

North Valley County Water & Sewer District, Inc.
P. O. Box 119, St. Marie, MT 59231
Board Meeting #355
2:00 p.m., Monday, November 26, 2018 at Town Hall

Directors in attendance: Nick Chiechi, Hugh Frankson, James Logan, and Carl Millerick

Directors absent: None. One Director position is currently vacant, awaiting appointment.

Others in attendance: Alice Hawkins, Anthony Hebert, Robert Esaias, DeAnn Ketchum, and Marv Bethea

Before beginning President Nick Chiechi provided information concerning his efforts to save the District money in the areas of legal expenses, contract labor, and grant funding to offset operating and maintenance budget categories. Chiechi questioned why shared contract labor between St. Marie Condo Association, St. Marie Rural Fire District, St. Marie Village Association, and North Valley County Water and Sewer District, Inc. was not available; with the idea of saving money by using lower paid laborers who are in St. Marie versus outside contractors to do electrical wiring, cutting down trees, snow plowing, grass cutting, etc. Also, he gave an overview of his talks with Dry Prairie Rural Water Authority (DPRWA) and the updated status of the switch over from MARCo to DPRWA.

The meeting was *called to order* at 2:16 p.m. by President Nick Chiechi. Before beginning, Chiechi asked everyone in the room if there were any additions and/or deletions to today's agenda. There were none. Four Directors were present, providing a *quorum*. *Proof of notice* was by posting today's agenda on town hall bulletin board and at the Valley County Courthouse on 11/21/2018. Chiechi welcomed the public. Chiechi again asked everyone in the room if there were any additions and/or deletions to today's agenda. No public comments were made. Chiechi called for a *motion to approve the agenda for Meeting #355, as posted*. Carl Millerick made the motion to approve the agenda for Meeting #355, as posted. Hugh Frankson seconded the motion, and the vote was unanimous. Chiechi called for a *motion to approve the minutes of Meeting #354, minutes of Special Meeting #64, and minutes of Special Meeting #65, as written*. Millerick made the motion to approve the minutes of Meeting #354, minutes of Special Meeting #64, and minutes of Special Meeting #65, as written. Frankson seconded the motion, and the vote was unanimous.

Reports & Business:

General Manager's Report: Part-time operator Rob Esaias provided updates.

Calendar. Directors reviewed the calendars for November and December 2018. Calendar items of note were: Meters were read November 23 and 26, bills will be mailed on November 28, water sample collected on December 10, 24-hour shutoff notices posted on December 10, meters read on December 21, bills mailed on December 27, and FY 2018 Annual Financial Report to Mt. Dept. of Admin. filed on December 28. Directors monitor the calendar for Tuesdays when payroll and claims are processed, making themselves available for signing checks.

Systems Report: Esaias reported the system is running smoothly with no problems to report. Esaias is checking lift stations three days each week to keep pumps greased and sewage treated with degreaser. Also, the generator is being tested for backup power supply to each lift station once a month. Lagoons are checked for wastewater levels in the triangle cell and sampling of PH levels within range twice weekly. Master meter

1. The first part of the document discusses the general principles of the law of contract. It states that a contract is a legally binding agreement between two or more parties. The document then discusses the elements of a contract, which are offer, acceptance, and consideration. It also discusses the defenses to a contract, such as duress, fraud, and mistake. The document concludes by stating that a contract is enforceable in court.

2. The second part of the document discusses the law of tort. It states that a tort is a civil wrong that causes harm to another person. The document then discusses the elements of a tort, which are duty, breach, and causation. It also discusses the defenses to a tort, such as self-defense and necessity. The document concludes by stating that a tort is enforceable in court.

3. The third part of the document discusses the law of property. It states that property is a legal right in a thing. The document then discusses the elements of property, which are possession, control, and exclusion. It also discusses the defenses to property, such as adverse possession and easements. The document concludes by stating that property is enforceable in court.

4. The fourth part of the document discusses the law of trusts. It states that a trust is a legal arrangement in which one person holds property for another person. The document then discusses the elements of a trust, which are settlor, trustee, and beneficiary. It also discusses the defenses to a trust, such as fraud and mistake. The document concludes by stating that a trust is enforceable in court.

5. The fifth part of the document discusses the law of wills. It states that a will is a legal document that expresses a person's wishes regarding the distribution of their property after death. The document then discusses the elements of a will, which are testator, testamentary capacity, and intent. It also discusses the defenses to a will, such as fraud and mistake. The document concludes by stating that a will is enforceable in court.

readings are steady at 65,000 to 70,000 gallons pumped daily. Anthony Hebert is working full time, being trained to become the certified water and wastewater operator. Two work orders are outstanding because of weather, and will be completed in spring and two service requests are outstanding because of owners and/or occupants not providing access. Esaias stated construction by Macon Construction on the meter vault is almost done and no word has been received concerning crossover and bleeding of lines. Chiechi is maintaining contact with Joni Sherman, DPRWA General Manager and will brief as he gets new information and dates. Esaias distributed information concerning a sewer jetter/pressure washer and requested directors consider purchasing this equipment for use in smaller diameter lines, particularly MCP housing; and as a pressure washer at the lift stations to clean/clear grates or to blow out rocks in the risers at curbstops and valves preventing the key from turning. Chiechi requested Esaias and Hebert perform an accurate inventory of equipment and spare parts. Hawkins will provide copies of the 2016 inventory as a starting point.

Financial Report:

a. **Claims.** Hawkins reported October 2018 claims totaled \$17,220.64. Chiechi called for a *motion to approve payment of claims for October 2018 totaling \$17,220.64*. Millerick moved to approve the payment of claims for October 2018 totaling \$17,220.64. Frankson seconded the motion, and the vote was unanimous.

b. **Financials.** Hawkins reported in *October 2018* the District had *deposits* totaling *\$25,604.46* and she further stated the *O&M checking account balance* was *\$65,341.48*, with *\$667.55* in (6) outstanding checks, the *Lagoon/Lift Station account balance* was *\$23,463.58*, the *2009 Revenue Bond repayment reserve account balance* was *\$77,345.71*, the *capital improvement account balance* was *\$114,413.64*, and the *Stockman Bank of Terry, MT checking account balance* was *\$55,091.02*. The *grand total of accounts* was *\$335,655.43*. Hawkins also stated *one Certificate of Deposit*, currently with Independence Bank, totaled *\$128,722.38*. Hawkins reported the *grand total of all accounts* for the District was *\$464,377.81*.

Chiechi called for a *motion to accept the Financials as presented*. Millerick made the motion to accept the October 2018 Financials as presented. Frankson seconded the motion, and the vote was unanimous.

Budget Report: Hawkins reported as of *October 31, 2018*, *revenue totaled \$99,118.42 at 34% of budget and expenses totaled \$102,803.29 at 37% of budget*. Hawkins noted depreciation of assets was \$8,927.00 per month and \$3,911.26 has been expended from the Reserve budget of \$22,000.00 to purchase the tamper.

Delinquent Accounts Report: Hawkins reported the District now has 376 customers billed out with 268 actively paying. One disconnection has occurred in the last 30 days for non-payment. Delinquent accounts already shutoff, billed basic rate only (109 units) totaled \$28,757.23. Hawkins reported these 109 customer accounts will be deferred to Valley County in the form of real property assessment tax liens if not collected by August 15, 2019.

Unfinished Business:

a. **Resolution No. 89, Amendment #18 – banking resolution.** Chiechi stated the purpose of the resolution and asked Frankson to read aloud NVCW&SD Resolution No. 89, Amendment #18. No discussion took place. Chiechi called for a *motion to approve NVCW&SD Resolution No. 89, Amendment #18 as read*. Millerick made the motion to approve NVCW&SD Resolution No. 89, Amendment #18 as read. Frankson seconded the motion, and the vote was unanimous.

b. **Garage Door Opener & Overhead Lights, Bldg 501.** Chiechi stated opposition to the single bid from a local contractor, citing Director oversight of spending as his reason. After discussion, Directors agreed to accomplish this building improvement utilizing in-house expertise and labor. Purchase orders for materials for this particular project will be approved by at least three directors, if over \$500.00.

c. **Job Vacancies – Office Clerk.** Chiechi provided a timeline of events and happenings, when personnel resigned from certain positions, consultations with legal counsel, and when job vacancy announcements were posted. Chiechi noted Suzanne Tyte resigned as District Secretary effective November 6, 2018, legal counsel was consulted on November 7-8, 2018, Hawkins resigned as Director effective November

9, 2018, and Hawkins was hired as part-time office manager and District Secretary on November 13, 2018 in a letter signed by three directors. Chiechi also noted the District will post this vacancy with Montana Job Service through its Wolf Point office tomorrow.

New Business:

a. **Removal of Trees causing sewer blockages.** Chiechi stated a request to remove certain trees was submitted to the St. Marie Village Architectural Committee for approval. He cited repeated trouble calls from unit occupants to clear sewer service line blockages caused by tree roots inside the pipe, (177D Ash St., 224D Pine St., 380D Poplar St. and 382D Poplar St.). Chiechi is awaiting a response before taking further action. Esaias stated his reluctance to cut down established trees, and is trying a different chemical additive containing copper sulfate in a foam concentrate before taking such drastic measures. If the District purchases the small diameter sewer jetter/pressure washer, operators will have the capability to use high pressure water along with a cutter bit to chew up roots and wash them out to the main simultaneously.

b. **Progress of DPRWA Meter Pit.** Chiechi stated having conversations with Joni Sherman and DPRWA's commitment to helping with manpower to flush lines and giving as much advance notice as possible so the community will not be adversely impacted. DPRWA has all hardware/plumbing installed inside the pit and is awaiting the communications contractor's installation of the SCADA components and communications antenna before delivery of water to our storage facility/water tower. The SCADA system monitors pump flows and system pressure. The District will have to purchase a smart phone capable of connecting to the internet to login to this application/software in order to monitor/manage daily what DPRWA is pumping.

c. **Renewal of Grazing Land Lease w/Shipp.** Chiechi stated making inquiries with other land owners who lease land for grazing. The lease rate per acre needs to be increased to be in line with what other local land owners are charging and collecting. Also, there should be a stipulation as to how many cow/calf pairs are able to feed per acre of land in order for the grassland mineral content not be depleted. Chiechi quoted a new price of \$4.36 per acre and a limit of one cow/calf pair per every five acres. Lease income would increase from \$195.00 to \$680.16. After discussion, Chiechi called for a *motion to approve leasing 156 acres in 2019 for the price of \$4.36 per acre and a limit of one cow/calf pair per every five acres for a total of \$680.16.* Millerick made the motion to approve leasing 156 acres in 2019 for the price of \$4.36 per acre and a limit of one cow/calf pair per every five acres for a total of \$680.16. Frankson seconded the motion, and the vote was unanimous. The office will draft a new lease for Chiechi to sign and forward to the current leasee.

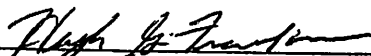
Public Comments, Matters, or Concerns-Water and Sewer Service: Chiechi opened the floor to comments or questions from the public. There were none.

Board Comments: Frankson requested a discussion and vote on scheduling a December board meeting. Directors expressed agreement to forego having a regularly scheduled meeting during the end of year holiday period. Chiechi stated a special meeting could be called in any case of business needing immediate attention or action. He polled Directors and the vote was unanimous.

The next board meeting is January 2019 at Town Hall.

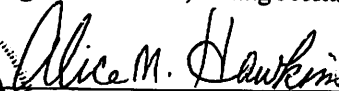
Millerick made a motion for *adjournment*. Frankson seconded the motion, and the vote was unanimous. Meeting adjourned at 3:30 p.m.

Approved:


Hugh G. Frankson, Acting President

Date: 1-22-2019




Alice M. Hawkins, Recording Secretary

Date: 1-22-2019