

**SEELEY LAKE SEWER DISTRICT**  
**REGULAR BOARD MEETING**  
**October 18, 2018**

**ROLL CALL**

Beth Hutchinson	President	PRESENT	Troy Spence	Vice President	PRESENT
Vacant	Director		Davy Good	Director	PRESENT
Mike Boltz	Director	PRESENT*	Felicity Derry	Secretary	PRESENT
Greg Robertson	Missoula Co	PRESENT	Kim Myre	Missoula Co	PRESENT

\* Via Telephone

Public Attendance - Appendix A

**CALL TO ORDER:**

The meeting was called to order by Beth Hutchinson at 6:01pm at The Senior Center, located at 707 Pine Drive.

**ROLL CALL:**

**Beth Hutchinson:** Felicity would you do the roll call please?

**Felicity Derry:** Davy? **Davy Good:** Here. **Felicity Derry:** Beth? **Beth Hutchinson:** Here. **Felicity Derry:** Troy? **Troy Spence:** Here. **Felicity Derry:** And Mike is on the phone? **Mike Boltz:** Here. **Felicity Derry:** There you go.

**MINUTES:**

August 13, 2018

**Beth Hutchinson:** Okay, umm, let's take a look at the minutes. We'll start with August thirteenth. Does anybody have any comments or corrections? I have just a couple. On page six, in the second paragraph down, five lines from the bottom, the word "a couple of tenants", and the tenants that's in there needs to be T E N E N T S. Okay? **Felicity Derry:** Okay. **Beth Hutchinson:** Umm, let's see, and on page fourteen in the top paragraph, the sixth line down, umm, one word from the end of the sentence. The word air is E R R, to err, error, like error. **Felicity Derry:** Oh, yeah. Sorry. **Beth Hutchinson:** Okay. And that was it for those minutes. Would someone like to make a motion to accept the minutes for August thirteenth?

**Davy Good:** I'll make a motion we accent the minutes for August thirteenth. **Troy Spence:** Second them. **Beth Hutchinson:** There's been a motion and a second to accept the minutes for August thirteenth. All in favor say aye. **Davy Good:** Aye. **Troy Spence:** Aye. **Beth Hutchinson:** Aye. **Mike Boltz:** Aye.

September 20, 2018

**Beth Hutchinson:** Umm, looking at the minutes for September twentieth. Mike I couldn't hear you. **Mike Boltz:** Yeah, I said aye. **Beth Hutchinson:** Okay. We're moving on to September twentieth meeting. Are there any comments or correction on those? Okay, umm, is there a motion to accept those minutes?

**Davy Good:** I'll make a motion we accept the minutes for September twentieth two thousand eighteen. **Troy Spence:** Second. **Beth Hutchinson:** It's been moved and seconded to accept the minutes for umm, September twentieth. All in favor please say aye. **Troy Spence:** Aye. **Davy Good:** Aye. **Beth Hutchinson:** Aye. **Mike Boltz:** Aye. **Beth Hutchinson:** All right, that's been accepted.

## **FINANCIAL REPORTS:**

### **Invoices – September 2018**

**Beth Hutchinson:** Moving on to the financial reports. Umm, Felicity would you go over the invoices please? **Felicity Derry:** Sure. So, umm, there's the Seeley Lake Water District as usual and then there's also some invoices from the Flathead Biological Lab. And so that is umm, the testing that the high school does of Morrell Creek. And umm, we usually get the invoices all in one group. Umm, and so that's about a year's worth of invoicing. Umm, and so that's why you haven't really seen those before. Umm, and I did actually talk to the umm, person that's in charge there and when they email the invoices to the high school, they're gonna cc me so we can get them paid in a more timely fashion. Umm, at that point I also did ask him to send all the testing that they've done, and I included that as well for you. So that's in there as well. **Beth Hutchinson:** Thank you. **Felicity Derry:** So that's that. Umm, then there's the umm, umm, Senior Center, ME Lab invoice, umm, and that kind of ties in with the Flathead testing because umm, one of those invoices we only pay partial because the Health Department pay part of that. And that's the agreement we have with the Health Department, and so they pay for part of the in-town testing. And then the District pays at the treatment site. Proposed treatment site. And then there's myself and a Great West Engineering invoice.

**Beth Hutchinson:** Thank you. There's one thing that needs to be adjusted on the Senior Center....

**Felicity Derry:** Yes, I noticed that, its thirty-five dollars. **Beth Hutchinson:** Right, so it's two

meetings. **Felicity Derry:** Yes. **Beth Hutchinson:** And what was the ten eighteen. Was that the

date it came or... **Felicity Derry:** So, no. That actually should be thirty-five dollars and not seventy

because it's for tonight's meeting. The thirty-five dollars. **Beth Hutchinson:** And they didn't bill

for two earlier meetings? **Felicity Derry:** We've already paid that. **Beth Hutchinson:** Oh, okay.

**Felicity Derry:** So, that is, should actually be thirty-five dollars. **Beth Hutchinson:** Thanks.

**Felicity Derry:** So, any questions on that otherwise?

**Davy Good:** I'll make a motion we approve these invoices, with the adjustment to thirty-five dollars, instead of seventy. **Felicity Derry:** Okay. **Troy Spence:** Second. **Beth Hutchinson:** All

right, it's been moved and seconded to approve the invoices for September. All in favor say aye.

**Davy Good:** Aye. **Troy Spence:** Aye. **Beth Hutchinson:** Aye. **Mike Boltz:** Aye.

## Financials - June 2018

**Beth Hutchinson:** Okay, the financials for, from June, that we've been waiting for from the County.  
**Felicity Derry:** Yup. So, it was a pretty quiet month in June, not a whole lot happened. We did get some fee assessment in because of the way the taxes are paid umm, twice a year. And then interest from the County account and the local account. Umm, there was, umm, the bookkeeping is for myself for the Water District. Umm, then there were copies that were made. That's for office supplies. And then the postage is for the Post Office box rental. So that, that's for a year because we do have to pay for that. Umm, and then myself, and that's really it. So, that's pretty quiet on that.  
**Beth Hutchinson:** Okay. Umm, this is related. Is everybody available for signing checks for you?  
**Felicity Derry:** No, they are not. Because umm, not everyone has turned in their signature cards, but at this point because Juli resigned we have to redo them anyway.  
**Beth Hutchinson:** Oh, lord.  
**Felicity Derry:** And so, umm, we're just going to wait until the new person is appointed and then do that all over again. So, we're still, umm, yup. We still haven't got that done. And it's unfortunate that when we get one change, we have to do everything all over again, but that's the way the banks do it.  
**Beth Hutchinson:** Right. Umm, however, since there is at least one person here I presume can sign checks.  
**Felicity Derry:** Umm hmm.  
**Beth Hutchinson:** That would get you your check. No?  
**Felicity Derry:** No, because we have to have two signatures on each check.  
**Beth Hutchinson:** Oh, okay.  
**Felicity Derry:** And so, whenever Mike comes back, I will just have him sign them, and that's just fine. And we'll just send them out.  
**Beth Hutchinson:** Oh, okay.  
**Felicity Derry:** Umm, so that's okay.  
**Beth Hutchinson:** All right. Umm, would somebody make a motion to accept the June financials?

**Davy Good:** I'll make a motion we accept the June financials. **Troy Spence:** I'll second it. **Beth Hutchinson:** It's been moved and seconded to accept the June financials. All in favor say aye?  
**Davy Good:** Aye. **Troy Spence:** Aye. **Beth Hutchinson:** Aye. **Mike Boltz:** Aye.

## CORRESPONDENCE:

### Department of Commerce

**Beth Hutchinson:** Okay, now we have correspondence from the Department of Commerce. And it's a brief letter thanking us for getting in the rest of our information, and saying that our application has been included in the list for 2021 TSEP application review. And at first that struck some people as an odd time, but actually it's appropriate because they're running further out and it's for Phase II. So, there's nothing to be concerned with there.

## PUBLIC COMMENT:

**Beth Hutchinson:** At this point I would open the floor to public comment. Umm, I will once again ask people to come up and address the Board from here. In reading the minutes the last meeting I was concerned that it's a perpetual habit of sliding into interrupting people, stomping on the end of people's comments, and things like that. This shouldn't slow us down because anybody that would like to comment can just line up along there, and this is done in cities and it works really well. So, if anybody has a comment that relates to something not on the agenda, please come up at this point. And if you will say your name and your address. Thank you.

**Jeanna Miller:** I'm Jeanna Miller. I live at 7300 Evaro Road. Umm, my comment's very brief. Just in the interest of public information I would encourage the Board to find a location that's easily searchable on the internet for the agenda. Umm, and the minutes from the last meeting. I just had a hard time finding the start time and the location of the meeting. I know that the Board has changed meeting locations, and I had to call somebody who took a picture of it from the Post Office where it was hanging and sent it to me. So, I did see that the County website has a location for it, but it looks like the agenda stopped in July of twenty eighteen. So, when you Google search typical phrases that's, it seems like an appropriate place. **Beth Hutchinson:** It is an appropriate place. One of the issues that seems to arise is that it takes a little time to get it on there, and we do sometimes have to amend it, but we've got to approach that better. Thank you. **Jeanna Miller:** Okay, thank you.

**Rachelle Harman:** My name is Rachelle Harman. I am a Seeley Lake resident. And I have two concerns that I'd like to address the Board. Number one is regarding Board minutes. After reviewing the minutes for the last three meetings I find them difficult to read, time consuming and difficult to determine what exactly the Board accomplishes at the meetings. This is largely due to having so much verbatim. The minutes are inundated with he said, she said, umm, and pauses, and do not reflect Robert's Rules of Order. Thus, creating an additional unnecessary burden for your secretary. This is also addressed in Robert's Rules of Order on page one twenty. I can read it to verify. But for those of us who may not be able to attend the meetings the minutes, which is public information, provides an inroad as to the Board's decisions as well as ensuring that the issues are followed through as indicated in the minutes.

My second concern, again as though you don't want us to address the agenda. I do have a question I'd like to address the Board regarding the candidates that are coming forward. Knowing that the Board maybe selecting a new..... **Beth Hutchinson:** Umm, excuse me. Excuse me Rochelle. Umm, you could address that when that issue comes up. **Rachelle Harman:** Okay, so you are saying that there'll be public comments... **Beth Hutchinson:** Oh, yes. **Rachelle Harman:** ...following the candidates and there, ah... **Beth Hutchinson:** There are public. There will be public comment on everything on the agenda. **Rachelle Harman:** ...so you would rather that I wait? **Beth Hutchinson:** Yes please. **Rachelle Harman:** Okay. So, will we hear my concern about the minutes? **Beth Hutchinson:** Thank you. Any other public comment?

### **MANAGER'S REPORT:**

**Beth Hutchinson:** Okay, umm, moving forward we have the manager's report, and Greg is here. Greg? **Greg Robertson:** Yes, good evening. Umm, Greg Robertson, Chief Public Works Officer for Missoula County, as well as the ah, contract District Manager for, at least for a little while longer, the ah, Seeley Lake Sewer District. I do not have a whole lot to report to you. Ah, we have been having ah, monthly ah, conference calls with the funding agencies, in terms of coordination. Ah the bond counsel is nearing completion of the transcript, which is the necessary document for the ah, the debt issuance. Ah, and they will be submitting that to you for your consideration, ah, it sounds like at the next month's meeting. Um, the funding sources are still ah, desirous of knowing the ah, the future of the project, and the intention of the Board, whether to ah, to continue down the path that umm, I've worked umm, close to seven years on. Or ah, something, ah, something else. Umm, if we are to meet the startup conditions for Rural Development, which is a condition of funding, umm, we, you will need to make a decision very quickly as to ah, whether to proceed or

return funds. And delay is ah, really not part of the ah, the equation at this, at this point. We have an approved project ah, that is fully funded and umm, we need to proceed on with that project in, in its um, completely intact as was presented to the funding agencies, or forfeit the funds that we have acquired to date. Umm, I'd like to report back to the ah, funding sources with a, ah, clear and ah, unambiguous intention of the Board. Ah, preferably tonight. Ah, to ah, let them know ah, so that the future planning for ah, the necessary startup conditions and starting to ah, deal with those things, which are extremely time-consuming ah, in order to go to bid. So, that is where things are standing right now. There is no other activity that is happening with respect to the project until I get some umm, some better direction, which I have not received to date. Thank you.

**Beth Hutchinson:** I have an email from Dan Johnson saying that he recognizes that we are on time and on target and that at this point US RD does not have any concerns. So, that's a little bit different seeming from what you hear. Umm, they, he also wrote that he was encouraged to see that the umm, planning with the engineer went forward. Umm, it wasn't a very long email, but that is what it said. Thank you, Greg.

## **OLD BUSINESS:**

### **A. Interview/Appoint 5<sup>th</sup> Board Director**

**Beth Hutchinson:** Okay, well, we're up to old business. And the first item in old business is to interview and appoint a fifth Board Director. The seating will occur at the November meeting because the person will have to get the oath and double checking on the qualifications into the County Clerk, and the person will be then ready to begin at the November meeting. So, I do not personally know Pat Goodover. Is he here?

**Davy Good:** He was not able to make it tonight. He had ah, a family thing that wasn't, that got in the way. So, he's not here tonight. **Beth Hutchinson:** All right, well that could impact things for us. So, I think as a Board we should discuss whether we want to interview the candidates who are here and simply deal with them. Or interview the candidates that are here and wait for a month and interview Pat at that time. So, what do you think about this? **Troy Spence:** Ah, I think that everybody needs to be present that's actually running so, we can get the detailed description of them and what they're for and what they're against and. **Davy Good:** I'd agree with that. I ah, think we could, ah, possibly put it off for a month then if we want to include him in the process. I was pretty excited about him. I've had a couple of conversations with him. He seems like a really good candidate and has a lot of experience serving on boards. So. **Beth Hutchinson:** Well, I think it's really important for us to interview him. I do not want to disrespect the fact that we do have two candidates here tonight. So, it would be my preference that we go ahead and interview them. **Davy Good:** Yeah, absolutely. **Beth Hutchinson:** Would somebody like to make a motion to that effect?

**Davy Good:** I'll make a motion that we interview the two candidates that are here. **Troy Spence:** I'll second... **Beth Hutchinson:** ...and, and do you want? and offer him the opportunity in November? **Davy Good:** Yes, and offer ah, Pat Goodover, the opportunity in November. **Troy Spence:** I'll second that. **Beth Hutchinson:** Okay, it's been moved and seconded to interview the two candidates for the Board who are present, and to offer Pat the opportunity to be interviewed in November. All in favor please say aye? **Troy Spence:** Aye. **Davy Good:** Aye. **Mike Boltz:**

Aye.

**Beth Hutchinson:** Okay, in that case let me juggle with our little drawing here. I'm gonna ask the candidates to both come up front, and we can dispose of one chair, and the two candidates can sit here and make themselves comfortable.

**Davy Good:** Walt, do you want to come up here too?

**Beth Hutchinson:** So, we either defer to height or age. Do people have a preference? Whoever, grabs first. Mix them up. What'd you get? **Walt Hill:** Me. **Beth Hutchinson:** You're first. I'll take it back. **Walt Hill:** Okay. **Beth Hutchinson:** All right, so, to begin with umm, Walt will answer first. We'll do this like those great political debates. And then Pat. And then we'll go back and forth the other way. **Pat Caffrey:** So, it'll be one question going to both of us? **Beth Hutchinson:** Yes. The same question to both of you.

**Troy Spence:** Do you have a question you want to ask? **Beth Hutchinson:** I hope you do. **Troy Spence:** Nope. **Beth Hutchinson:** I hope everybody but me has questions too. Davy are you prepared with any questions? **Davy Good:** Ah, I have a couple yes. **Beth Hutchinson:** Good, great, and maybe you can think of some while we're asking ours. Would you like to begin?

**Davy Good:** Ah, yes obviously first and foremost ah, how, how you guys think you're qualified to serve on the Seeley Lake Sewer District? **Walt Hill:** Well, the qualifications were that I had to be a registered voter. I am. I live at Placid Lake, but have properties in the Seeley Lake Sewer District. I am eighteen years of age, if you reverse the numbers. I am a citizen of the United States of America. So, the written qualifications, I meet.

**Beth Hutchinson:** Okay, hold on one second. You do need to face us, but if you speak up it will help the back row. **Walt Hill:** Okay. **Beth Hutchinson:** He mentioned his qualifications and they were clear. So, in any other way that you want to talk about being qualified. **Walt Hill:** Well, I've been on numerous boards, both in Missoula and here. I've been on the Water Board. I've been on the Community Council. I've been on, what other did I put down? Economic Planning Committee. Ah, Seeley Lake Sewer Advisory Board for ten plus years. Ah, Seeley Lake Community Council. A member of the Regional Planning Committee. Ah, Trustee of the Seeley Swan District Public Medical Center Board. Member of the Seeley Swan Medical Center Foundation Board. And member and Secretary of the Partnership Health Center Board of Directors, which meets in Missoula every month, which, and PHC runs the clinic here. So, I'm the liaison between the local board and Missoula. Ah, oh, maybe I should just read. I'm applying for the open position of Director on the Seeley Lake.... **Beth Hutchinson:** Oh, can you hold. **Walt Hill:** ...Sewer. **Beth Hutchinson:** If it's what you want that might be a later question. **Walt Hill:** Okay, got it. Okay. Otherwise that's all I've got on my. Oh, I, I am educated so, I put that down, just a few degrees along the way. **Beth Hutchinson:** Thank you.

**Pat Caffery:** Okay, the question was, what are my qualifications for the Board. **Beth Hutchinson:** Loud. **Pat Caffery:** Okay. Ah, I do meet the quail, the specific qualifications as being a citizen, old enough. I do not have a lot of experience sitting on civic boards. I do sit on the Board of the Montana Natural Resources Youth Camp, and I have been on that board for eleven years. And

that's the camp that's at Lubrecht. And umm, I have been active in some other ah, community things. I've been in the Sheriff's Search and Rescue for forty years. And ah, I've been active locally as the Race Director of the Snow Joke. Ah, which I directed for, I, let's see, thirty-five years, and now ah, there's new owners handling it. Umm, and I ah, I worked for Plum Creek, and predecessor companies for forty years, where I did administrative staff work, which was you know basically forestry in a corporation. And so, we did lot of meetings, and ah, there was some consensus building. Ah, there was also some following orders of course. Umm, and I've done a lot of other minor things, which are all in my resumé. **Beth Hutchinson:** Thank you. Do we want to move? Troy? Me? Okay.

**Beth Hutchinson:** Umm, let's see. What kind of work do you believe the Board needs to be doing to strengthen and make its own functioning and service to the community more effective? And Pat you will start.

**Pat Caffery:** Okay. Umm, the only, the only thing I think the Board needs to do different, and this goes back into the history of how the Board is related to the community. I understand that there's been kind of a camp that wants to get the Board done, and then there's another camp that wants to readdress some issues, maybe reallocate the ah, umm, bond amounts. Umm, ah, visit all these questions. And so, you've got businesses that want to see it done, and you've got people that are concerned that it's gonna price them out of living here. And I think that the Board needs to press forward, but the people that are concerned, take them seriously and not be dismissive, because I think people have noticed that, and that is why the last election went the way it did. Umm, people want to, if they're not happy with the Board they at least want to know that everybody cares and that they're going to do everything they can for the community ah, to make things equitable. **Beth Hutchinson:** Thank you.

**Beth Hutchinson:** Walt, do you want me to repeat it? **Walt Hill:** Sure, go ahead. **Beth Hutchinson:** Okay, what kind of work do you believe the Board needs to be doing to strengthen and make its own functioning and services to the community more effective?

**Walt Hill:** Well, all boards are struggle with that very question. The ah, the important thing in my book is that the Board, now that we have determined that the project is on, that we have before us the engineering estimate of when these things, the ninety days are up and when bidding goes, and so forth. I think that ah, you know that Solomon in the old testament said with all I get him get wisdom. And somebody a little wiser than Solomon said with all I getting get going. Ah, I think that we're to that stage where we have before us a plan. It is fully funded and I think that the Board needs to determine in a decisive manner that it's gonna go ahead with that. Ah, there are definitely concerns, as Pat mentioned, for those that are less able to pay. And I think that the community of Seeley Lake needs to be brought together to determine how best to meet those obligations, because there are people that we don't want to lose homes, but we want to, ah people's homes, but we want to ah, have them to be able to pay the additional element that's gonna come in. We worried about this on the Water Board, and ah, because it costs, as you well know, at least those that are in the city, fifty bucks a month without a drop of water. And then you're charged for the additional water above that. And we tried to find ways and means to alleviate this. I think we could be more successful now. We're well aware of what's needed. I think it's necessary to take that into consideration and move ahead.

Can you all hear me okay? **Unidentified person:** No. **Walt Hill:** I'm wearing my hearing aids too. I tend to mumble, I'm sorry. It's because of the age. **Davy Good:** If anyone's having problems hearing they might be able to move up here closer. If that would help. **Walt Hill:** Well, I think it's just me. **Davy Good:** There's only a couple of people. **Walt Hill:** You can hear fine because you're three feet away. **Unidentified person:** I can hear you fine. **Walt Hill:** Okay, good. **Davy Good:** If anyone's having an issue there's chairs up here that are closer. **Walt Hill:** I apologize, but I used to be able to fill a classroom and have no problem, but age takes its toll. Got it.

**Beth Hutchinson:** Okay, I will just quickly summarize. Walt said that we need to be looking into moving forward and we also need to be looking into finding ways to ameliorate, or help the people who are having issues, or might face issues, with meeting the costs. And he said that the Water District faced the same thing. He did not say whether the Water District solved that problem. **Walt Hill:** Not yet. **Beth Hutchinson:** No, they did not. Okay. Troy?

**Troy Spence:** Since my main thing is cost, okay. I want to know if you think equal payments across the board for every property is equitable? **Walt Hill:** Well it's not, but there are really no equitable ways to do this. And the Water Board, we had this same issue, you know, how best to allocate the cost of the water system. And we tried several ways, and, or looked at several ways and went at it. And finally, it was determined that the best way was to make it even for everybody and then try our best to find ways and means to subsidize those properties that are not in a favorable circumstance. But I wish there were a way that was more equitable, but so far, I haven't found it.

**Beth Hutchinson:** Could you hear that well enough? Okay thanks. Pat? **Pat Caffery:** My understanding is that the four criteria used to allocate the amount people are charged umm, is kind of a mix and match system. It's not like mill levies which are equitable. It's a, I wouldn't say it's a case by case, but it's a, it's basically a, it can be tailor made to ah, fit the situation. And so, the question has come up that, well, it's not fair for us, and you know, they're cutting a fat hog over there. Umm, it might be possible to restructure it, if it was restructured of, you're just going to get a different set of people unhappy. Umm, you also run the risk of which, do you just want to try to squeeze blood out of a different part of the turnip. Okay. Umm, I think it's a real issue and not one that's going to be solved here. If it was up to me, I would try to get an independent consultant to review our situation and see if it's equitable in general standards to what other communities have done. Including those who have gone to court. Umm, otherwise we could ah, you know, end up with people actually going to court and demonstrating harm and how would we know we did it? If we have a consultant report, at least we have something to fall back on. We also could. I mean the report could come back and say yes this is typical, legally defensible, ah according to what other places have done, and put the matter to rest. I would think in any case basically we need to seek additional funding sha, cost sharing from people that benefit which are outside the Sewer District. **Walt Hill:** I agree. **Pat Caffery:** Could you speak up? **Walt Hill:** I agree. **Pat Caffery:** Okay.

**Beth Hutchinson:** Okay, Davy? **Davy Good:** I guess my next question would be... **Jean Curtiss:** How about Mike? Does Mike have a question? **Davy Good:** Oh, Mike, Mike, do you have a question? **Mike Boltz:** Are these for the candidates? **Davy Good:** Yes. **Mike Boltz:** No. Umm, I've talked to Pat. He came in and we talked for about an hour so, I think I have his views.



And I know Walt's views. Umm, no. I'm fine. **Davy Good:** I think I'll agree with him. I kind of know where both of them stand and so, if you have a question you can go ahead.

**Beth Hutchinson:** Okay. Umm, this is a really important issue that both of you have raised. It's fine for you as individuals to know their stand and where you are thinking right now, but it's also important for the public to know what you're interested in from them as candidates. So, you're asking questions is a really important part of your service as a board director. Mike if you don't happen to have any questions we'll pass, but Davy you did seem to have a question. **Davy Good:** I'll, I'll pass as well because my question will come up later as well so. **Troy Spence:** I don't have any more.

**Beth Hutchinson:** Okay. Umm, well you both answered one of the questions I had which has to do with possibly redistributing costs to seek greater equitable conditions. Umm, we have a really important topic coming along tonight and that has to do with putting together a contract for service, because USDA requires that we have a hundred and forty-eight contracts signed so that we don't have a bridge to nowhere. And that if the sewer is constructed that it will be used. Those hundred and forty-eight are broken down, so you have thirty businesses that need to sign the contract and the rest would be residential. Umm, what policies do you think should be in place before asking prop, umm, Phase I property owners to sign contracts committing themselves to using the proposed system? Because on the contract typically there are policies. There would be policies that protect the Board and policies that protect the user. So, what would be policies that you think we should have on this contract, before we offer it to the public? And you can take a few minutes to think.

**Walt Hill:** Could, could you define the policies? Ah, the, the word policy there. It doesn't seem. Are you talking about policies from the Sewer District, or policies that are legal contractual things between a consumer and the Board? **Beth Hutchinson:** All right, the legal contractual stuff between the sewer and the Board is somewhat boilerplate. **Walt Hill:** Okay. **Beth Hutchinson:** But below that are things that the signer of the contract will guarantee to the Board, and also that the Board will guarantee in terms of responsibilities, services, expectations. We had someone in here last month who said she wanted to see the money, but I think there are other things that if we all want to give thought to it that we want to know we've agreed to. It's not quite as simple as it might look at first.

**Pat Caffery:** You want me to go first? **Walt Hill:** Yes, please. **Pat Caffery:** Okay. All right. I think what you're saying by policy is, how are we going to approach people to sign this thing and answer their questions. **Troy Spence:** No. **Beth Hutchinson:** No. **Pat Caffery:** No? **Beth Hutchinson:** No. **Pat Caffery:** Okay. **Beth Hutchinson:** All right. I'll try a diff.... **Walt Hill:** Can you give an example? **Beth Hutchinson:** I'll try, yeah, I'll try a different way. Policies are what we guarantee to you. When you sign, we guarantee we're gonna provide x, y, and z. When you sign, you're going to say you guarantee to take on responsibilities too. Here's one example. If umm, a grinder pump is required, who guarantees umm, maintenance and repair? Who takes that responsibility? That would be an example. Want another one? **Walt Hill:** Sure. **Beth Hutchinson:** Umm, another one might be if the line between the street and the house goes dry, whose responsibility is to pay for the repair?

**Beth Hutchinson:** Davy. **Davy Good:** I, I think that this would be more of question for interviewing like a project manager. I don't know that people coming into an interview to sit on the Board would really have an answer for that. **Troy Spence:** We're gonna have to write up a contract for the user agreements. **Davy Good:** With, with the project manager. **Troy Spence:** They're still gonna need input. Any way you look at it.

**Pat Caffery:** There is one policy that the Board should have, I think. Umm, people when they are considering signed this are going to have questions, and they're gonna want to know how the Board, and through the Board's project manager, is going to treat them. I think that one of the things that the Board should do is make sure it's set up so that people, every lot is different, that people will be able to consult with the project manager. Figure where the line is gonna go. Is it gonna take out your favorite trees? Umm, how, how is it going to work? Do, do an onsite visit and let them know exactly what's gonna happen. Before the backhoe shows and says, hey we're gonna put in your line and we're gonna put it here. I think that's a big concern of people. Umm. **Beth Hutchinson:** That would be a policy. **Pat Caffery:** Right. **Beth Hutchinson:** Umm, I'm gonna reinforce somewhat, with a little add on, what Troy said. We need to be thinking about a relationship with the people. We're one side of this contract in terms of our responsibilities to them, but if we don't take into consideration what they want and need then it will be more challenging to come to a common point and they may, could be very well reluctant. So that we've gotta have that dialog. And bringing in boiler plate from some other location, which would be what you'd be putting your project manager in a position to do, isn't the same thing as respecting your community.

**Beth Hutchinson:** Umm, Jean we will have comment after we're finished. Okay? **Jean Curtiss:** I think that.... **Beth Hutchinson:** Jean... **Jean Curtiss:** ...I think there's one person in this room that has already built a sewer... **Beth Hutchinson:** We, we will have this after the Board is finished. **Jean Curtiss:** You're asking questions that don't even make sense. **Beth Hutchinson:** And you can feel free to point that out when we're finished. **Unidentified person:** She just did.

**Beth Hutchinson:** Davy, was there anything else that you had in mind to ask? Well, no we're still on this. Walt, back to. Are, are there any policies, given the information so far? **Walt Hill:** Well, I think so first of all that we have a very good selling point for the contract. That is, the funds for hookup from the mainline, the, the transmission line, to the house are gonna be covered by the Sewer District. That's certainly a policy that has been mulled about, but that is a policy that's part of the contract now. Ah, and so that's a real benefit for those of you that are aware of the cost of doing that. And so, ah, to begin with, that's to me something to me that very good.

The next question is what do the people expect? In the Water District we ah, terminate the Water District's responsibility at the valve. At the, the box and from there on it's the owner's responsibility to maintain the line that is being attached for nothing. And so, that I think needs to be stressed. If it's a grinder, if it's something else internal to the home, those are still the homeowner's responsibility. They must be. The, on the other hand, the Sewer District ah, has to maintain the transmission line and make sure that the functions of the ah, SBR plant are running and ah, they have redundancy in there. It seems to me that becomes a responsibility though, and the main lift pumps, the Sewer District has to be responsible for those. I think there are two of them in the. Anyway, the bottom line is that the homeowner's responsibility starts at the hook up and

whatever is needed in here, after the initial damage has been done, and so forth, they have to take care of it. Now, I'm not talking about damage in putting it in. My understanding is that the landscaping may end up being the owner's responsibility, but that everything up to that point will be the responsibility of the contractor. **Beth Hutchinson:** You caught on very quickly. **Walt Hill:** Yeah. **Beth Hutchinson:** You could keep going. **Walt Hill:** I, I don't have anything more to say, much.

**Beth Hutchinson:** Okay. Do you have another question? No. **Troy Spence:** Covered it. **Beth Hutchinson:** Oh. Okay. Davy, anything else that comes to mind? No. **Walt Hill:** Pat didn't answer. **Beth Hutchinson:** Oh. Yes, he did. **Troy Spence:** He went first. **Walt Hill:** Oh, did he? Oh, yeah. **Beth Hutchinson:** But you could try again. **Pat Caffery:** I could? I would say is that, if I was on the Board I would look into policy and see what we're lacking and look at other examples. Ah, to ask me right now would be premature. **Beth Hutchinson:** Thank you. Okay, at this point I will open up the process to questions from the public.

**Beth Hutchinson:** Rochelle. No, you need to come up. **Rachelle Harman:** (Inaudible)... candidates. I know Walt, but I don't know this gentleman. **Beth Hutchinson:** Well, you can ask if you want to come up. **Rachelle Harman:** I'm just saying I think you should announce their names when they come up forward. **Beth Hutchinson:** Thank... **Walt Hill:** And it's Rachelle, RA. **Beth Hutchinson:** Rachelle. **Rachelle Harman:** ...who's talking. **Walt Hill:** Rachelle, not Rochelle. Umm. **Pat Caffery:** I'm Pat Caffery. **Rachelle Harman:** Caffery, Mister Caffery. I'm Rachelle Harman. **Pat Caffery:** Hi, Rachelle. **Rachelle Harman:** Ah, I have a question for you Mister Caffery. Ah, I understand that number one you originally protested against the sewer project. Is that true? **Pat Caffery:** That's correct. **Rachelle Harman:** I also am aware of the fact that you were plaintiffs in the Don Larson lawsuit. Is that true also? **Pat Caffery:** I believe that's the same thing. **Rachelle Harman:** No, the protest period was when everybody voted. **Pat Caffery:** Oh, I see what you mean, yeah. Yes, I did, I did sign onto the lawsuit. **Rachelle Harman:** You were against the sewer project. **Pat Caffery:** Yeah, and I signed on the lawsuit. **Rachelle Harman:** And you also were on the Don Larson lawsuit. **Pat Caffery:** Yes. **Rachelle Harman:** Is that correct? **Pat Caffery:** Yes. **Rachelle Harman:** So, that questions me with a conflict of interest, as far as you wanting to be on the Board. Can you somehow relate to me your intent in what you hope to, to aspire to with the community, or is it just a select group of people that you're gonna be representing?

**Pat Caffery:** Sure, umm, I have agreed with a lot of the things that Don has said. Umm, not all of it, but ah, umm, there was a clause when he came over and showed me. He said, well if you need to you can drop out of the suit at any time. And he had also recommended a long time ago that I should run for the board, because he thought I had an analytical mind. And so, when, when the seat opened up here, umm, I decided well, I'll see what shakes lose on the Board. So, I went to Don and I told him I can't be part of this lawsuit because ah, even in Missoula County that would be a conflict of interest, okay. And I also realized that I knew Don's point of view, and I knew some of the points of view of other people, but I thought well, I don't really know what's going on here. So, I decided to investigate it, which I did. I talked to everybody that ah, would talk to me, or return my calls. And I put a letter in the Pathfinder last week. So, it's no secret how I feel about it, because I understand I'm sitting here and I will not be elected, it's an appointment. So, umm, in, in full transparency I put my ideas out there. So, I hope that answers your questions. **Rachelle**

**Harman:** Well, my concern is you're representing the whole community and not just a select few, which it seems to be a concern amongst a lot of people, as well as myself. **Pat Caffery:** That's, that's exactly... **Rachelle Harman:** And I need, need to know I will be represented as part of that whole community. **Pat Caffery:** Sure. That's exactly what, ah, I was advocating in my letter, was that ah. I mean I'll tell you straight out that ah, if the Board cannot work in a consensual manner, I don't want to sit on it. It, it's a waste of my time.

**Rachelle Harman:** Okay, the only other question I have for you is pre, previous to the election of our new officers, and the year before when the ah, County Health Community came out, the County Commissioners came out, ah, Great West Engineering they, they provided all these public hearings and sessions, the Board meetings. Had you attended any of those? **Pat Caffery:** No, I have not. **Rachelle Harman:** So, you were not aware of any of the information that was already out there a year, maybe two years prior, that maybe would have answered some of your questions where you sit today. **Pat Caffery:** I, I had read what was in the Pathfinder and I had visited the website a few times. **Rachelle Harman:** Had you ever talked to any of the previous Board members before the new ones came.... **Pat Caffery:** No. **Rachelle Harman:** All right. So, in other words you remained uninformed except for what you heard from the Pathfinder and collecting your own information. **Pat Caffery:** I assumed that knowledgeable people were going to handle things. **Rachelle Harman:** Okay. **Pat Caffery:** Okay, and when it became apparent that the umm, things needed to be, you know, pushed forward a little bit differently, I thought well, you know maybe I have something to offer, some skillset on that. **Rachelle Harman:** And you may very well. **Pat Caffery:** So. **Rachelle Harman:** I just ah, I needed to ask these questions. **Pat Caffery:** Oh, totally, totally legitimate questions. **Beth Hutchinson:** Does anybody else have any questions for the candidates tonight?

**Beth Hutchinson:** In that case, given our previous motion, we'll say thank you very much for applying. It's very exciting to have the quality of candidates that we do. And to have three candidates. And we will continue with the process in November.

**Beth Hutchinson:** Walt? **Walt Hill:** May I ask a question of the Board? **Beth Hutchinson:** Sure. **Walt Hill:** And ah, Greg mentioned that, at, at what stage are we? There's some question I guess as to whether we're going ahead with the plan that was voted on, in early this year. Or are we? I mean last time, in the meeting with the ah, Great West, it was voted to go ahead with the 90% plan. Does this mean that we're gonna go ahead with the project? Or just with the planning stage? **Beth Hutchinson:** Okay, there'll be more detail on that at the end of the meeting but, the number ninety percent is not anything that Great West presented to us for what we did. That I can say, and there's gonna be more at the end of the meeting. Will that work out for you? **Walt Hill:** I don't know. If I get an answer, yeah. **Beth Hutchinson:** Oh, well I hope so. We plan to cover what we discussed. **Walt Hill:** Thank you. **Beth Hutchinson:** Thank you.

## B. User Agreements – Review of Sample Contracts and Potential Process

**Beth Hutchinson:** Okay, umm, the next topic under old business is the user agreements. We had some discussion at the last meeting and Nathan very helpfully referred to the letter of conditions, which says that the user agreement should be put forth and signed prior to bids. Virtually everybody seemed to think that was illogical, and yet it has been written into the letter of conditions. People

who were present suggested they'd be, or one person at least, suggested she would be reluctant to sign any contract prior to figures that would come out through the bidding process. So, that's one issue we need to think about. And we do need to think about policies that would be on the contract.

Umm, I asked the engineers for a sample contract that I understood was available to them. It was sent to them by the USDA. I received this yesterday. Umm, it's four pages with boilerplate on the first and last page, and some policy in the middle. Some of the things that Walt brought up were alluded to in here. The problem in one sense is, this is not a sample for a sewer district, this is a sample for a water district, and there is some overlap, but not perfect overlap. And since I only received it yesterday and was travelling, I don't have copies for everybody. I'm hoping that the Board members listening to what Walt had to say and what umm, Pat had to say, are thinking hard about policies that we might want to have for the Seeley Lake constituents in Phase I. And the contract, I have a question myself, would you have the same contract from phase to phase to phase? You might think that would spontaneously be yes, but then again different phases may have different conditions. So, we might have to think about that issue. But let's umm, have some discussion on the Board about things that you believe ought to be covered in this contract. And we will get started on generating ideas.

**Davy Good:** Go and start over there? **Troy Spence:** My thing is, is umm. **Beth Hutchinson:** Loud. **Troy Spence:** Now, in the bid it's gonna be covered for the hookup. If you chose not to hook up when that user agreement comes around because say you have a newer system put in, and it's functioning, you should still be able to come back later and hook up, under the cost in the estimate. **Davy Good:** I, I don't know if there was any way that the funding would still be there. I think it's kind of a one shot, one deal. I mean if it's, if you're going to hook up, you have to hookup, you can't wait a year and then hookup. All the machines are there, they're laying the pipeline. That's the time it should be paid for. Is my feeling. And I, I mean we probably have to talk to our project manager that knows a lot more that if, what the funding package is. My gut feeling is that it wouldn't cover it. **Beth Hutchinson:** All right, I'm hearing you say that the funding that we have currently might not cover it, and I'm saying you see people who have paid in... **Troy Spence:** For years. **Beth Hutchinson:** ... over the time and somewhere there is a balance. So that does seem to be an issue we'll need to address.

**Beth Hutchinson:** I have some concerns too along the same lines with vacant lots, because people, as it is right now, who own vacant lots would be charged going along all the same money as everybody else, and it seems that at some point when development would occur that their situation is going to be needed, be, will need to be addressed. That they will have paid a substantial amount of money conceivably. They've been paying the assessment fee, and that they should get something for it. At the same time, and this would be another policy, is that it's typical in sewer systems when you have future development that people if they're not going to get some immediate benefit and hookup have to pay a back fee for a certain number of years that represents helping to contribute to the capital costs. So, I think vacant lots and how they're treated are going to have to be a policy issue.

**Davy Good:** Can, can we talk to our manager that actually knows what this funding package is capable of? Since he's right here. **Beth Hutchinson:** Sure. You can ask for information from him.

**Davy Good:** Greg do you have some input on this? **Greg Robertson:** Sure. I'm happy to tell you about it. The user agreements are generally intended for projects that umm, mains are installed as part of the collection system, but individual services are not provided by the project. And the purpose of the use agreement is to demonstrate ah, support and that property owner's ah, at their cost, will connect to the system at some point in time. However, this is a little bit redundant in that the user agreement ah, already contemplates that the cost for connection to ah, the main and to the house is already built in to the base budget. So, it's somewhat redundant ah, regardless. Umm, and ah, probably not as serious a concern to Rural Development umm, as one where the mains are put in but individual services are provided by the property owners themselves. However, that is a condition of startup. It's purely discretionary on the part of Rural Development ah, to require them and also the threshold, and ah, I believe that even that number is ah, negotiable. You know in terms of ah, some discussion earlier about the best, the best path to connect existing homes, that's already been done. Ah, every parcel within Phase I, that has a residence, has been umm, mapped, ah, surveyed and ah, we have met with the individual property owners, ah, all but one, ah, of the two hundred some odd parcels and determined the best path forward for connecting their residence or their business ah, to the system. So, a lot of the that footwork has already been done. Umm, but it is still a step we will have to go through in terms of getting user agreements ah, signed.

In terms of the private property owners, there does not exist in anything in state law that differentiates them between a vacant parcel and an occupied parcel, in terms of assessment methodologies and the like. Umm, it's typical fashion ah, when ah, you're installing a collection system umm, and private, ah, vacant lots are umm, encountered, stub outs are provided to the property line umm, and that is really the major cost of the service. Ah and then it would be up to the responsibility of the individual property owner when and if they decide to develop at a later date to bring it from the property line into the house, which is not, not the major component of the cost.

**Davy Good:** What about the question that they had about, I mean it, it, it's not figured into this funding package to have people wait five years and say, hey I do want to hookup and I want to hook up for free?

**Greg Robertson:** Yeah, Once, once the project is closed out ah, monies are returned and if there is any surplus ah, it is umm, reallocated to the projects within the state and will no longer be available to it. So, if the District wants to do something like that, they'll need to establish a pot of funding ah, locally derived to ah, fund such umm, a program, but that's beyond the scope of, of it. Umm, once the project is complete it's done.

**Beth Hutchinson:** All right. So, what I'm hearing is that the grant funding would be limited but that at the District could have a policy of building its own pot if it wanted to try to meet the needs for future development. Or as I suggested earlier that we could put in that future development would require back payment for five years, or three years, or whatever if the umm, people wanted to hookup and we felt that was necessary to help the capital costs of the District. So, there are choices here that we're going to have to make. Any other ideas?

**Beth Hutchinson:** Mike, are you still there? **Mike Boltz:** Umm, yeah. I, I, I think we have gone over all of this and ah, I don't know how many changes we can make. **Beth Hutchinson:** All

right, you're saying that it's been gone over and the question of changes. The point is that we will need to get this into writing in a contract. So, from what you're aware of that's been gone over. What would you feel needs to be in a contract? **Mike Boltz:** Just that the sewer is gonna be provided. Nothing before or umm, after at all. Ah, you know, I, what, what we're offering is, is connections for free. We're not offering landscaping. Ah, I'm sure and I'm aware of also the fact that I've been a contractor and done site sewer work that all of it has to be to the peoples' specifications before you leave. So, an, it's, it's really up to the contactors to do their job, not for us to say that we're going to do it for them, but for them to just do their job.

**Beth Hutchinson:** Okay, so I'm sure some of you can't hear that so, I'm going to try to summarize. He said the essence of the contract is that the Board will provide a sewer. That landscaping subsequent to rough grading would not be provided. That the umm, contractor needs to meet specs but not to the fine tuning of the property. Did I catch that all right, Mike? **Mike Boltz:** Well, no I think every job has to have an okay if this is done the right way. They, they use little tiny machines nowadays. They don't use great big machines with big buckets and so, there, there's very little disturbance that's being done and you might need a little bit of ah, seeding but you don't need to take out trees, or landscaping, or do a lot of things. These little mini excavators can go in ah, in places that, you know, they, they don't make that much disturbance. So, ah, there's not a lot. And I've never been involved in something where you walk away and say well that's good enough. All the people that are doing this work, you know really ah, they take care of taking care of the people that they're working for. They're on their properties. So, I, I don't really feel that the Board should have an issue with that.

**Beth Hutchinson:** Okay, okay, the last thing Mike said in providing more detail was that the property owner should be able to okay the, what's typically called rough grading before the contractor is considered finished. And he feels that most contractors are pretty responsible about getting things back to a satisfactory level, shy of seeding and perfectly smoothing every out. I'm elaborating a little, with top soil and things like that. But the important part I heard there, Mike was that you think in the contract one of the policies would be that the property owner gets to have a say in the condition of his property before the contractor is released? **Mike Boltz:** Ah yeah, I think that's always the case if it's a general contractor, anyway. I mean they always have to have guarantee. They all have bonding, ah, you know, individuals can file against that too. There're normal ways of doing it. I'm just not so sure we need to spell it out. So, but yeah, I think... **Beth Hutchinson:** Thank you. **Mike Boltz:** ...I think as a general overall thing ah, yeah, the landowners should be satisfied with the job that was done. Absolutely. **Beth Hutchinson:** Thank you. **Beth Hutchinson:** Anything else? **Mike Boltz:** No.

**Beth Hutchinson:** Umm, anything else from Troy or Davy? **Troy Spence:** I have a question for Greg. Okay, there's some lots in Phase I that are not buildable. How do they go about signing the user agreement? **Greg Robertson:** How do you mean not buildable? **Troy Spence:** Like over there on Redwood and Spruce, behind the storage. The mill owns lots there that you can't do nothing with them. **Greg Robertson:** Okay. **Troy Spence:** So, does that exempt them from the two hundred and five lots, or are they included in the two hundred and five lots? **Greg Robertson:** No, they are included... **Troy Spence:** So. **Greg Robertson:** ...it has to be a lot of record based on the assessment methodology and state law that any track, parcel of record within the District ah, is umm, ah, assessed, regardless of terrain. **Troy Spence:** So, do you have to go for with a

building permit then? **Greg Robertson:** Ah... **Troy Spence:** Before you sign this? **Greg Robertson:** To do what? **Troy Spence:** Sign the user agreement. Do you have to have? **Greg Robertson:** No. Ah, to me the user agreement is gonna be mostly a temporary construction permit right of entry. Just to address one, one a side note ah, that's it's pretty common in ah, any sort of construction project of this nature that there's a video survey done of all of the lines for restoration purposes. And that, that would include individual services. So, we have a visual video of what it looked like before and, and ah, to verify what, what is put in after. And all of it is inspected and certified as complete, and obviously ah, a good project manager would consult with the landowner who is ah, impacted by it to ah, make sure that they are satisfied with the restoration work that was done before umm, the ah, contractor was released from the work. Or it would be listed under one of the items and taken care of as part of the (inaudible).

**Beth Hutchinson:** Can you hear that Mike? **Mike Boltz:** Yes. **Beth Hutchinson:** Okay. There just, there were a lot of clicks and I didn't know if you were having a problem. **Mike Boltz:** Oh no.

**Beth Hutchinson:** Anything else on the Board? **Davy Good:** I, I mean I think we just want to include in there a short but pretty detailed ah, synopsis of how, what this deal does, is. I mean there's some really good, good things in this deal and I think the user agreement should be a pretty easy thing to get completed. **Beth Hutchinson:** All right. Thank you.

**Beth Hutchinson:** Umm, I'll open up the issue of user agreement contracts to the public at this point. **Jean Curtiss.** So, umm, I think the things that need to be in the user agreement, and Greg and I talked about this earlier this week, is, well one is. They're usually, USDA and projects don't require a user agreement beforehand because it doesn't connect people, it doesn't make the connection clear to the house. It's possible that USDA would agree they aren't needed in this case, but the things that ah, if I was gonna sign one, that I would want would be the assessment amount, which is the same amount that folks saw when they had a right to protest last fall. It's gonna be those same numbers. It's gonna be based on, it can't be higher than this, but we're hoping it's, it's less. Umm, that service lines, the service line to, that connects them for their house is part of the project. So, it's being paid for. That they're gonna pay anyway. So even if you have a septic system that's working, if you chose not, to only have the stub out happen and not have it connected to your system, you're still gonna pay that number that was on that umm, protest amount last fall. And the other thing is that Health Department regulations and Jeanna can umm tell me if I've got this wrong, Health Department regulations in Missoula County say that if there's a sewer line within a certain distance of you once it's, that you need to connect. And so, well we, we try not to punish people that have a system that works, and usually you have so many days to connect, it's gonna to their, I, I think you need some talking points about why it's to their benefit to connect as the project is built, because umm, it's just, you know it's that whole if they chose not to hookup then they're gonna have to hire somebody with some kind of trencher or something to connect them later, and umm.

So, I think those are the basic things to put in there. And then they probably would like some clarification of things like Walt was talking, saying in the future umm, you're responsible up to this point and the Sewer District is responsible for any failure after that. In Lolo where we have a sewer and water district the County did establish a little fund to help people if something happened in



their yard and they and they couldn't afford that part. So, that could happen in the future here too. And Jeanna can follow up with the Health Department regs.

**Jeanna Miller:** Umm, Jean is right on track as far as the Health Department regulations requiring connection within a certain distance. Umm, but it's, it's not all the time. A lot of times in Missoula that happens when people umm, are in a subdivision that's in the larger sewer service treatment, ah, sewer plant treatment area, the service area for the umm, Missoula plant, and when that subdivision was created that language is implied. So, when the sewer finally gets there they'll have to connect. In this case we wouldn't have anything like in place. Umm, but if homeowners elected not to connect when the sewer was there and the connection was free, they're still gonna pay and if they ever want to expand their house, add a second dwelling, umm, add more bedrooms, or their septic system fails. At that point they wouldn't have a choice to of course replace it with another septic system, they'd be required to connect to the public system. Umm, the other point I just wanted to make was umm, we certainly recognize the systems that there are, that there are systems in Seeley Lake, in Phase I, and in all the phases that are relatively new, but to say a new system is, is kind of umm, it's just a hard thing to, to gage, to put a metric on. Systems last for anywhere from fifteen to sixty-five years, and shorter and longer. So, umm, systems are expensive. That's another benefit to being on a public system. You don't have to live with that fear over your head but, kind of to, to bring it back to the, what, as a representative of the Health Department is important is the nitrate issue in Seeley Lake. That's, that's what is important to me and it's near and dear to my heart, and I think that's the big driving force for the sewer. And regardless of if your system is installed tomorrow or is installed sixty-five years ago, you're putting nitrate in to the ground. A new system doesn't do any better job of reducing nitrate. So, to, to give credit to people's new systems, it's really just recognizing that they had to pay a lot of money more recently than other people had to pay a lot of money.

Umm, the other thing that we've discussed at the Health Department that you know, as soon as we know it's going forward and construction is starting on a certain day, we do have an allowance in the Health Code for, for what's called a temporary repair permit. So, folks in the first phase, and subsequent phases umm, if we had some sort of guarantee, or some way to know, that the project was happening, that it was starting and, and the residences and businesses within the District would eventually be served, we have the ability to write what's called a temporary permit. So, what we would not want to happen is somebody who's going to be served by the sewer, but not for three years, or six years, or whatever it might be, to have to put in a five to fifteen-thousand-dollar septic system. That doesn't make any sense. So, we allow umm, them to identify the cause of the problem and fix it in a way that's maybe not in compliance with the rest of the Health Code. Umm, it's a temporary permit. I think right now it's twenty bucks and it's just kind of a patch to get people through. So. Thanks. **Beth Hutchinson:** Thank you.

**Beth Hutchinson:** Are there any other comments? **Mike Lindemer:** Mike Lindemer. I live on one forty-five Beach Street. Also, own Lindey's. Former Board member. Umm, we've talked about policy, about probably two years ago. We do have some examples so, if you want to look back into your notes to find out. It's not reinventing the wheel. There're a few examples that are a lot like what we're dealing with that would help you guys out to make the decisions and your policy. So, you're not beating your head against the table trying to figure this out. Because it's, it's all out there, it's been done. So. **Beth Hutchinson:** Thank you. Umm, the important thing to

recall is that this is the policy to go into the contract. Not policy for the operation of the sewer at large.

**Beth Hutchinson:** I have two things that might go into the policy that, when people were talking, I thought of. Umm, we might want to put into the user contract what maybe dumped, what may be put into the sewer system. Because that was raised by the engineer at our meeting and she made it really clear, and I know this has been discussed before, but it probably ought to go into the policy, is that RV wastes cannot go directly into the sewer. They have to be pretreated. And she also, at that meeting and in a letter because I asked her if she would really clarify on this issue, and I wasn't a hundred percent satisfied with the clarification. Umm, if there's future subdivision, I asked what were the umm, capacities or the parameters for size, because when she was talking about the RV dumps, she said there were two issues with RVs. One was the chemicals that were used and the other was the big surge. Well, then it came up, well, all right, if somebody put in a substantial apartment building, and I wanted to find out what substantial meant. How big does something have to be before it was beyond the engineering that this particular system had? And she wasn't really excited about clarifying that. What she did say is that the system has been engineered largely to address residential units with the number of properties that exist. And that runs counter to some of the verbiage in the notice and protest. So, some people wonder why I'm asking for pickiness. This is why, we can't have language in documents that fight each other. So, we've got to make sure to work our way into something that's gonna be consistent. And also, umm, with regard to the effort last year for the publicity to promote people not protesting, there were a lot of things said that you know, this would be great for business development and great for expanding affordable housing and things like that. But at that meeting with the engineer it seemed like she had pulled back from what some people had been imagining. And we don't want to leave the public confused. If one would, you know, anything in terms of business development can be accepted by the sewer. We really need to know that. If any size development of housing can be accepted, we really need to know that, and I fear right now given what I heard, we don't know that. Do you think that was a fair statement Davy? **Davy Good:** I do, in my, I mean everything that I've learned about the sewer system is that it's expandable. So, if there's a huge apartment complex that wants to add on that's past our current capacity the pipes for it weren't even big enough. She said that week, are lower than twenty percent of what they should be. **Beth Hutchinson:** Umm hmm. **Davy Good:** So, we can put another. There's room up there at the treatment plant that we could put another thing up there and let you hook up. **Beth Hutchinson:** Okay, so, then that raises the issue of who's responsibility it is to put that extra unit in. Umm, is it the city's responsibility, or, or the District's responsibility to take care of that? Or is it the sub divider's responsibility to provide the funds to that city? Things like this. That's escaping a little bit, but I really, really personally would like to know what the capacity is.

**Beth Hutchinson:** Jean. **Jean Curtiss:** I thought that she was very clear last time, to say that the, the system has the capacity, but the plant has the capacity. The pipes have the capacity. But if somebody wants to come in, that RV park that is being proposed, or an apartment house, or something that's going to umm, add substantially, they are gonna be responsible to pay for the new grinder pumps or whatever's needed to use the system. It isn't gonna be the District's responsibility. They'll have to annex into the District, asked to be served, and you can be very clear that they are responsible for any additional equipment that's needed to serve them that wasn't, isn't paid for by this particular project. The capacity is there. She said the grinder pumps can be made

bigger. The big pipes are fine, they're big enough. The system up there is gonna be big enough, and it can be expanded on. But you can make somebody that's overloading, that gonna overload the system with their proposal pay upfront. There's no responsibility to do that.

**Beth Hutchinson:** All right. I would disagree with what you said to this extent. The capacity is not necessarily there. The potential is there. And.... **Jean Curtiss:** The capacity of the things that need it have capacity. The system and the big pipes. The treatment plant and the big pipes that's the things you want to make sure are big enough to be added on in the future. **Beth Hutchinson:** That's potential. Umm, she did make it clear that as things stand right now a large apartment was beyond the capacity. The potential to add on was there and it is not up to the engineers to say who's gonna pay for it. It's up to us to say who's gonna pay for it. **Jean Curtiss:** Exactly. **Beth Hutchinson:** All right. Anything else on this from the Board? Anything else from the public. If you have questions it's really important to feel comfortable to ask them now. I see some expressions that might suggest people have questions, but it's up to you.

### C. Lawsuit-Donald Larson

**Beth Hutchinson:** All right. Moving on. Umm, the lawsuit with Don Larson is the next topic. The umm, agenda was amended with, by a request to have a motion that Davy wishes to make. So, I'm going to refer this discussion to Davy.

**Davy Good:** I'd like to make a motion to look, ah have Jon Beal look into a countersuit against Don Larson to recoup some of the money that I feel was frivolously spent fighting a lawsuit that was thrown out of court. **Beth Hutchinson:** Is there discussion from Troy? **Troy Spence:** Nope. **Beth Hutchinson:** Umm, I have input on this. I realize that the potential legal costs are significant. Umm, I think on two different counts that I would be reluctant to support a countersuit, and this is not personal, although you may feel free to decide for yourself that it is. Number one, I honestly don't think that the lawsuit was frivolous. I think that it may not have been handled very adeptly legally. We have an outstanding lawyer who's very good at analysis, very good at matching things legally, and we're appreciative of that. I think that there are issues that the community at large has been concerned about over and over again. That were not handled as adeptly by the previous Board and that it's important that the community find a way to have a voice. Secondly, I think as a Board if we instituted a countersuit, we would be stifling community participation. It is really exciting to see the number of people here. We're getting a mix at times, we're getting one sided at times, but the more people that are participating in a process lends to the success of the process. They lend to, understanding. It's hard for people who come with a different background and a different understanding to totally grasp why other people are reluctant to participate. But the bottom line is there are large numbers of people who are reluctant to participate. It frustrates me. I, they have to have been the people who elected me, and yet I am not getting them to come to meetings to speak up for themselves. I think it behooves the Board, and it behooves the success of the project, to do everything it can not to stifle participation. And for that reason, especially I would be reluctant to go after a countersuit.

**Davy Good:** So, a, my reason for the countersuit, one of the main reasons would be, we are a volunteer board that has a direction that is to install a sewer system. We are being sued for doing our jobs as volunteers. And so, I f, I also feel like the new lawsuit, people don't really know, that

signed up for the lawsuit, they don't really know what they are getting into. There can be repercussions both ways. And so, a countersuit would bring awareness to some of those people that are on that new lawsuit that it goes both ways.

**Beth Hutchinson:** I don't feel that is necessarily our concern. As much as I've heard people here say, well if people wanted to know about stuff they'd reach out and find out. I think that argument goes both ways too. So, it's not particularly persuasive to me. Davy? I mean not Davy, Troy?

**Troy Spence:** No. I have no questions. I have nothing to say about it. No input.

**Beth Hutchinson:** Okay. Do you....

**Mike Boltz:** So, can I say something?

**Beth Hutchinson:** Sure

**Mike Boltz:** This is a legal matter. I think it should be left up to the attorney whether he'd

like to do this or not. I think he should make the recommendation to us, not us make the

recommendation to him. I think that this is a nuisance suit, I've read it, there's so many holes and

lies and theories in it. It's ridiculous. It's not a real ah, lawsuit. It doesn't ah, it, it, you know, I can

read a lot into most things too. So, no I think we should ah, look at ah filing a suit against them. I

think that he's ah, cost us some money. He's cost us some time and he should pay for it. This is

just a nuisance suit. That's my opinion. **Beth Hutchinson:** Thank you.

**Davy Good:** Can we, can we ah, talk to Jon Beal about it? **Beth Hutchinson:** Jon, would it be

appropriate for us to discuss it with you now? **Jon Beal:** I, I mean I think the discussion is whether

you want it to be looked into or not. I don't think it is appropriate for a lawyer to say whether you

sue or don't sue somebody. I won't do that for a client without looking at it and seeing what the

facts are. What the law is. What the public policy is behind it and make a recommendation like

Mr. Boltz said. So, that would be a decision that the Board would have to make. I wouldn't have

an answer yes or no umm, until I looked into it further. As far as I've looked into it right now, I

have a copy of our motion to dismiss. There's legal and factual basis for claiming the attorney's

fees back against Mr. Larson and all the other forty-nine plaintiffs right now. Our firm has been

successful in getting attorney's fees awarded in defending frivolous cases in the past. And I have

attached a copy of that opinion for Judge Townsend that was issued by another ah, judge in our

local court. So, that would be the only discussion. It would require research and analysis.

**Beth Hutchinson:** All right. I want to clarify something right now, which I hope I'm doing

correctly, and Jon if I'm not please straighten me out. There were two levels to this lawsuit. One

was the initial complaint, which was dismissed. There is. No?

**Jon Beal:** There's not, there's not two levels to it. There's a lawsuit against the Board that seeks

compensatory damages, punitive damages, and it seeks attorney's fees. And as part of that lawsuit

they also seek to permanently enjoin the Board from taking any action whatsoever including

educating the public on the sewer system. The first step of that lawsuit was to go to court for a

preliminary and permanent injunction that after I was retained that night at, I don't know eight or

ten o'clock at night, I asked for an extension and the plaintiff's lawyer wouldn't give it to us. We

went court. Ah, Judge Townsend issued a decision and denied their injunction. A notice of entry

of judgements was filed by my firm, which starts the appeal time running. So, if they want to

appeal that request for ah, a preliminary and permanent injunction they have to go to the Supreme

Court on it. The time runs for them to do that at the beginning the November. The remainder of

the lawsuit continues. They have not withdrawn it. They are still suing the Board for

compensatory damages, punitive damages and attorney's fees. So, that's going on. I filed motion,

my firm filed a motion to dismiss and they will have a response due at the beginning of November. If not withdrawing any claims against the Board we're just going down that very long, very expensive, very punishing road. Ah, I don't think it's community involvement. I think it's punishment. If you want to ask a question, if you want to learn about something, I don't say I'm gonna punch you in the nose, you're gonna pay me damages unless you tell me the answer I want. That's what punitive damages are. Punitive damages are to punish you. So, umm, that's the stage of the lawsuit. I, the attorney has not indicated any willingness to drop the lawsuit and have questions answered. It's just going forward.

**Beth Hutchinson:** All right. And it is correct that in your response to the amended complaint that you asked for legal fees if the Board is successful? **Jon Beal:** It's a very narrow exception in the law it's called Foy doctrine. And it's not a claim for attorney's fees, it's not a countersuit, it's a procedural mechanism where you were frivolously sued and you had to defend a case, the court at their discretion can award attorney's fees. **Beth Hutchinson:** Thank you. **Jon Beal:** So, it's a request for relief. It's not a claim. **Beth Hutchinson:** Thank you.

**Beth Hutchinson:** Anything else on the Board? **Davy Good:** I, I think that it. I think that it is something that we do have to do, just for the responsibility of a good defensive involves offense. The, we could, we could slow this thing down, maybe we could get to a bargaining table, if we file the countersuit. That we can't just sit back and take it. We have to, we have to try and nip this thing in the bud right now. And a counter suit would be the best way. Or at least, at least having him look into the possibility of a countersuit. I don't, I don't think that's something we can ignore.

**Beth Hutchinson:** Troy. **Troy Spence:** No comment. **Beth Hutchinson:** All right. I'll open this the public at this point. **Rachelle Harman:** I'm sorry I can't hear Troy's answers. **Troy Spence:** I said no comment. **Rachell Harman:** No comment.

**Beth Hutchinson:** Nathan. **Nathan Bourne:** Nathan Bourne, Seeley Swan Pathfinder. I'm slightly confused as to, as to why. So, when you ask about a countersuit are you talking about actually going after damages beyond legal fees? Or... **Davy Good:** No, just.... **Nathan Bourne:** ...just to recover legal fees. **Davy Good:** ....to recover legal fees. Yes. **Nathan Bourne:** But your attorney has already filed asking the judge to award those. So, I'm confused as to who's instructing your lawyer to, to go after legal fees if the Board is questioning whether they should. Like it seems like this question should have been discussed a week ago before this was filed. So, I'm curious as to, have you guys been discussing this case as Board members with your attorney? **Troy Spence:** No. **Nathan Bourne:** Or is this, he, he's been given free-range to, to carry on with the case? **Davy Good:** He's been given free-range to ah, represent us. Yes. **Nathan Bourne:** Do you see my question? I mean, you're asking for what he's already done. **Jon Beal:** Actually, he's not. **Davy Good:** I'm not. Because it... **Nathan Bourne:** So, so, what is the difference between asking for attorney's fees if the judge throws out the case, or versus a countersuit? **Jon Beal:** Umm, a countersuit has different options available to you. A request for relief it's a (inaudible) of the law like that does not do anything beyond what's in that request. **Nathan Bourne:** So. **Jon Beal:** For instance. I mean, for instance umm, you could have a claim for relief that deals with seeking punitive damages from a Board that in good faith volunteered to do their public duty. And there are other elements and other issues that could be brought into play on a counterclaim, for attorney's fees that would not be available under the Foy doctrine. **Nathan Bourne:** So, the Foy

doctrine... **Jon Beal:** They're two different things actually. **Nathan Bourne:** ...so the Foy doctrine, so the Foy doctrine would strictly limit it to attorney's fees and a countersuit would allow you to go for damages beyond that? **Jon Beal:** It would depend on how you did it. It would also allow you to request attorney's fees under different grounds that aren't addressed under the Foy doctrine. **Nathan Bourne:** Thanks.

**Beth Hutchinson:** Pat. **Pat Caffery:** Pat Caffery, again. **Beth Hutchinson:** Your address please? **Pat Caffery:** Ah, street or box? **Unidentified person:** Street. **Pat Caffery:** One twenty Hickory Lane, Phase II. Ah, I listened to both your arguments and you're both right, in my opinion. Umm, it is very important to try to move on to not getting in a fight with members of the community. Umm, on the other hand, in terms of a countersuit umm, I guess you might want to keep that in the back pocket. I think right now, the ball's in Don's court. He wants to come and smoke the peace pipe with everybody and ah, contribute something positive that changes the dynamic. Ah, absent that happening, I guess whatever happens is what happens. Umm, I'm not an expert lawyer. I'm not a lawyer at all, but I was very surprised that ah, normally you cannot sue for speculative damages. You have to be able to show real damages, and they haven't happened yet. So, ah, the main thing going forward is to make sure there are no real damages. And that's what we need to focus on. **Beth Hutchinson:** Thank you.

**Beth Hutchinson:** Jean. **Jean Curtiss:** Thank you. Jean Curtiss, 1419 Howell Street, Missoula, Montana. I umm, would just like to say that I think that Mr. Beal has represented you very well. I particularly like umm, in his one response where he talks about the Board having a duty to act in accordance with the resolution that was passed on November thirteenth of last year. So, the Board voted in favor, as he stated, and that you all tend to duties of loyalty, trust and confidence to the public, and the Board when carrying out the purpose and intent of the Board, and must place the best interests of the public beyond your, above your own competing best interests. And umm, on page seven of that response, "regardless of each Board member's personal beliefs with respect to the Resolution requiring the creation of a public sewer system, and potential conflicts of interest with the plaintiff, the Board is required to continue pursuing creation of the public sewer system pursuant to the Resolution." I just think that he's represented you very well, and has put things in very good context of where you are. So, I'm really proud that last month you voted to go forward and get those plans drawn to ninety percent. I think you're following what your lawyer said.

**Beth Hutchinson:** Any other public comment? Davy do you wish to proceed and make a motion? **Davy Good:** Absolutely. I would I, like to make a motion to have Jon Beal look at a countersuit. **Beth Hutchinson:** And bring information back to the Board. **Davy Good:** Yes, and bring information where we can make an educated decision whether we have merit to file one or not. **Beth Hutchinson:** Is there a second for that? **Mike Boltz:** I'll second it.

**Beth Hutchinson:** All right. It has been moved and seconded to request Jon Beal to explore the possibility of a countersuit and to bring information back to the Board. Is there further discussion on that? **Davy Good:** No. **Beth Hutchinson:** I do have something to say. Oh, Mike do you want to go? **Mike Boltz:** No, no I have nothing more. That's fine.

**Beth Hutchinson:** All right. I do have something to say. Whereas I would not favor a countersuit, I have no objections to securing information. I think that's a responsible thing to do and in view of

that I would vote to support getting information. Umm, so it has been moved and seconded. Do you have anything to say? No.

**Beth Hutchinson:** It has been moved and seconded to secure information from Jon Beal, or to authorize Jon Beal to get information and bring it back to the Board about the viability of a countersuit. All those in favor say aye. **Davy Good:** Aye. **Mike Boltz:** Aye. **Beth Hutchinson:** Aye. You want to say something? Oh. Those against nay. **Troy Spence:** Nay. **Beth Hutchinson:** The ayes have it. Jon you are authorized to do some exploration.

**Beth Hutchinson:** All right. In the process of helping us with this Jon did explain things about the lawsuit. Is, and that was going to be the next item on the agenda. Is there anything else that you think there's merit in explaining to us?

**Jon Beal:** I guess just from a holistic standpoint, I think that as a community, whatever your differences of opinion are the energy, money and your heartbeats are better spent on understanding the process for the sewer system. I think the Board has a legal obligation to move forward because they have that resolution. And time, energy, the intelligence of the community could be better spent in trying how to help your less fortunate neighbors and protect our environment. Umm, I think that a lawsuit is a poor way to solve this problem. Unfortunately, the Board and the community was forced into it. It has far reaching, unintended and very expensive consequences if not handled appropriately. The Board being sued for punitive damages ah, would not be a covered insurance expense. Even though you have, both carriers have denied coverage at this point in time. Ah, a suit for punitive damages, ah for punitive damages and attorney's fees, against the Board could have unintended consequences of going to individual Board members if they claim they get Ultra Vires Acts. And so, I think that the Board and the community needs to think about how they want to deal with this. Umm, and take it very seriously. This isn't a question for information on how to do the project better and more economically, more continent with the needs of the less fortunate people economically. Umm, it's a suit to stop information. It's a suit to punish the Board for their actions. Ah, I know some members of the Board, other members I don't know very well. I cannot believe that any Board member went out intentionally to harm the community. They have their personal beliefs. They did their best, whether it was perfect or not, it's like a lot of things in hindsight everything can always be done better. Including by me.

Umm, but I think until somebody comes to the table and wants to be reasonable about it, that the community and the Board needs to move forward before you lose almost ten million dollars, you squander almost one point two million dollars and you risk other lawsuits against the Board for not doing what they're legally obligated to do at this point in time. Umm, it's a tough situation for the community. I know it's divisive. But there's a lot of smart people here and I'm sure there's ways to trim down costs and make it more economical, do the timing, whatever, but to squander this opportunity for your community and to put your minds against each other, rather than working together, I don't think is an effective way to live in your community. Whether you're for or against the sewer. And lawsuits are expensive and time consuming. And they will consume your life, and this one is particularly mean spirited with the claims in it. I just don't think there's any claims for it. Judge, excuse me, the judge may disagree, and I'm sure the other attorney disagrees, but I just don't think that there's any merit to suing the Board in this fashion. Umm, and at least initially the

judge has agreed with that, and we've gotten rid of that part of it. Doesn't mean it can't come back yet.

Umm, so with that I would encourage the community and the Board to look at their duties to the community, put their personal beliefs aside, focus their energies where you could help the community, versus dividing it apart regardless of your position either way. You're stuck with the law as it and the law says we have a special management area. We have very high nitrates in the groundwater. The groundwater drains into Seeley Lake, contaminates other surface waters. The law says that the Health Department has to protect existing and potential drinking water sources. If you don't take your future in your own hands the government will do it for you. I'm not a gigantic fan of the government doing it for me. I'd rather have control in the community. I think you do it more efficiently and more effectively with the assistance of the knowledgeable people in the government. You know, I think a huge resource is being underutilized here is Mr. Robertson. He is the one who has the knowledge, he's done this. You have Great West Engineering, he's worked with before, they're the engineers. Get the template contracts. Look at what is the standard in the industry. Ask for Greg and the engineer's input on what are the differences in the community you want to adapt that contract to? Don't start from scratch just talking about ideas. See what a proven system that's worked with engineers and people that are knowledgeable that built the systems. Streamline the process. Save money. Move forward. Umm, and I, I don't always, I'm no stranger, I'm not trying to toot ah, Greg's horn, ah, he and I have fought for twenty years on lawsuits. Umm, and so I know what he's like, I know what he knows, umm and I think you go to the people that do this for a living and use their knowledge to your benefit. And don't leave it to just lawyers to fight over technicalities. Because, you know, once we're done, you're still gonna have to deal with the sewer system. Whether it's you doing it or whether it's the government doing it for you. It will come to you. And every year that goes by, on a construction cost, you talk to any contractor, they're going through the roof. So, I think you need to meet the challenge head on, and you need to meet it in a positive sense, and I think you need to successfully use your resources, and move it forward and try to help your neighbor. Not be in the middle of lawsuit for the next three years. But, that's my opinion. **Unidentified person:** Thank you.

**Beth Hutchinson:** Jon, I have a couple of questions. Umm, I had emailed you a few times about your looking at our current insurance policy for going forward, nothing to do with this lawsuit, and I don't think I got a response. Umm, we have people who are coming onto the Board who will be new, or at least one person at this point. Umm, we have people who are on the Board who have expressed concerns to me as to whether they are appropriately covered with error and omissions. Have you been able to look at our current insurance policy from that point of view? **Jon Beal:** Your current insurance policy, what you really need is a directors and officers coverage, and that is part of your policy with your Cincinnati policy. But the enquiry doesn't end there because it's not going to cover anything you had notice of a claim before. So, it would be a decision that a judge would probably make for you if you disagreed, but any Board members' acts that supposedly are tied up with Don Larson's lawsuit would probably be a preexisting claim that's not covered. So, if you do not contest the lawsuit and agree to it umm, it's a possibility that you could make worse, or exacerbate, your coverage problem for future acts. You either need to standby that you followed the law and did the things to the best of your ability and get this behind you, or continue with the specter of these damage claims over you that have no insurance coverage. So, it's not just a simple answer that everybody's covered. It's not all blessed because you've got a policy. It's kind of like



umm, getting a health insurance policy after you become pregnant. It's an existing issue and insurance isn't going to pay for that after the fact.

**Beth Hutchinson:** All right, and that. Do you have a question? **Troy Spence:** No, it's just. So basically, for last, for last, last seven, what seventeen years this Board's been acting illegal then?

**Jon Beal:** No, didn't say that. **Troy Spence:** Okay. **Beth Hutchinson:** Not, it hasn't been covered. **Jon Beal:** No, no I, I never said that either. You have two different kinds of policies. You had a policy by one carrier that has a certain kind of coverage that arguably doesn't cover your acts here, and I'm still doing some analysis on that. And then you have another policy that provided coverage for the Board's acts, but the problem was that Mr. Larson filed a suit on June twenty-sixth and your other policy didn't come into effect until July first, I believe was the date, whatever. So, umm, there's a very fortuitous, depending on your perspective, timing issue there about when that suit was filed. And so even though the Board didn't know that they were being sued for purported illegal acts and they took out their new insurance policy, because Mr. Larson filed his complaint against you before your new insurance policy came into effect, by the clear language of the policy there's no coverage for a prior lawsuit. Even though you had no knowledge. Because I gave it to your insurance carrier the day after it was provided to me. So, that's another issue that. Your answer on whether you have coverage is not an easy answer given the factual circumstances of what you have here, and it will ultimately, if we can't get coverage back in play, it may result in the Board having to file a declaratory judgement action with the court to have the court declare whether there is or is not coverage under these facts and circumstances under one or both of these policies.

**Beth Hutchinson:** Okay. So, as I hear it, as far as Mr. Larson's lawsuit is concerned, whether people were on the Board at the point of his complaints they are pulled into it. That if we have new people come on the Board, they're pulled into it. **Jon Beal:** There's a risk that they're, there's not gonna be, there will be a fight over whether there's coverage, because you have a known lawsuit. I mean Mr. Lawsuit, Mr. Larson's lawsuit, as I said before, has, can have far ranging and unintended and very expensive consequences to you folks. **Beth Hutchinson:** Okay. So, that's, that's for the Larson lawsuit. Now, if some other lawsuit came along about anything, we now have appropriate insurance? **Jon Beal:** Well, I think we should address that with our agent whether, whatever activities of the Board, whatever you intend in your future, whether that's covered there. And there's always exceptions to that. You can have intentional acts. A Board member couldn't get into a fight with somebody and punch him in the nose. There's not coverage for that. It's doing Board actions within the purview of the scope of your authority. With... **Beth Hutchinson:** With appropriate attention. **Jon Beal:** ...yep. And part of that is following appropriate professional advice, and that protects the Board as well. For instance, if the Board wouldn't follow general accepted account standards as recommended by your accountant and bookkeeper that could expose the Board to liability.

**Beth Hutchinson:** Okay. It still all leaves room though for you to have the professional technical sides of issues. You also have the socioeconomic human sides of issues, which you have addressed in the past and you mentioned tonight in some cases. Because it seems very bizarre as an elected public official at any level, that you end up being pushed, or feeling pushed, not to be able to represent people who are your constituents. I personally believe that a Board ought to be capable of

walking and chewing gum. That you can move ahead with the sewer as put together as far as a technical project, but look at parts of it that may not be as well developed or effective to meet the needs of the community simultaneously and reconsider that aspect. Umm, I think it, it would be very hard for some people to sit on a board and feel as though their hands are completely tied behind their backs in terms of representing bona fide conditions and opinions within the community.

**Jon Beal:** I'm not sure that that has anything to do with insurance coverage. **Beth Hutchinson:** Right. **Jon Beal:** I think what that relates to is by law the Board only acts by resolution. By resolution the Board has found it necessary to have a sewer system as evidenced by the high groundwater nitrates and the special management area that the Health Department has imposed upon this. So, by law the Board has a duty to move forward with its resolution, which is the only way it can act, and it has done that. Umm, so that has nothing to do with insurance coverage. If you fail to follow the, the Board's duty and obligations under that, which is in essence to protect the public health and safety, then I think you do have exposure to other lawsuits as well. Whether there's insurance coverage for those lawsuits I wouldn't be able to have an opinion on until I saw how they claimed them. So, I think your statement, while I understand your position, has nothing to do with insurance coverage and it goes back to following the law that controls the Board's actions, which is backed by resolution. The resolution says you've got to have a sewer system. So, you need to move forward with that. And if you don't and you have almost ten million dollars in grants available and you've spent a million two, I think you run the risk of a dissatisfied member of the public that you owe a duty to, to say, wow since you didn't do this, now Missoula County is gonna move forward with it and they don't have the grants and my assessment is going to be three times as high, and you messed it up, and you didn't follow the law, and I think that's an ultra-vires act, so I'm going to sue you for that. I think that's something that the Board really needs to think about, making sure that they toe the line on their legal duties to their community, whether they disagree with it or not. **Beth Hutchinson:** (inaudible).

**Beth Hutchinson:** Any other comments? **Jean Curtiss:** I just have one that I think Mr. Beal can answer. So, I read what Mr. Beal put in your thing umm, about resolution.... **Beth Hutchinson:** Jean, can you clarify what thing means? **Jean Curtiss:** In this umm, brief that he prepared for the court and he's talking about the resolution that was passed, but Mr. Beal I just think it would be good to clarify tonight, Madame Chair through a question for Mr. Beal, umm, that the resolution was talking about the project as designed as given to the public umm, during that protest period. It's not a, it can't be altered much, I would guess.

**Jon Beal:** I, I would agree. I think that you could, that you could tweak things, but you have to meet the letter and the spirit of the resolution, and that's to get this project done. That's what the basis of the funding was on.... **Troy Spence:** (inaudible). **Jon Beal:** ...if you come back and try to shave off this and shave off that and make other people not responsible under the resolution, I think that you have violated what the resolution is and your by-laws say you must act by resolution. So, if you have a resolution and you don't go forward with that and you lose funding or you give people a different treatment than the resolution intended. I think that there's exposure for the Board. And I wouldn't advise it. **Beth Hutchinson:** Thank you. Umm, did that (inaudible).

#### D. Inter-local Agreement and Need for Project Manager

**Beth Hutchinson:** Okay, moving forward. Umm, we have the topic of the interlocal agreement and the need for a project manager. By law we are required to have a project manager. The law does not specify much about lapses in terms of service, but I assume that means that we have good intentions to have a project manager. If anything goes astray with a project manager in the past. So, it is now our opportunity whether we wish to pursue the interlocal agreement. If the County is willing to pursue the interlocal agreement. And we'll keep those two separate things. Umm, how does the Board feel about pursuing the interlocal agreement, or a, a continued interlocal agreement, a modified interlocal agreement, or however we would define it?

**Davy Good:** I, I feel as a Board member. I feel as a Board member that Greg Robertson has spent a lot of time on this project. He knows it better than any other person out there, including most of the engineers. And I, I feel that if we can, we pursue keeping Greg Robertson at any cost. **Troy Spence:** I feel the same as Davy. Umm, but have you been talking with Missoula County over this? **Greg Robertson:** I work for Missoula County. **Troy Spence:** I know, but extending this? **Greg Robertson:** Ah, I have briefed the Commissioners, but I thought it would be better, the conversation needs to come from the Board of Directors directly to the County Commissioners on the intentions. **Troy Spence:** Okay.

**Beth Hutchinson:** I feel that Greg has done a lot of research. Umm, that he's well informed as a professional. I have some concerns about the past five months and an insufficient amount of communication with the Board. Umm, I think that if we move forward with this, which I would not particularly object to, that we need to clarify some standards of service that will provide us with more support on a regular basis. I think that it's really important since it's known when regular Board meetings are held that our manager be able to attend Board meetings, unless there are special circumstances. And I think it's really important since the manger is dealing with a volunteer board to show greater initiative than I've seen in the last five months, in terms of initiating communication with the Board. I don't think that the Board needs to back off from its responsibility of making decisions. I complained about that in the paper within the last two years that I felt that the Board wasn't giving enough consideration and, or asking enough questions of the general manager. I think it needs to be a partnership. And I think that going forward we need to know how many hours we're entitled to, so that we can be more responsible as Board members in utilizing that time and in showing initiative in talk, in talking to our general manager. It's gotta to be a two-way street.

Umm, I think that we need to have two Board members assigned to follow through with this, and to talk with the County Commissioners and to talk with Greg, so that everybody is on the same page with expectations and responsibilities.

**Davy Good:** I'll volunteer. I, I, I will pursue talking to Greg and the County Commissioners about ah, retaining the interlocal agreement. **Beth Hutchinson:** Mike, would you have interest in participating in that? **Mike Boltz:** Yeah, that's fine. I, I, I, you know, really because of the vote you're kind of going in a different direction so maybe, you know, some new ideas of how, how we move forward is important too. So yeah... **Beth Hutchinson:** Umm, I would do it... **Mike Boltz:** Yeah, I... **Beth Hutchinson:** ...except for the fact that I'm not readily available to scoot into Missoula and I think that we need, you brought up a very good point Mike, in terms of, you

know being open to new ideas and exploring new ideas and how to deal with things. So, I think it would be very good if you two did it. One of the things as president that came up in Dan Clark's training session, that I was aware of, but he reinforced it, is the president has very little power. I can sign things, I can organize an agenda, I can run a meeting, but don't have any authority from this Board to appoint committees or to very much else. That we are coequal. And so, there may be certain things in this direction that we need to resolve to move forward, but in the meantime, somebody could put forth a motion to create a committee and to appoint particular people.

**Davy Good:** I'll make a motion that we appoint a committee to pursue the interlocal agreement.

**Beth Hutchinson:** And would you like to state who would be on that committee? **Davy Good:** Ah, myself and Mike Boltz. **Beth Hutchinson:** Okay. Is there a second? **Troy Spence:** I'll second it. **Beth Hutchinson:** All right. It has been moved and seconded to appoint a committee to interact with the County Commissioners and the present, current umm, general manager regarding renewing or modifying the interlocal agreement that we have, so that we can proceed in a legal way with a project manager and that Davy and Mike will be on that committee. All those in fav, oh. Is there any comment from the public?

**Beth Hutchinson:** Jean. **Jean Curtiss:** I'd just like to comment. Umm, Jean Curtiss, County Commissioner. Ah the Commission has talked about this a little bit. Umm, in Greg's defense there was no direction coming from this Board, so he didn't have anything to respond to for the last few months. But the Commission for one thing is not going to be able to offer you the ah, this much of Greg's time for a dollar. So, just so you have that clear ah, going forward, because we've loaned you to him, him to you for a dollar a year for seven years. Umm, I think that you need to be real clear, I would like to have umm, maybe this committee works it up and writes it so that you can agree to it, but we need to have umm, a request in writing to the Commission. I think it's on. We talked about it a little this week, it's on our agenda to talk about it again.

So, this district manager as you're going forward is going to be different as Mike just said. So, it would be someone that understands the funding source. Rural Development has lots of different rules, and most things. They probably should understand grant reporting. Umm, so I think you should think about this kind of holistically, because if the County says no, you're still going to need a district manager. Umm, they need to understand federal law, things like Davis-Bacon, and certified, ah paying Davis-Bacon wages, which is you know umm, ah, and having a certified payroll to show that. They're going to have to understand the mix of funding and what matches what, and make sure that people are paid properly. I think that a second part of what you could, you might want to amend your motion is another piece of the County has kind of committed going forward, which would be separate, or it could be separate from the district manager, and that's oversight of the, the building of the collection system. So that umm, you know, we might be able to offer one and not the other, as it stands as we look forward and look at our own umm, needs for the Public Works Director, and that kind of thing.

So, if you could kind of get that in writing and we could get it on an agenda and we'd invite the committee to visit with us about it. Umm, it, it needs to be pretty clear and again I, I talked to Greg a bit about how much time he thinks that once things goes to bid and it starts going, that he thinks it's at least a half time person. So that's a pretty big commitment. **Unidentified person:** Yeah.

**Beth Hutchinson:** Okay. Umm, given that when I raised the issue last month, nobody seemed to feel like saying anything about it. I just did some general exploration on an alternative solution, not specific but at large. And I spoke with a representative of an engineering company who said that he would be happy to look things over for free. Umm, he charges a hundred and sixty dollars an hour. So, that's a mark in the sand. Umm, normally, I mean, if he were, if they were to work, that's probably what we'd be looking at. Umm, we do seem to have a new way of looking at it given what Jean said. The oversight engineering was something that Greg had worked out with the County as a commitment that's written into our funding, and it was to the tune of a half million dollars, more or less. And also, the guarantee of a vehicle. So, I, from what Jean said at the last meeting the Commissioners would stick with that aspect. Umm, if Greg feels that we would need a half time person to do other things, that we need to be looking at that. And I would volunteer to try to gather information on that. That doesn't involve having access to Missoula particularly. So, we can come back with another motion on that if necessary. But it's going to be a responsibility that needs to be carried out in a timely manner and with financial concerns. I think we're not in really bad shape financially because of the combination of the WRDA grants that we would have some money in there, but again that's something we need to research. So, given the motion that's on the table right now are there any other comments? **Troy Spence:** No. **Beth Hutchinson:** No. **Mike?** **Davy Good:** My phone died. **Beth Hutchinson:** Oh. **Davy Good:** Mike's gone (8:12pm). **Beth Hutchinson:** Mike's gone. Okay. **Davy Good:** Do, do you have his number? **Mike Lindemer:** Yeah. **Beth Hutchinson:** Do you have a workable phone? **Mike Lindemer:** Yeah.

**Jon Beal:** I think I'm done, I'm gonna step out. If anybody wants a copy of the District's answer to the lawsuit, the basis for it, I left some copies here. **Unidentified person:** Thank you. **Jon Beal:** Thank you for your time everyone. **Davy Good:** Thanks for making it up, Jon. Jon Beal left the meeting at 8:13pm.

**Beth Hutchinson:** Oh, how can we do this? Umm... **Unidentified person:** Are these copies? **Davy Good:** Yes. **Troy Spence:** I'll second his motion. **Beth Hutchinson:** Well, we need to stop. **Nathan Bourne:** It was already seconded. **Troy Spence:** It was already seconded? **Beth Hutchinson:** We need to stop, yeah. We need to wait until Mike's back. Or not. I mean we've got three people, but we need to give him the opportunity.

**Mike Boltz:** Hello (8:13pm). **Mike Lindemer:** You're on my phone, I don't know if it's any better. Davy's died. There you go. **Mike Boltz:** Oh, that's what I figured. **Mike Lindemer:** You're on speaker. **Mike Boltz:** I tried calling back. Okay, we can go forward.

**Beth Hutchinson:** Okay, Mike what happened when you were cut off is it became apparent that we probably need to follow through with Davy's motion, but also there was discussion on a second path that we may have to merge these things together because of a limited amount of Greg's time. And Jean said that the County was probably willing to continue with Greg functioning in the way that they had made a previous commitment to the oversight of the engineering inspection, and I brought up the issue of the vehicle, which Jean had said that the County would adhere to anything financially that it had committed in the past, but we may have to look at another person umm, to work about half time. Umm, I mentioned that that might not be a financial burden to us in the sense that we have the money from the combined two thousand seventeen eighteen WRDA grant. So,

umm, there'll be a second motion after this initial one. The initial one was to let you and Davy work with the County and we're going to vote on that now. All right? **Mike Boltz:** Okay. **Beth Hutchinson:** It is been moved and seconded to have Davy and Mike work with the County in terms of clarifying some level of interlocal agreement. One that particularly notes a commitment to providing the services they specified from the past and to see what other benefits that the County would be able to provide. Umm, Jean also mentioned that other benefits probably could not come along at the dollar a year part, too. Anyway, the motion would be for Davy and Mike to work, negotiating with the County on the interlocal agreement. All those in favor say aye. **Troy Spence:** Aye. **Davy Good:** Aye. **Beth Hutchinson:** Aye. **Mike Boltz:** Aye. **Beth Hutchinson:** Motion has been passed.

**Beth Hutchinson:** Umm, I would like to make, I would like to make a motion that the Board have me pursue some information about supplementary services. Do you have comment on that? **Davy Good:** I think we shouldn't just have you pursue it though, maybe we should talk to Greg to see if he has someone, he recommends that he'd be able to work pretty well with too. So, we should have you pursue it and then maybe we could, while we're talking to him about the interlocal agreement, maybe we could talk to him about who he'd recommend as well. **Beth Hutchinson:** Umm, hmm. Okay. **Troy Spence:** You want to remodify your motion? **Beth Hutchinson:** I, I don't think I made a motion, did I? **Troy Spence:** Yeah you did. **Mike Boltz:** Umm. **Beth Hutchinson:** Mike? **Mike Boltz:** Yeah, can I add something too? I think that the fee that we charge the people now ah, were to go towards that management in the beginning and those can go back to that management job. **Beth Hutchinson:** Can you explain that, a little bit more detail? **Mike Boltz:** Well, the fees that we charge people for the sewer now. Those fees were originally to pay for a manager and we've been using them for ah, ah, matching funds. I'm pretty sure that we can just go back to using those fees for funding our management. **Beth Hutchinson:** All right. That was about twenty-seven thousand dollars a year, and we would just have to do the math to see, umm, that might not be quite enough. **Mike Boltz:** No, probably not. But I mean that was the force behind the fees that we were charging now, was the charge for management moving forward. **Beth Hutchinson:** Okay. Then what would we do for matching fees if we have future grants coming along that require them? **Mike Boltz:** Umm, I don't think that was a big part of it. We were just using it because we didn't have to pay for Greg's services. **Beth Hutchinson:** Okay. Davy, anything else? **Davy Good:** No. **Beth Hutchinson:** All right. Umm. **Davy Good:** So, amend your motion to have... **Troy Spence:** Yeah. **Davy Good:** ...all of, all of us do research. **Troy Spence:** Be able to do research. **Beth Hutchinson:** All right. I would like to amend my motion that all Board members do research on finding opportunities for other people to supplement the services that Greg could provide. Is there a second? **Davy Good:** I'll second it. **Beth Hutchinson:** All those in favor. Oh, public comment on this?

**Walt Hill:** Can I do it from here? **Beth Hutchinson:** No, sorry. **Rachelle Harman:** Some courtesy should be extended... **Beth Hutchinson:** Stop it. **Walt Hill:** Walt Hill, I don't know what do you want address, phone number, whatever? **Beth Hutchinson:** Placid. **Walt Hill:** Anyway, PO Box 565, Seeley Lake, Montana, five nine eight six eight. Ah, what, I'm not sure what we're talking about here, but my question is what are these supplementary services? I mean you're making a motion to look around to provide supplementary services. Ah, are these the services that Greg has been performing? **Beth Hutchinson:** That was what was in the motion Walt. Yes. **Walt Hill:** Well I certainly didn't get that. And then, but then the question comes are

we replacing Greg? **Beth Hutchinson:** It depends on what happens with the interlocal agreement. That we have a responsibility to have a project manager. If the interlocal agreement results that Greg can't work as much as he has in the past, which is what Jean had suggested, that we have to have somebody else to be working on the project as comanager or manager with assistance from Greg. But the bottom-line is we run out of the proper services at the end of this month and we need to be informed about what the prospects are to fulfill that responsibility that state law puts on us. **Walt Hill:** Agreed. So, are we premature in looking for a supplementary without knowing what the primary is going to do? **Beth Hutchinson:** I don't think so. It never hurts to have background information. **Walt Hill:** Thank you.

**Beth Hutchinson:** Yes. **Rachelle Harman:** Rachelle Harman. I have a question regarding, actually focusing to Greg. I'd like to know how he feels about continuing working with this Board and why wouldn't he have someone in suggestion to assist him, knowing that he understands everything that needs to be done. So, I would like to hear his voice. I'd like to see where he stands and how willing he is still to work with this Board. **Beth Hutchinson:** That's an appropriate question. Greg would you please respond to how you feel about working with the existing Board?

**Greg Robertson:** Well, I've been working with this Board for seven years now ah, in the capacity as the contract district manager and I have enjoyed my time umm, working with the Board and the change out of the Board members over time has obviously been a little bit more challenging, and in defense of myself ah, the communication comments that you ah, made towards me ah, were based on County Attorney's advice to curtail conversation while, with the Board while, since we are a named party in the litigation. Umm, and that's why some of the ah, ah, communication has ah, slowed down... **Beth Hutchinson:** That's really helpful to know thank you. **Greg Robertson:** ...as far as, as far as I'm concerned umm, this is a worthwhile project and I've invested a lot of sweat equity in it, as well as my staff. As well to, you know further the cause of getting this done and you know, my desire would be to, to see it through and finished it off. Ah, I always like to finish what I started. Umm, I don't know if that's going to be possible. Ah, there's other things that are happening ah, personally and professionally that may preclude me from doing that. Ah, there is a new board that is coming online ah, in terms of the commission, and they may have differing views on ah, my future role as well. So, it's not ah, a simple answer. Umm, and umm, but I am proceeding on as though I am and continuing on that path until told otherwise. **Rachelle Harman:** I just want you to know how much I personally appreciate all the effort and work that he's done, and put forth and certainly hope he can, con, can continue. Pardon me. And ah, I'm certain that he has good references for people who could also help in your research in looking for someone. So, thank you for all your work Greg.

**Troy Spence:** Close the door? She's cold. **Unidentified person:** You're getting cold? **Beth Hutchinson:** Yeah, it's drafty. Unless everybody else is too hot.

**Beth Hutchinson:** Okay, Felicity where are we on vote on the motion then? **Felicity Derry:** You amended it. **Beth Hutchinson:** Okay, I, so... **Felicity Derry:** And then it went... **Davy Good:** And then I seconded it. **Troy Spence:** Now we need to vote. **Beth Hutchinson:** Now we need to vote on the amended. We should have dumped the other one. **Felicity Derry:** No, you had public comment and then you haven't voted yet. **Beth Hutchinson:** Oh, okay. All right. Umm, is everybody ready to vote on the amended motion for all of us to pursue information on possible

people to work with Greg or depending on what things happen, more so independently with Greg as a smaller portion of it, or independently. In other words, we're getting as much information on possible people as project engineers as background. All those in favor signify so by saying aye. **Troy Spence:** Aye. **Davy Good:** Aye. **Beth Hutchinson:** Aye. **Mike Boltz:** Aye.

## **NEW BUSINESS:**

### **A. Proposal to Modify Certain Elements Relating to Proposed Sewer**

**Beth Hutchinson:** Okay. All right. Under new business umm, we have a topic that I put on about modifying certain elements relating to the proposed sewer. Umm, I feel that we have been moving forward with the technical parts of the proposed sewer, which is appropriate. Umm, I also feel that it's possible to look at alternative funding proposition. To find out from Dorsey and Whitney whether they think something like this could work, whether they could get it done in time. It would require another notice and protest; however, I think we could specify if we chose to look into this, that if the notice and protest failed that we would fall back on the existing notice and protest. So that things would be protected. In any case, umm, because of the training experience with Dan Clark I think it's all right for me to introduce, on an information level, a different proposal for funding.

One of the concerns that I have had, and other people have had who have spoken with me, has to do with the lack of equitability in terms of the current assessment fees. Umm, I've had the opportunity to explain how it, the proposed assessment has been put forth to people outside the community and the response has been really quite interesting in the sense, there are a lot of people that do not think the current proposal is equitable. Equal is not equitable. They're not the same thing. So, I have been thinking about this and thinking about this and trying out to compose a different framework and a different formula. And I'd like you to listen with an open mind. Don't immediately react, because I think if we could come up with a modification on the assessment that we might be able to bring more of the community into consensus about moving forward with this proposal. And even though we've been told over and over again that we not only have the authority to move forward that we have a responsibility to move forward. I think it would be so beneficial to this community to have greater consensus, greater understanding and greater support. So, if you keep that in mind, and I'm always open to responses and suggestions, you know of this. So, all right. They, there are three big elements in my proposal and they're looking at the four components that the state allows when you're assessing for a project. So, you're allowed to assess equally, you're allowed to ex, ah, assess by square foot, you're allowed to assess by linear feet and allowed to assess by property value. Greg umm, inspired me in a sense with his first proposal because I think he was looking at categories within equality. And that's one of the ways that I think I might have found a way to do things just a little bit differently.

So, looking at the equality option that the state provides. I would propose having an equal assessment on every single lot that was small. That would bring the cost down for the less affluent people. It would bring the cost down on that part for vacant lots and it would bring the costs down for seasonal people. Because what I'm looking for is something that doesn't kill anybody at either end. It's gonna shift things a little bit, but I think when it puts it all together it's gonna resonate.



All right, then I came up with a concept called living unit equivalent. And that is to look at every single property and determine a ratio of living unit equivalency. So, if you have a vacant lot it's a zero. If you have a conventional residence it's a one. If you have an RV park, you might come up with something like four to one. If you have a motel you might come up with something like three to one. If you have apartments it's one to one. So, every single unit in an apartment would count separately and there would be a separate charge, for the sake of argument of ten dollars. So, you, I also did an inventory of properties in Phase I so I could try to push this out financially. Just for the, your information. All right. This is the part that gets a little tricky, because I don't think it's fair to kill people or to kill the mill by assessing the total value of their properties. I think we could do it categorically. And we could say on the first X amount of value on the improvements on the property there would be a certain rate. On the next level of improvement value there would be a certain rate, and so forth. And we get up to a little bit above the average value of properties and raise it a little bit more, but then have a point where there, we go down. So that if somebody has an extraordinarily valuable property they are not getting killed, but they would have contributed a little bit more to the bottom of the pile.

There's one other category that we could introduce as an option and that would be a stress option that lakeside properties that are flooding are gonna benefit more, because the whole argument here is that the sewer is sustaining property value and that tho, and if you have properties that probably shouldn't have been developed to begin with we would be sustaining their existing value and because they're a stress element, or other lakeside properties are a stress element that maybe they kick in another ten dollars. The ten dollars by the way, I'm, I'm just referencing like for a month. So that one I'm not, I wouldn't say was essential, but the first three I think would redistribute things. And I would like feedback. I'd like to be able to pursue this by putting figures in for the next meeting and have us look at it. As I said it would necessitate Dorsey & Whitney examining the idea and indicating whether they think it could, was workable and legal. It would also involve there being able to say whether they could process it quickly enough to meet the same schedule as the technical schedule for going forward with the sewer.

**Beth Hutchinson:** Jean. **Jean Curtiss:** So, Greg had to leave umm, but he umm, reminded me that he, Greg is probably the most familiar with this kind of stuff of anybody that's not bond counsel. So, he worked and tried to do a similar thing with you, but it doesn't only have to be approved by bond counsel, it has to be approved by USDA. And it was not approved by USDA. So, it's not that, I mean I think you're being, trying to be creative and figuring this out. Greg has worked on several sewer projects in the County and different kinds of assessment methods. He's really familiar with them and he tried something similar, and they said no. I, I'm telling you that he's probably advocated for really similar to what you're saying and it was not, it didn't go anywhere, so I. And bond counsel is not cheap. And you've already voted to go forward with the way it is. I think that you'd be better off to put your energy into getting this project built and then come up with a community solution, community pot, that could help folks that are gonna need help. But Greg told me as he walked out, he tried really hard to do something similar and it didn't, he wasn't able to do it. **Beth Hutchinson:** Well, that's, that's really quite disappointing to hear. Given what you said umm, it doesn't require any umm, motion or anything like that, but I think I will shake the bones of USDA once more and see what their reasoning was. **Jean Curtiss:** You can. I think your first step would be to ask Greg umm, for a copy of what he... **Beth Hutchinson:** Yeah. **Jean Curtiss:** ...came up with. **Beth Hutchinson:** Okay. Yeah. **Jean Curtiss:** But it's

not cheap to ask bond counsel, I'm telling you. **Beth Hutchinson:** No, I know that. That was one sixty an hour.

**Beth Hutchinson:** All right. Does anybody else have any feedback on this? I mean, I'm willing to bat my head against the wall for certain reasons. **Jean Curtiss:** The other thing is.... **Beth Hutchinson:** I'm, I'm willing to... **Jean Curtiss:** ...it's not going to be the assessment that people protested. It doesn't match the resolution, and I don't think you can just throw out a resolution. The attorney told you... **Beth Hutchinson:** Well, it would not be throwing out a resolution. **Jean Curtiss:** Well, I think it would. **Beth Hutchinson:** Umm, I read over what umm, Jon had. Oh, we shouldn't be doing this. We're not going to do this. I can talk to you now, but if you want to talk to me, you're gonna have to come back up. Umm, I read through what Jon said and it is in black and white in our minutes, whether it's what he really meant at that point, I don't know. But he did indicate that things could be altered. And it's real, it's different to look at altering something as an option, and if all the forces think it could be done and it could be done in a timely fashion. **Davy Good:** But starting over with the whole notice and protest, that's something that I don't think can be done. **Jean Curtiss:** And you can't... **Beth Hutchinson:** Umm, Davy. **Jean Curtiss:** ...umm, Madame Chair. **Davy Good:** Yes. **Beth Hutchinson:** Did you have more to explain there? **Davy Good:** I, I mean what you're proposing would be trying to redo the whole thing during the process, and you, you said yourself starting out saying that we would have to agree to redo the notice and protest, which I don't think there's any way that could be accomplished in the timeline set forward. **Beth Hutchinson:** But is it harmful to inquire as to whether it could be done? This, this is the part that is particularly frustrating to me. Umm, I can walk and chew gum. And all I want to do is chew gum, and if it fails, I'm willing to put effort forth and take that risk. That doesn't hurt me. It doesn't hurt the community. As long as everything else is... **Mike Boltz:** Hello. **Beth Hutchinson:** ...still moving forward and nothing's actually been destroyed. **Mike Boltz:** I'm not willing to take that risk. I want to... **Felicity Derry:** Mike wants to say something. **Beth Hutchinson:** Oh, Mike, Mike. Wait, wait a, wait, wait, Mike. **Mike Boltz:** I'm not willing to take that risk. **Beth Hutchinson:** Mike, hold on a second because we need to give you our complete attention. Can you start over? **Mike Boltz:** Yeah, I'm not willing to take that risk. You want us as a Board to take the risk. Only you can take the risk and presenting somebody, something new that you want to do. There's nothing new. The law says that we have to move forward. We have to move forward. If you don't do that, I'm not with you and, and I, I'm probably go the other side and sue you. You need to move forward. That's it move forward. No nonsense.

And let me tell you something else, both motels were not in the original Sewer District. I asked for them to be. I can ask for them not to be, then you can't charge me anything. So, you don't know everything. You need to really just move forward with the law. The law says move forward and if we're not I'm not with you one single bit. **Troy Spence:** I have a question for you Mike. You said you could ask to have your motels removed from the, the Districts. What gives you the power over me wanting to get my home removed out of the District? **Mike Boltz:** Mine wasn't in it. **Beth Hutchinson:** But it was put in and it is in now with the equivalency of everybody else. I mean that might not be the way you want to look at it, and I'm still confused because I'm not asking the Board to actually do anything except hear me out and to give response and not to interfere with moving forward. I, I just don't understand why anybody thinks that getting additional information is so threatening. It might fail. **Mike Boltz:** It may. The votes been done, we don't need any information. Only you need information. I've said that time and time and time again. Only you

need it because you don't know it. **Beth Hutchinson:** Well there does... **Mike Boltz:** You know it. **Beth Hutchinson:** ...well there does seem to be evidence of this in the minutes. So, though I don't know it. But I've heard what Jean has to say. I respect what she has to say on this. I still feel that there's no point not sucking the Board into a problem, but I have an internal urge to doublecheck. That's all there is to it. And Jean's been very helpful in suggesting where I could doublecheck and maybe you, after you know one or two checks, I'll see that it is completely pointless.

**Beth Hutchinson:** All right. Any other comments from the Board? **Troy Spence:** No. **Beth Hutchinson:** All right. We have public that wishes to comment. **Jean Curtiss:** I just wanted to say that the coun, the commissioners do work by resolution also. You can't have a resolution just sitting there hanging out in case another one works. You have to repeal it. And I don't think you have the authority to repeal it. Your attorney said you have to go forward. So, I don't, I mean I think that your best bet as regularly proposed because... **Beth Hutchinson:** All right. Jon said it could be amended for what's that's worth. **Jean Curtiss:** Amended is different than repeal. **Beth Hutchinson:** Well, I never mentioned repeal, but in any case.

**Beth Hutchinson:** Nathan. **Nathan Bourne:** Nathan Bourne with the Pathfinder. Umm, I question if your goal is to, is to try to redistribute how the charges are made. Umm, specifically with like business use and things like that. I think that some of that can be addressed in your, in your operating and maintenance cost, if that's the goal of it to take some of that burden off of some of the residents. You can simply do that with some of that on the operating and maintenance cost umm, when you get to that stage. But I think that if you looked at how long the process was for them to go through the notice and process, I don't think there is time between now and when going to bid, that there's even a reasonable window to. If you started it tonight, I don't think with all of the public notice that's required to go through all of that. I think it was like sixty days public notice just on that resolution. I mean there's a lot of time in there. So, I don't think that it's reasonable to redo that and stay within the window. If you wanted to redo it and not stay within the window then that would be a. **Beth Hutchinson:** Thank you. And now I don't see any point in trying to go outside the window. I mean that, that has been made blatantly clear to us. Is there other public comment?

**Beth Hutchinson:** All right. Well, thank you for listening to my proposal.

## B. Support Staff/Employee Roles and Responsibilities

**Beth Hutchinson:** Umm, moving along. We are still trying to clarify what the support staff and employee roles and responsibilities are so that we can communicate and get questions answered more effectively. And since umm, Felicity has clarified a lot to me, I'm satisfied. Kim you say that you are support staff for Greg. What does that involve you doing in a relationship with us? Is it a two-way street or a one-way street? **Kim Myre:** Well, it, it should be a two-way street. I guess. I do administrative work, that's all. **Beth Hutchinson:** And what does that entail typically? **Kim Myre:** I do all your grant administration. I do all your budgeting. All your financial reports for the project. I file all the well testing for umm, the EPA. All the things like that. **Jean Curtiss:** So, she's, so she's doing that because Greg's your district manager. **Beth Hutchinson:** I should have gotten you to stand up. All right. Umm, that, it's really helpful to know that Kim. **Kim Myre:** That information has been available. Nobody has ever contacted me. You've never contacted me.

**Beth Hutchinson:** Well, I did ask you if you could get print copies of the... **Kim Myre:** No, you told me to and that involves spending money. I don't spend your money. **Beth Hutchinson:** All right. I'm not going to argue about it. **Troy Spence:** Let's move on.

**Beth Hutchinson:** Does anybody else have any need to know about roles and responsibilities of support staff and contracted employees or otherwise? No. Okay.

### C. Well/Lake Monitoring – Vince Chappell

**Beth Hutchinson:** All right. We had the well and the lake monitoring information come in. **Felicity Derry:** Vince couldn't be here. **Beth Hutchinson:** And Vince could not be here. **Felicity Derry:** Something else came up. **Beth Hutchinson:** Okay. We do have the reports. **Troy Spence:** Let's just floor that until Vince can explain it. Move to floor that. **Davy Good:** I'll second it. **Troy Spence:** Let Vince just explain it. I mean. **Nathan Bourne:** Table it? **Beth Hutchinson:** Table it. **Davy Good:** Table it. **Troy Spence:** Floor it, table it whatever you call it. **Beth Hutchinson:** All right. We don't need to vote on that do we? No. Okay.

### D. Report on Workshop with Amy Deitchler of Great West Engineering

**Beth Hutchinson:** All right. The next thing is the report on the workshop with Amy. Umm, Davy, Troy and I attended that and Felicity. **Felicity Derry:** Troy didn't attend. **Troy Spence:** Yeah, I did. **Felicity Derry:** Oh, sorry I thought you meant the board training. **Troy Spence:** I didn't attend the board training. **Felicity Derry:** Sorry, sorry, my bad. **Beth Hutchinson:** No, Amy. So, Davy would you like to comment on that training? **Davy Good:** I thought she did a really good job. It was informative and I was glad to see it move towards ninety percent. **Beth Hutchinson:** Troy? **Troy Spence:** No, I, I learned a lot and you know ah, the main thing Davy, I've been asking for costs you know, in Phase II and you say, you know it's a question I asked. I said if we get the funding, what is it? If we don't get the funding what is it? And if we had the full funding it was one thirty-nine, they would pay. **Davy Good:** It's, that's not the full funding. **Troy Spence:** And if we didn't get the full funding it would be two ninety-nine. **Davy Good:** But it wasn't full funding. That was just the two, the two portions that we already had. If you look at... **Troy Spence:** She said it... **Davy Good:** ...if we get the whole package it would be less than that. **Troy Spence:** ...she said the lowest it would be would be one thirty-nine and up. **Davy Good:** She nev, she never said that. **Troy Spence:** Yes, she did. **Davy Good:** No. I'd disagree with that. **Troy Spence:** She said it. Cause I said so what's the lowest it would be? I said is one thirty-nine the lowest? And she said yes. I said what could it be. **Davy Good:** That's the lowest with the funding that we will get. **Troy Spence:** Right, so one thirty-nine will be at the bottom. **Davy Good:** There's other funds, there's other funding. Look at the Tester grant. Look at the other funding that we did get to get the bill lower. There is, there is other funding we would get. **Troy Spence:** I will get you an article that I found out of Deer Lodge, okay. About them having problems over there with their water system and their lagoons, okay. This is recent. They went for grants and they said there's no funding available out there. **Davy Good:** They... **Troy Spence:** So, they're looking at raising peoples' rates to cover it. I mean, you can say the money's there, you know, but until it's in the pocket we don't have it. Right. I mean, the way the government is going they could cut everything next year you know. So, we can't guarantee it. And that's the point. I mean if you quote somebody, like you guys are saying on the ninety-one dollars. Mike and them

guys kept saying it's gonna be twenty percent less, okay. That's in them minutes, okay. You get somebody push this through and it's not twenty percent less than that then we're stuck in a lawsuit again, because of false information. I mean you're telling people that the funding is out there, we don't know it. Do you want sued over it? I mean you can't say. I mean it's just like that package you brought in for low income people with the five options. Boman brought it in, it was all junk. I mean it had nothing to do with our situation. **Davy Good:** It did. There were a couple of good options.... **Troy Spence:** And I asked him at the Community Council meeting about it and he said, well that's what other towns do. Well, that's not. We're not other towns. I mean, we're here now. You can't guarantee anything. You know. So, if it's ninety-one dollars and it's twenty percent off, you'd better be within that twenty percent off. I mean Greg's riling out some numbers over there that it was ninety-one dollars. Well, and then you're saying well, no it's not gonna be ninety-one dollars, it's a twenty percent window there. **Davy Good:** There, there is a window there. We have to see where the bids come in. We don't know that. **Troy Spence:** There is. But if the bid comes back. **Davy Good:** Once the, once you get the grants for the first phase, those same grants, you apply every two years. **Troy Spence:** I know. **Davy Good:** I mean these engineers have done these systems and they obtain the same funding throughout the whole project. **Troy Spence:** I understand that. But, when, other, other places are going to find money and it's not available, do we come in above them? Do we automatically get it? **Davy Good:** I understand. I have no idea... **Troy Spence:** I mean if they don't have it, what makes us privileged over it? **Davy Good:** ...about Deer Lodge. They obviously... **Felicity Derry:** We have been the number one project in the state for a long time. And have been. **Troy Spence:** Well. We, we can't guarantee them. That's why I asked her. I said what's the bottom line? One thirty-nine? And she said yes. **Davy Good:** The bottom line with the grants that we will receive. **Troy Spence:** Yes, one thirty-nine. **Davy Good:** We as a sewer board will have to go out and find additional funding like we did for Phase I. That will be our job. That's what we're here for. **Troy Spence:** So, so, if we didn't get the funding would you feel good putting a two hundred and ninety-nine dollar per month assessment on somebody? **Davy Good:** That absolutely will not ever happen. That's a scare tactic. **Troy Spence:** That you could not, that, that, no... **Davy Good:** That is a scare tactic. **Troy Spence:** No, no, no. **Davy Good:** Yes, that is a scare tactic. **Troy Spence:** The scare tactic is the subsidy money. **Davy Good:** How is that a scare tactic? **Troy Spence:** Because when it runs out you don't know what it's gonna be. **Davy Good:** Once they start funding a project, they will continue to fund that project. **Troy Spence:** No, I'm talking about the subsidized where it's down to ninety-one bucks. Okay. When that three, three years runs out with that reserve money we have, what does it go to? Nobody will answer the question. **Davy Good:** So, then we as a sewer board will have to go out and find more money to keep subsidizing. **Troy Spence:** So, so do you write in your user agreement that you agree to ninety-one dollars a month or do you put in there you agree to the subsidy amount that we don't know what it is? **Davy Good:** We, we have, they did a notice and protest for ninety-one dollars a month. **Troy Spence:** I understand. **Davy Good:** Our bill cannot go over ninety-one dollars a month. **Troy Spence:** Okay. So, if it, if it can't go. If our bid comes in higher, okay. **Davy Good:** It won't. Then... **Troy Spence:** How do you know that? **Davy Good:** Then the notice and protest gets thrown out. **Troy Spence:** You know something that we don't know. **Davy Good:** Yes, if it goes over that... **Beth Hutchinson:** Wait, wait. All right. Hang on. **Davy Good:** ...that is what the notice and protest was. **Beth Hutchinson:** Can you two stop for one second.? **Davy Good:** Yes.

**Beth Hutchinson:** Somebody missed a beat. **Troy Spence:** So. **Beth Hutchinson:** So, no just stop for a minute, because I think it was you that missed hearing what he said. Would you repeat what you said if it goes over ninety-one dollars. **Davy Good:** The, the whole project gets thrown out. You start. You have to start over. That is what, that is what the notice and protest was. **Troy Spence:** So, then it goes back to a new notice and protest, right? **Davy Good:** Yes. **Troy Spence:** Okay, so what would be wrong with trying to get the subsidies, or the costs lowered before we even get to that phase? You're moving way ahead and. **Davy Good:** No, you are moving way ahead. **Troy Spence:** No, you have to move ahead, but when you get way out there and you figure out that the bid is way higher than ninety-one bucks that we can't afford, then what do you do? You start over. So why wouldn't you come in with a backup? **Davy Good:** The, the engineers have done a lot of these and will not go over the ninety... **Troy Spence:** How do you know that? **Davy Good:** I just know that. That is what they are paid to do. They... **Troy Spence:** But there's no guaranteed money. **Davy Good:** Well, if it's over ninety-one dollars then we go after Great West Engineering and they end up, they get sued and they pay a lot of money. That's, that's what they are paid to do. **Troy Spence:** Then you're just talking about a lawsuit. Okay, and we just talked about not having lawsuits because it costs money. I'm confused. **Davy Good:** I, I, I don't, I don't think we're going to get anywhere here right now. So. **Troy Spence:** No, that's what I need to put out there about that. **Beth Hutchinson:** We're making money for Felicity.

**Felicity Derry:** The other option is if the price goes over, we have the option of either starting over or finding additional funding to bridge the gap in funding that we have. **Troy Spence:** Right, I understand that. **Felicity Derry:** Those are the two options. **Troy Spence:** But you can't. I mean you're telling people it's not, it can't be, it won't go over this. **Davy Good:** Right and the next notice and protest... **Felicity Derry:** You have to have faith in your engineer. **Troy Spence:** Well I know that, but this... **Davy Good:** ...and the next notice and protest says those people... **Troy Spence:** ...this isn't like going out and buying a car you know. **Davy Good:** The notice and protest for Phase II, those people have the right to say no we don't want to do it, and they can protest... **Nathan Bourne:** ...a hundred, ah two hundred and fifty dollars a month, I'm pretty sure they'll protest... **Davy Good:** ...I'm pretty sure they're going to protest. We, we'll cross that bridge when we get to that bridge. This one, Phase I has already been approved and it's moving forward. **Troy Spence:** But what if our estimate in Phase I comes over projected? **Davy Good:** We've just covered that. We just went over that. Then we either start over or re-bridge the funding. **Troy Spence:** That's exactly what I was saying. **Davy Good:** Okay, we're arguing the same point, next.

**Beth Hutchinson:** Okay. I'm glad that we have the opportunity for a little feisty back and forth that at least is respectful, but feisty. And we don't have too many people suffering listening to it. **Troy Spence:** It wasn't nasty. **Beth Hutchinson:** But it. I, I said feisty, I said feisty. No, I think this was good. Umm, it has to happen at times to you know get it, people to clear out some of the funny grey things that are on their minds, and to differentiate between philosophies and it seems to be something that wasn't ever a part of the Board and it is part of most normal boards. So, I'm glad to see that we have this full expression. Mike are you still with us? **Davy Good:** No, he checked out a while ago. **Beth Hutchinson:** His phone left, huh. (8:56pm)

E. Report on Training with Dan Clark of Montana Local Government Center

**Beth Hutchinson:** Okay, all right. Umm, the report on the Dan Clark workshop. The Dan Clark workshop I found to be unbelievably useful umm, the man is a font of knowledge, as everybody says over and over again. But the message I got was that there are a lot of things that the Board has been doing that have not been particularly appropriate. And that we need to work towards shaping up. Umm, it's not only by-law issues it's that we have no policy underlying this Board that we should have. And we are going to have to pursue that. Umm, I wish that more Board members had been able to be there because I thought it was pretty pleasurable, as well as informative. Davy?

**Davy Good:** Yeah, he did a great job and he was very, very informative. **Beth Hutchinson:** And Felicity and I found something that we needed to have done if certain circumstances occurred again. Umm, so, that was great and I am gonna have the opportunity for a whole day with him that I'm really excited about.

**Troy Spence:** Well, I'm not gonna rain on your parade but let's adjourn this meeting.

**NEXT REGULARLY SCHEDULED MEETING:**

**Beth Hutchinson:** Okay, umm, is the next scheduled meeting is for November fifteenth, same place, same time.

**ADJOURNMENT OF MONTHLY BOARD MEETING:**

**Beth Hutchinson:** And is there a motion for adjournment? **Troy Spence:** Make a motion to adjourn it. **Davy Good:** I'll second it. **Beth Hutchinson:** All those in favor aye. **Troy Spence:** Aye. **Davy Good:** Aye. 8:58pm **Beth Hutchinson:** Aye. Thank you everybody.

Attest:

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Beth Hutchinson President

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Felicity Derry, Secretary

10/18/2018  
Seeley Lake Sewer District Regular Board Meeting

10/18/2018  
Seeley Lake Sewer District