike Boltz	Director	PRESENT	Davy Good	Director	PRESENT*
Beth Hutchinson	Director	PRESENT	Felicity Derry	Secretary	PRESENT
Jean Curtiss	Manager	PRESENT	Kim Myre	Missoula Co	PRESENT

* Joined the meeting at 6:37pm
Public Attendance - Appendix A

CALL TO ORDER:

The meeting was called to order by Pat Goodover at 5:16pm. The meeting was held remotely upon instruction of the Missoula County Health Officer due to COVID-19.

APPROVAL OF AGENDA:

Walt Hill moved to approve the agenda as presented. There was no discussion. The motion was carried.

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye
Davy Good	Absent
Beth Hutchinson	Abstain

Beth Hutchinson was concerned that the operating budget was not on the agenda. Jean Curtiss noted that it would be discussed in the manager's report. Pat Goodover suggested that if there was anything important which had not been discussed during the meeting, it could be brought up after new business.

PRESIDENT'S COMMENTS:

Pat Goodover noted that it was good to finally meet up with everybody.

PUBLIC COMMENT:

John Richards commented that the District had not answered whether it could accommodate his proposed apartment complex or what the estimated cost would be. Jean Curtiss noted that a policy regarding the cost had not been adopted. The District had not received an actual proposal from John Richards, but would respond.

Nathan Bourne suggested that during virtual meetings a little bit of extra time should be allowed for people to respond to counteract the delay.

CORRESPONDENCE:

None.

MINUTES:

March 19, 2020

Jean Curtiss requested that the WRDA amount be changed to \$660,000.

Pat Goodover moved to accept the minutes for the March 19, 2020 meeting as presented. There was no further discussion.

FINANCIAL REPORTS:

Invoices – March 2020

The attorney’s invoices were discussed.

Mike Boltz moved to pay all of the invoices as presented. Walt Hill seconded the motion. There was no discussion. The motion was carried.

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye
Davy Good	Absent
Beth Hutchinson	Nay

John Richards questioned why the attorney’s January invoice had not submitted prior to the March invoice. The Board discussed the attorney invoices further, as well as those that were to be reviewed later in the meeting.

January & February 2020

There was no discussion regarding the financial reports.

MANAGER’S REPORT:

Jean Curtiss noted that not all directors had returned their conflict of interest statements. These were needed to meet Rural Development’s letter of conditions.

The high school easement had been approved by their board. The District was very close to obtaining the Pine Driver easement.

Jean Curtiss and Kim Myre continued to review the project budget with RD.

The \$660,000 WRDA grant agreement was being finalized and GWE had begun working on the EDA grant application.

Jean Curtiss noted that the current operating budget was for \$95,625. Based on the 2020 expenses to date, it was possible that an increase in the 2021 budget would be needed. The draft 2021 budget would be circulated to the Board prior to the next meeting.

Colleen Krause questioned if that would could cause the assessment to increase. Jean Curtiss noted that the assessment was dependent on the adopted budget. The Board discussed the attorney fees that had been incurred this year. Discussion followed as to whether the insurance company would pay the litigation costs, and if it would increase the cost of the sewer. Also, that the Board should be apprised of the litigation cost to date.

OLD BUSINESS:

Legal Update

Pat Goodover noted that the plaintiffs had not complied with the legal deadlines for the discovery request, as set by the court. The petitioners in a different litigation, against the Missoula County Elections Office, had missed their deadline to file a reply. The plaintiffs' counsel had not responded to the request to produce all outstanding discovery responses. Discussion followed on the possibility of mediation.

Easements Update

This was covered in the manager's report.

Attorney Invoice

Beth Hutchinson noted that she had repeatedly requested the attorney invoices and was concerned that the Board had incurred large legal fees, while not being able to monitor the attorney's invoices. Also, that the Board should review what was to be sent to the attorney. Beth Hutchinson recommended that a committee should review the invoice and that in the future the Board monitor the attorney more closely, so as to not incur superfluous legal fees.

Nathan Bourne questioned why the attorney had reviewed his comments on a house bill. Jean Curtiss recalled that it was regarding a person being limited to only serving on one board. John Richards volunteered to serve on the committee to review the attorney invoice, noting that Jon Beal had previously represented him.

Jean Curtiss had reviewed the attorney invoice in depth and noted that the Board had instructed the attorney to perform the invoiced tasks. However, the requested monthly invoice had not been provided. In the future the Board should consider carefully when to use the attorney. Pat Goodover reviewed the options regarding the outstanding invoice. Discussion followed on how the Board

should proceed. If the invoice should be reviewed further prior to full payment, if payments should be spread over time, or if the invoice should be paid in full.

Pat Goodover moved not to pay the invoice and assign two Board members to review the invoice and then provide the Board with a response for discussion at the next meeting. The Board discussed the motion. The motion failed.

Pat Goodover	Nay
Walt Hill	Nay
Mike Boltz	Nay
Davy Good	Absent
Beth Hutchinson	Aye

Pat Goodover moved to pay half of the invoice and then review the invoice for discussion at the next meeting. The Board discussed the merits of reviewing the invoice. After polling the Board, Pat Goodover concluded that there were not sufficient votes to carry the motion.

Pat Goodover moved to pay the invoice in full. John Richards suggested to negotiate with the attorney, as monthly invoices were not provided as requested. The Board discussed different avenues for negotiating with the attorney.

Walt Hill made a substitutive motion to negotiate with Jon Beal to obtain a reduction in the billing amount because of the lack of bills provided in a monthly manner as requested, and also for the good of the District. Discussion followed on who would negotiate the amount of the bills and that the invoices were billed in a different fiscal year than they were received. The motion was carried.

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye
Davy Good	Absent
Beth Hutchinson	Aye

Pat Goodover requested that once the figure had been negotiated, Felicity Derry could then pay the invoices in that amount, and then have that figure at the next meeting. The Board unanimously approved Pat Goodover's request.

By-Laws

Pat Goodover outlined why the District's attorney had reviewed the adopted by-laws and the changes that the attorney had recommended.

Colleen Krause requested a clear copy of the approved by-laws. Jean Curtiss noted that the by-laws adopted on January 16, 2020 were available on the District's website and the attorney's recommended changes were highlighted. Nathan Bourne questioned that not all of the changes had been highlighted. The referenced case law had not been highlighted. Pat Goodover clarified that he had only highlighted the important changes.

Beth Hutchinson felt that there was confusion with the by-laws and recommended slowing down and making sure that both versions were available for review, as there would be two new directors on the Board next month. Pat Goodover added that these changes had been discussed for months. Jean Curtiss noted that the current changes had resulted from the attorney's review of the Board approved by-laws. They had been circulated to the Board on April 2, 2020 and were available on the website. The Board discussed approving the by-laws while the Board that had worked extensively to update them was in place.

Davy Good joined the meeting at 6:37pm.

Walt Hill noted that the copy of the by-laws for review had been amended by the attorney, as requested and felt that it was suitable to be voted on. The by-laws were a work in progress.

John Richards commented that he had not seen the changes recommended by the attorney and was concerned that the public was unaware that these changes were being made. Jean Curtiss noted that the recommended changes had been discussed at the March meeting. The changes had been sent to the Board and were available on the District's website. The changes pertained to Board responsibilities and fiduciary responsibilities.

Walt Hill moved to accept the by-laws as amended. Davy Good added that he had reviewed the amended by-laws and was happy with the changes.

John Richards commented that the public was currently distracted by COVID-19. Also, he had not had a chance to review them. Colleen Krause requested that the changes be reviewed. Jean Curtiss reviewed the changes being considered by the Board.

John Richards and Jean Curtiss discussed the attorney's recommendations and the language regarding public service and the interest of the state.

Nathan Bourne questioned which version of the by-laws was posted on the website. Discussion followed on the by-laws and the proposed by-law amendments that were posted on the website. Also, what the attorney and the Board had reviewed.

Pat Goodover moved to approve the by-laws as presented with the recommended changes. There was no further discussion. The motion was carried.

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye
Davy Good	Aye
Beth Hutchinson	Nay

Phase I

Amy Deitchler noted that the plans for Phase I had been submitted to DEQ, who were expected to submit their approval this week. The project would be ready to go to bid once the lawsuit was

resolved and RD approval had been received. The bidding climate was extremely competitive and aggressive.

Phase II PER

Amy Deitchler shared her screen and displayed the preliminary plans for Phase II. Amy Deitchler then reviewed the plans page by page. Step systems and how the bike path could be affected were discussed.

Discussion turned to the depth of the frost that could occur in Seeley Lake and insulating the mains that ran under roads. Also, how best to connect the grocery store and the motel.

Phase II PER – Authorize GWE to design to 90% and develop cost estimates as per contract 4

Jean Curtiss noted that the Board would be considering authorizing GWE to move forward with design of Phase II to 90% and develop cost estimates. There would need to be a notice and protest prior to going to bid.

Beth Hutchinson moved to postpone the decision to a future meeting because there was no urgency in this meeting to get it done. The Board discussed their current position of constructing Phase I and II, the EDA grant and RD funding for Phase II. The motion failed.

Pat Goodover	Nay
Walt Hill	Nay
Mike Boltz	Nay
Davy Good	Nay
Beth Hutchinson	Aye

Walt Hill moved go ahead with the PER for Phase II and authorize GWE to design to 90% and develop cost estimates as per contract. Davy Good seconded the motion. There was no discussion. The motion carried.

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye
Davy Good	Aye
Beth Hutchinson	Nay

Phase III contract with GWE for a 2020 update to 2012 PER

Jean Curtiss noted that this contract was to start the preliminary work for Phase III and to develop recommendations for the plans.

Colleen Krause requested to see plans for Phase III. Also, questioning that no testing had been done in that phase and if sewer alternatives would be considered. Jean Curtiss noted that this contract

included a review of alternative options and to produce the preliminary plans. Unfortunately, the District did not have funds to dig any additional test wells.

Beth Hutchinson questioned if the alternatives for Phase III would be for treatment. Amy Deitchler clarified that the alternatives that would be reviewed were for the collection only.

The Board discussed checking with property owners to see if they would grant the District easements prior to this proposed engineering.

Discussion followed on latecomer fees, as well as the capacity of the plant relating to possible increased density on properties, and how it would affect the treatment plant and the collection system.

John Richards was extremely concerned that his proposed apartments would be charged latecomer fees. He requested that the District inform him whether the sewer could service his proposed apartments. If not, he would put in his own less expensive system. John Richards was worried that the proposed sewer system was not affordable to the residents of Seeley Lake.

The Board discussed with Jim Erven and John Richards the feasibility of John Richards installing his own sewer system for the proposed increased density under current regulations within the special management area. Jean Curtiss requested that John Richards send her the details of his plans, including flow rates.

Jean Curtiss noted that the cost of the GWE contract for the Phase II to go to 90% was \$116,600.

Beth Hutchinson moved to defer a decision on the Phase III proposition to the June meeting. There was no discussion. The motion failed.

Pat Goodover	Nay
Walt Hill	Nay
Mike Boltz	Nay
Davy Good	Nay
Beth Hutchinson	Aye

Mike Boltz moved to approve the Phase III GWE contract for a 2020 update to the 2012 PER. Walt Hill questioned if GWE would review alternative methods of treatment and collection in that area. Amy Deitchler confirmed that there were provisions in the contract for alternative collection systems, but none for treatment. The Board discussed the alternative methods that had been discussed previously and what alternative systems might entail. Also, if the first two phases created sufficient flow to run the treatment plant.

Walt Hill moved to approve the GWE contract for the Phase III 2020 update to the 2012 PER, at a cost of \$45,0000. There was no further discussion. The motion was carried.

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye

Davy Good Aye
Beth Hutchinson Nay

The Board declined an additional contract from GWE for a cost analyze of treatment alternatives for Phase III.

NEW BUSINESS:

Well & Lake Testing

Vince Chappell was unavailable to review the testing for the Board. The Board discussed the nitrate levels and the E. coli contamination and replacing the failed well.

Beth Hutchinson requested that a binder of basic documents be collected to assist bringing the new Board members up to speed. Swearing in the new Board members was discussed.

Beth Hutchinson thanked Mike Boltz and Davy Good for their service to the Board. Walt Hill and Pat Goodover concurred.

NEXT REGULARLY SCHEDULED MEETING: May 21, 2020

ADJOURNMENT OF MONTHLY BOARD MEETING:

Pat Goodover adjourned the meeting at 8:23pm.

Attest:

Pat Goodover, President

Felicity Derry, Secretary

04/20/2020
Seeley Lake Sewer District
Regular Meeting