

Vaughn Cascade County Water & Sewer



1161 6th Ave, Vaughn, MT 59487

Board Meeting Minutes

September 20th, 2022 Public Hearing

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

MCA 2-3-212 these minutes were officially approved at the _____ Board meeting.

Public in attendance: See sign in sheet

Herb: we will open the meeting and address the community about the meeting. Then Rusty will explain the rate increase and why we need to do it. The Board will have time to discuss it and then open it up to community. Everyone will have 3 minutes to talk

Call to order/Quorum: Herb Phinney President at 6:03pm

Pledge of Allegiance

Herb: We follow Roberts Rules of Order and the latest one is the 12th addition. However we also have to follow Montana Code Annotated. At the top of our agenda it states:
The community speaker will only address the board through the Chair
Everyone agrees not to interrupt others
Shouting and personal attacks will not be allowed
No single party will dominate the meeting
No person will be allowed to speak twice until all others have had the opportunity to speak
Discussion should not deviate from the established agenda
The community speaker should not repeat testimony
Public comment is limited to 3 minutes

Roll Call: Herb, Tina, Leo, Sandra

Leo: before you start, on the notice that was sent out in the bills there isn't an amount that is supposed to be the rate increase. According to MCA, the notice must include the amount the rates will be raised. This notice was not legal. I make a motion to cancel this meeting until you get the notice straightened out.

Herb the motion has been made. Does the board have any comments? Rusty has a presentation that will speak on the amounts. **Leo:** it wasn't on the notice you sent out to everybody. **Annette:** it was in the paper twice, I also put it at the Post Office, Big Sky Deli, Sinclair and Conoco. **Herb:** was there an amount of rate increase on those? **Annette:** there was. **Leo:** you used a percentage not a dollar amount.

Herb: according to MSU State Local government, whenever there is a question on how to proceed with a meeting Dan from MSU email said, MCA does not cover all situations, MCA is a guideline. It is not a law that is hard and fast. In this situation I would like to ask the board members to continue this meeting and have Rusty explain the dollar amounts. I would like the board to weigh in as to whether we waive the requirement for the dollar amount. **Leo:** in other words we tear the pages out of the MCA book and keep the covers. **Herb:** no that is not what we are doing. We have a special situation. Instead of everyone going home and coming again at a later date, we do the meeting. Dan who does our training and has oversight for Montana local governments he says each individual board can make a decision on special circumstances such as this. **Sandra:** in all fairness since the notices were only percentages, if customers could have seen specific dollar amounts that might have brought more people here. **Tina:** the numbers aren't going to change between this month and next month. **Leo:** the notice didn't have a rate amount. **Rusty:** we don't know what the rate is going up and we still don't know. **Tina:** if the notice wasn't sent out correctly then the thing to do would be to reschedule meeting.

Herb: I would like to hear from the community on the notice. **11:45**

Darryl Nelson: I am in agreement with what Mr. Baer has said. The only notice I got didn't have the percentage on it. It would make a difference to me to have the numbers in front of me so I could study them. You are wanting us to come in here cold turkey. It is blind siding us.

Dave Capps: I am with the American Legion. Sandra made a good comment, if the numbers would have been there, more people may have showed up. I also heard comment that you don't know exactly how much it is going to be yet. That needs to be decided before next meeting.

Gary Sorum: I would like discussion on what it would cost. Maybe just discuss it but no votes. **Herb:** how the hearing works is since we don't know the amounts. The board would discuss it then open community comment and then vote on it.

Jessica Fryberger: about the notice. I did see it posted on Facebook on the Vaughn Community page, it did have percentages. I am confused, what is the discussion about. The paper I have has that utilities, chemical and all are going up. Are we voting on whether we are paying more or not? If we don't pay more does that mean we don't get water anymore? **Rusty:** I will answer your question. The rate increase is to cover the extra cost of delivering you the water and sewer.

Herb: as Leo brought up MCA states the mailed notice must contain an estimate of the new rate. The objection was there was no dollar amount on the notice.

Nicholi Spaulding: \$20 may not seem much to me. The rates have gone up in the past. Look at some person that is on Social Security and a fixed income, they may not be able to pay that. **Herb:** I appreciate that comment but it needs to be held during the hearing. Do you feel we should continue the meeting?

Nicholi: I think it should be done to the law.

Mike Odegard: the amounts weren't in there. If the board decides to raise rates who is your oversight?

Herb: this board is in charge of the district. The county has supervision over the board however, the county does not get involved in board decisions. **Mike:** Montana Code is your oversight. **Herb:** it is one of them, Roberts Rules is for our meetings and Montana Code is for the operation of this district. **Mike:** so you

propose a rate increase and no one has oversight other than the board. **Herb:** the board has been elected to oversee the water & sewer district. The Cascade County Commissioner's don't want to be involved in local government. **Mike:** I think we need another meeting.

Herb: Is there anyone else that wants to speak about rescheduling the meeting?

Kay Neil: Isn't this a regular scheduled meeting? **Herb:** tonight's meeting was in two parts. The first part was on the rate increase and the notice was not posted correctly because it didn't have an estimated dollar amount. Then we would close this meeting and open the regular meeting. **Kay:** can we not waste everyone's time and go ahead with the regular scheduled meeting so that those of us in attendance can get more information to base our opinions on? **Herb:** according to Montana Code Annotated the notice wasn't given correctly. Several community members have requested we reschedule the meeting until the notice can be given correctly. **Kay:** during the standing agenda, as far as KLJ water update, ARPA update, election update and all, could that be handled as well? Even though we are not going to have a discussion on the rates. **Herb:** yes. When we close this hearing we will open the regular meeting. **Kay:** thank you

Darryl Neilson: pertaining to the notice, I think this is what many of us are concerned about. The third line down says: for the purpose of holding a public hearing for increasing water and wastewater rates and whether you are going to establish empty lots. The next line in the next paragraph says: the new rates are anticipated to begin Oct. 1st, 2022. To me that means that the members of this board have already made up your mind that you are going to raise these rates and they are going to start Oct. 1st. This is just a puppet meeting to follow procedure, that you are going to let the public come in and let them talk but you are still going to raise rates. **Herb:** the board has **not** made a decision on increase of rates or the amount. That's up to the decision of each individual board member. The board would discuss it and then the community would make comments and that is your time to influence each board member. **Darryl:** then why in your notice does it state: they are anticipate to start? **Herb:** because when we put out the notice we have to state when the rates may start. However if this hearing is not taking place today we have to change dates. If the rate increase is approved and the resolution is voted on in a positive manner by the board then the rate increase would start. If it is not approved it won't start.

Customer: how often do you actually listen to us? You are going to listen to what we have to say but you've already made up your minds. **Herb:** you've already made up your mind. **Herb:** it is not only it is the whole board. Each board member makes their own decision and each board member can vote yes or no. I don't want to see a rate increase. The hearing is to explain the reasoning behind it. That decision needs to be reserved for the hearing. Right now we are need to vote whether we are having a hearing or not. Can I have a show of hands from the audience to postpone this meeting until proper notice can be sent with an estimated dollar amount? If you are in favor of that please raise your hand. For the minutes the community is in favor of rescheduling the hearing at a future date.

Herb: Pole board to reschedule hearing.

Sandra: yes let's reschedule. **Leo:** reschedule. **Tina:** reschedule **Herb:** reschedule

Herb: as of now we will close the hearing and post notice of the next scheduled hearing.

Customer: can we ask you to send notices out not only in the stores but out in the mail. There's people that live here that don't go to the stores, don't get the newspaper, doesn't have Facebook.

Annette: Montana Code Annotated states we have to mail it to the customer. **Herb:** the answer to that is yes the notice will go out in the mail. It will be mailed according to Montana Code Annotated that says not less than 7 days and no more than 30 days prior to the public hearing.

Annette: if we send it out with the bill it will be 10 days before the customer gets them. **Herb:** notices will be sent out separately not in the bills. They need to be sent out before the bills are sent out so we can get notice out as quickly as possible. **Leo:** why can't we just send them out with the bills? **Rusty:** that will be another month out. **Leo:** so. **Rusty:** the longer we wait it the rates will go up. **Customer:** it will be November before rates go up. **Rusty:** if it is approved. **Herb:** if it isn't approved we will have to go back to the drawing board. **Customer:** my point is you aren't going to do a rate increase mid- month so you can just send out the notice with the statements.

Darryl Neilson: as a business owner it discourages me that a public board, although you may consider it a minimal cost, gives me an indication of habits, that you would mail out a separate notice and double your postage, when you have a bill going out already. In postage alone you are going to spend twice as much with the way the board is talking about doing it. To me that shows financial irresponsibility. Apparently enough preparation wasn't done by the board for this meeting because it wasn't done right. I try to hold down cost at my business no matter how much. For you to do a second mailing in the same month is total financial irresponsibility.

33:21 Herb: we have one board member that wants to send out the notice with the bills. I would like to pole the board whether we should send out a notice right away or send with the statements.

Leo: I make a motion to send it out with the statements.

Sandra: second

All those in favor say Aye: Tina, Herb, Leo, Sandra

All those opposed: none.

Herb: when will that go out? **Annette:** Friday September 30th. **Herb:** notice will go out with statements.

Annette: we need to cancel the meeting Sept 27th for the budget hearing. **Rusty:** we still need a working session. **Herb:** there will still be a meeting on September 27th but it will be a working meeting. The community is welcome to come. **Rusty:** it has to be a working session because you need to figure out your numbers before the budget can be approved.

Mike Odegard: for the next public hearing, do we ask questions at that meeting. The board gives their presentation and then can we ask questions? **Herb:** yes **Mike:** sometimes you have to write things down and submit it. **Herb:** you also have the option to send a written question to the office and they will be answered also at the meeting.

Mike Mahagon: Sunriver Valley American Legion. We have about 40 members and you mentioned one person, one vote. Does that mean all 40 members have a vote? **Herb:** concerning the water district? **Mike:** yes. **Herb:** only residents, business owners or renters that are in the district have an opportunity to comment. Board members are the ones that vote. **Dave:** the American Legion hall would have a vote but not 40 members that belong to the Legion. The address gets a vote.

Herb: when we have the hearing notice goes out and everyone has the dollar amount of increase, you will be invited to make your comment then.

Customer: I think the next hearing is going to require a bigger facility than here. It is pretty much full tonight. I think when we go home and the word gets spread around the community there will be more attendance. I think you need it at a bigger facility.

Herb: we will take that into consideration. I appreciate everyone taking turns commenting. At the next hearing I would request that people don't speak out and they need to raise their hand and identify themselves to make a comment.

Adjournment:

With no further business before the board, the meeting stood adjourned. **Adjourned: 6:41 pm**

Respectfully submitted:

Annette Kniffen, Secretary/Treasurer

Date

Herbert Phinney III, President

Date

DRAFT