

SEELEY LAKE – MISSOULA COUNTY WATER DISTRICT
MONTHLY BOARD MEETING
February 12, 2024

Attendance:

Charlie Hahn	President	PRESENT
Todd Johnson	Vice President	PRESENT
Kris Martin	Director	PRESENT
Chris Lorentz	Director	PRESENT
Freda Rathbun	Director	PRESENT
Vincent Chappell	General Manager	PRESENT
Felicity Derry	Office Manager	PRESENT
Tammy Lewis	Operator	PRESENT

OPENING:

Lorentz moved to open the meeting at 5:59pm. Martin seconded the motion. The meeting was held at The Lodges, Boy Scout Road, Seeley Lake, MT.

PUBLIC COMMENTS:

None.

MINUTES:

December 18, 2023

Johnson moved to accept the December 18, 2023 minutes of the Regular Board Meeting as presented. Martin seconded the motion, which was then passed.

FINANCIAL REPORTS:

December 2023

Johnson had met with Chappell to review the financial reports. The Water Sales income had exceeded the budgeted amount. Expenses for December were high, at approximately \$48,000. Chappell added that two months of bills and the Kamstrup annual maintenance payment had elevated the Office Supplies expense. The Repairs & Maintenance expense was also high due to the repairs to the Black Bear Boost Station and the shop door on the plant. Johnson noted that for the year, expenses exceeded budget by approximately the same amount that the Water Sales had exceeded budget. For December there was a loss of approximately \$24,000, when Debt Retirement was included, the loss dropped to approximately \$14,000. Chappell noted that originally all the bonds were set to be paid off in 2029. In 2013 the SRF bond was rewritten at a lower interest rate, which pushed back the payoff date to 2033. Johnson had discussed with Chappell that prior to 2033 the Board would have to address the operating loss and that it would be better to spread out any increases. Chappell added that

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it would require the rates to be restructured. Johnson continued that the bond payments had been made in December. The checks all had two signatures, the accounts were reviewed and were in order. The Board had no questions.

Johnson moved to accept the December financial reports. Lorentz seconded the motion, which was then passed.

DELINQUENCY REPORT:

None.

OPERATIONS REPORT:

January & February 2024

Chappell informed the Board that general maintenance and clean up around the plant was done. There had not been much snow plowing as there had not been much snow. Chappell had worked on paperwork for some new reporting that State is requiring. A couple of customers had frozen lines. Lewis found a leaking service line (before the meter), which had now been repaired by the owner. The owner will be replacing the rest of the service line this summer.

The water loss was back up to 1.8 million gallons. Once spring arrives, leak detection will begin. The location of potential leaks was discussed.

Rathbun moved to accept the January & February 2024 Operations and Loss Report. Martin seconded the motion, which was then passed.

OLD BUSINESS:

Meter Project – Phase 2 Tower Project - Update

Chappell noted that the FCC license had finally been completed. Once Neely Electric had obtained the permits the equipment would be installed.

Pine Drive Main Extension - Update

Chappell noted that DEQ had approved the engineering plans and should finalize the project shortly, making breaking ground possible in the spring.

NEW BUSINESS:

Thawing Equipment Purchase

Chappell noted that the Board had approved the purchase of this equipment at a previous meeting. After reviewing the equipment Chappell had found some alternative products that would better fit the District's needs. These products were more expensive and then reviewed the different options. These options and how much the equipment would be used were discussed. The Board requested that

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Chappell get some more information, put together a list of what the equipment would be used for and how much the existing equipment could be sold for.

2024 Rate Increase

Chappell compiled some information listing 3% to 5% rate increases and then reviewed the different options and how they much they would increase the District's income. The Board discussed the different options and the increases in the expenses.

Lorentz moved to approve a 5% rate increase. The Board discussed when to implement the increase. Discussion then moved to having several smaller rate increases, rather than one large increase. Martin moved to approve a 3% increase, beginning in April, which would be on the bills sent out in May. Lorentz seconded the motion for a 3% increase, which was then passed unanimously.

CORRESPONDENCE:

None.

NEXT SCHEDULED MEETING:

The next Board meeting was scheduled for March 28, 2024.

ADJOURNMENT:

Rathbun moved to adjourn the meeting at 6:37pm.

Attest

Charlie Hahn, Director

-And-

| SEAL |

Vince Chappell, General Manager

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