

SEELEY LAKE SEWER DISTRICT
REGULAR BOARD MEETING
November 17, 2019

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

Public Attendance - Appendix A

CALL TO ORDER:

The meeting was called to order by Pat Goodover at 5:15pm at The County Satellite Office, located at 3360 Highway 83 N, Seeley Lake.

APPROVAL OF AGENDA:

Felicity Derry requested that RD be added to the DEQ comments under Correspondence. Pat Goodover noted that Don Larson's letter had been held from a previous meeting to enable the attorney to address it at this meeting. Unfortunately, the attorney had a family emergency and was unable to be present tonight.

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

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

PRESIDENT'S COMMENTS:

None.

PUBLIC COMMENTS:

Frank Paxton gave Pat Goodover a letter, which Pat Goodover then read.

"We are writing to express our concerns over the location of the proposed sewage treatment plant on state land near Cottonwood Lake Road. There are nearly one hundred residences with surface wells directly to the south of the proposed plant location and we are concerned that the treated discharge will adversely affect the groundwater quality and our wells.

We understand that the plant may generate up to 3,000,000 gallons of water a month, which will be injected into this aquifer. We understand that the proposed treatment plant will remove up to 85% of the nitrates from the wastewater. We understand that the proposed treatment plant will not remove medical waste and some chemical compounds. We recognize also that you will be collecting all of the nitrates generated in the Sewer District, concentrating them, and releasing at a minimum 15% of them back into the groundwater upstream from our wells.

Finally, we are concerned that the Sewer Board has done no comprehensive analysis of the groundwater quality and the flow patterns in the affected area. No tests have been done of our surface wells to establish baseline quality data, and no mention has been made of how we will be indemnified against possible adverse effects your proposed treatment plant will create. We are concerned finally that as property owners and voters effected by your proposal, we have had no say in this development.

Love to hear from you in this matter.”

Terry Campbell, DEQ noted that the site had been evaluated by the DEQ permitting program, and then reviewed the tests and the modeling that had been performed, which had concluded that there would be no concentration of nitrogen leaving the property to the south. Medical wastes were currently unregulated contaminates. The testing that was performed was discussed.

John Richards gave a letter to the Board requesting two lots that were currently in Phase II be placed in Phase I. Pat Goodover requested that the letter be put on the December agenda. John Richards asked how much hookups would cost if he were to build low income housing on his properties. Jean Curtiss reviewed the costs for each property and noted that due to the increased density there could be additional fees.

CORRESPONDENCE:

Don Larson letter

Pat Goodover read part of Don’s Larson’s letter received September 19 (Appendix B). Discussion followed on the well and lake testing. Terry Campbell, DEQ added that the Bureau of Mines testing had reviewed chloride levels, which was used as an indicator of septic waste influence.

The District boundaries and annexation were discussed.

Discussion followed on the District abiding by the state law regarding the participants of the notice and protest being property owners, while renters were allowed to vote. The minutes were discussed.

Carleen Gonder

Pat Goodover read Carleen Gonder’s letter (Appendix C). The Board discussed the points raised in the letter and the possibility of using public outreach. Also, that the Board would explore other avenues to assist people in her situation, and were appreciative of her letter.

The Board discussed the possibility of conducting an income survey and using census data to determine the need of the community. Also, that there were individuals in the community there were willing to provide financial assistance to low income people.

DEQ – Discharge Permit

This letter acknowledged that the discharge permit application was complete.

Great West Engineering’s Comments to DEQ & RD

These were GWE’s replies to the comments from DEQ and RD. Discussion followed on the length of the forcemain.

MINUTES:

October 17, 2019

The minutes for the Board meeting held on October 17, 2019 were presented to the Board. Beth Hutchinson reviewed her amendments.

Davy Good moved to accept the minutes as modified. Walt Hill seconded the motion. There was no discussion. The motion was carried.

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

FINANCIAL REPORTS:

Invoices – October 2019

Felicity Derry reviewed the invoices for the Board. The absence of Jon Beal’s invoice was discussed.

Davy Good moved to approve the invoices for payment. Walt Hill seconded the motion. There was no further discussion. The motion was carried.

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

MANAGER'S REPORT:

Jean Curtiss noted that the Conservation District had agreed to support the District's communication grant application, which would be used for public outreach to all of the property owners in the District, as well as everybody in the 59868 zip code. Also, material for the website was being developed to inform the public as to the status of the project, and to show the various costs.

Jean Curtiss updated the Board on the status of the easements and circulated additional papers to the Board regarding the project budget, comments from RD & DEQ on the alternative systems, the appendix for the rules and regulations and the O&M budget.

Pat Goodover recessed the regular meeting at 6:05pm.

SEELEY LAKE SEWER DISTRICT **PUBLIC HEARING**

The public hearing was called to order by Pat Goodover at 6:05pm at The County Satellite Office, located at 3360 Highway 83 N, Seeley Lake.

PUBLIC COMMENTS:

None

OLD BUSINESS:

A. Resolution #111212019 Rules & Regulations

Jean Curtiss noted that the Rules and Regulations were on the website and then reviewed the amendments. The short-lived asset fund was discussed.

Installing water meters in the section of Phase III that was not in the Water District was discussed. Dennis Clark questioned if snowbirds would be charged for sewer in the winter when there was no usage. Jean Curtiss replied that there would be a base charge and a volume charge that was based on water usage.

Latecomer and over-density fees were discussed. John Richards asked how much the Sewer District would charge if he put forty-eight apartments on his properties. Jean Curtiss reviewed the probable cost of the increased density. John Richards was concerned by the cost and suggested an alternative system be considered.

The Board discussed the plant's design to include extra capacity beyond what would be currently needed. John Richards' request for increased density was discussed. The over-density fees and the reserve capacity were discussed.

The required connection, increased capacity, base rate and site surveys of Phase II were discussed.

The plant investment fee was discussed and the Board agreed by consensus that it should be changed to system investment fee.

The Board discussed the over-density language.

B. O&M Budget

Jean Curtiss reviewed the opinion of probable O&M cost. The funding of the general manager position was discussed. The Board discussed possible subsidies and alternative funding sources. The costs for Phases II and III and easements were discussed.

Jean Curtiss reviewed the appendices for the rules & regulations. The Board discussed the stipulations for the Benefitted Property Charge, and agreed by consensus that footnote 2 of Appendix A should not be changed.

John Richards felt that the fees, and the cost of the sewer system were too expensive, and that the Board should review an alternative system.

The Board discussed the opinion of probable annual operation and maintenance costs as of November 2019, whose figures were unchanged from those that had been previously presented.

Pat Goodover moved to approve the opinion of probable annual operation and maintenance costs. There was no further discussion. The motion was carried.

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

The Board discussed the process of changing the rules & regulations in the future and the need to develop a procedure to handle instances where people felt the rules and regulations had treated them unfairly. Jean Curtiss would review over-density and annexation.

Walt Hill moved approve the rules and regulations as modified, including the appendices, and approve resolution 11212019. There was no further discussion. The motion was carried.

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

The Board discussed the reason for the mandated connections.

Jean Curtiss circulated a draft letter to accompany the temporary right of access mailing to the Phase I property owners. Pat Goodover suggested that this item be moved to the regular meeting.

ADJOURNMENT OF PUBLIC HEARING:

Pat Goodover adjourned the public hearing at 7:38pm

SEELEY LAKE SEWER DISTRICT
REGULAR BOARD MEETING

The regular meeting was reopened by Pat Goodover at 7:38pm at The County Satellite Office, located at 3360 Highway 83 N, Seeley Lake.

OLD BUSINESS:

A. Legal Update

Pat Goodover reviewed the ruling from Judge Halligan on the lawsuit and noted that the District had filed a response. A pre-trial conference had been set for January 15, 2020.

Beth Hutchinson had requested that her concern for Franny Trexler be put on the agenda, which it was not, unfortunately the attorney had been unable to attend the meeting and address this. Pat Goodover noted that Beth Hutchinson had requested the same thing at the previous meeting, at which time the Board had discussed and addressed an apology to Franny Trexler. The procedure for placing items on the agenda under Robert's Rules of Order was reviewed.

B. Discussion of Alternative Systems – Possible Resolution dealing with the Results

Pat Goodover noted that he had circulated an email from DEQ to the Board. Pat Goodover reviewed how the current system had been decided upon and then ultimately in the fall of 2018, the Board had unanimously moved to complete the system's final design.

Terry Campbell, DEQ noted that a step collection system had been permitted by DEQ, and was considered in the PER. At that time SepticNet had DEQ approval, but not for large scale systems. Also, neither RD, STAG nor SRF funds could be used for individual systems, only for public works projects. Public works criteria were then reviewed.

Terry Campbell noted that an accurate comparison of the systems would require a minimum of an amendment to the PER. This would mean an eight to twelve-month delay, potentially resulting in all of the funding being pulled back. RD was the issue. The funding agencies were already agitated at how long the project was taking. It was unprecedented to have grant money sitting for this long. The offer

on the table was unprecedented. Jean Curtiss added that RD already felt that the District was pushing the time limit, and confirmed that the District would never get that amount of money back. RD thought it would be appropriate for the District to consider the feasibility of a step system for a collection system for Phases III & IV. The Board discussed the possible issues with step systems.

Pat Goodover surmised using a step collection system would take eight to twelve months to redesign the system, at a cost of \$300,000 - \$500,000 in engineering fees, and would probably lose \$10 - \$15 million of funding. Terry Campbell, DEQ agreed that there was a risk of the funders losing their patience.

John Richards commented that even with \$10 million of funding he was concerned about the affordability of the system for the residents in the core of town. Pat Goodover agreed that the Board had to focus on finding alternative methods of assistance for residents.

Discussion followed on leaving existing septic systems in place and only pumping solids to the plant. Terry Campbell clarified that the system was designed to receive a fairly high strength waste. Therefore, decreasing the solids would actually inhibit the treatment, so effluent alone would not work.

Davy Good noted that the District was trying to go to bid and there was no time to look at other options for Phases I & II; however, considering them for Phases III & IV was a good option. The Board discussed the possibility for utilizing a different system for Phases III & IV, and what effects it could have on the overall system.

Pat Goodover requested that Terry Campbell offer advise the Board. Terry Campbell felt that moving forward from a funding standpoint was key. If the District did not continue on the current path it was at the threat of losing funding. Construction had been expected in 2019 and RD was pretty agitated when it didn't happen. If that delay was repeated in 2020 the District would be at risk of losing a substantial amount of funding and advised to stay on the current path for Phases I & II and see what the bids looked like. There were some new technologies on the market that would be worth looking at for future phases. Beth Hutchinson suggested that the Board continue to consider alternatives for Phases III & IV.

Walt Hill moved to move ahead with the planned system, developed by Great West Engineering, for Phases I & II, and to allow additional investigation for Phases III & IV. Beth Hutchinson seconded the motion. There was no further discuss. The motion was carried.

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

C. By-Laws

Pat Goodover suggested adding some language regarding the evidence of human excrement in the water and read the purpose section of the by-laws, questioning how it had been weaponized. Beth Hutchinson felt that it was too specific. The Board discussed the by-laws and sewerage the entire District.

Pat Goodover read the current purpose section of the by-laws. Discussion followed on this section and some amendments.

Pat Goodover read the purpose section that the committee had developed. The Board discussed the language of the section and reviewed alternative versions of the section.

Pat Goodover moved to substitute the draft purpose section of the by-laws with the following. "It is the purpose of the District to maintain and provide a healthful environment for present and future generations and to supervise wastewater treatment within the District." There was no further discussion. The motion was carried.

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

The Board discussed voting via telephone and agreed by consensus to leave the by-laws unchanged, whereby allowing voting via telephone. The County would be installing a new phone system in the building.

Discussion followed on the duties section of the by-laws and what constituted a district. Pat Goodover read comments from the attorney on the duties section of the by-laws. The attorney's comments and the language of the section were discussed in depth.

Pat Goodover moved to approve the by-laws as modified, excluding Section 14 – The Duties. Walt Hill seconded the motion. There was no further discussion. The motion was carried.

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

Pat Goodover requested that the by-laws committee incorporate all of the discussion and develop appropriate language for Section 14.

NEW BUSINESS:

A. Request to Alter Phase II Boundaries

Scott Smith had sent a letter to the Board requesting that his properties be moved from Phase IV to an earlier phase. Russ Giese, Scott Smith’s contractor explained that the County had no record of a septic system for the property and would not issue a building permit. Therefore, the request was to move into an earlier phase and connect at the most convenient location. The owner would pay for any engineering that would be required to do so.

Discussion followed with the Health Department and the Board regarding the property and possible solutions to this issue. The Board discussed modifying the phase boundaries by resolution and the possible effects it could have on Phase IV. Discussion followed on the possibility of moving John Richards’ properties from Phase II into Phase I, and considering it at the next meeting.

Pat Goodover moved to authorize Jean Curtiss to draft the resolutions to amend the subdistricts, which would be considered at a public hearing at the December meeting. There was no further discussion. The motion was carried.

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

OLD BUSINESS:

D. Pine Street Easement Value

Jean Curtiss reviewed the status of the easement and that the owners believed the property to be worth more than \$5,000. The Board discussed what could be offered in negotiations for the easement.

Pat Goodover moved to authorize Jean Curtiss to negotiate with the property owners for the Pine Street easement, in consultation with Mr. Jon Beal, up to \$15,000. The Board discussed what they thought was an appropriate amount to offer. The motion carried.

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

E. Fee Assessment Methodology

The Board discussed the equability of the fee assessment methodology for various properties within the District. The Board agreed by consensus that Jean Curtiss should call Loren Rose, Pyramid Mountain Lumber to discuss the assessment.

F. Test Well#2 Replacement

The Board discussed replacing well#2 in a location that would test the same flow. The Board agreed by consensus to request that Vince Chappell develop a recommendation for the location and cost to replace well#2.

G. Formaldehyde Testing Well#1

Pat Goodover noted that Vince Chappell had researched testing for formaldehyde and concluded it would be too expensive. Beth Hutchinson added that Energy Labs would perform the test for \$60. Pat Goodover requested that Vince Chappell research formaldehyde testing further.

NEW BUSINESS:

B. Drilling Test Wells for Phases III & IV

Beth Hutchinson noted that no testing had been performed in Phases III & IV, and therefore recommended test wells be dug in each of those phases. Pat Goodover suggested asking Vince Chappell for a recommendation as to the number and location of such test wells.

C. Website Photos & Content

Beth Hutchinson requested that the photos used on the website look like they were in Montana.

The Board agreed by consensus that Jean Curtiss should send out the letter to Phase I properties, using comments received from the Board within one week.

NEXT REGULARLY SCHEDULED MEETING: December 19, 2019

ADJOURNMENT OF MONTHLY BOARD MEETING:

Pat Goodover adjourned the meeting at 9:41pm

Attest:

Pat Goodover, President

Felicity Derry, Secretary