

SEELEY LAKE WATER DISTRICT
MONTHLY BOARD MEETING
June 25, 2019

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

*** Arrived at 5:33pm**

OPENING:

The meeting was brought to order at 5:15 pm at the Water Plant, 281 Rice Ridge Road, Seeley Lake, MT.

PUBLIC COMMENTS:

None

MINUTES:

April 25, 2019

The minutes for the board meeting held on April 25, 2019 were presented to the Board for review.

Lorentz moved to accept the April 25, 2019 minutes as presented. Rathbun seconded the motion, which was then passed unanimously.

FINANCIAL REPORTS:

April 2019

Johnson noted that Water Sales were not too bad, at almost \$20,000. Operating income for the month totaled \$21,800. Office expenses were elevated due to the cost of the website. Operating expenses totaled \$22,000 for the month, so operations showed a profit of \$1,890. When Debt Retirement was included there was a \$15,000 profit.

\$114,000 excess funds were transferred from the Loan Payable account to the Capital Projects account. The bank had changed the billing cycles on the statements. The check detail, credit card statements for March and April were reviewed. There was nothing out of the ordinary.

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

May 2019

Johnson noted that Operating income for May was at \$23,600. The Computer Consulting & Maintenance expense was high due to the annual BlackMountainSoftware invoice. The Office Supplies expense was elevated due the purchase of Laserjet cartridges and bank fees. The Repair & Maintenance expense was high due to the digs in Phase 1A on the frozen and broken mains. The white and the blue trucks both had work done. Operations showed a loss of \$5,600 for the month. With Debt Retirement included there was an overall profit of \$7,800.

The check detail, credit card and bank statements and adjustment journals were all reviewed and looked good.

Lorentz moved to accept the May 2019 Financial Reports as presented. Rathbun seconded the motion, which was then passed.

DELINQUENCY REPORT:

June 2019

The Board reviewed the June 2019 Delinquency Report.

Johnson moved to accept the June 2019 Delinquency Report. Lorentz seconded the motion, which was then passed.

OPERATIONS REPORT:

May & June 2019

Chappell informed the Board that on May 2, 2019 service on the frozen section of Overland Trail was restored. There had been two sections of mainline that had blown out in Double Arrow Phase 1A, both of which had been repaired. MET had resolved the computer issues. Once they had added a few more alarms that project would finally be completed. Leak detection began. To date only one leak on a service line in Double Arrow Phase 1A had been found. The website was up and running. The CCR would be posted on the website. The cost of the website was less than the CCR mailing.

June was spent chasing leaks on Double Arrow Phase 2. One leak was dug up and it turned out that the leak was under Whitetail Road, and not on the service line. It would have to be dug up again and fixed. The other leak was caused when the side of the main on Black Bear Drive blew out. That was fixed and service was restored the same day.

A great deal of time was spent turning on the water for snowbirds. Flush stations were researched as a possibility to prevent Overland Trail from freezing again. It was the second time that area had issues,

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but the first time that the main had frozen. The flush station could be placed at the end of the main and would periodically flush water to keep the water moving in the main. The flush station would cost approximately \$8,000-\$10,000. Another possibility would be to install a recirculation pump, but that would require digging up the entire road and then running a water line down the side of the road to move the water. Either way it would be expensive to resolve the issue. However, it cost a lot of money to dig and fix the frozen mains, as well as the inconvenience it placed on customers. Chappell would do more research.

The water loss was at 1.7 million gallons (28%). Leak detection continued. It would be a long and expensive year.

Lorentz moved to accept the May & June Operations Report. Rathbun seconded the motion, which was then passed.

OLD BUSINESS:

SCADA Update

Previously covered.

NEW BUSINESS:

Water Main Repairs

Chappell noted that the last couple of digs repairing the frozen mains had cost close to \$5,000. The Black Bear main repair was not included in that. The leak at the Wolf Ridge apartments on the side of the highway would be dug up tomorrow. There had been, and still were, lots of repairs from the bad winter.

Meters

Chappell informed the Board that the options had been discussed and the consensus was that the entire meter system needed to be replaced, which would be expensive. The meters that had new radios back in 2007 had been rebuilt and were going on 20 years old. Over time they became less accurate, which added to the water loss. When the meters were switched out the first time, 40% of the water loss was due to old meters. This replacement would probably cost approximately \$200,000. There were sufficient funds in Capital Projects to pay for that. Chappell would recommend using ultrasonic meters and new radios. The length of time it would take to change the meters and the technicalities in doing this were discussed. Chappell would do some more research and get an RFP together for the August meeting.

Online Payments

Derry reviewed the different options for online payments. Initial costs to the District ranged from zero to almost \$1,000. The Board discussed the different options and the probable demand for online payments.

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Lorentz moved to contract with PayStar for online bill payments. Rathbun seconded the motion, which was then passed.

Bond Payments

Chappell informed the Board that the July 1, 2019 bond payments totaled \$128,216.25. Currently there was a shortage of \$78,078.72 in the Loan Payable account.

Johnson moved to approve payment of the July 1, 2019 bond payments totaling \$128,216.25. Lorentz seconded the motion, which was then passed.

Johnson moved to transfer \$78,078.72 from the Capital Projects account to the Loan Payable account. Lorentz seconded the motion, which was then passed.

Bank Accounts

Chappell noted that Citizens Alliance Bank had made numerous changes and added new fees. Derry noted that the District had been charged fees totaling \$75 last month. A bank cost comparison sheet had been included in the board papers. The Board agreed that Johnson should talk to the bank and would revisit the subject at the July meeting.

CORRESPONDENCE:

Scott Smith

Chappell informed the board that this had been a very large water leak, which Lewis had caught when reading meters. The water was shut off immediately, and Smith was called to inform him of the situation. Smith had emailed the District contesting the bill and was informed of the normal procedure to request a leak adjustment. Smith had not sent a leak adjustment request. Chappell had called him twice and had not heard from him. The Board requested that clarification of a leak adjustment request be sent to Smith, and it should be put it on the next agenda.

Community Foundation

Chappell informed the Board that the hot water heater had broken under the building. The leak was discovered after Lewis had read the meters. It was fixed immediately and they had requested a write off.

Johnson moved to approve the leak request for \$196.98/85,275 gallons under the standard policy. Lorentz seconded, which was then passed unanimously.

Ron Cox

Chappell informed the Board that a faulty sprinkler on a timer ran while they were away. It had been fixed and the owner was requesting a write off.

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Rathbun moved to approve the leak request in the amount of \$110.03/47,632 gallons. Martin seconded the motion, which was then passed unanimously.

NEXT SCHEDULED MEETING:

The next Board meeting was scheduled for July 25, 2019.

ADJOURNMENT:

Johnson moved to adjourn the meeting at 6:29pm.

Attest

Charlie Hahn, President

-And-

| SEAL |

Vince Chappell, General Manager