

**SEELEY LAKE SEWER DISTRICT**  
**SPECIAL BOARD MEETING**  
**June 6, 2019**

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

\* Via Phone

Public Attendance - Appendix A

**CALL TO ORDER:**

The meeting was called to order by Pat Goodover at 5:16pm at The Multipurpose Room, Seeley Lake Elementary School, located at 200 School Lane.

**APPROVAL OF AGENDA:**

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

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye
Davy Good	Absent
Beth Hutchinson	No Vote Recorded

**PRESIDENT’S COMMENTS:**

Pat Goodover thanked the public for attending the meeting and providing public comment regarding the user agreement.

**PUBLIC COMMENTS:**

It was confirmed that the SBR alternatives would be discussed at the next meeting.

**FINANCIAL REPORTS:**

Invoices

Mike Boltz moved to approve the Stevens & Co invoice for payment. There was no further discussion. The motion was carried.

Pat Goodover	Aye
Walt Hill	Aye
Mike Boltz	Aye
Davy Good	Absent
Beth Hutchinson	No vote recorded

## **OLD BUSINESS:**

### User Agreement

The number of grinder pumps and who would maintain them was discussed. That decision had not yet been decided. It would be covered in the rules and regulations that were referenced in the user agreement.

The Rural Development (RD) requirement that everybody needed to sign to accept or decline the sewer connection was clarified, as well as the number of connections needed, 148. If the service was declined, debt service would still be assessed and if that property connected later the owner would have to pay the full cost of the connection and any applicable fees. The fees for beneficial use were outlined and what they could be used for. What the operation and maintenance (O&M) budget would cover and the options if there was a shortfall were discussed. There was concern over the depth of the pipes and the possibility of the pipes freezing.

It was noted that the project included the cost of connecting homes to the sewer during the project. The connection costs would be included in the bid documents for the contractor and were part of the project budget. Conversely the cost of those that declined to connect would not. Once the project was completed and closed out those funds would no longer be available to pay for those that had declined to connect during the project.

Once the public comment on the user agreement had been reviewed, the document would be finalized. However, the rules and regulations would be adopted first. The need for everybody in the District to sign the user agreement and the legal direction of the notice and protest, which had been a legal requirement, was discussed.

The need for all of the legal owners of the property to sign the user agreement was discussed. The owner names and the legal description of the property would be preprinted on the user agreement. \$54.74 per month was the maximum amount that could be charged to Phase I for debt service. All four phases would pay for the treatment plant and each phase would pay for their collection system. As each phase came online, they would stop paying the annual assessment for operating the District as they would be paying O&M. The current projection was that Phase I would be online 2020 and depending on the timing with DOR should be on the tax rolls 2021.

The cost of O&M and how the number of people that signed up would affect what each customer would be charged was discussed. The District was working on ways to offset the cost. RD would like the District to have 148 people sign up. If that number was not reached the Board would have to decide how to proceed. The County and District subsidies would be for three years. At which point other phases should be online, spreading the cost over more people, whereby lowering the individual cost.

The Board had not discussed the methodology to charge the O&M in the future. Part of Phase III was not within the Water District and so their water usage was not metered. Seasonal business use and vacant mobile home lots would be added to the conversation. As the plant was brand new, with no operating history, the estimated O&M cost given was a range.

The Board still would like the monthly cost to be significantly less than \$100. That the cost was not on the user agreement was raised, as well as the concern for the potential the rent increase it could cause in Phase I. The Board was trying to make it as affordable as possible, and was looking into potential sources for subsidies to help fixed and lower income people.

The discussion turned to the differing cost for the collection systems for each phase and that the estimated cost of the total system was large, although it would be offset by multiple grants. The location of the treatment plant and the relative cost of facilities in other towns were discussed. It was noted that phase II had just been awarded several grants and the engineers were working on the final design, although the numbers had not yet been finalized.

The question was raised that there were 150 houses in Phase I and 30 vacant lots, whereby making it difficult to reach RD's goal of 148 signed user agreements. Walt Hill clarified that in discussions regarding the user agreement with RD approximately 100 would do. If fewer people were to sign up, the construction cost would be lower because the connection cost would be lower, making that amount more affordable. The District had to look at other funding sources. A resort tax or tax increment district could offset that cost, which other communities had done with great success. It was said that originally St Regis paid \$7 per month for their sewer.

The question of increased cost by delaying the project further was asked, and the need to find solutions instead of problems. The question of considering new technologies instead of the same old stuff was asked. The Board noted that alternatives had been considered.

The new subdivision currently being built was discussed and that they were not currently within the Sewer District. They had been required to utilize advanced systems, which each cost \$20-\$30,000.

Concern over the treatment plant contaminating surrounding wells was raised. It was noted that the water leaving the plant would be treated and the engineers had determined that the surrounding wells would not be impacted.

Pat Goodover had heard peoples' concern over the cost, the District would not propose a system that the public could not afford, and would lower the cost as much as possible. There were \$10 million of grants for Phase I, reducing the cost to \$6 million.

The consequences of not connecting was asked. When the septic failed the Health Department would require the property to connect to the sewer. The Linda Vista community had voted no to the sewer and their grant funds went elsewhere. They were forced to connect at a cost of \$20-\$30,000 per home with no financial assistance.

The possibility of expanding the District was asked. The project had been divided into phases to make it affordable. Once all of the phases were built annexation into the District could occur. The District could expand to include the state lands along the river. The plant had been designed to be easily added onto. The daily and minimum flows were discussed and more detailed information would be requested from the engineers.

The cost of Phase II was discussed and that the numbers had not been finalized and additional funding had been applied for.

The need for inclusion of the temporary construction easement in the user agreement was questioned. The temporary construction easement was needed to connect the home.

The Board appreciated everybody attending the meeting and providing input. The alternative options would be listened to, the questions raised would be reviewed, and then the Board would finalize the user agreement. The \$10 million of grants that the District had secured was for the treatment plant and the Phase I collection system as currently designed, and was not applicable for alternative systems.

What the District would replace during construction, such as sidewalks, asphalt and fences was asked. The Board would discuss whether that could be added back into the project.

The monthly cost of Phase II being between \$139 and \$299 was raised. It was noted that those figures had stemmed from outdated numbers before multiple new grants had been awarded. Additional grants were being applied for. Henceforth the numbers for Phase II had not been finalized.

The public were thanked for their attendance.

Beth Hutchinson noted that she had not been able to hear very well throughout the meeting and gave her comments, and suggested some language changes for the user agreement.

**NEW BUSINESS:**

**Phase III Planning Grants**

The Board discussed the grant applications to TSEP and DNRC and the applicable match.

Beth Hutchinson left the meeting at 7:02pm.

**Resolution#06062019**

This resolution authorized GWE to apply to TSEP for a planning grant.

The Board voted as follows on the resolution#06062019:

<b>Board Member</b>	<b>Yeas</b>	<b>Nays</b>	<b>Absent</b>
Pat Goodover	X		
Walt Hill	X		
Mike Boltz	X		
Davy Good			X
Beth Hutchinson			X

Resolution #06062019 was passed, authorizing GWE to submit an application to TSEP for a planning grant.

**NEXT REGULARLY SCHEDULED MEETING: June 20, 2019**

**ADJOURNMENT OF MONTHLY BOARD MEETING:**

Pat Goodover adjourned the meeting at 7:04pm.

Attest:

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Pat Goodover, President

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Felicity Derry, Secretary