

Vaughn Cascade County Water and Sewer District

Board Meeting Agenda

June 15th, 2021

6:00 p.m. American Legion Hall

Call to order.

Pledge of Allegiance

Roll Call

Approve May 18th, 2021 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
- KLJ Engineering: Update on Headworks
- Sign Draws

New Business

**Close Meeting:
Personnel issues**

Reopen meeting

Adjourn

Vaughn Cascade County Water & Sewer

R0414102 CMS

Total Pages: 10 R 0.00 By: mjohnson 07/16/2021 03:20 12 PM
Cascade County, Rina Ft Moore - Clerk & Recorder



1161 6th Ave, Vaughn, MT 59487

Board Meeting Minutes

June 15th, 2021

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 July 13-2021 Board meeting.

Public In attendance: see attached

Call to order/Quorum: Cory Ell President at 6:05 pm

Pledge of Allegiance

Roll Call: Herb Phinney, Rex Heckel, Cory Ell, Tina Cole

Employees: Annette Kniffen, James (Rusty) South

Approve May 18th, 2021 meeting minutes

Cory: Has everyone had a chance to go over the minutes?

Herb: motion to approve the minutes as written.

Rex: second

Cory: is there any further board discussion?

None

Cory: any public discussion on the minutes?

None

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

All those opposed same sign: none

Open community comment: 3:33

Doug Schwarz: Last month was election time for the board and there are 2 positions that need to be renewed because there were no other candidates. MCA says that the 2 board positions need to be sworn in again. **Cory:** that is correct, and we will get it done.

Doug Schwarz: on the boundary situation. **Cory:** we just got the packet you submitted to the board yesterday (Monday) at 10:00 am. Looks like there may be a lawsuit by putting the "district on notice". The last time this district was involved in a lawsuit was Kay and NCI against the district. That cost the district a lot of money. Since there may be a pending lawsuit, you are going to have to communicate

through your lawyer, both the board in and out of meetings and employees because anything said can be held against a person in a court of law. Without legal representation here, you have tied our hands. Doug: what are you talking about? Cory: when you said you contacted the attorney general you put us on notice. It is in your letter. Doug: I didn't say I was filing suit. I submitted that in lieu of filing suit. So that you can rectify the situation. County attorney put in there that what was done was illegal. Cory: that is not what that says. Doug: you keep arguing. Cory: I am not arguing. Doug: county attorney's office that those properties are in the district. Cory: there is legal action coming it would be negligent of the board to communicate without legal representation. It cost this district and everyone in the community a lot of money. You have tied our hands. Doug: I have not retained an attorney. Cory: but you have made it clear that there is a lawsuit pending. The way this packet is put together is discovery for a lawsuit. You just submitted it to the board yesterday at 10 am and you want us to comment on it today. Tina: isn't the first 2 pages what Doug showed us last month? Cory: yes. Doug: you asked me to submit the paperwork to the board. That is what I submitted. Cory: yes, but there is a lawsuit pending. Doug: I did that in lieu of a lawsuit. All you have to do is contact the Secretary of state with a resolution that we are in the district. Cory: Doug have you ever been a member of the water and sewer district board. Doug: yes, I have. Cory: were you on the board before you were in the district? Doug: no. Cory: were you a member of the board before your property was put in the district? Doug: that was in dispute. Cory: you were on the board and voted. It is in the minutes. I have the minutes from 2014 where you voted and signed on numerous occasions. Doug: I was on the board, I was vice chair and I was chair. Cory: you were also secretary. I am going to read you a resolution from February 15th, 2017.

In the last 4 ½ years the property owners have not tried to file properly and legally.

Doug: it was filed properly and legally. I was not on the board at the time we were brought into the district. I was secretary/treasurer. Whitmire and I resigned. I have those documents. Cory: there was not a legal board at the time of the expansion. There needs to be at least 3 of 5 board members to be a legal board. Doug: I am tired of arguing about it. Herb: this period of community comment is for 3 minutes only. If this is to be discussed any further, I would like to see it put on the agenda. I would like to see a letter either from Doug or whoever it needs to come from that there is not lawsuit involved so that it can be discussed. In writing or verbally it has been insinuated that there may be a lawsuit pending. Doug: you guys talk about transparency and all this stuff right here, the county attorney said by the board saying that it was non-compliant the board is incorrect. That was done at a meeting that I was present at. It was done at the pump house and was crowded. It was after 10:00 when I left that meeting. There were several times afterwards that it was brought up. It was brought up by Becky Dubielczyk. It was not advertised in the paper and you did not have a public meeting. Cory: Doug you are out of order. Herb the VP has stated we can't discuss this with you until we get something in writing.

Doug: this has been an ongoing thing for years. Herb you were supposed to look into this a while ago. Cory: if you can get us a letter stating you are not suing the district then we can put it on the agenda. Until then this is a closed subject. You have tied our hands. I stepped out of the last meeting so you could discuss it with the other 2 board members. We gave you that much leeway so there was no confrontation. Doug: I said I was going to contact the Secretary of State and Attorney General.

Herb: which insinuates about a lawsuit. Doug: as a citizen I have the right to contact them.

Cory: you are correct. At this point neither the board nor the district employees can discuss this any further without legal counsel. This matter is closed until we get the letter from you.

Rex: if Doug had asked last month to be on the agenda could that be on the agenda tonight. Cory: yes

Rex: you did not ask to be put on this agenda. Doug: I was told that it would be discussed further at this meeting. Tina: it was dependent on getting this packet of paperwork. We didn't receive it until yesterday and I haven't had time to review it. Rex: Tina and I asked for a copy of this and if it came earlier that would have been helpful. I don't remember you asking for it to be put on the agenda. Cory: we can put it on the next agenda pending a letter from you stating that there is no legal action coming. Doug: I request that it be put on next month's agenda. Annette: I will put it on the agenda.

Recording stopped; the following is from notes. 19:37

Secretary/bookkeeper report:

See attached

Operator's report:

See attached

KLJ Engineering Water Project Update: Sean

- Tank construction almost completed, flushing, sanitizing now.
- Tank startup next week
- All underground work is completed and passed all tests
- No pay application/funding draws this meeting
- Jackson is working on punch list items
-

For the Headworks project:

- KLJ is waiting on insurance info from Copper Creek
- Annette will sign Notice to Proceed once info is received
- All info will then be sent to DEQ

Close Meeting for Personnel Issues: 6:46

Reopen meeting: 7:20

Adjournment:

With no further business before the board, the meeting stood adjourned. Adjourned: 6:44 pm

Respectfully submitted:



Annette Kniffen, Secretary/Treasurer

7-13-21
Date



Cory Eli, President

07/13/2021
Date

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: June 15th, 2021

Re: May 2021 Secretary/Treasurer's Report

Financials:

April showed a profit of \$5,189.10

Bank and Other Accounts:

- First Bank checking: \$18,574.46
- Water Savings: \$83,651.65
 - 1) Hydrant Savings: \$3753.
 - 2) Water Loan: \$15,840.00
 - 3) Refinance: \$7,509.09
 - 4) Bond Reserve refi.: \$8,408.00
- Sewer Savings: \$68,951.20
 - 1) Lagoon liner: \$21975.74
 - 2) Wastewater Loan: \$20,749.74
 - 3) Main line: \$1676.63
 - 4) Sludge: \$3,333.40
 - 5) SAGR Replacement: \$4,587.00
- Sewer Bond Reserve Savings: \$47,450.49
- Bills paid: \$57,112.88

We received the MACO Insurance bill. Last year was \$12,864.40 this year it is \$15,346.75. It is going up about \$3,000 a year.

The Government is sending infrastructure funds to Cascade County called ARPA funds. We are eligible for them. I have been talking to DNRC about how to receive them. Dan at KLJ is supposed to get me contact information for someone who will help right up the needs for free. We have to go through the County Commissioners. I am not sure how much we are eligible for it is up to the Commissioners.

Respectfully submitted,

Annette Kniffen

Secretary/Treasurer

Operator/Manager Report

06/15/2021

Report

- Kirk Yoder from the DEQ had contacted me after Doug Schwarz had called and complained of his water being shut off without notice. See attached Report.
 - On a scheduled shutdown one of the valves that was to shut off water for the repair started to leak and discharge water out of the valve box. I immediately went to the next valve that I knew worked and shut off the water from there. I notified Annette of the situation and those customers may be calling in. Doug had stopped by the site (about the time the contractors were complete with the repair) to complain to me why his water was shut off. I simply told him that it was because of an emergency and the valves in this town do not always work. After water was restored in about 2 hours, I was able to work that leaking valve and reduce the leak.
 - The leaking valve was replaced Monday 6-14-21. The bonnet bolts were rusted through and when the valve had been turned towards the off position it lifted the bonnet. Had I cranked on that valve any harder said customer would have been out of water for a lot longer.
 - Had I not gone back further down the line to isolate for the repair; It would have cost the district and additional \$4000 to \$5000 for contractor standby time to give the customers adequate notice of the shutdown, as this was a T&M add on to the contract.

Upcoming Projects

- Tools and equipment are being organized and placed into the new shop building.
- Replace valves at pumphouse.
- Rebuild valve at the pumphouse.
- Continue to do O&M work.

Completed Projects

- Exercised several more valves trying to do isolations for contractor to do work
- Added Camera at the Shop for security.
- Bowered equipment from contractor and did work on Memorial Day weekend to save the district some money.
 - Shed has been moved and paced next to the new shop.
 - Dirt has been graded around shop.

James South, Operator Manager



**Montana Department of Environmental Quality
Public Water & Subdivision Bureau
Individual Activity Report**

Field: <input type="checkbox"/>	Telephone: <input checked="" type="checkbox"/>	Office: <input type="checkbox"/>	County:		
Copied to File(s):	Helena <input checked="" type="checkbox"/>	Billings <input type="checkbox"/>	Kalispell <input type="checkbox"/>	County <input type="checkbox"/>	

Reported By: Kirk Yoder		Date: 5/27/2021	Time: 08:20
PWS Name: Vaughn Cascade Water Sewer Dist		PWS ID#: MT0000352	
Person Contacted: Doug Schwarz (complainant) James South (operator)			
Phone: D 253-307-8669	Cell: J 406-868-6868	Fax:	

Subject: Complaint follow-up CVID23198

Summary of Activity: Contacted Operator James South 5/27/2021 08:29: He reported that the District had scheduled a valve replacement prior to 5/25, that they provided notification to those that would be affected the day before 5/24. Operator reports that the District guideline is to notify affected people/service connections 24 hour prior to scheduled shutoffs. As the valve replacement was started the operator was unable to isolate the valve to be replaced with the first upstream valve. The decision was made to conduct an emergency shutoff at the next upstream valve, this incidentally shut off additional homes that had not been previously notified including the complainant's home. The downtime was reported to be for about two hours before a return to full service. Later in the day 5/25 Operator said he talked to Complainant and said emergency shutoff was why he was off for the two-hour period. Operator reported telling the Secretary about the additional emergency shut-off so she would be aware if complaints came in, she reportedly called some people to notify after the incident.

Contacted Complainant Doug Schwarz 5/27/2021 08:50: Complainant states he was not notified of a water shut off that occurred 5/25, that he has certain medical conditions, and that water was shut off while being used and there was no time to collect water for use. Further, stated no shut off or work posting was put on the District website about the activities to be conducted. Complainant confirmed water was restored within a couple hours of shut off and that no issues remain. Complainant reported that during the outage he called the District to find out the shut off reason and was told it was due to a scheduled valve replacement. Complainant also noted he talked to the Operator later after service was restored and was told the shut off was due to an emergency but was not convinced since excavation at the valve replacement worksite had been conducted the day prior and that there was no water extraction pump at the site during the shutdown affecting his

home to indicate a leak occurred to initiate an emergency shut down. Complainant detailed additional concern about the District and District Board transparency, oversight, management, operation, communication, finances, and history. I asked, to confirm, if there was anything additional regarding the water shut off that remains to be resolved and the Complainant stated that issue was resolved but thanked me for the time to discuss the situation.

Attachments

Description: Originating Complaint/Spill Report CVID 23198

Complaint/Spill Report		
Montana Dept. of Environmental Quality		
Please Fill out as completely as possible	Complaint Report? Y Spill Report? Method of Receipt: Phone	
Report Completed By: STEINWEDEN, SHASTINA	Bureau/Program: Enforcement	
Report Date: 05/25/2021	Time: 01:33 PM	Phone: (406) 444-3109
Complainant	Name (Person): KOORS, DOUG Address: : City, ST, Zip: . MT Foreign City, ST, Zip, Country: . Contact Info: p: (253) 307-8669 Other agencies contacted by complainant:	Anonymity Requested: Reply Requested: Y
Responsible Party	Name (person or company): VAUGHN CASCADE COUNTY WATER AND SEWER DIST Mailing Address: 1161 6TH AVE : City, ST, Zip VAUGHN, MT 59487 Foreign City, ST, Zip, Country: . Contact Info: p: (406) 484-8880 (406)964-8800	Verified Secretary of State?
Contact	Name (person): SOUTH, JAMES Address: 1161 6th Ave : City, ST, Zip: Vaughn, MT 59487 Foreign City, ST, Zip, Country: . Contact Info: p: (406) 964-8880	
Location	Complaint/Spill Location: Vaughn Cascade County Driving Directions: Detailed Site: Lat: 47.560665 Long: -111.545555 Collection Method: 3 Map Interpolation Measurement Point: Site Centroid Accuracy: 26 - 100 m (Map Interpolation) Scale: 1:24000	
Site	County: CASCADE Incident Site Name: CASCADE COUNTY VAUGHN FITS Site Name: Facility ID: MT 0000352 Permit #: DOT #:	
Description of Incident	Date Observed: 05/25/2021 Duration of Activity: Type of Pollutant: Amount of Pollutant: Impact to: Water Body Name: Describe Complaint: Vaughn water was shut off this morning without notice. When the complainant called to find out what was occurring he was told that it was due to a valve replacement. There was no notice, and there was a board meeting yesterday and this was not discussed. Complainant would like to know why he was not notified and he wants the water department and board to have repercussions for their failure to notify. Complainant would like a return call. Initial Actions/Recommendations: SS attempted to contact complainant but the phone was not answered. No voicemail picked up so unable to leave voicemail.	
Enforcement Division Use Only	Complaint Type: Public Water Supply Status: Closed Referred to Program Assign: STEINWEDEN, SHASTINA Referred to Person: VICKORY, ANDREA DEQ Program: Public Water Supply Program Outside Agency:	Closed Status: _____ Date: _____ By: _____
Cadars Org IDs RP: 163954	Complainant: 383216 Outside referred to: _____ Migrated by: SAS (initials) on: 05/26/2021 (date)	FITS Site: _____ Contact: 383218 CVID: 23198

SIGN IN SHEET
VAUGHN CASCADE COUNTY WATER & SEWER DISTRICT
BOARD MEETING

DATE: June 15-2021

NAME (PLEASE PRINT)	PHONE NUMBER
DVID SEHUBERZ Sean Rabe	706-690-2834