

SEELEY LAKE WATER DISTRICT
MONTHLY BOARD MEETING
November 29, 2018

Attendance:

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

OPENING:

The meeting was brought to order at 5:35pm at the water plant, 281 Rice Ridge Road, Seeley Lake, MT.

PUBLIC COMMENTS:

None

MINUTES:

August 30, 2018

The minutes for the board meeting held on August 30, 2018 were presented to the Board for review.

Grimes moved to accept the August 30, 2018 minutes as presented. Martin seconded the motion, which was then passed unanimously.

FINANCIAL REPORTS:

August 2018

Chappell noted that Johnson had reviewed the financial reports and recommended their approval. August Water Sales were the best for the year. Total income was \$36,300. Expenses were down, totaling \$23,000. There was an overall profit of \$24,300 for August. All of the bank accounts looked good. Accounts Payable was high due to the fire hydrants invoice. The DNRC Loan Payable account was starting to build for the next payment at the end of the year. The bank and credit card statements were reviewed and there were no issues.

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Regular Monthly Meeting

Seeley Lake – Missoula County Water District

September 2018

Chappell said that Water Sales had dropped to \$25,500 for month, but the income from the Sewer District had supplemented that. Expenses were minimal. Testing was elevated by the annual tests and Repair & Maintenance was high due to the fire hydrants installation. Operating income was \$4,900, while overall income was \$18,200. The DNRC Loan Payable account increased again. There was a credit on Accounts Payable from the contract payment for propane. Johnson had reviewed all of the bank and credit card statements. It was noted that check#18250 only had one signature. That was the check that the Board had approved for Chappell to use to pay for the chlorine parts and was hand written.

October 2018

Chappell noted that Water Sales was below the monthly budgeted amount at \$19,356, which was normal for October. Water Sales income was budgeted at \$260,000 and the year-to-date was \$220,000, so it would be close. The budgeted Tap Fee income had been exceeded due to the recent 1" tap and \$500 system develop fee. Other income, which had not been included in the budget, from the Sewer District was already at \$5,000, which would supplement the overall income if Water Sales continued to be low. The Office Supplies expense was higher due to two months of postage for the bills. The Repair & Maintenance expense was high due to the fire hydrants installation and generator maintenance. The Utilities expense was higher due to the timing of the power bill, two bills were paid in October. Operations showed a slight loss and with Debt Service included, overall income was close to \$13,000. The DNRC Loan Payable account had sufficient funds to make the next loan payments. Accounts Payable looked good. Johnson had reviewed the bank and credit card statements and found no issues. Johnson had recommended approving all of the financials.

Grimes moved to accept the August, September and October 2018 Financial Reports as presented. Martin seconded the motion, which was then passed.

Chappell noted that the next bond payments totaling \$106,081.25 were due on January 1, 2019. Derry added that the balance in the DNRC Loan Payable account was \$145,000.

Grimes moved to approve payment of the January 1, 2019 bond payments in the amount of \$106,081.25. Martin seconded the motion, which was then passed.

DELINQUENCY REPORT:

October 2018

The Board reviewed the November 2018 Delinquency Report, noting that two of the liened accounts had been paid in full.

Martin moved to accept the November 2018 Delinquency Report. Grimes seconded the motion, which was then passed.

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OPERATIONS REPORT:

September, October & November 2018

Chappell informed the Board that for the last couple of months a good deal of time had been spent shutting off water for snowbirds. The fire hydrants were flushed and no complaints were received. Chappell had discovered a broken service line on Shoreline Court. The line was replaced.

Generator maintenance was performed. The generator at the lower station was repaired. Eight fire hydrants had been replaced and the clean up around them was completed. Lewis tore the old hydrants and pipes apart and hauled them to Missoula for scrap. Yearly testing was completed and looked good. The recently purchased chlorine equipment was cleaned and checked. There were four units and each one sold for approximately \$7,500. One was brand new with no use, another had minimal use and the other two had considerable use. It was a really good purchase. Early next year one will be put in the lower chlorine station.

The end of the year paperwork was compiled and the draft budget was completed. UV maintenance was performed. The UV bulbs were working well and had exceeded their lifetime expectation three-fold. The skid steer was cleaned and all of the fluids were checked to get it ready for the winter. It then was run for fifteen minutes and engine locked up. It was due to very low oil. There was no oil on the ground or in the belly pan. Chappell had no explanation as to where the oil went. It was being repaired.

At the beginning of the year the water loss was 1.1 million gallons. In April it was 1.2 million gallons. Twelve leaks were fixed this year. After the fire hydrants were flushed it settled down and the loss was now at 767,000 gallons, so it had dropped. There were still a few leaks out that they were trying to find.

Grimes moved to accept the September, October & November 2018 Operations Report. Martin seconded the motion, which was then passed unanimously.

OLD BUSINESS:

Reviewing Policy Manual, Old & New Material – Taking Public Comment

Chappell noted that most of the changes were in the first section. The format had been changed and broadened in the second part to cover more. Hahn suggested that the Board read through the manual and review and finalize it at the next meeting. Chappell asked the Board to let him know if they had any questions or concerns so it could be approved. Then it would need to be advertised in the paper and put in the library for public review. If there was no public comment it could be passed.

SCADA

Chappell noted that the computer that collected the data from the plant was outdated. It was the only computer that had not been replaced. It had been in the budget last year for \$12,000, but it had taken a while to get comparable bids. One bid was for \$38,000 and the other was \$14,700. Chappell reviewed the two bids and the Board discussed the options.

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Grimes moved to accept the lower bid from MET. Martin seconded the motion, which was then passed.

NEW BUSINESS:

2019 Budget

Chappell reviewed the draft 2019 budget noting that there were minimal changes. It could be finalized next month. Included with the budget was a list of proposed system upgrades. Finally, after numerous years of replacing the fire hydrants on the Double Arrow, there were only five remaining and Chappell would like to complete that next year. Also, to upgrade the lower chlorine station using the recently purchased equipment that would require some additional parts, at an estimated cost of \$3,100. This would provide a second unit that could be used if the primary unit failed. There were sufficient funds in Capital Projects to cover both items.

Skid Steer

Chappell noted that he had received email approval for the repair, but needed a formal approval. The engine cost \$5,900, some of which would be refunded for the old engine. The installation would probably cost around \$1,500.

Grimes moved to approve the skid steer repairs. Martin seconded, which was then passed unanimously.

CORRESPONDENCE:

Brian Sharkey

Chappell said that their account had increased usage. The owner was notified and could not find a leak. A toilet had a slight leak that was fixed by jiggling the handle, but had no explanation of the leak. He was requesting a write off. The owner did not want a profile pulled. The Board discussed the request.

Martin moved to approve the leak request for \$80.85/35,000 gallons on this one occasion. Grimes seconded, which was then passed.

Options for the Board Christmas dinner were discussed. It would be on the December agenda for further discussion.

Freda Grimes informed the Board that she had changed her last name to Rathbun due to her recent marriage.

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NEXT SCHEDULED MEETING:

The next Board meeting was scheduled for December 27, 2018.

ADJOURNMENT:

Rathbun adjourned the meeting. Martin seconded at 6:34pm.

Attest:

Charlie Hahn, President

-And-

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Vince Chappell, General Manager