

BIG SKY WATER & SEWER DISTRICT NO. 363

Regular Meeting Minutes – August 20, 2019

WSD Community Room

The Big Sky County Water & Sewer District No. 363 held a regular meeting on Tuesday, August 20, 2019 in the WSD Community Room. President Packy Cronin called the meeting to order with the following board members present: Vice-President Tom Reeves, Directors Mike DuCuennois, Brian Wheeler, Bill Shropshire and Treasurer Peter Manka, participated via GoTo Meeting conference. Director Dick Fast was not present. WSD staff present: Ron Edwards, Terry Smith, Jim Muscat, Grant Burroughs, Peter Bedell, Vince Palafox.

Others present: Jon Olsen, Deb Kozisek, Lone Moose Meadows; Jana Bounds, Lone Peak Lookout; Bay Stephens, Explore Big Sky; Ryan Graf, Scott Buecker and Miranda Kleven via conference AE2S; Guy Alsentzer, Water Keepers; Ron Downer, homeowner; Eddie Starz, resident; Ciara Wolfe, Big Sky Community Organization; Rick Simkins, Town Center; Valerie Bednarski, Gallatin River Task Force; Laura Seyfang, Big Sky Community Housing Trust.

PUBLIC FORUM

President Cronin called the meeting to order at 8:00 am. President Cronin called for public comment on non-agenda items. Ron Downer, Big Sky homeowner discussed the sewer and water rate history and asked the board to carefully consider the impacts of new rate structures for residents who work and live in Big Sky. Some may not be able to absorb increases of the magnitude contemplated within the proposals. There were no conflicts of interests stated by board members. Brian Wheeler is an employee of Big Sky Resort/Boyne. Mike DuCuennois is a contractor for the YC.

CONSENT AGENDA

Financials, Minutes. Operators Reports: The board had a short discussion regarding the consent agenda items including the year end financials.

Director Reeves moved to approve the consent agenda. Director Shropshire seconded the motion. Motion passed unanimously

BUSINESS ACTION ITEMS

Director Wheeler moved to amend the agenda by moving III G. to the top of the list of BAI. Director Reeves seconded the motion. Motion passed unanimously

Sewer Connections Permits

Ciara Wolfe, BSCO submitted a permit with SFE's totaling 26.61. The permit will use 7 SFE's donated by the Town Center Group and 19.61 from the 40 SFE's the District traded for the piece of land adjacent to the existing treatment plant. The BSCO will have 20.39 remaining for future building projects by the BSCO. The 19.61 SFE the District traded will be subject to the Sewer Plant Investment Charge. The 7 donated by the Town Center Group will not be subject to the Sewer Plant Investment charge.

Director Reeves moved to approve the BSCO permit. Director DuCuennois seconded the motion. Motion passed unanimously

Edwards also discussed a letter regarding the current Westfork Laundry. The property has its own well and would need to be metered. Cross Harbor Capital is interested in acquiring the property and expanding the laundry facilities. Before they purchase it they want to know if the facility can be expanded by adding more laundry machines. The board discussed the issue and agreed that it is just a remodel permit. If and when the permit is submitted the staff will review

the remodeling permit. For a commercial laundry facility, the permit should require that no phosphates detergent must be used as a permit condition. No board action.

Edwards discussed the Country Market remodeling permit for an employee apartment that requires additional SFE's. The board briefly discussed the issue and determined that board action is not required.

Edwards discussed a Town Center Project submitted by LML BLD #4. The permit came in at 32.13 SFE's. The board asked if there are any issues with the permit. Edwards said the permit is standard permit with the total number of SFE's exceeding 25 which triggers board approval.

Director Reeves moved to approve the LML Bld #4 permit. Director Wheeler seconded the motion. Motion passed unanimously

Approve Final Tax Levy Certification

The board discussed the two options on the tax levy staff proposed. The board consensus was to retain District funds to spend on the proposed projects the District is currently funding. If the funds were used to provide tax relief now the funds would need to be borrowed in the future.

Director DuCuennois moved to approve the option two which did not include any District funds. Director Reeves seconded the motion. Motion passed unanimously

Sewer & Water Rates

See Ryan Graf,s Presentation on Sewer Rates, and see Miranda Kleven's Presentation on Water Rates. The board discussed the proposed rates presented by the two AE2S consultants. The board directed staff to begin working on the rate hearing, and a plan to work with the Resort Tax Board to work on the funding of the District's major water and sewer projects. The board discussed the new 1% Resort Tax and directed staff to include this topic in the Resort Tax Plan.

Director Reeves moved to approve the sewer rate proposal by AE2S with a 5% increase on the residential rate and a 10% increase on the commercial rate applied to both the base and volumetric rate. For the water rate approve alternative 4 as presented by AE2S which has a 4% increase in base rate and a 9% increase on the volumetric rate for both residential and commercial with the change in tiers as presented. Director Shropshire seconded the motion. Motion passed unanimously

Mountain Village Well Exploration

Director Reeves moved to approve the bid by Potts Drilling for approximately \$56K but to limit the drilling to the two sites one owned by the District the other owned by Boyne(pending approval by Boyne). Director Shropshire seconded the motion. Motion passed unanimously

Wastewater Engineering Studies Task Order 2: IPR Study

Director Reeves moved to approve the contract at \$153,500. Director DuCuennois seconded the motion. Motion passed unanimously

Wastewater Engineering Studies Task Order 2: IPR Study

No motion made. The board directed staff to contact Westfork Utility and the Firelight HOA to determine their intentions with respect to the BSCWSD 363.

OLD BUSINESS

Capital Improvements Plan Projects: WWTP Upgrade

Scott Buecker provided an update on the wastewater treatment plant upgrade. Buecker said the schedule and status looked fine. The project is now approximately a year out from construction.

The board discussed the funding of the project and directed staff to contact bond counsel to have a meeting to discuss the funding options regarding revenue bonds or general obligation bonds for the October meeting.

Developments and Subdivisions

Edwards discussed the Montana Club correspondence.

District Agreements

No Discussion

NEW BUSINESS

Sewer & Water Permits & Correspondence

Edwards reviewed the recent permit activity report.

New Developments and Subdivisions

No Discussion

General Correspondence

There was no general correspondence requiring board action.

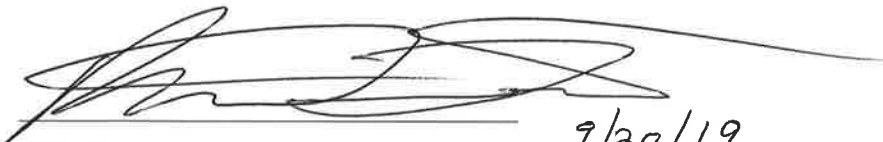
August 30 at 3:00 pm for BSOA annual meeting.

NEXT MEETING

The next Board meeting is tentatively scheduled for Tuesday, September 17, 2019, at 8:00 am. Shropshire will not be available.

ADJOURNMENT

Director Reeves moved to adjourn the meeting at 11:05 am. Director Wheeler seconded the motion. Motion unanimously passed.



9/20/19

Dick Fast, Secretary