

SEELEY LAKE – MISSOULA COUNTY WATER DISTRICT
MONTHLY BOARD MEETING
December 18, 2023

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

OPENING:

Martin moved to open the meeting at 5:34pm, which was then passed. The meeting was held at the Water District Plant, 281 Rice Ridge Road, Seeley Lake, MT.

PUBLIC COMMENTS:

MINUTES:

August 31, 2023

Lorentz moved to approve the August 31, 2023 minutes of the Regular Board Meeting. Martin seconded the motion, which was then passed.

FINANCIAL REPORTS:

August 2023

Johnson noted that he had met with Chappell that morning to review the financials. The Water Sales income was very good and had exceeded budget. The Chemical expense was high as chemicals were purchased. The Repair & Maintenance was higher than normal. Chappell added that there had been some issues with the chlorine stations and a pump at the boost station had to be repaired. The expenses for the month were approximately \$39,000. The net Operations income was \$4,500 and overall, there was a profit of \$13,000.

The DNRC loan payable account was looking good. The Accounts Payable was high due to all the invoices for the repairs.

Chappell and Johnson had reviewed the statements and everything looked good and saw no issues. There were no questions.

12/18/2023

Regular Monthly Meeting

Seeley Lake – Missoula County Water District

September 2023

Johnson noted that the Water Sales income was down quite a bit. For the month, Operating income totaled approximately \$42,000. The Expenses were normal, totaling approximately \$39,000 for the month. For September Operations show a profit of approximately \$4,500.

The DNRC Loan Payable account had increased.

There were no questions from the Board.

October 2023

Johnson noted that the Water Sales income was significantly lower, but budget should be met by the end of the year. For October Operating income totaled approximately \$26,700. The expenses were high in October. Chappell added that the increased cost stemmed from the boost station pump that was repaired and the issues with the chlorine station. Also, a fire hydrant had been damaged by the Fire Department and that repair cost approximately \$6,000. There was discussion regarding the issue and talking to the Fire Department and or Board about the Fire Department paying for the repair. Johnson noted that there was no construction income. For October Operations showed a loss of approximately \$10,000. Once Debt Services was added there was an overall loss of approximately \$1,800 for the month.

The DNRC Loan Payable account now had sufficient funds to pay the bond payments. Accounts Payable had risen this month.

There were no questions from the Board.

November 2023

Johnson noted that the Water Sales income was approximately \$22,000. For November Operating income totaled approximately \$24,500. The Repair & Maintenance expense was still a little high again this month. Operating expenses totaled approximately \$29,000 for the month. Chappell added that they had found a leak on phase 1A, which ended up being dug twice, which had added to the construction expense. For the month there was a loss of approximately \$5,600 for Operations. After Debt Services was included, there was a profit of approximately \$3,100.

The DNRC loan payable account transfer had not been made due to the increased expenses. Funds had been transferred from the Capital Project account to pay for the tower equipment. This money would be reimbursed from the Missoula County grant.

There were no questions from the Board.

Johnson moved to accept the August, September, October & November 2023 Financial Reports as presented. Lorentz seconded the motion, which was then passed.

12/18/2023

Regular Monthly Meeting

Seeley Lake – Missoula County Water District

DELINQUENCY REPORT:

December 2023

Chappell reviewed the Delinquency Report for the Board.

Martin moved to accept the December 2023 Delinquency Report. Rathbun seconded the motion, which was then passed.

OPERATIONS REPORT:

September, October, November & December 2023

Chappell informed the Board that the September yearly testing had been done and there were no issues. Fire hydrants were flushed, during this Chappell discovered that the fire hydrant at Base Camp would not operate. Upon further investigation the shaft on the inside of the hydrant had snapped. Chappell rebuilt it three times, but could not stop the leak. The entire fire hydrant had to be replaced. The south pond was cleaned out, the dirt was dried and will be spread on the ground next year. There was an issue with the boost pump on Black Bear Drive. This has now been repaired. Neely Electric rebuilt the lower chlorine station, removing the rotted electrical equipment. Chappell attended the National Rural Water conference in Colorado. The District had been reimbursed for this by Montana Rural Water. Chappell had caught COVID and then passed it on to Derry. Lewis manned the District while Chappell and Derry were out sick. One tap was completed on the School Lane hill. After flushing the fire hydrants, the leak rose by 500,000–600,000, about 9-10 gallons a minute. After doing some leak detection only one small service line leak had been found. Chappell worked on paperwork.

Chappell noted that the Water Loss had jumped by 600,000 gallons since August. It was hard to find leaks this time of year.

Chappell had given the Board a year-end report highlighting the major accomplishments for the year. A couple of service lines had been installed. The Vet Memorial and Pool accounts were now on their own service lines. Some leaks were identified and then dug up. Spring was awful due to the frozen main lines. The owners of the properties on the dead-end lines and those that had issues earlier this year, will be called in February instructing them to vent water to keep the mains moving. There was discussion as to the best way to do this. The work on the tower and Pine Drive projects continued.

Johnson moved to accept the September, October, November & December 2023 Operations Report. Lorentz seconded the motion, which was then passed.

OLD BUSINESS:

USFS Service Line - Update

Chappell noted that there had been no progress.

12/18/2023

Regular Monthly Meeting

Seeley Lake – Missoula County Water District

Meter Project – Phase 2 Tower Project - Update

Chappell noted that the funding was in place, the parts were in the plant for the project. However, before the FCC would issue a license a newer propagation study had to be completed.

Pine Drive Main Extension - Update

Chappell noted that the plans had been reviewed by DEQ, who required more paperwork, which the engineer was working on.

NEW BUSINESS:

Car Wash Meter

Chappell noted that over the years he had spoken to the Board about the need for a bulk water station. Chappell had spoken to the owner and the owner had agreed to install a bulk water station on the property. So, there was now a bulk water station for people that had a well. The carwash line used to have a 1.5-inch meter, but the owner had not reinstalled it due to the cost. Chappell recommended installing a 1.5-inch meter and charge him at a 1-inch rate because he is providing a service for the District, as well as the community. The District does a similar thing with the USFS and the mill. There was discussion whether a 1.5-inch meter for this account had been part of the meter project Chappell added that the District already had a 1.5-inch meter from the project for this account. The Board agreed that the owner should pay for any out-of-pocket costs.

Johnson approved charging the owner the monthly cost for a 1-inch meter, as opposed to the 1.5-inch meter that would be installed. Lorentz seconded the motion, which was then passed.

2024 Budget

Chappell noted that he had been working on the 2024 budget and reviewed the amendments. The Board discussed the changes to the expenses. Johnson noted that it would be ideal if Operations broke even and maybe the District should consider a rate increase to cover the 5% increase in expenses in 2023. Chappell agreed that there would probably need to be a rate increase next year. Chappell continued to review the 2024 budget. The pumphouse generator needed to have the bearings repaired, so this had been added to Capital Projects for 2024. Chappell would like to purchase the thawing equipment that they had utilized last winter. It cost approximately \$7,000, but Chappell would get a better price for the Board. The Board agreed that this equipment should be purchased.

Johnson moved to approve the 2024 budget, based upon our conversation later on payroll. Martin seconded the motion, which was then passed.

January 2024 Bond Payments

Chappell noted that the Bond payments totaling \$111,635.00 were due January 1st, 2024. The Loan payable account balance was \$171, 259.78

12/18/2023

Regular Monthly Meeting

Seeley Lake – Missoula County Water District

Johnson moved to approve the bond payments. Rathbun seconded the motion, which was then approved.

2024 Board Elections

Chappell noted that there were three places up for election next year.

Old Tower Easement Abandonment

Chappell had been contacted by an engineer and homeowner requesting that the District abandon the easement for the old tower site on Tamarack Drive, as shown on the plat map. The easement was for the mainline going to the tower, the tower, and an access road for both. The tank was taken down in 2001. The site could not be used in the last project because of the elevation difference with the plant. Chappell would recommend that the District abandon the easement.

Johnson moved to abandon the easement . Lorentz seconded the motion, which was then passed.

CORRESPONDENCE:

None

EXECUTIVE SESSION:

Personnel

The Executive Session commenced 6:35pm and was recessed at 6:42pm.

There was discussion regarding a rate increase and when to implement it.

NEXT SCHEDULED MEETING:

The next Board meeting was scheduled for January 25, 2024.

ADJOURNMENT:

Martin moved to adjourn the meeting at 6:55pm. Lorentz seconded the motion, which was then passed.

12/18/2023

Regular Monthly Meeting

Seeley Lake – Missoula County Water District

Attest

Charlie Hahn, Director

-And-

| SEAL |

Vince Chappell, General Manager

12/18/2023
Regular Monthly Meeting
Seeley Lake – Missoula County Water District