

SEELEY LAKE SEWER DISTRICT
REGULAR BOARD MEETING
November 19, 2020

Tom Morris	President	PRESENT	Pat Goodover	Director	PRESENT
Beth Hutchinson	Vice President	PRESENT	Walt Hill	Director	PRESENT
Jason Gilpin	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 Tom Morris at 6:19pm, after some technical difficulties had been resolved. The meeting was held remotely via Zoom, due to the ongoing COVID-19 situation.

APPROVAL OF AGENDA:

The agenda was approved as presented.

PRESIDENT'S COMMENTS:

Tom Morris requested that everybody be respectful.

PUBLIC COMMENT:

None.

CORRESPONDENCE:

MACO Insurance (Appendix B)

Jean Curtiss informed the Board that this correspondence from Gary Zadick noted that he was in the process of getting the requested invoices.

Jon Beal (Appendix C)

Jean Curtiss noted that this correspondence from Jon Beal was a notice of termination as counsel.

Seeley Lake Baptist Church (Appendix D)

The Board discussed the letters from the Baptist Church and agreed that Tom Morris should call Pastor Johnson, to explain what the assessment was for and to clear up any confusion there might be.

MINUTES:

July 28, 2020

Tom Morris moved to approve the minutes of the July 28, 2020 Board Work Session as presented. Jason Gilpin seconded the motion. There was no discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Absent (due to technical difficulties)
Walt Hill	Aye
Jason Gilpin	Aye

August 3, 2020

Jason Gilpin moved to approve the minutes of the August 3, 2020 Special Board Meeting as presented. Walt Hill seconded the motion. There was no discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Absent (due to technical difficulties)
Walt Hill	Aye
Jason Gilpin	Aye

October 22, 2020

Tom Morris moved to approve the minutes of the October 22, 2020 Regular Board Meeting as presented. Jason Gilpin seconded the motion. There was no discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Absent (due to technical difficulties)
Walt Hill	Aye
Jason Gilpin	Aye

FINANCIAL REPORTS:

Invoices – October 2020

Jean Curtiss gave some background information relating to the MACo invoice for the insurance deductible. The Board agreed that Jean Curtiss should contact MACo for clarification on the invoice prior to approving it for payment.

Walt Hill moved to pay the District invoices, excluding the MACo invoice. There was discussion that the attorney did not provide an estimate prior to commencing the work. Jason Gilpin seconded the motion. There was no further discussion. The motion was carried unanimously.

Tom Morris Aye
Beth Hutchinson Aye
Pat Goodover Aye
Walt Hill Aye
Jason Gilpin Aye

The Board reviewed what funds would be used to pay the project invoices and if there was sufficient District money to pay the match.

Beth Hutchinson moved to pay the Great West Engineering invoices. Tom Morris seconded the motion. There was no further discussion. The motion was carried unanimously.

Tom Morris Aye
Beth Hutchinson Aye
Pat Goodover Aye
Walt Hill Aye
Jason Gilpin Aye

September 2020 Financial Reports

Felicity Derry reviewed the September 2020 financial reports for the Board. Discussion followed on the legal fees that had been accrued in FY2020 and FY2021.

MANAGER'S REPORT:

Jean Curtiss noted that the discharge permit renewal was still being processed.

The last payment to Jon Beal would be made this month.

Jean Curtiss had received several calls regarding tax bills. Some people wanted to know if it was a one-time thing, some were in favor of the sewer and others planned to protest their taxes.

UNFINISHED BUSINESS:

Resolution#11192020 Calling for a Bond Election

Dan Semmens gave an overview of the bond election and Resolution#11192020 Calling for a Bond Election and the exhibits. The general obligation (GO) and revenue bonds were reviewed and how the repayment of those bonds would be spread over the properties within the District. Dan Semmens noted that the adoption of the resolution would begin the process for the election on February 23, 2021.

Jim Erven asked if residents, as well as property owners, could vote in Phase I. Dan Semmens clarified that any qualified elector would be entitled to vote in Sub-District 1, and then reviewed what constituted a qualified in this bond election.

Colleen Krause asked what the cost would be for properties that were worth \$700,000 to \$800,000. Dan Semmens noted that a table for properties worth up to \$500,000 had been developed, and additional impact information would be made available.

Discussion followed on the proceeds of the bonds paying for the bond counsel and the bond election being a straight vote and not weighted, as the assessment protest had been.

The ballot wording regarding the examples of cost and what could be added to this for clarification was discussed. Dan Semmens reviewed the basis of the paragraph and why that specific language had been used. The Board discussed including additional clarifying information in the letter that would be sent to the District property owners.

Beth Hutchinson moved that we cut that last paragraph. All that information is put in the letter to the people of the District that Jean Curtiss is composing. The Board discussed having the language in both places and then discussed the language on the ballot further.

Colleen Krause asked if the O&M would be addressed in the letter. Jean Curtiss confirmed that it would be addressed in the letter.

Beth Hutchinson withdrew her motion.

Pat Goodover moved to adopt Resolution#11192020 – Resolution of Seeley Lake – Missoula County Sewer District, Montana, submitting to the qualified electors of the District the questions of issuing (I) general obligation bonds in a principal amount not to exceed four million nine hundred forty-two thousand and no/100 dollars (\$4,942,000.00) for the purpose of paying a portion of the costs of a sewage treatment plant and associated improvements to serve all properties in the District, and (II) revenue bonds in a principal amount not to exceed one million four hundred eighty-eight thousand and no/100 dollars (\$1,488,000.00) for the purpose of paying a portion of the costs of a sewage collection system and associated improvements to serve all properties in Subdistrict No.1 of the District, and (III) paying costs associated with the sale and issuance of the bonds. Tom Morris seconded the motion.

Walt Hill read the following statement: “I am opposed to the GO bond since there is no alternative funding if it goes down. As a community we are draining an estimated 150,000 gallons of urine annually into our aquafer. As responsible citizens we have no right to pollute our pristine watershed. I am well aware that some of us on the Board are here to bring to pass a popular vote as to whether or not we should have a sewer system in Seeley Lake. The primary reason for not having such a system is that we can’t afford it. However, the flip side of this coin is that we cannot afford not to have it. Under present conditions, the present treatment plant and phase 1 collection system will cost us about 30-40% of the real and total cost, were we to pay the entire bill ourselves. In my judgement there is no other effective system that would cost as little. Therefore, although I am in favor of the GO bond approach in paying for the system, I cannot vote for it since there is no sensible or financially secure alternative if it were not passed.”

Nathan Bourne noted that the bond would be for a larger amount to cover the budget shortfall. If the bond election did not take place would the project be able to go to bid this winter, or would

additional funding need to be found to bridge the gap, before RD would allow the District to go to bid? Dan Semmens noted that the gap needed to be filled before going to bid. The GO bond would provide the additional funding that would allow the District to go to bid. Jean Curtiss concurred that RD's letter of conditions required that the project be fully funded before going to bid. The District could ask RD for those additional funds.

There was no further discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Nay
Jason Gilpin	Aye

Dan Semmens left the meeting at this time.

Draft Policy on Setting the Agenda

The Board discussed how to address the public contributing to the agenda within the policy, streamlining the policy and who specifically should be listed in the policy.

Pat Goodover moved to approve the board meeting agenda policy as it was presented to us.

Tom Morris seconded the motion. There was no further discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Nay
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

Proposed Amendments to the By-Laws

Tom Morris noted that the by-law committee had met and came to a consensus on Section.1. Tom Morris read the by-law committee's recommendation for the purpose of the District.

Beth Hutchinson moved to accept the bylaw committee recommendation as the purpose. (The purpose of the District is multi-factored: a) to support and maintain a healthful environment for present and future generations in accord with state regulations, b) to determine the appropriate wastewater treatment for all or part of the District and c) to supervise wastewater treatment within the District in the most responsible and affordable manner). Tom Morris seconded the motion. There was no discussion. The motion was carried unanimously.

Tom Morris	Aye
Beth Hutchinson	Aye

Pat Goodover Aye
Walt Hill Aye
Jason Gilpin Aye

Jean Curtiss read the four options for the duties section of the by-laws that had been presented. Discussion followed on the language of the first paragraph in Option B, to add some of that language to the second paragraph and then delete the rest of the first paragraph. Including the constitution language in the by-laws was discussed.

Tom Morris moved to adopt Option B as amended. (Removing the first paragraph and after directors, adding “staff members, volunteers and any individuals appointed to committees” to the new first paragraph of section 14.) Beth Hutchinson seconded the motion. Walt Hill requested that “some” be removed from part 2) of that paragraph. **Tom Morris amended his motion to include removing “some” in part 2) of that paragraph.** Beth Hutchinson’s second remained. There was no further discussion. The motion was carried unanimously.

Tom Morris Aye
Beth Hutchinson Aye
Pat Goodover Aye
Walt Hill Aye
Jason Gilpin Aye

Tom Morris restated the previous motion for clarity. **Tom Morris moved to adopt Option B. Substitute the following for the first paragraph of section 14 and keep specific duties A through G: Directors, staff members, volunteers and any individuals appointed to committees of the Board of the Seeley Lake Sewer District have a duty and obligation to conduct their representative activities under the parameters of 1) the US Constitution, 2) relevant federal law, 3) the Montana State Constitution, 4) Montana Code Annotated (M.C.A.) and District by-laws, all as may be amended.**

M.C.A. portions of particular utility and frequent reference are found in Titles 1, 2, 7, 13, and 15. Beth Hutchinson seconded the motion. There was no further discussion. The vote was taken and the motion carried unanimously.

Tom Morris Aye
Beth Hutchinson Aye
Pat Goodover Aye
Walt Hill Aye
Jason Gilpin Aye

Board/Employee – Staff Relations

Beth Hutchinson had raised this item to define the many undefined relationships within the District. Discussion followed on when materials were circulated to the Board. This led to a discussion regarding the District property owners’ letter and when it should be sent out. The Board discussed

whether the letter should be placed on the December agenda and the when to set the deadline to have input on the letter to Jean Curtiss.

Draft Letter to District Property Owners

The Board continued their discussion as to when the letter needed to be finalized and agreed that they would send their comments to Jean Curtiss by November 25, 2020. What supporting documents should be included with the letter were discussed. The discussion turned to the cost estimate reference for the later phases and how that could be addressed.

NEW BUSINESS:

RRGL Grant Extension

Jean Curtiss noted that this was an extension for the RRGL \$15,000 grant.

Walt Hill moved that Tom Morris sign the grant document. Jason Gilpin seconded the motion. The motion was carried unanimously.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

NEXT REGULARLY SCHEDULED MEETING: December 17, 2020

ADJOURNMENT OF MONTHLY BOARD MEETING:

Pat Goodover adjourned the meeting at 8:30pm

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

Attest:

Tom Morris, President

Felicity Derry, Secretary