

BIG SKY WATER & SEWER DISTRICT NO. 363
Regular Meeting Minutes –October 23, 2008
WSD Community Room

The Big Sky County Water & Sewer District No. 363 scheduled a regular meeting for 8:00 am on Thursday, October 23, 2008, in the WSD Community Room. President Packy Cronin called the meeting to order, with the following Board members present: Vice-President Gary McRae, Secretary Dick Fast, and Directors Dick Allgood, Jeff Daniels, and Bill Olson. Director William Shropshire participated via telephone beginning at 8:19am. WSD staff present were Ron Edwards, Terry Smith, Jim Muscat and Grant Burroughs. Others present were Northwestern Energy representatives Matt Micklewright, Ernie Hulit, Emit Reardon (via phone) and Rona Sanchez (via phone) and Big Sky property owner Bill Irwin.

PUBLIC FORUM

President Cronin called for public comment at 8:15am. With no further public comment, President Cronin called the meeting to order at 8:17am.

MEETING MINUTES

Director Olson moved to approve the minutes of September 22, 2008, as written. Director Daniels seconded the motion. Motion passed, 6 yea votes to 0 no votes with President Cronin voting.

FINANCIALS

Smith summarized the results through September 30, 2008. Smith discussed the revenue from the new tiered water, which were billed for the first time.

Director Shropshire moved to approve the September financials as presented. Director McRae seconded the motion. Motion passed, 7 yea votes to 0 no votes with President Cronin voting.

NORTHWESTERN ENERGY SUBSTATION

Matt Micklewright discussed the substation. Emit Reardon and Rona Sanchez from NWE participated via telephone. Micklewright told the Board that he met with Bill Erwin to discuss his property as an option. Micklewright said he would still need to access the property through the District. Micklewright said that the Erwin property is not a good option. Reardon said the best site is just east of the sewer plant. Reardon requested that the District consider providing a site to the east, possibly at the east end of the District's land. Directors Olson and Shropshire asked about the sound level of the transformers. Micklewright said that the level of sound of their sites is below what other states regulate the level. Micklewright also said that they put in fences and other mitigating sound equipment. Reardon also said they can put in low noise equipment. Reardon said at build out they will have three transformers.

President Cronin suggested the knob section up behind the plant which is out of sight. Micklewright will take a look at the location. Director Olson suggested they provide a proposal with the section they ultimately end up picking for the best location. President Cronin asked that they make sure that the site has minimal impact. Micklewright said they will get the land surveyed and come back with a proposal and more information about noise and aesthetics. *President Cronin directed staff to identify costs for easements for NorthWestern Energy.*

SEWER OPERATIONS

Burroughs and Edwards gave an update of the SCADA controls for the filter building. The filter building controls are now tied together making the filters run more efficiently. Flows are on schedule and the pond was lowered for the rock work. Additional rock to cover the pond 1 liner was done on the south side of pond 1 for approximately 300 feet. Edwards reported that the contractor is using a long reach excavator to help drop the rocks in the basket. This method is working well and has increased the production rate. The contractor is keeping track of the production and will refigure the costs with actual costs to date and work up a cost estimate for completion. Edwards believes that the original estimate of three million may be lowered with the new methods employed.

WATER OPERATIONS

Director Allgood asked about the water tank site and what we need from Boyne. Edwards said that all we need is an easement for the tank site. Allgood suggested the District contact Boyne now and get the necessary easements from them now before the Resort is sold. Director Olson suggested that the development on the mountain bear the cost for the tank they need to service their development. Director Fast suggested that Boyne and CNL update the District with respect to their deal, who will own what after the deal is done.

Muscat briefed the Board on the production flows. The District found several leaks that were repaired and should show up in next month's flow report. Lone Moose wells that were repaired need to be reevaluated. Muscat noted that the pipeline down the mountain has been a success to divert water down to the Meadow. President Cronin asked how much water was taken off the mountain. Muscat said he can tell how much in total was taken off the mountain by the meters. Muscat will report on those numbers at the next meeting. Muscat said the telemetry is now in place and water can be directed where needed. Muscat said that he and Edwards discussed making the water system one system instead of three separate systems. Mountain well 3 should be wrapped up soon. The tests for the third MPPA have not been received yet. The report should be final for next meeting.

MEADOW VILLAGE WATER SYSTEM PROJECT

Edwards said the HV project is just about complete. The roads are just about complete with the exception of a few driveways. The trails were put back into shape. The damaged bridge was repaired.

Edwards said the well project for the new meadow village wells is not quite as critical now that water can be diverted off of the mountain. Since the DEQ is now insisting on system-wide chlorine disinfection it has slowed down the process of putting those wells in production. The District needs to evaluate all the options available for full-time disinfection before it proceeds with connecting those wells into the system.

Director Allgood suggested the District hold the line on the chlorination requirement. He wants the District to be proactive and fight against full-time chlorination. The board concurred.

SILVERBOW

Edwards said Silverbow was put on hold until next season. The state approval came in a month later than anticipated. Edwards met with the contractor on 10/22/08 and they agreed to postpone the project until next year.

STORAGE POND 3 HEAT EXCHANGER PROJECT

Edwards and Burroughs said they are comfortable with the project details. Burroughs met with the contractor last week and they will begin work soon.

CANYON AREA STUDY

Edwards reported on a meeting that was held in Helena with the DEQ to discuss the Canyon Study and specifically snowmaking on a large scale. DEQ has not yet replied to the meeting discussion. The DEQ requested a permit application for the snowmaking to work on the details. Edwards said the cost for an application is minimal so he will explore it with HKM. President Cronin asked what obligation the District has with respect to this study. Edwards said the District is looking at the feasibility of doing something in this area but the District is not obligated to build the project as a result of the Canyon Study. President Cronin said the District must make it clear that the District is not obligated to take the Canyon's sewage and is not obligated to design and create the project. Edwards said that if anything is done with the project it will be the Canyons owner's responsibility to decide on the issue and to pay for the costs.

SEARCH AND RESCUE EASEMENT

Edwards said that he will be meeting with Susan Swimley to complete the easement. Edwards said the other issue for the search and rescue building is the sewer discharge. Edwards suggested that search and rescue apply for a permit for a holding tank. Edwards said that since the location of our plant is so close to the holding tank site that the permitting officials will hopefully approve the permit.

MEADOW VILLAGE WATER TANK PROJECT--GALLATIN HEIGHT HYDRANT

Muscat said the hydrant is complete and waiting on the power line.

STORAGE POND LINER PROJECT

Edwards discussed the contractors work on the project.

MOUNTAIN LAKE ANNEXATION

The ballot is not complete yet, but the ballot will be mailed out within the next couple of weeks.

BSOA/BSCC ACCESS EASEMENT

Edwards discussed the changes that Director Olson and Edwards made in the original document. Edwards said he and Director Olson tried to simplify the easement and allow for some level of trust between the two public entities. Edwards and Director Olson will present the Districts position at the BSCC meeting on November 9th.

SEWER & WATER PERMITS

Edwards said there was one new permit.

GENERAL CORRESPONDENCE

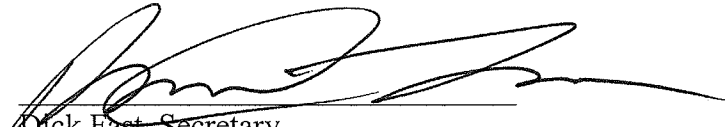
There were two payments coupons returned with comments. Staff addressed both with Smith to follow up on the Sheridan note.

NEXT MEETING

The next Board meeting is tentatively scheduled for Tuesday, December 9, 2008, at 8:00 am.

ADJOURNMENT

Director Fast moved to adjourn the meeting at 10:45am. Director McRae seconded the motion. Motion unanimously passed.



Dick Fast, Secretary

10-23-08. min (Board approved 12/9/08)