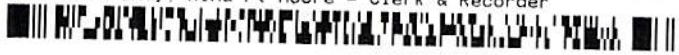


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Cascade County, Rina Ft Moore - Clerk & Recorder



**Vaughn Cascade County Water and Sewer District**

**Board Meeting Agenda**

**December 15<sup>th</sup>, 2020**

6:00 p.m. American Legion Hall

**Face Mask required**

Call to order

Pledge of Allegiance

Roll Call

Approve August 25<sup>th</sup>, Sept 15 & Oct. 8, November 17<sup>th</sup>, 2020 meeting minutes

**Open community comment**

- Limited to 3 minutes each, state name and, if property owner, address.
- The board will answer on the spot when possible, however community may be asked to fill out an official information request when needed.

**Standing Agenda**

- Secretary/Bookkeeper report
- Operator report

**Old Business**

- KLJ Engineering: Update on water project
- Budget review/approval
- Resolution 20-10 Sewer rate increase

**New Business**

- Accept Jeffrey Werley's resignation from the Board of Directors
- Resolution 20-11 Appoint Board President

Adjourn

# Vaughn Cascade County Water & Sewer



1161 6<sup>th</sup> Ave, Vaughn, MT 59487

Board Meeting Minutes

December 15<sup>th</sup>, 2020

**Notice:** *These minutes are paraphrased and reflect the proceedings of the Board of Directors.*

MCA 7-4-2611 (2) (b). These minutes were officially approved at the Jan 19-2021 Board meeting.

**Public in attendance:** see sign in sheet.

**Call to order/Quorum:** Cory Eli President at 6:04 pm

**Pledge of Allegiance**

**Roll Call:** Herb Phinney, Rex Heckel, Cory Eli.

**Employees:** Annette Kniffen, James (Rusty) South

**Approve:** August 25, Sept. 15, Oct 8 and Nov. 17, 2020 meeting minutes **1:03**

Cory made motion to approve minutes as written, Herb second.

**Any board discussion:** none

**Any public discussion:** none

**All those in favor say Aye:** Cory, Herb, Rex

**All those opposed same sign:** none.

**Open Community comment:** **1:53**

None

**Secretary/bookkeeper report:** see attached **2:11**

The secretary report says I will talk to the postmistress about posting the agenda inside the building. I talked to her today and she said if she can find the key I can post inside the locked box.

**Operators report:** **4:45**

See attached.

**Rex:** when you said the Fire Dept. helped with the hydrants that was pretty much done and they cooperated:

**Rusty:** yes. There were a few that didn't drain out but I go back and check them to make sure they drained all the way down for winterizing.

## Agenda: Old Business

### **KLJ Engineering Water Project update: 8:38**

**Rusty:** Jackson contracting has the contract and they plan on doing some dirt work up at the tank. That is probably all they are going to be able to get done this winter. They have until June 1<sup>st</sup> to complete the project. The posts are in the ground in front of the American Legion Hall for our water project sign. They don't have the sign yet. Not much else until spring.

### **Budget review & approval: 9:51**

**Annette:** on the budget I believe everything was approved except where the main line savings was going to come from.

**Cory:** the rental for the meetings went up? **Annette:** no it's \$25 every time we have a meeting at the Legion Hall.

**Cory:** everyone has had a chance to go over it? **Annette:** nothing has changed. We have been going by it except for where the savings will come from for main line. **Cory:** when we are talking about replacement what is that? **Rusty:** we have old clay lines and lines down 1<sup>st</sup> Avenue. I fixed one spot. But you need a full excavator. We talked about slip lining them but they are not in good enough condition. **Herb:** do we have a line going up Sunnyside that has roots? **Rusty:** there's a break right on 4<sup>th</sup> Street. The other line is by Couch that is a cast iron line.

**Herb:** Annette when you have to add in for the main line. **Annette:** we don't have anything going into savings for the main line. **Rusty:** it something I created because we need the money to fix it. I don't know how much it will cost. If we can get a grant down the road we would have matching funds if we put something away.

**Rex:** remind me what SAGR stands for. **Rusty:** it is what we use for our sewer filtration.

### **Approve Budget: 20:31**

Rex made motion to approve the budget, Cory seconded.

Any further board discussion: no

Any public discussion: no

All those in favor say Aye: Rex, Cory, and Herb

All those opposed same sign: none

Motion carries.

### **Resolution 20-10 to increase sewer rates: 22:55**

**Cory:** explained the resolution about a 5% increase on the sewer only. This will be used to put away for main line replacement. **Rex:** asked about the company that bought Red Sky Mobile Home Park and how he was doing because awhile back he said he was going to get with us about the bill. **Annette:** he has been paying on time. **Rusty:** we haven't seen anything from him any kind of plan. He was going to meter. **Annette:** he is a really nice guy and easy to work with.

**Herb:** How much does the increase break down per customer, this is just the sewer? **Annette:** about \$2.71 per month for residential, \$3.61 for commercial, \$1.06 for unoccupied that is per month.

**Any other board discussion?** **Herb:** I am not wanting to raise the rate, I understand that we need it for infrastructure. We already have people that are not paying. **Annette:** everyone is caught up as of today. They



do get behind and we put a notice on their door, they catch up after that. **Herb:** if we can come up with the money without raising rates that would be ideal.

**Rusty:** my O&M goes up every year. We are trying to play catch up. If something happens, we would have to take it out of savings for SAGR or something else we are saving for maybe even the water side to fix something that breaks. We should have an increase for inflation, which has never been done in the past. **Rex:** that has never been done in the past? **Rusty:** no, it has never been done in the past. **Herb:** going back through the minutes, former boards were selling off equipment to pay for things. We are still suffering from history. That is why we had to take out the loan for the sewer project. **Rex:** Herb would you be satisfied with a 1 or 2% increase? **Herb:** I think it is everybody's desire not to raise the rate in 2020. I would listen to Rusty & Annette to find what we need to get the \$6,620 or something to put away for the mainlines. **Cory:** we are talking about \$2.71 for residential, \$3.61 for commercial etc. **Rusty:** go half of that and next year pick up another 2.5%. I don't want to look bad 10 years from now because I didn't do my job because we don't have the money to fix things. **Herb:** as far as the board how does each of us feel about it? **Rex:** if we need to raise it somehow I think do it in stages. **Annette:** when would it take effect? If it takes effect in January or February we wouldn't be able to raise it again for 12 months. **Rex:** I think we need to raise it somewhat. How much I don't know. **Cory:** we can do it in January. The problem with putting it off we will be in the same boat we have now. **Herb:** we did do a tracking of similar districts and we are the lowest. **Annette:** we did the tracking on other flat rate districts not meters. **Herb:** would like to prepare for future costs.

#### **Public Discussion:**

**Jessica Gurnsey:** What are the actual rates all together for each different charge?

**Annette:** residential is \$122.50, Commercial is \$184.73.

???: why is it just sewer that is being raised? **Rusty:** we should be increasing the water side to but the reason I don't think we need to is we just increased it for the loan for the water project. **Cory:** we have to have 12 months between increases.

**Jessica Gurnsey:** does commercial use more water than residential? I feel that commercial should be paying more, hundreds of people stop in Vaughn and use those businesses. **Annette:** when I started in 2017 it was the same price for everyone. Then the first part of the 2017 commercial rates were increased. **Jessica Gurnsey:** I think commercial should be paying a lot more than residential. Why aren't they paying \$200-250 a month? **Cory:** before the rate increase in 2017 they were cheap. Since raising the commercial the percentage has to go across the board. In order to raise the commercial rates we would have to have a series of public meetings. It is not a board decision and is a lengthy process.

**Discussion continued on what percentage the rate increase should be.** **Cory:** I think we should stay with the 5% even though this has been one heck of a year. **Rex:** Cory so you are suggesting we raise it 5%? **Cory:** yes across the board. I think we owe it to the district to try and save money for repairs. **Rex:** I don't mind paying a little extra. **Cory:** 5% is the max we can raise it.

**Herb made motion to approve Resolution 20-10 to raise the sewer rate 5% to start on January 1, 2021 1:00**

**Cory seconded**

**All those in favor say Aye: Cory, Rex, Herb**

**All those opposed same sign: none**

**Motion carries**

New Business: 1:04

Accept Jeffrey Werley resignation

Cory: read the resignation letter.

Herb made motion to accept resignation

Rex seconded.

Any further board discussion: none

Any public discussion: none

All those in favor say Aye: Rex, Herb, Cory

All those opposed same sign: none

Motion carries

Resolution 20-11 appoint board president 1:05

Rex nominated Cory

Herb seconded

Cory accepted.

Any further board discussion: none

Any public discussion: none

All those in favor say Aye: Rex, Herb.

All those opposed same sign: none

New Business: 1:09

Rex: Tina Cole would like to talk to the board about maybe interested in being a board member.


Herb: The Board of Directors is looking for board members. Cory: we just need a letter of intent.

Adjournment:

With no further business before the board, the meeting stood adjourned. Adjourned: 7:15 pm

Respectfully submitted:

  
\_\_\_\_\_  
Annette Kniffen, Secretary/Treasurer

  
\_\_\_\_\_  
Cory Eli, President

01-19-21  
\_\_\_\_\_  
Date

01/19/2021  
\_\_\_\_\_  
Date

SIGN IN SHEET

VAUGHN CASCADE COUNTY WATER & SEWER DISTRICT

BOARD MEETING

DATE: Dec 15-2020

NAME (PLEASE PRINT)	PHONE NUMBER
Michael Gunsey	406-781-5948
Jessica Gunsey	406-781-1216

## Operator/Manager Report

12/15/2020

### Report

- Garage/Shop building is coming along weather permitting; Posts have been set, gravel placed, concrete floor poured, walls built, trusses set, and 90% of steel placed. Things left to complete electrical, insulation, interior sheeting and garage doors.
- Headworks Project Plans/specs are about 99% complete and have been sent to DEQ for approval.
- Effluent from lagoon 3 is partly blocked again from decay of algae. Other effluent pipe was opened and the blocked pipe will have to be cleaned out again this winter after freeze over.
- Low water pressure was reported Thursday, October 22 and the outcome was the tank was empty when in fact the Intralinks system showed 1.6 feet remaining. I reprogrammed the system but this doesn't mean that this will not happen again. This Intralinks system is scheduled to be replaced with the water project.

### Upcoming Projects

- Working on garage/shop building.
- Water tank cleaning was scheduled but will be on hold due to COVID.
- Continue to do O&M work.

### Completed Projects

- Generator for the Pump house is repaired. Replaced the head gasket along with a few other parts. Are cost \$534.64, Mechanics Estimate \$1,254.87, Saving \$720.23
- Fire hydrants were inspected and flushed by the fire department. They were also checked by me for insufficiencies and winterizing.
- Aerators in the Lagoons were cleaned.

### Board Approvals

- none

James South, Operator Manager



**Vaughn Cascade County**

Water and Sewer District

1161 6 AVE

Vaughn, MT 59487

**To:** Vaughn Cascade County Water and Sewer Board of Directors

**From:** Annette Kniffen, Secretary/Treasurer

**Date:** December 15<sup>th</sup>, 2020

**Re:** November 2020 Secretary/Treasurer's Report

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**Financials:**

November showed a profit of \$8,896.21

**Bank and Other Accounts:**

- First Bank checking: \$9,973.52
- Water Savings: \$70,008.63
  - 1) Hydrant Savings: \$1,668.00
  - 2) Water Loan: \$8,900.00
  - 3) Refinance: \$4201.76
  - 4) Bond Reserve refi.: \$8,408.00
- Sewer Savings: \$69,811.49
  - 1) Lagoon liner: \$18,556.70
  - 2) Wastewater Loan: \$15,019.91
  - 3) Main line:
  - 4) Sludge: \$1,333.36
  - 5) SAGR Replacement: \$417.00
- Sewer Bond Reserve Savings: \$47,446.12
- Bills paid: \$20,984.15

**Financials:** The financials are now being posted on the web site as draft until approved by the board. The Board approved financials will replace the draft copies. I do not have an exact day any financials will be posted but as soon as I have them available, they will be posted.

**Agenda posting,** I have been posting the Agenda at the Sinclair, Conoco and US Post office. The last 2 or 3 I have posted at the post office have been taken down. I will ask the post mistress if I can post somewhere inside.

Respectfully submitted,

Annette Kniffen

Secretary/Treasurer