

**MINUTES**  
**LCWSD BOARD OF DIRECTORS MEETING**  
**FEBRUARY 21, 2017**

**PRESENT:** President Marc Liechti, Directors Jack Thomson and Jim Heim, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Roxanne Wadman, Rex Niles

President Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to include Sump Pumps and Banking under New Business. A motion was made by Director Thomson to accept the agenda. Director Heim seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the December 20, 2016 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Thomson seconded and motion carried.

**VISITORS:** None

**FINANCIAL REPORT**

The Combined Balance Sheet shows current assets at \$2,112,551.79, fixed assets at \$9,070,418.93, total liabilities at \$805,943.82, and total equity at \$10,396,014.90 for a total liabilities and equity balance of \$11,201,958.72.

The Summarized Income Statement shows total revenue for water through January 2017 to be \$157,722.75 (62% of budget), expenses to be \$233,008.66 (57% of budget), and total other revenue to be \$17,838.25 (63% of budget) resulting in net income of \$-57,447.66.

The Summarized Income Statement shows total revenue for sewer through January 2017 to be \$287,647.08 (60% of budget), expenses to be \$337,358.88 (54% of budget), and total other revenue to be \$163,423.05 (97% of budget) resulting in net income of \$113,711.25.

A Comparison to Prior Year Income Statement was presented. Total Revenues for January 2017 were \$57,037.47 compared to \$60,745.90 for the same period in 2016. Total expenses for January 2017 were \$76,316.65 compared to \$77,202.88 in 2016. Net income from operations was \$-19,279.18 in January 2017 compared to \$-16,456.98 in 2016. Total other revenue was \$1,235.93 in January 2017 compared to \$3,650.08 in 2016. Net income for January 2017 was \$-18,043.25 compared to \$-12,806.90 in 2016.

The Cash Report shows the January 2017 ending checking account balance for water to be \$36,999.49 and sewer to be \$35,076.56.

A motion was made by Director Heim to approve the financial report. Director Thomson seconded and motion carried.

Lakeside Loan 1 is scheduled to be paid in full in January 2018. A motion was made by Director Heim to pay off the loan in full now, thus saving the water fund approximately \$450 in interest. Director Thomson seconded and motion carried.

**BILL APPROVAL:** Accounts payable for January were reviewed. Expenses of note included:

- ESRI – Arc Map Support
- GC Systems – PRV Training
- Core Water Consulting – Water Rights
- Scott Stubbert Masonry – Repairs to L/S 1A
- APEC – L/S 6 and 7
- Guardian Electric – Office Transformer

The Capital One credit card statements for December 2016 and January 2017 were also reviewed.

A motion was made by Director Thomson to approve the bills. Director Heim seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – APEC Engineering and Viking Pumps are working on a plan to join the new well with the existing system. Draft plan is expected in March 2017.

Spurwing Creekside – In order to build a connector road, developer (Greg Pisk) must cross land owned by Barrett McDonald. Mr. Pisk asked that if he purchased the land from Mr. McDonald for the connector road would the land become part of the original agreement.

A motion was made by Directory Heim to include additional land (up to 12 lots) in original developer agreement without additional developer (Pisk) costs to LCWSD, separate from Plant Investment Fees and contingent on plat approval.

Lift Stations 6 and 7 – Pumps have been ordered and are expected in mid-May. Rodney met with the Mission View Homeowners Association Board to bring them up to speed on the upcoming project. Rodney also met with Sally Edwards who is responsible for the “common area” where the lift station will be located. She would like the generator building that will be moved to the site to be less industrial looking (siding, pitched roof, etc.)

Water Tank Cleaning – It has been five (5) years since the tanks were cleaned. Estimates for cleaning all three tanks were as follows:

- Inland Potable - \$2875 (previous contractor)
- Midco - \$2799
- Liquid Engineering - \$3990

Board directed that Inland Potable be contracted to clean all three tanks this summer.

Outside District

New hookups

- 32 Burnell Avenue, Somers
- 1543 Mackinaw Loop, Somers

**NEW BUSINESS:**

Sump Pumps – Operators discovered two (2) sump systems plumbed into the LCWSD sewer line in Peaceful Bay. LCWSD is aware that many customers have sump pumps. Board directed that the location of sump pumps be tracked.

Banking – Our current system for processing credit card transactions has become unsatisfactory, taking up to two weeks for funding. Coupled with our growing lack of confidence in the First Interstate Bank who handles our checking, savings, and two CD accounts, LCWSD is exploring other cash management options.

**MISCELLANEOUS**

Ordinance 17-1 – Annexation - Secretary presented Ordinance 17-1 annexing 367 Marco Bay Road into the District. Director Heim made a motion to approve Ordinance 17-1 as presented. Director Thomson seconded and the motion carried. The Ordinance and the Flathead County-approved annexation petition will be forwarded to the State for recording.

Election – Board terms for Directors Thomson and Wadman expire in 2017. Petitions for re-election will be distributed to them once the County has set dates.

Staff – Cheyenne is scheduled for hip replacement surgery on March 8, 2017. Scott Ring will be taking is Water Operator's exam in March 2017.

The meeting adjourned at 4:30 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, MARCH 21, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
MARCH 21, 2017**

**PRESENT:** President Marc Liechti, Directors Jack Thomson, Rex Niles, and Jim Heim, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Roxanne Wadman

President Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to include Cherry View Place of Use under Old Business and INI under New Business. A motion was made by Director Thomson to accept the agenda. Director Niles seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the February 21, 2017 Board meeting were reviewed. A motion was made by Director Niles to accept these Minutes. Director Heim seconded and motion carried.

**VISITORS:** None

**FINANCIAL REPORT**

The Combined Balance Sheet shows current assets at \$2,152,184.96, fixed assets at \$9,038,699.04, total liabilities at \$826,813.47, and total equity at \$10,383,058.53 for a total liabilities and equity balance of \$11,209,872.00

The Summarized Income Statement shows total revenue for water through February 2017 to be \$174,729.79 (68% of budget), expenses to be \$262,783.66 (64% of budget), and total other revenue to be \$18,084.77 (64% of budget) resulting in net income of \$-69,969.10.

The Summarized Income Statement shows total revenue for sewer through February 2017 to be \$326,413.97 (68% of budget), expenses to be \$381,460.81 (61% of budget), and total other revenue to be \$168,323.16 (100% of budget) resulting in net income of \$113,276.32.

A Comparison to Prior Year Income Statement was presented. Total Revenues for February 2017 were \$56,318.93 compared to \$55,184.38 period in 2016. Total expenses for February 2017 were \$74,140.69 compared to \$68,863.96 in 2016. Net income from operations was \$-17,821.76 in February 2017 compared to \$-13,679.58 in 2016. Total other revenue was \$5,146.63 in February 2017 compared to \$2,141.74 in 2016. Net income for February 2017 was \$-12,675.13 compared to \$-11,537.84 in 2016.

The Cash Report shows the February 2017 ending checking account balance for water to be \$15,633.26 and sewer to be \$49,349.64.

A motion was made by Director Heim to approve the financial report. Director Thomson seconded and motion carried.

**BILL APPROVAL:** Accounts payable for February were reviewed. Expenses of note included:

- Scott & Kienzle, PC – Spurwing Creekside
- SEM Electrical Services – L/S 2
- Tanner Smith Construction – Water Main Leak

The Capital One credit card statement for February was also reviewed.

A motion was made by Director Niles to approve the bills. Director Thomson seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – Work continues with APEC Engineering and Viking Pumps on developing a plan to join the new well with the existing system.

Lift Stations 6 and 7 – Tanner Smith Construction has been contracted for the L/S 6 and 7 project. LCWSD may incorporate smoke testing of the lines.

Cherry View Place of Use – LCWSD is working with the DEQ on the water rights including a capacity evaluation. We were able to show that LCWSD has capacity. The portable generator will suffice for the additional five (5) lots. However, one more hookup would go beyond the “grandfather” clause and would require an additional generator.

**NEW BUSINESS:**

Water Main Leak - About 2:00 pm on March 13 we had an 8-inch water main line break on the Brass Well road near the Lakeside School. We had the leak isolated within 30 minutes and equipment on site within the hour.

Our primary concern was getting water to the nearby Lakeside School. We worked until midnight to get the repair to a point we could hopefully get water to the school the following morning. The failure was a 90-degree elbow that came apart. The bedding sand beneath had been washed away over years and it settled. In rebuilding it, we used pea gravel and large rocks as a thrust block (so we could get water to the school by 8:00 am). The plan was to pour a concrete thrust block the following day and then back fill.

The next morning, as we were slowly pressurizing the water line, the pressure of the water pushed those temporary (thrust block rocks) out of the way and a joint in the pipe came apart.

We had the line put back together with a properly poured concrete thrust block, boulders, and back filled by 5:00 pm. We flushed the main line, but left the school off overnight with a chlorinated service line.

Early the next morning we ran all taps and drinking fountains at the school for one hour and chlorine levels were at barely a trace. Five samples were taken and delivered to M.E. Labs. Results came in around 10:30 that all samples were clear.

INI – On March 18 911 dispatch called to shut off water at a residence in Tamarack Woods whose basement was flooding. As this residence is not on our system, Rodney provided the name of the operator who takes care of this private home owner's association water system.

On March 18 also had three (3) alarms – 1) Mission View L/S 7 high level; 2) L/S 3 high level, and 3) Fish Hatchery in lag run.

The pumps in L/S 7 ran all night and were able to keep the level about three (3) feet from the top. As this lift station is scheduled for rehabilitation this spring/summer, we will camera or use smoke to ascertain the integrity of the lines.

L/S 3's level was increasing so a second pump was started and was able to maintain the level. We will have SEM Electrical adjust the pumps so they will go into a lag run.

These alarms and high levels were caused by heavy spring runoff as well as steady rain all day on March 18.

### **MISCELLANEOUS**

Banking – LCWSD will continue to use First Interstate Bank for our day-to-day financial transactions. We have contracted with eGov Strategies to provide credit card processing, replacing No Late Payments who's funding of our credit card transactions is unsatisfactory.

Trash Disposal – the Lakeside green box site will no longer take our waste/trash as we are considered commercial. LCWSD contracted with Republic for on-site pickup.

Staff – Cheyenne had hip replacement surgery on March 8, 2017 and is doing well. Scott Ring will be taking his Water Operator's exam in March 2017.

The meeting adjourned at 3:15 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, APRIL 18, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
APRIL 18, 2017**

**PRESENT:** President Marc Liechti, Directors Jack Thomson, Roxanne Wadman, and Jim Heim, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Rex Niles

President Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** A motion was made by Director Thomson to accept the agenda. Director Heim seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the March 21, 2017 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Thomson seconded and motion carried.

**VISITORS:** Nicole Noonan, Auditor

Nicole Noonan presented the 2016 Audit Report and stated LCWSD remains in strong financial condition. She identified two areas involving internal control and operation (cash reconciliation and payroll clearing checks payable balance) as an opportunities for improvement. She also identified one significant deficiency involving LCWSD's knowledge of generally accepted accounting principles resulting from LCWSD not having an on-staff accountant. This deficiency is remedied by contracting with Nicole Noonan, CPA.

**FINANCIAL REPORT**

The Combined Balance Sheet shows current assets at \$2,121,169.40, fixed assets at \$9,025,263.69, total liabilities at \$816,811.45, and total equity at \$10,348,609.64 for a total liabilities and equity balance of \$11,165,421.09.

The Summarized Income Statement shows total revenue for water through March 2017 to be \$192,453.42 (75% of budget), expenses to be \$305,359.08 (74% of budget), and total other revenue to be \$18,372.87 (65% of budget) resulting in net income of \$-94,532.79.

The Summarized Income Statement shows total revenue for sewer through March 2017 to be \$364,720.32 (76% of budget), expenses to be \$431,058.12 (69% of budget), and total other revenue to be \$169,728.92 (101% of budget) resulting in net income of \$103,391.12.

A Comparison to Prior Year Income Statement was presented. Total Revenues for March 2017 were \$55,993.26 compared to \$54,835.15 period in 2016. Total expenses for March 2017 were \$92,172.73 compared to \$85,360.84 in 2016. Net income from operations was \$-36,179.47 in March 2017 compared to \$-30,525.6 in 2016. Total other revenue was \$1,693.86 in March 2017 compared to \$8,664.53 in 2016. Net income for March 2017 was \$-34,485.61 compared to \$-21,861.16 in 2016.

The Cash Report shows the March 2017 ending checking account balance for water to be \$-16,624.52 and sewer to be \$37,703.76.

A motion was made by Director Wadman to approve the financial report. Director Thomson seconded and motion carried.

**BILL APPROVAL:** Accounts payable for March were reviewed. Expenses of note included:

- Metron – Meters
- MARC – Degreaser
- DEQ – South 80 Water System Proposal
- APEC – South 80 Water System Proposal
- Robert Smith – Refund (property sold; had a credit on their account)
- eGov – New credit card processing system
- Tanner Smith – Water leak near Aries Gas Station and PRV gate valve replacement

The Capital One credit card statement for March was also reviewed.

A motion was made by Director Wadman to approve the bills. Director Heim seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – Waiting on response from the DEQ.

Lift Stations 6 and 7 – Control panel and pumps are expected mid-May.

Brass Road Water Main Leak – Costs associated with this leak were submitted to insurance. Claim, however, was denied because the leak was not caused by our negligence.

**NEW BUSINESS:**

Lakeside Estates Phase 3 – Doug Siderius wants to proceed with Phase 3. Greg Pisk (Spurwing) is progressing with the Spurwing development. When that happens LCWSD will interconnect the Lakeside Water system with the Troutbeck system, thus making the need for a second well for Lakeside Estates Phase 3 unnecessary. Mr. Siderius will contribute to the cost of the interconnect system.

Treatment Site Power Line Easement – New owners of property adjacent to the pivot field need power. FEC has requested an easement to extend their line to install a transformer on their property to provide service. The Board agreed to the request for an easement as long as it is no wider than 20 feet.

**MISCELLANEOUS**

Tamarack – they are remodeling the old car wash building on their property to provide extra storage. They are planning on doubling capacity over the next couple of years. The initial discharge to sewer was approximately 35,000 per month. It is now at 165-378,000. LCWSD will require a new water/wastewater forecast. Rodney will look into ways to measure the water actually going into the sewer.

Staff – Cheyenne has been released back to full duty after his hip replacement surgeries. He is expected to report to work on Monday, April 24.

Scott Ring successfully passed his water operator exams.

The meeting adjourned at 3:30 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, MAY 16, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
MAY 16, 2017**

**PRESENT:** Directors Jack Thomson, Roxanne Wadman, Rex Niles, and Jim Heim, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Marc Liechti

Director Wadman called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to include YWAM under Inside District. A motion was made by Director Thomson to accept the agenda as amended. Director Heim seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the April 18, 2017 Board meeting were reviewed. A motion was made by Director Niles to accept these Minutes. Director Heim seconded and motion carried.

**VISITORS:** None

**FINANCIAL REPORT**

The Combined Balance Sheet shows current assets at \$2,151,570.87, fixed assets at \$8,996,236.56, total liabilities at \$816,681.53, and total equity at \$10,350,759.80 for a total liabilities and equity balance of \$11,167,441.33.

The Summarized Income Statement shows total revenue for water through April 2017 to be \$209,4510.08 (-1.4% of budget), expenses to be \$334,900.08 (-1.4% of budget), and total other revenue to be \$18,609.00 (66% of budget) resulting in net income of \$-106,841.00.

The Summarized Income Statement shows total revenue for sewer through April 2017 to be \$404,142.29 (.6% of budget), expenses to be \$468,288.12 (-8.4% of budget), and total other revenue to be \$170,943.81 (102% of budget) resulting in net income of \$106,797.98.

A Comparison to Prior Year Income Statement was presented. Total Revenues for April 2017 were \$56,418.63 compared to \$57,612.88 in the same period in 2016. Total expenses for April 2017 were \$66,771.00 compared to \$73,910.41 in 2016. Net income from operations was \$-10,352.37 in April 2017 compared to \$-16,297.53 in 2016. Total other revenue was \$1,451.02 in April 2017 compared to \$6,781.21 in 2016. Net income for April 2017 was -8,901.35 compared to \$9,516.32 in 2016.

The Cash Report shows the April 2017 ending checking account balance for water to be \$-2,497.32 and sewer to be \$37,031.91.

A motion was made by Director Niles to approve the financial report. Director Thomson seconded and motion carried.

**BILL APPROVAL:** Accounts payable for April were reviewed. Expenses of note included:

- Paynewest Insurance – Errors and Omissions Insurance Renewal for Notary
- Black Mountain Software, Inc. – Annual Software Fee
- Somer’s School District #29 – Reimbursement of costs for Water Main Leak
- Mission Communications, LLC – Service Package for White Oak
- Young, Christopher – refund to customer who sold property (he had a credit on his account)
- 

The Capital One credit card statement for April was also reviewed.

A motion was made by Director Thomson to approve the bills. Director Niles seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – Waiting on response from the DEQ.

Lift Stations 6 and 7 – Mission View Homeowners want to ensure the new generator building is aesthetically pleasing. They also want to change the guard rail to be more visually attractive. Tanner Smith will pour the concrete slab for the generator building on May 29. Due to the heavy spring runoff and also to have a minimal effect on customers, the trenches will be dug in September.

**NEW BUSINESS:**

Young With a Mission (YWAM) – YWAM has expressed an interest in connecting to the LCWSD public water system. Greg Pisk’s Spurwing Creekside development is just across Stoner Creek from YWAM. Mr. Pisk’s development involves extending the water main line. With an easement from Mr. Pisk the water main line could be extended to service YWAM.

Advantages of extending the line to service YWAM include:

- the current YWAM water tank that will be tested for integrity and elevation;
- the future possibility of a looping water system from where it currently ends at Ben Williams Lane to YWAM;
- obtaining YWAM’s water rights; and
- YWAM has two wells that could be beneficial to LCWSD for future expansion.

LCWSD will continue to explore this future growth opportunity.

RF Meters – LCWSD is currently replacing all Ramar radios with new technology. One customer does not want his meter/radio updated with the new technology. LCWSD needs an ordinance identifying options for sewer customers that do not want the new radio technology.. Those options would include 1) installing a meter pit at the property line at customer’s expense

LCWSD Board Meeting  
May 16, 2017  
Page 3

(approximately \$2000.00); or 2) a flat rate (higher than the current flat rate for sewer). An ordinance will be drafted for review and approval at the June meeting.

The meeting adjourned at 3:35 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, JUNE 20, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
JUNE 20, 2017**

**PRESENT:** Directors Marc Liechti, Jack Thomson, and Jim Heim, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Roxanne Wadman, Rex Niles

Director Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to include Somers 178-Housing Property under “Outside District” and Craven’s Crest Will Serve under “New Business”. A motion was made by Director Thomson to accept the agenda as amended. Director Heim seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the May 16, 2017 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Thomson seconded and motion carried.

**VISITORS:** Andy Matthews. He is interested in developing a 60-70 pad RV park at the corner of US 82 and Somers Stage Road. After being denied service from the Somers Water District because the project is outside their project plan area and they lack water capacity, Mr. Matthews approached LCWSD to request sewer service. He will drill a well for water. The Board requested engineered preliminary drawing(s). The Board will investigate annexation.

**FINANCIAL REPORT**

BALANCE SHEET	
General Checking Account Balance	\$72,139.09
Water Savings Account	\$160,667.02
Sewer Savings Account	\$415,370.30
Total Current Assets	\$2,142,245.88
Total Assets	\$11,218,928.32
Checks Payable	\$33,825.62
Total Current Liabilities	\$634,012.11
Total Liabilities & Equity	\$11,218,928.32

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$227,395.03	89%
Total Expenses	\$377,337.14	92%
Net Income	\$-134,205.14	
<b>SEWER</b>		
Total Revenue	\$443,292.21	92%
Total Expenses	\$529,195.29	85%
Net Income	\$89,930.99	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$670,687.24	\$671,376.04
Total Expenses	\$906,532.43	\$843,470.57
Total Other Revenue	\$191,571.04	\$126,912.37
Net Income	\$-44,274.15	\$45,182.16

CASH REPORT	
Water Fund Checking	\$-16,022.10
Sewer Fund Checking	\$48,879.33
Water Savings	\$160,667.02
Sewer Savings	\$415,370.30
Sewer CD	\$34,517.54
Sewer CD	\$211,401.04
Sewer CD	\$216,386.15
Sewer CD	\$185,245.36
Petty Cash	\$200.00

A motion was made by Director Heim to approve the financial report. Director Thomson seconded and motion carried.

**BILL APPROVAL:** Accounts payable for May were reviewed. Expenses of note included:

- Metron-Farnier – Meters
- Nicole Noonan – 2016 Audit
- Inland Potable Services – Water Storage Tank Cleaning
- Tanner Smith Construction – LS 6&7 Down payment
- Xylem Dewatering Solutions – Pumps and Control Panel for LS 6.
- 

The Capital One credit card statement for May was also reviewed.

A motion was made by Director Thomson to approve the bills. Director Heim seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – Waiting on response from the DEQ.

Lift Stations 6 and 7 – The generator building was moved on site and a valve vault was constructed above ground. Two new pumps and a control panel were installed and are working well. Homeowners have chosen a rock wall rather than a guard rail to separate the lift station from the road. To ensure a minimal effect on customers, the trenches will be dug in September.

Youth With a Mission (YWAM) – Met with Greg Pisk (Spurwing Developer). The LCWSD Board agreed to contribute \$40,000 toward the water line construction and \$10,000 for the easement

to connect YWAM to the public water system. Plant Investment Fees for potential new hookups will recoup the outlay of funds. YWAM will potentially turn their existing system over to LCWSD at no cost. This will be their contribution for public water supply service.

Project Update - Lakeside Club is for sale.

Outside District – LS1 – 178 Home Subdivision – if this subdivision is approved LCWSD will need to evaluate LS1 to ensure capacity. May need to install bigger pump and/or control panel.

## **NEW BUSINESS:**

### Ordinances

A motion was made by Director Heim to pass Ordinance 17-2 that provides an option for those customers who do not want a meter in their house. Director Thomson seconded and motion carried.

A motion was made by Director Thomson to pass Ordinance 17-3 that annexes nine (9) properties in the Marco Bay area into the District. Director Heim seconded and motion carried.

Budget Review - The budget for FY18 was reviewed. The budget included a 3% cost of living raise for all staff, bringing the current part-time operator (Scott Ring) up to full-time, and renewing the 3-year contract with Nicole Noonan for auditing services.

A motion was made by Director Heim to approve the FY 18 budget. Director Thomson seconded and motion carried.

Aerators – Need to explore options for the treatment site aerators – upgrade to new technology, purchase new tornado aerators, etc.

### Craven's Crest Will Serve

Board approved providing a “will-serve” letter for the Craven’s Crest development.

Board Elections – due to a bill that the legislature passed, Board terms will end in May rather than in December.

The meeting adjourned at 5:00 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, JULY 18, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
JULY 18, 2017**

**PRESENT:** Directors Marc Liechti, Jack Thomson, Roxanne Wadman, and Rex Niles, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Director Jim Heim

Director Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to include Director Resignation and District Shirts under "New Business". A motion was made by Director Thomson to accept the agenda as amended. Director Niles seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the June 20, 2017 Board meeting were reviewed. A motion was made by Director Liechti to accept these Minutes. Director Niles seconded and motion carried.

**VISITORS:** None

**FINANCIAL REPORT**

BALANCE SHEET	
General Checking Account Balance	\$93,833.24
Water Savings Account	\$160,710.16
Sewer Savings Account	\$355,489.03
Total Current Assets	\$2,086,166.43
Total Assets	\$11,149,710.18
Checks Payable	\$42,135.06
Total Current Liabilities	\$552,566.51
Total Liabilities & Equity	\$11,149,710.18

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$254,319.81	99%
Total Expenses	\$408,125.56	100%
Net Income	\$-133,067.90	
Water Depreciation	\$155,182.00	
<b>SEWER</b>		
Total Revenue	\$485,215.52	100%
Total Expenses	\$574,292.23	92%
Net Income	\$101,021.21	
Sewer Depreciation	\$230,039.00	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$739,535.33	\$742,145.52
Total Expenses	\$982,417.79	\$934,597.55
Total Other Revenue	\$210,835.77	\$196,195.00
Net Income	\$-32,046.69	\$-55,303.06

CASH REPORT	
Water Fund Checking	\$12,095.23
Sewer Fund Checking	\$35,446.15
Water Savings	\$160,710.16
Sewer Savings	\$355,489.03
Sewer CD	\$34,517.54
Sewer CD	\$211,401.04
Sewer CD	\$216,849.75
Sewer CD	\$185,522.67
Petty Cash	\$200.00

A motion was made by Director Wadman to approve the financial report. Director Thomson seconded and motion carried.

**BILL APPROVAL:** Accounts payable for June were reviewed. Expenses of note included:

- USA Bluebook – Electrical Testing Meters
- A-1 Sanitation – Pumping at LS 6
- Xylem Dewatering Solution – LS 6
- Battery Systems – Batteries for LS 6 Generator and Plow Truck
- Minch, Larry – Easement at Vista Court
- 

The Capital One credit card statement for June was also reviewed.

A motion was made by Director Niles to approve the bills. Director Wadman seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts. Letters were sent to four (4) delinquent sewer customers requesting payment by August 15, 2017 or balance would be turned over to the County and added to their property tax.

**OLD BUSINESS:**

South Eighty Water System – Waiting on response from the DEQ.

Vista Court – Property owner agreed to an easement to extend water line to service adjoining property that is being subdivided (family transfer).

LS 6 & 7 – Groundwork has been completed. Project will continue in mid-September.

Youth With a Mission (YWAM) – Spurwing Developer Greg Pisk agreed to the \$50,000 for water line construction and easement to connect YWAM to the public water system. Communication began with a meeting with YWAM representatives. Rodney put together an information sheet that the YWAM Board is reviewing.

Rodney also met with DEQ. They are very positive about joining the two systems. DEQ has given us 18 months to finish connecting Lakeside water system to the Troutbeck water system. Funding of this project will come from the developer, increased plant investment fees for Spurwing, and Spurwing assessments. Survey that will provide elevations is expected to be \$6,500 to \$7,500.

### **NEW BUSINESS:**

#### **Director Resignation**

Director Niles will not be available August 2017 through April 2018. He, therefore, desires to resign from the Board.

#### **District Shirts**

Marc Liechti is getting estimates for shirts with the LCWSD logo for staff and Board members so we are easily identified as we interact with the public.

The meeting adjourned at 2:50 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, AUGUST 15, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
AUGUST 15, 2017**

**PRESENT:** Directors Marc Liechti, Jack Thomson, Roxanne Wadman, Jim Heim, and Rex Niles, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** None

Director Liechti called the meeting to order at 2:12 p.m.

**AGENDA:** Agenda was amended to include Ordinance 17-4 – Annexation of 179 Marco Bay Road under Outside District and Radio Reception Interference at LS2 under New Business. A motion was made by Director Niles to accept the agenda as amended. Director Thomson seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the July 18, 2017 Board meeting were reviewed. A motion was made by Director Wadman to accept these Minutes. Director Niles seconded and motion carried.

**VISITORS:** Howard Cicon from Cherry Hills.

**FINANCIAL REPORT**

BALANCE SHEET	
General Checking Account Balance	\$115,865.61
Water Savings Account	\$160,757.93
Sewer Savings Account	\$355,609.80
Total Current Assets	\$2,114,350.52
Total Assets	\$11,165,331.19
Checks Payable	\$29,687.52
Total Current Liabilities	\$563,775.63
Total Liabilities & Equity	\$11,165,331.19

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$34,409.89	13%
Total Expenses	\$35,328.27	8%
Net Income	\$12,626.34	
<b>SEWER</b>		
Total Revenue	\$42,985.86	9%
Total Expenses	\$54,139.90	9%
Net Income	\$-6,629.44	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$77,395.75	\$70,898.89
Total Expenses	\$89,468.17	\$83,822.88
Total Other Revenue	\$18,069.32	\$32,891.02
Net Income	\$5,996.90	\$19,967.03

CASH REPORT	
Water Fund Checking	\$31,212.60
Sewer Fund Checking	\$50,153.47
Water Savings	\$160,757.93
Sewer Savings	\$355,609.80
Sewer CD	\$34,517.54
Sewer CD	\$211,401.04
Sewer CD	\$216,849.75
Sewer CD	\$185,522.67
Petty Cash	\$200.00

A motion was made by Director Wadman to approve the financial report. Director Niles seconded and motion carried.

**BILL APPROVAL:** Accounts payable for July were reviewed. Expenses of note included:

- Ferguson Waterworks – LS 6
- APEC Engineering – Water system engineering for South Eighty, Spurwing Creekside, and LS 6 & 7
- Montana Association of Counties – Liability insurance
- Core Water Consulting – Cherry View water rights
- 

The Capital One credit card statement for July was also reviewed.

A motion was made by Director Thomson to approve the bills. Director Heim seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – Waiting on response from the DEQ. Goal is to complete the planning/engineering over the winter with construction to start in the spring of 2018.

PRV Rebuilds – All PRVs have been rebuilt. Pressure is now more consistent. One customer has low pressure. We will continue to investigate.

LS 6 & 7 – The force main sewer installation and water main replacement will begin the 2<sup>nd</sup> week of September 2017.

Youth With a Mission (YWAM) – They have decided not to hookup up to the LCWSD water system at this time.

Spurwing Creekside – Project will commence this week.

Lakeside – Troutbeck Water Connection – DEQ has allowed 18 months to complete this project. APEC Engineering is very familiar with the LCWSD water systems thus making it cost-effective and time efficient to continue using them for the engineering work. A motion was made by Director Niles to hire APEC Engineering to provide engineering services for this water system connection. Director Wadman seconded and the motion carried.

### **Project Update**

Cooper Farms – the August 15, 2017 edition of the Flathead Beacon has an article stating the Cooper Farms property is for sale.

### **Outside District**

New Hookup – 1201 Mackinaw Loop

Ordinance 17-4 – A motion was made by Director Wadman to annex the out-of-District property at 179 Marco Bay Road into the LCWSD District. Director Niles seconded and motion carried.

### **NEW BUSINESS:**

#### **Director Resignation**

Director Niles resigned from the LCWSD Board as of August 2017. A motion was made by Director Heim to appoint Howard Cicon to fulfill Director Niles remaining term that ends in May 2020. Director Wadman seconded and motion carried.

Radio Reception Interference at LS 2 – The VFDs continue to cause interference with radio reception. Flight has been asked to assist in investigating solutions.

The meeting adjourned at 3:35 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, SEPTEMBER 19, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
SEPTEMBER 19, 2017**

**PRESENT:** Directors Marc Liechti, Jack Thomson, Roxanne Wadman, Jim Heim, and Howard Cicon, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** None

Director Liechti called the meeting to order at 2:08 p.m.

**AGENDA:** A motion was made by Director Heim to accept the agenda as amended. Director Thomson seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the August 15, 2017 Board meeting were reviewed. A motion was made by Director Thomson to accept these Minutes. Director Cicon seconded and motion carried.

**VISITORS:** None

**FINANCIAL REPORT**

BALANCE SHEET	
General Checking Account Balance	\$104,634.54
Water Savings Account	\$328,025.30
Sewer Savings Account	\$365,733.90
Total Current Assets	\$2,273,160.31
Total Assets	\$11,294,172.07
Checks Payable	\$39,443.80
Total Current Liabilities	\$530,828.88
Total Liabilities & Equity	\$11,294,172.07

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$68,961.20	27%
Total Expenses	\$68,973.76	17%
Net Income	\$166,181.36	
SEWER		
Total Revenue	\$86,965.64	18%
Total Expenses	\$101,477.85	16%
Net Income	\$1,447.78	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$155,926.84	\$146,018.72
Total Expenses	\$170,451.61	\$166,746.12
Total Other Revenue	\$182,153.91	\$45,340.02
Net Income	\$167,629.14	\$24,612.62

CASH REPORT	
Water Fund Checking	\$9,091.10
Sewer Fund Checking	\$59,182.15
Water Savings	\$328,025.30
Sewer Savings	\$365,733.90
Sewer CD	\$34,672.67
Sewer CD	\$211,720.75
Sewer CD	\$216,849.75
Sewer CD	\$185,522.67
Petty Cash	\$200.00

A motion was made by Director Wadman to approve the financial report. Director Heim seconded and motion carried.

**BILL APPROVAL:** Accounts payable for August were reviewed. Expenses of note included:

- Metron-Farnier – Meters
- Tanner Smith Construction – Water Line Repair
- Capital One – Miscellaneous Office/Shop Supplies
- Tire Rama – Tires for Crane Truck
- MARC – Lift Station Degreaser
- NORCO – Testing Gas

The Capital One credit card statement for August was also reviewed.

A motion was made by Director Thomson to approve the bills. Director Wadman seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

LS 2 – The static problem experienced by nearby residence has been solved by using a different frequency.

South Eighty Water System – Received response from the DEQ. We will respond to their letter and start planning for project start in the Spring.

LS 6 & 7 – The force main sewer installation and water main replacement will begin on Monday, September 25, 2017.

Spurwing Creekside – Water and sewer lines have been installed. Anticipate pressure testing in the next few days.

Lakeside – Troutbeck Water Connection – Completed survey on the utility easement.

Cherry View Water Rights – Received a deficiency letter from the DEQ. We are in the process of addressing their questions. A meeting with the DNRC is scheduled for next week.

### **Project Update**

None

### **Outside District**

New Hookup – 1201 Mackinaw Loop

### **Inside District**

New Hookup:

- 889 S. Juniper Bay Road (sewer)
- 114 Peaceful Lane (sewer)
- 367 Marco Bay Drive (sewer)

### **NEW BUSINESS:**

Steamboat Landing – Somers – This is a 176-lot development in Somers. They would like to hookup to the LCWSD sewer system. They have received an easement from the Somers School. They are exploring the option of de-annexing from the Somers District.

On-the-Trail Cabins – This is a 21-cabin development adjacent to Spurwing Creekside to the west. They have an agreement with Greg Pisk to hook into water and sewer lines being installed for Spurwing Creekside.

### **MISCELLANEOUS**

Safety Audit – A surprise safety audit was conducted by the Montana Department of Labor and Industry on August 24, 2017. The areas observed included the LCWSD shop, LS 5, and Mission View pump house and tank. No serious violations were observed. LCWSD was found to be in compliance with the Montana Safety Culture Act

Christmas Party - Being planned for December 2 or 9.

Wage Review – Packets were distributed to the Board.

The meeting adjourned at 3:40 p.m.

LCWSD Board Meeting  
September 19, 2017  
Page 4

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, OCTOBER 17, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
OCTOBER 17, 2017**

**PRESENT:** Directors Marc Liechti, Jack Thomson, Roxanne Wadman, Jim Heim, and Howard Cicon, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** None

Director Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to remove “visitor” and “signatory authority”. A motion was made by Director Thomson to accept the agenda as amended. Director Wadman seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the September 19, 2017 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Cicon seconded and motion carried.

**VISITORS:** None

**FINANCIAL REPORT**

BALANCE SHEET	
General Checking Account Balance	\$121,396.22
Water Savings Account	\$328,129.55
Sewer Savings Account	\$365,850.13
Total Current Assets	\$2,285,692.30
Total Assets	\$11,283,146.46
Checks Payable	\$35,324.79
Total Current Liabilities	\$531,159.19
Total Liabilities & Equity	\$11,283,146.46

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$96,677.80	37%
Total Expenses	\$107,299.52	26%
Net Income	\$155,855.92	
SEWER		
Total Revenue	\$129,404.72	26%
Total Expenses	\$157,389.02	25%
Net Income	\$417.30	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$266,082.52	\$211,813.94
Total Expenses	\$264,688.54	\$243,536.95
Total Other Revenue	\$194,879.24	\$143,867.78
Net Income	\$156,273.22	\$112,144.77

CASH REPORT	
Water Fund Checking	\$5,548.25
Sewer Fund Checking	\$74,298.60
Water Savings	\$328,129.55
Sewer Savings	\$365,850.13
Sewer CD	\$34,672.67
Sewer CD	\$211,720.75
Sewer CD	\$217,314.34
Sewer CD	\$185,803.44
Petty Cash	\$200.00

A motion was made by Director Wadman to approve the financial report. Director Heim seconded and motion carried.

**BILL APPROVAL:** Accounts payable for September were reviewed. Expenses of note included:

- ELOI Marketing – LCWSD Shirts for Staff and Board
- Marquardt Surveying – Troutbeck Water
- Ferguson Water Works – L/S 6&7
- Big Sky Rents – Compressor rental for sandblasting fire hydrants
- Tanner Smith – L/S 6&7
- Core Water Consulting – Water rights
- SEM Electrical – L/S 6&7

The Capital One credit card statement for September was also reviewed.

A motion was made by Director Cicon to approve the bills. Director Thomson seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – DEQ had a couple of questions on our application. We will respond and then the project is ready to move forward.

LS 6 & 7 – The force main sewer installation and water main replacement is going smooth. Estimated completion is approximately three (3) weeks. When complete we will dig on the other side of the street to install new water line.

Spurwing Creekside – Water and sewer lines have been installed and pressure tested. Paving of the road is scheduled for Wednesday, October 18.

Lakeside – Troutbeck Water Connection – Justin with APEC Engineering is communicating with the DEQ to determine the design criteria for moving forward.

Cherry View Water Rights – Met with the DNRC to discuss deficiencies identified in DNRC's response letter. The DNRC has decided that the two water rights have a combined volume of 41.1 AF, substantially less than the 145 AF requested for the combined appropriation.

LCWSD's water rights consultant, Core Water, identified four (4) options on how to proceed. A motion was made by Director Cicon to write a letter to DNRC to protest their decision and reserve the right to challenge DNRC's findings. In the meantime, LCWSD will proceed with the Modify Change Application option. Director Heim seconded and the motion carried.

**Project Update**

None

**Outside District**

New Hookups:

- 1472 Mackinaw Loop (sewer)
- 1062 Mackinaw Loop (sewer)
- 1506 Mackinaw Loop (sewer)

**NEW BUSINESS:**

Heath Insurance – The Board reviewed three (3) options for health insurance coverage for 2018. A motion was made by Director Wadman to go with Option 3 (Pacific Source 6550 Deductible). Director Cicon seconded and motion carried.

380 School Addition Road – A property owner on School Addition Road has requested permission to hookup to our sewer. The property owner can tap into the LCWSD sewer but must install a tapping vault large enough to accommodate an additional two to three hookups.

DEQ O&M Sewer Inspection – DEQ met with the General Manger to perform an operation and maintenance inspection of the sewer system. They were given a tour of the new lift station pumps, elimination of some of the lift stations, and the treatment site. We are awaiting their report.

**MISCELLANEOUS**

Christmas Party – scheduled for December 9, 2018 at the Farm House. Randy and Sandy O'Connell will be invited as our guests.

Shelter Bay Visit – Director Cicon and Rodney Olson visited the Shelter Bay lagoon system in Rollins. This is a very efficient, home-owner owned system.

The meeting adjourned at 4:12 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, NOVEMBER 21, 2017)**

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
DECEMBER 19, 2017**

**PRESENT:** Directors Marc Liechti, Jack Thomson, Jim Heim, and Howard Cicon, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Roxanne Wadman

Director Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to add “DEQ Wastewater Report” under Old Business. A motion was made by Director Thomson to accept the agenda as amended. Director Cicon seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the October 17, 2017 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Cicon seconded and motion carried.

**VISITORS:** None

**FINANCIAL REPORT**

BALANCE SHEET	
General Checking Account Balance	\$89,898.03
Water Savings Account	\$318,349.91
Sewer Savings Account	\$386,118.48
Total Current Assets	\$2,245,952.02
Total Assets	\$11,267,633.60
Checks Payable	\$31,595.86
Total Current Liabilities	\$515,791.67
Total Liabilities & Equity	\$11,267,633.60

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$133,512.81	52%
Total Expenses	\$170,151.52	41%
Net Income	\$119,970.56	
SEWER		
Total Revenue	\$204,740.62	42%
Total Expenses	\$243,399.91	38%
Net Income	\$24,958.61	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$388,253.43	\$331,390.54
Total Expenses	\$413,551.43	\$376,146.32
Total Other Revenue	\$220,227.17	\$172,645.88
Net Income	\$144,929.17	\$172,645.10

CASH REPORT	
Water Fund Checking	\$4,804.71
Sewer Fund Checking	\$47,956.38
Water Savings	\$318,349.91
Sewer Savings	\$386,118.48
Sewer CD	\$34,672.67
Sewer CD	\$211,720.75
Sewer CD	\$217,314.34
Sewer CD	\$185,968.44
Petty Cash	\$200.00

A motion was made by Director Heim to approve the financial report. Director Cicon seconded and motion carried.

**BILL APPROVAL:** Accounts payable for September were reviewed. Expenses of note included:

- Maintenance Connection – Annual Fee
- A1 Sanitation – LS 6&7
- APEC – South 80, Booster Pump Project, LS 6&7
- Ferguson – LS 6&7
- Tanner Smith Construction – LS 6&7
- Sandry Construction – LS 12 (asphalt)
- ESRI – Annual Fee
- Core Water Consulting – Water Rights
- DEQ – Booster Substation Review

The Capital One credit card statement for October and November were also reviewed.

A motion was made by Director Thomson to approve the bills. Director Cicon seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

Cravens Crest – Water and sewer extensions have been installed, tested, and accepted. Four houses are currently under construction.

South Eighty Water System – DEQ approved our submittal. The project has been separated into two parts – 1) digging lines and building construction and 2) internal controls. Bid package for digging lines and building construction have been advertised. Project completion for this portion of the project is scheduled for June 1, 2018.

LS 6 & 7 – The new Lift Station is working well. The new pumps are very efficient. Water main replacement is scheduled for the 1<sup>st</sup> week in January 2018.

Lakeside/Troutbeck Water Connection – Submitted plans to the DEQ. . Met with two homeowners who were apprehensive about the project. Successfully allayed their concerns and established a good working relationship with them.

Cherry View Water Rights – Resubmitted application to DNRC for approval.

Water Hookup – Sewer Plant Investment Fees (PIF) for a new home under construction at 135 Sweet Pea Lane were paid in June 2017; the water PIF fee was paid in July 2017. Sewer was successfully hooked up. An 8” stub out with cap was located on the water main. As with all hookups, Customer was informed that his contractor’s liability insurance was required. The Contractor, Jesus Loves You Enterprises, had never tapped a water main. Therefore, we required the Contractor obtain training from Ferguson Waterworks, LCWSD’s vendor for water main tapping supplies. When the Contractor dug the trench, Customer was advised that he may need to replace the thrust block. The end cap was temporary because we knew it would be extended at some point. We purchased a new end cap from Ferguson Waterworks who gave it to the Customer. Customer refused to put on the new end cap and pour a new thrust block; contractor backfilled hole without a thrust block. The Customer decided he did not want to hookup to public water service. We told him that when the end cap was installed and the new thrust block poured we would return the fee for water hookup. The Customer returned the end cap to our office and instructed his Contractor to fill in the trench and not install the end cap or pour a new thrust block. We wrote a letter to the Customer giving him a deadline for installing the end cap and pouring a new thrust block. The letter stated that if this work was not done by the deadline, we would undertake the work ourselves and offset the costs with his plant investment fee. As the work has not been done our attorney recommended proceeding with completing the work. The LCWSD Board approved our attorney’s recommendation.

### DEQ Wastewater Report

DEQ inspected the treatment site during the summer. They gave us a glowing final report. They agreed with our engineer’s (Peccia) 2007 & 2013 updated report and stated we have done a great job of updating and being aware of growth.

### Project Update

None

### Outside District

New Hookups:

- 1165 Mackinaw (sewer) - September
- 47 Mackinaw (sewer) - September
- 254 School Addition Road (sewer) - September
- 1254 Mackinaw (sewer - October)

### NEW BUSINESS:

YWAM Sewer Change – they have created a second entrance to their campus, added a new parking area that will be over the existing sewer line, and are building a new kitchen/meeting facility (drawings will be provided when available). A new sewer line will be installed so there is no building or parking lot over it. These sewer lines belong to YWAM. No increase in output or

capacity is anticipated. Rodney advised them to have their existing sewer lines smoke tested or video inspected for I&I as part of their project.

**MISCELLANEOUS**

Christmas Bonus – A motion was made by Director Heim to approve staff bonuses of \$500.00 for each full time employee and \$600.00 for manager. Director Thomson seconded and the motion carried.

January Board Meeting – as a quorum will not be available, the next LCWSD Board Meeting will be on Tuesday, February 20, 2018

The meeting adjourned at 3:50 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, FEBRUARY 20, 2018)**