

SEELEY LAKE – MISSOULA COUNTY WATER DISTRICT
MONTHLY BOARD MEETING
April 27, 2023

Attendance:

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

*** Arrived at 5:33pm & left at 6:10pm**

OPENING:

Rathbun moved to open the meeting at 5:30pm. Lorentz seconded the motion, which was then passed. The meeting was held at the Water District Plant, 281 Rice Ridge Road, Seeley Lake, MT.

PUBLIC COMMENTS:

None

MINUTES:

March 30, 2023

Johnson moved to approve the March 30, 2023 minutes of the Regular Board Meeting. Rathbun seconded the motion, which was then passed.

FINANCIAL REPORTS:

March 2023

Johnson noted that he had met with Chappell to review the financial reports. The Water Sales income was down this month. The Operating income was lower than the budgeted amount, which was normal for this time of year. The Chemical expense was high, as was the Repairs & Maintenance expense. Overall expenses for the month were slightly higher than usual. There were almost sufficient funds in the DNRC Loan Payable account to pay the July 1st loan payment. Johnson had reviewed all the statements and accounts, and everything was in order.

Johnson moved to accept the March 2023 Financial Reports as presented. Rathbun seconded the motion, which was then passed.

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Davy Good arrived.

Lorentz moved to move the New Business item pertaining to Davy Good up. Rathbun seconded the motion, which was then passed.

NEW BUSINESS:

Davy Good Construction Invoices – Write Off

Chappell gave some background on the events leading up to the Davy Good water leak invoices, how the service lines were laid out on the effected properties and that there were still incorrect fittings on the service line to Acc#618. Davy Good noted that they had used irrigation fittings to splice the lines because the homeowner had indicated that those two lines were not being used, as they ran to the cabin that had blown up (in 2008). They had thought those water lines were abandoned, as the water was off when the lines were hit. However, the correct fittings had been used for Acc#618. Chappell noted that these leaks were before the meter and the approximate water lost totaled 2.4 million gallons. Nature Scapes had returned and repaired the lines in the main hole with the correct fittings.

The possibility of billing the homeowners was discussed. Davy Good noted that the homeowners felt that it was solely Nature Scape's responsibility and that the homeowners should not have to pay for the leak. Submitting this to Davy's insurance was reviewed. Chappell outlined when and which service lines had been turned off, noting that the District could only locate from the main to the curb stop. The District could not legally locate on private property.

Davy Good asked the Board for forgiveness for the two invoices. The Board discussed the possibility of billing the leak to the homeowner and then using their leak write-off. Discussion followed that this was a unique situation and that the leaks would have been found much earlier if the meters had been in pits. District personnel had spent many hours actively looking for the leaks. The leak write-off policy was reviewed and whether it pertained to this instance was discussed. Davy Good was willing to utilize his write-off if need be.

Davy Good left the meeting.

The discussion continued as how to proceed with this situation and any similar issues that may arise in the future. Billing the homeowner was revisited and how to deal with leaks before the meter in the future was discussed. Whether the contractor was negligent in this instance was reviewed. The Board discussed billing the homeowner or billing Nature Scapes. The Board agreed that in the future if a leak could be quantified, it should be billed to the customer. The Board discussed writing off part of the loss. Chappell reviewed why the invoices had been sent to Nature Scapes. The Board agreed to continue the discussion at the end of the meeting.

DELINQUENCY REPORT:

April 2023

Chappell reviewed the Delinquency Report for the Board.

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Lorentz moved to accept the April 2023 Delinquency Report. Johnson seconded the motion, which was then passed.

OPERATIONS REPORT:

April 2023

Chappell informed the Board that on April 4th he had received a call alerting him to the 4th frozen mainline. W Wagon Wheel Ct. had frozen in the same place it had before. When the main was dug up, the ground was thawed down to the frost plate, but was solid frost under it. The main was thawed quickly, the services did not freeze off and the water was restored to all services. After that Chappell took a week vacation. Nature Scapes returned and fixed the rest of the broken lines. However, there was at least one questionable fitting that still needed to be replaced. General maintenance and cleanup around the plant was performed. He and Derry had been working on the paperwork for the tower project. The final step was reactivating the District's SAM registration, then the Missoula County contract will be finalized. Chappell noted that the tower design must be engineered and requested permission to get that started.

Lorentz move to begin design on the tower. Rathbun seconded the motion, which was then passed.

Chappell had worked on the mainline replacement/extension.

Chappell reviewed the water loss report. The difference between the December and April figures were the water leaks they had been discussing with Davy Good. The loss was now back to where it had been four months prior.

Johnson moved to accept the April 2023 Operations Report. Rathbun seconded the motion, which was then passed.

OLD BUSINESS:

USFS Service Line - Update

Chappell noted that Quinn had not got back to him. Chappell had spoken very briefly to Quinn and the conversation was the same as when he had attended the meeting (the District needed to pay for the excavation and then the District would take responsibility for the line). The USFS still had not paid the invoice for the repair after the meter that the District had done on behalf of the USFS.

Chappell would like to write a letter to the USFS regional managers and have a meeting with them to try to get this figured out. Johnson suggested inviting Quinn to the meeting.

Main Replacement/Extension – Update

Chappell noted that Derry had been in contact with SRF and the District could potentially receive 75% loan forgiveness on the project. Chappell was waiting to hear back from the engineers and estimated that the project should cost less than \$80,000.

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NEW BUSINESS:

Meter Project – Phase 2 Tower Project

Chappell noted that this project was moving forward and should be finalized in the next couple of weeks.

Rathbun moved to closed out Old Business. Lorentz seconded the motion, which was then passed.

Davy Good Construction Invoice – Write Off

The options on how to move forward were reviewed.

Johnson moved to forgive the first invoice, but the second invoice stands. Lorentz seconded the motion, which was then passed. Chappell will send a letter with the invoice, stipulating that the credit for the first invoice will be applied once the incorrect fittings have been replaced with the correct fittings.

CORRESPONDENCE:

None

NEXT SCHEDULED MEETING:

The next Board meeting was scheduled for May 25, 2023.

ADJOURNMENT:

Rathbun moved to adjourn the meeting at 7:04pm. Lorentz seconded the motion, which was then passed.

Attest

Charlie Hahn, Director

-And-

| SEAL |

Vince Chappell, General Manager