

**MINUTES
LCWSD BOARD OF DIRECTORS MEETING
FEBRUARY 20, 2018**

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 “Pisk Latecomer Agreement” under Miscellaneous. A motion was made by Director Heim to accept the agenda as amended. Director Cicon seconded and motion carried.

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

VISITORS: Nicole Noonan, Auditor

Nicole Noonan presented the 2017 Audit Report and stated LCWSD remains in strong financial position. She identified eight areas for improvement involving internal control and operation. 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

BALANCE SHEET	
General Checking Account Balance	\$50,180.88
Water Savings Account	\$333,573.15
Sewer Savings Account	\$446,396.98
Total Current Assets	\$2,227,666.83
Total Assets	\$11,229,517.11
Checks Payable	\$379.50
Total Current Liabilities	\$451,315.88
Total Liabilities & Equity	\$11,229,517.11

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$167,289.29	65%
Total Expenses	\$235,139.23	56%
Net Income	\$98,081.30	
SEWER		
Total Revenue	\$283,394.11	58%
Total Expenses	\$353,897.68	56%
Net Income	\$15,976.96	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$450,692.40	\$444,847.44
Total Expenses	\$589,036.91	\$570,103.78
Total Other Revenue	\$252,402.77	\$38,144.00
Net Income	\$114,05826	\$56,004.96

CASH REPORT	
Water Fund Checking	\$25,865.20
Sewer Fund Checking	\$23,171.51
Water Savings	\$333,573.15
Sewer Savings	\$446,396.98
Sewer CD	\$34,672.67
Sewer CD	\$211,720.75
Sewer CD	\$217,314.34
Sewer CD	\$186,084.64
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 January were reviewed. Expenses of note included:

- Mission Communications – Service package renewal
- Ferguson Waterworks – Supplies for LS 6&7
- Daily Interlake – South Eighty Invitation to Bid for well house
- Anytime Lock & Key – Office door refurbishment
- APEC – South Eighty and Lakeside Water (booster pump) engineering
- Metron – Lakeside Estates meter
- Tire Rama – Brakes for plow truck
- Department of Environmental Quality – Annual connection fee assessment
- GC Systems – PRV parts

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

A motion was made by Director Cicon 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 – LHC won the bid for the new well house. Their anticipated start date is March 13, 2018 with completion by mid-May, weather cooperating. A letter, schedule, and map were mailed to homeowners on February 20, 2018 to keep them informed of progress.

LS 6 & 7 – When weather breaks the water main replacement will be completed and asphalt laid.

Lakeside/Troutbeck Water Connection – DEQ returned our submittal with more questions. We will address and resubmit.

Cherry View Water Rights – DNRC returned our final submittal with a few minor questions. These were addressed and resubmitted to DNRC for approval.

Project Update

None

Outside District

None

NEW BUSINESS:

TB/SW/LE Rate Increase – a motion was made by Director Heim to approve Ordinance 18-1 amending the water base rate from \$14.59 to \$15.32 per month for the Troutbeck/Lakeside Estates/Spurwing Subdivision Water System. Director Cicon seconded, and motion carried.

MISCELLANEOUS

Pisk Development Latecomer Agreement – an agreement between Pisk Development LLC and LCWSD regarding the Spurwing Development was approved/signed by the LCWSD Board President.

Surplus Property Resolution – every three years a new resolution authorizing agents to purchase surplus items must be signed by the Board and submitted to the State. A motion was made by Director Cicon to accept this resolution. Director Heim seconded and motion carried.

Emergency Procedures – the Emergency Procedures manual was updated and distributed to all Board members.

Staff – Scott Ring will be taking his Sewer Certification Exam at the Montana Rural Water Convention on February 21 and 22, 2018.

Rodney Olson was named “Manager of Year” by the Montana Rural Water Association. He will be attending the conference on February 22 to accept the award.

The meeting adjourned at 4:00 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, MARCH 20, 2018)

**MINUTES
LCWSD BOARD OF DIRECTORS MEETING
MARCH 20, 2018**

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: 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 February 20, 2018 Board meeting were reviewed. A motion was made by Director Cicon to accept these Minutes. Director Heim seconded and motion carried.

VISITORS: None

FINANCIAL REPORT

BALANCE SHEET	
General Checking Account Balance	\$53,889.28
Water Savings Account	\$333,675.51
Sewer Savings Account	\$446,533.96
Total Current Assets	\$2,224,523.08
Total Assets	\$11,205,976.14
Checks Payable	\$3,117.14
Total Current Liabilities	\$450,154.12
Total Liabilities & Equity	\$11,205,976.14

INCOME STATEMENT SUMMARIZED		
WATER	Current YT,D	Percent of Budget
Total Revenue	\$184,493.16	72%
Total Expenses	\$269,264.28	64%
Net Income	\$81,303.03	
SEWER		
Total Revenue	\$323,321.63	66%
Total Expenses	\$401,294.94	63%
Net Income	\$10,147.14	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$507,814.79	\$501,180.48
Total Expenses	\$670,559.22	\$644,244.47
Total Other Revenue	\$254,423.48	\$186,407.93
Net Income	\$91,679.05	\$43,343.94

CASH REPORT	
Water Fund Checking	\$8,073.04
Sewer Fund Checking	\$41,320.56
Water Savings	\$333,675.51
Sewer Savings	\$446,533.96
Sewer CD	\$34,777.05
Sewer CD	\$212,375.91
Sewer CD	\$217,314.34
Sewer CD	\$186,084.64
Petty Cash	\$200.00

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

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

- SEM Electrical – L/S 6&7
- Western States Equipment – CH Generator
- Keller America - South 80 Transducer
- Core Water Consulting – Water Rights
- Metron Farnier – South 80 Meters

The Capital One credit card statement for February was 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:

South Eighty Water System – The pump house is under construction – footings and foundation have been poured. Homeowners will provide color scheme for building. Slab is scheduled to be poured next week.

LS 6 & 7 – Water main replacement will be completed next week.

Lakeside/Troutbeck Water Connection – Responded to DEQ's questions.

Cherry View Water Rights – DNRC has all paperwork and hopefully will finalize soon.

Treatment Site – Received a letter from DNRC regarding the depth of sludge in the ponds. They were incorrect in saying we had exceeded the maximum depth of 24 inches. The sludge measurements showed the ponds to be 16.5 inches. Sludge will be measured this spring and again this fall.

Project Update

None

Outside District

None

NEW BUSINESS:

Lakeside Rate Increase – a motion was made by Director Heim to approve Ordinance 18-2 amending the water base rate from \$22.88 to \$24.03 per month for the Lakeside Water System. Director Cicon seconded, and motion carried.

Cherry Hill Rate Increase – a motion was made by Director Cicon to approve Ordinance 18-3 amending the water base rate from \$20.00 to \$21.00 per month for the Cherry Hill Water System. Director Thomson seconded, and the motion carried.

Mission View Rate Increase – a motion was made by Director Thomson to approve Ordinance 18-4 amending the water base rate from \$20.75 to \$21.00 per month for the Mission View Water System. Director Cicon seconded, and the motion carried.

On the Trail Cabins – A Will-Serve letter was requested to provide service for 21cabins to the east of the Spurwing Creekside Development. Developer agrees to create an easement to LCWSD from east to the west through his property for future mainline extension. Developer would like to initially build only (2) cabins and hook them up to Spurwing Creekside’s existing mainlines. He would extend the water/sewer main lines should additional cabins be constructed in the future.

New Ordinance – Non-Compliance – Ordinance 11-2 states that “. . . anytime an existing residence is added onto, or remodeled in any way that adds additional square footage to the structure” LCWSD requires that a meter be installed. Ordinance 11-2 also states that “all new service requests will be required to provide for the installation of a water meter before the application for water or sewer services will be approved. A motion was made by Director Cicon to approve Ordinance 18-5 that directs a flat rate of \$65.00 be charged to customers who are not in compliance with this ordinance. Director Thomson seconded, and motion carried.

MISCELLANEOUS

Scott Ring has requested and was approved to work 32 hours per week – Monday through Thursday.

The meeting adjourned at 4:25 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, APRIL 17, 2018)

**MINUTES
LCWSD BOARD OF DIRECTORS MEETING
APRIL 17, 2018**

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 include “Grant Writer” under New 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 March 20, 2018 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	\$69,405.21
Water Savings Account	\$333,785.21
Sewer Savings Account	\$446,680.77
Total Current Assets	\$2,236,479.62
Total Assets	\$11,474,393.76
Checks Payable	\$4,622.36
Total Current Liabilities	\$452,027.19
Total Liabilities & Equity	\$11,474,393.76

INCOME STATEMENT SUMMARIZED		
WATER	Current YT,D	Percent of Budget
Total Revenue	\$201,349.83	78%
Total Expenses	\$304,011.21	73%
Net Income	\$180,854.46	
SEWER		
Total Revenue	\$362,595.51	74%
Total Expenses	\$447,861.58	71%
Net Income	\$177,369.14	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$563,945.34	\$557,173.74
Total Expenses	\$751,872.79	\$736,417.20
Total Other Revenue	\$546,151.05	\$188,101.79
Net Income	\$358,223.60	\$8,858.33

CASH REPORT	
Water Fund Checking	\$2,337.44
Sewer Fund Checking	\$60,659.04
Water Savings	\$333,785.21
Sewer Savings	\$446,680.77
Sewer CD	\$34,777.05
Sewer CD	\$212,375.91
Sewer CD	\$218,312.95
Sewer CD	\$186,084.64
Petty Cash	\$200.00

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

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

- Construction Art – Welding Safety Training
- Scott & Kienzle – Atkinson Hookup
- Mountain Equipment Technology – Transducer for Sewer System
- Lipka Builders – Water Lines for Shady Pine and Curb Stops for 2 Adjacent Lots
- Van Luven, Don – Customer Refund

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

A motion was made by Director Heim 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 – Pump house roof is complete. Currently working on upper connections; lower connections complete. Completion of lines is anticipated by week end. Water test on lower three lines complete. Well pump is scheduled to be installed next week.

LS 6 & 7 – Due to inclement weather, the water main replacement project was delayed. Work will commence on Wednesday, April 18, with completion expected next week.

Lakeside/Troutbeck Water Connection – The second phase of Pisk’s development of Spurwing and the cabins to be built to the west of Spurwing required a deviation request to the DEQ be approved prior to a “will-serve” agreement. DEQ has sent the request to the review board recommending approval.

Cherry View Water Rights – DNRC approved the Cherry View water right application. It has now gone out for public notice. This water right will expand our place of use to Marco Bay and Caroline Point.

Lakeside Rate Increase – a motion was made by Director Cicon to approve Ordinance 18-2 amending the water base rate from \$22.88 to \$24.03 per month for the Lakeside Water System. Director Heim seconded, and motion carried.

Cherry Hill Rate Increase – a motion was made by Director Thomson to approve Ordinance 18-3 amending the water base rate from \$20.00 to \$21.00 per month for the Cherry Hill Water System. Director Cicon seconded, and the motion carried.

Mission View Rate Increase – a motion was made by Director Heim to approve Ordinance 18-4 amending the water base rate from \$20.75 to \$21.00 per month for the Mission View Water System. Director Thomson seconded, and the motion carried.

New Ordinance – Non-Compliance – Ordinance 11-2 states that “. . . anytime an existing residence is added onto, or remodeled in any way that adds additional square footage to the structure” LCWSD requires that a meter be installed. Ordinance 11-2 also states that “all new service requests will be required to provide for the installation of a water meter before the application for water or sewer services will be approved. A motion was made by Director Cicon to approve Ordinance 18-5 that directs a flat rate of \$65.00 be charged to customers who are not in compliance with this ordinance. Director Thomson seconded, and motion carried.

Project Update

None

Outside District

None

Inside District

- 37 Shady Pines Lane – new water/sewer hookup
- 48 Greenbrae (Lakeside Club) – new sewer hookup

NEW BUSINESS:

Pheasants Forever

Pheasants Forever has inquired about leasing the 90 acres currently farmed by Robert Altenburg. Mr. Altenburg’s lease expires in 2019. Pheasants Forever wants to use the site for a breeding area and activities for children. They will be invited to our next meeting to further explore their request.

TB/SW/LE Plant Investment Fees

Discussed increasing the TB/SW/LE plant investment fees (PIF) to bring them in line with the other water districts. Rates will be adjusted when the developer’s agreement is established to drill a new well. In the meantime, an ordinance will be created raising the PIFs by 5%.

DEQ WWTP Capacity Update

The DEQ provided an updated evaluation of the 2007 Preliminary Engineering Report (PER). The report stated that the Lakeside WWTP is adequate to serve the current user population and expansion up to an additional 250 EDUs. This is a significant reduction from the original 750 EDUs.

In addition the DEQ identified the following maintenance projects to be conducted:

- Liner leak testing for all four cells in the next 3 years;
- Sludge depths be monitored and funds reserved for eventual sludge removal; and
- Provide sample analysis for either Total nitrogen or Total Kjeldahl Nitrogen.

LCWSD will request bids for compiling an updated PER.

Grant Writer

Discussed hiring a grant writer to pursue funds for expanding sewer capacity.

The meeting adjourned at 4:10 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, MAY 15, 2018)

MINUTES
LCWSD BOARD OF DIRECTORS MEETING
MAY 15, 2018

PRESENT: Directors Marc Liechti, Jack Thomson, Jim Heim, Howard Cicon, and Roxanne Wadman 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 include “Ordinance 18-6, Possible Hookup, and Board Minutes Financial Information” under New Business. A motion was made by Director Cicon to accept the agenda as amended. Director Wadman seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the April 17, 2018 Board meeting were reviewed. A motion was made by Director Cicon to accept these Minutes. Director Thomson seconded and motion carried.

VISITORS: Mark Actsdale and Dave Heine from Pheasants Forever

They are interested in leasing some of our land in the Lower Valley to be used for a pheasant habitat to provide a venue for youth shooting exercises. The LCWSD is in favor of working with this group and are open for future discussion.

FINANCIAL REPORT:

The financial reports were presented by the General Manager. A motion was made by Director Wadman to approve the financial report. Director Heim seconded and motion carried.

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

- Black Mountain Software – annual fee for utility billing, accounting, payroll, and budget software
- Western Weed Control, LLC – treatment site weed control
- Frank Brisendine – hookup at Deer Creek
- Normont Equipment – man hole risers
- Tanner Smith Construction – Lift Stations 6 & 7
- APEC – Booster Project (submittal to DEQ)
- LHC – South 80 water line and pump house

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

A motion was made by Director Heim 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 – Water lines have been laid. Well house is currently being plumbed. Water should be going through the lines in about two weeks.

LS 6 & 7 – Paving and cleanup still needs to be done as well as pressure washing the building and painting the door.

Lakeside/Troutbeck Water Connection – All paperwork has been submitted to DEQ for approval.

Cherry View Water Rights –Cherry View water right application is out for public comment until July 7, 2018.

DEQ WWTP Capacity Update – Peccia & Associates and Jakola Engineering will be asked for costs to re-evaluate/update the 2007 Preliminary Engineering Report for the Treatment site. The collection system will be addressed in the future.

A motion to give to give Rodney the decision to hire a consultant to perform a capacity and leak study of the treatment site was made by Director Cicon. Director Wadman seconded and motion carried.

Project Update

None

Outside District

- 223 Crystal View Court (On the Trail Cabins) – 1 water/sewer hookup

Inside District

- 105 Deer Creek Road – new sewer hookup

NEW BUSINESS:

Mission View Water Leak – Investigated a water line leak that turned out to be a customer's service line. In the process of repairing the leak, found that the main line goes about 20 feet onto a vacant lot and is made of poor material.

Aeration Treatment Site – Received costs for an Air Diffusion System - \$250,000 plus installation costs of \$50,000 to \$75,000. We will wait for Treatment Site study to be completed before evaluating this system. In the interim, two new aerators will be ordered so we have backups.

Budget – General Manger is working on budget. Requested input from the Board.

Possible Hookup – Customer contacted Director Heim about possibility of a sewer hookup. All such inquiries should be directed to the LCWSD office.

Board Minutes – Financial Information – Meeting minutes will no longer contain financial information.

Ordinance 18-6 – a motion was made by Director Heim to approve Ordinance 18-6 amending the existing Water Plant Investment Fees for the Troutbeck Rise and Lakeside Estates Water System by 5% effective June 1, 2018. Director Cicon seconded, and the motion carried.

EXECUTIVE COMMITTEE MEETING:

An Executive Committee Meeting was held immediately following Board Meeting for General Manager review.

The meeting adjourned at 4:20 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, JUNE 19, 2018)

MINUTES
LCWSD BOARD OF DIRECTORS MEETING
JUNE 19, 2018

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

ABSENT: Jack Thomson

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

AGENDA: A motion was made by Director Cicon to accept the agenda as amended. Director Wadman seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the May 15, 2018 Board meeting were reviewed. A motion was made by Director Wadman to accept these Minutes. Director Cicon seconded and motion carried.

VISITORS: None

FINANCIAL REPORT:

The financial reports were presented by the General Manager. A motion was made by Director Heim to approve the financial report. Director Cicon seconded and motion carried.

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

- Viking Pump – South Eighty Well
- Russell Industries – Booster Pump for Lakeside-Troutbeck Connection
- Meriwether Mechanical and Drain – South Eighty Well House Plumbing

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

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

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

OLD BUSINESS:

South Eighty Water System – The system is working well and is currently being chlorinated. Completion is expected by week end. A meeting is scheduled for Wednesday with the South Eighty H.O. President, LHC, and LCWSD Manager to go over final details.

LS 6 & 7 – Due to weather and busy season, the paving contractor has been delayed. LCWSD is pushing to get this done ASAP so final details can be completed.

Lakeside/Troutbeck Water Connection – The DEQ has approved the Lakeside-Troutbeck water connection. Estimated cost to join the two systems is \$423,906, including booster pumps, approximately 1000 feet of pipe, etc. Completion is scheduled for February 2019.

A motion was made to move forward with this project by Director Wadman. Director Cicon seconded and the motion carried.

Cherry View Water Rights – The public comment period for the water application ends the first week of July. To date no formal objections have been made.

Pheasants Forever – General Manager discussed this request with LCWSD's insurance broker. As long as there is a contract in place and our name is on their liability insurance there should not be any issues.

DEQ WWTP Capacity Update – Jakola Engineering was selected to re-evaluate/update the 2007 Preliminary Engineering Report for the Treatment site and test for seepage in the lagoons. Cost estimate is \$16,500.

Project Update

None

Outside District

- 857 S. Juniper Bay Road - sewer hookup

Inside District

- 30 Lakeside Avenue – water and sewer hookup

NEW BUSINESS:

2018/2019 Budget – General manager presented the revenue and expenditure budget for 2018/2019.

A motion to approve the 2018/2019 budget as presented was made Director Heim. Director Cicon seconded and the motion carried.

Pivot Fence – The Board approved a cost estimate of \$3,180.00 to complete the last 850-foot section of the fence around the pivot field. Repair of the chain link fence on the west end of the holding cell at an estimated cost of \$680.00 was also approved.

The meeting adjourned at 4:15 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, JULY 17, 2018)

MINUTES
LCWSD BOARD OF DIRECTORS MEETING
JULY 17, 2018

PRESENT: Directors Marc Liechti, Jim Heim, Howard Cicon, Jack Thomson, and Roxanne Wadman 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: A motion was made by Director Cicon to accept the agenda as amended. Director Thomson seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the June 19, 2018 Board meeting were reviewed. A motion was made by Director Wadman to accept these Minutes. Director Cicon seconded and motion carried.

VISITORS: None

FINANCIAL REPORT: The financial reports were presented by the General Manager. A motion was made by Director Cicon to approve the financial report. Director Heim seconded and motion carried.

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

- APEC – South Eighty
- Kingdom Builders Engineering Inc. – Electrical Service for Lakeside Booster Pump
- Meriwether Mechanical and Drain – South Eighty PRV
- Viking Pump Inc. – South Eighty Transducer
- LHC, Inc. – South Eighty
- Tanner Smith Construction – Mission View LS 6 & 7 and Leak
- SEM Electrical Services – South Eighty
- Mild Fence – Treatment Site

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

A motion was made by Director Wadman 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 – System is up and running. Roads and hydro-seeding are complete. Two staff members attended the South Eighty HOA barbecue and gave tours of the well house. Customers are very pleased.

Electrical control issues are being addressed. Sampling has showed some bac-T contamination. We are working with LHC to resolve this issue.

LS 6 & 7 – The road is paved; hydro-seeding will take place this week. Final effort will include pressure washing the building and painting the door.

Lakeside/Troutbeck Water Connection – Tanner Smith and LHC have been asked to provide bids. The generator and booster pump package has been ordered. Start date is scheduled for September 2018.

Cherry View Water Rights – Awaiting approval from DEQ.

Pheasants Forever – The current farmer's agreement ends in 2019. LCWSD and Pheasants Forever will conduct a consensus of nearby landowners to determine if there are any concerns.

DEQ WWTP Capacity Update – Jakola Engineering is reviewing the records. An update to the 2007 Preliminary Engineering Report is anticipated by mid-August.

Project Update

Lakeside Estates Phase 3 – logging is complete. Doug Siderious said he plans to pave the road soon.

NEW BUSINESS:

Outside District

- 846 S. Juniper Bay Road - sewer hookup
- 205 Deer Trail – Sewer Hookup

Inside District

The meeting adjourned at 2:40 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, AUGUST 21, 2018)

MINUTES
LCWSD BOARD OF DIRECTORS MEETING
AUGUST 21, 2018

PRESENT: Directors Marc Liechti, Jim Heim, Howard Cicon, Jack Thomson, and Roxanne Wadman 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: The agenda was amended to include Shelter Cove Pressure under New Business. A motion was made by Director Wadman to accept the agenda as amended. Director Cicon seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the July 17, 2018 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Thomson seconded and motion carried.

VISITORS: Alan Kornicks, Shelter Cover Home Owners Association (HOA) President and Dan Kramer, Montana Rural Water Association

FINANCIAL REPORT: The financial reports were presented by the General Manager. A motion was made by Director Cicon to approve the financial report. Director Wadman seconded and motion carried.

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

- Tanner Smith Construction – final invoice for LS 6
- LHC, Inc. – final invoice for South Eighty
- Core & Main LP – 2 aerators for treatment site
- Waati Engineering – Electric Booster Pump Project
- Meriwether Mechanical and Drain – ball valves for PRVs
- Montana Association of Counties – annual liability insurance
- SEM Electrical Services – final invoice for South Eighty
- Atkinson, Keith – refund of water PIF after cost of installing thrust block was deducted
- Tanner Smith Construction – thrust block installation

The Capital One credit card statement for July 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:

South Eighty Water System – After flushing and chlorinating bac-T samples are still showing contamination. Problem has been isolated to the upper zone. Operators will continue to flush and chlorinate. New samples will be taken this week.

Final project costs were \$364,960, \$114,000 over estimate. Cost increase was due to the need to install an upper zone because of topography issues.

Lakeside/Troutbeck Water Connection – A signed agreement is in place. Construction meeting is scheduled for August 27 with the contractor, LHC, Inc. Generator will arrive on September 5 and booster pump will arrive the third week of September. Also met with Flathead Electric.

Cherry View Water Rights – Final approval has been received.

DEQ WWTP Capacity Update – Report will be ready later this week. The leak study will be conducted in the spring when cells are full.

Project Update

Lakeside Club – two new homes are under construction.

Lakeside Estates – road will be constructed for Phase III.

NEW BUSINESS:

Outside District

- 23 and 31 Dodd Avenue – Somers Sewer Hookup

Inside District

- 121 Brass Road – Water and Sewer Hookup
- 136 Wulff Lane – Water and Sewer Hookup
- 127, 129, 138, and 140 Crystal View Court (Spurwing) – Water and Sewer Hookups

Shelter Cove Pressure – Alan Kornicks addressed the Board regarding the low water pressure being experienced by the Shelter Cove residents. This has been an ongoing problem that was inherited by LCWSD when the District took over their water system. LCWSD rebuilt the PRVs last year which provided an additional 10 PSI. Other options are being considered including moving one of the PRVs to allow more pressure to Shelter Cove without effecting customers down below.

Ordinance 18-7 – Annexation of Out-of-District Properties - Secretary presented Ordinance 18-7 annexing 222 Crystal View Court, 105 Deer Creek Road, and 772 Lakeside Blvd. Director Wadman made a motion to approve Ordinance 18-7 as presented. Director Heim seconded and the motion carried. The Ordinance and the Flathead County-approved annexation petition will be forwarded to the State for recording.

Miscellaneous – Director Thomson is moving out-of-district in September.

The meeting adjourned at 3:50 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, SEPTEMBER 18, 2018)

MINUTES

LCWSD BOARD OF DIRECTORS MEETING SEPTEMBER 18, 2018

PRESENT: Directors Marc Liechti, Jim Heim, Howard Cicon, and Roxanne Wadman 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: The agenda was amended to include Shelter Cove Pressure under Old Business and Composting and Sewer Highway Crossing under New Business. A motion was made by Director Wadman to accept the agenda as amended. Director Cicon seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the August 21, 2018 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: The financial reports were presented by the General Manager. A motion was made by Director Cicon to approve the financial report. Director Wadman seconded and motion carried.

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

- Jakola Engineering – Preliminary Engineering Report (PER) for Treatment Site Capacity
- Flathead Electric Coop – New 400 Amp Service
- Russell Industries Inc. - Booster for Mission Controls
- Safeguard Business Systems – Bill Cards
- Metron-Farnier, LLC - Meters

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

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

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

OLD BUSINESS:

South Eighty Water System – Samples are clean. Sent letters regarding the increased assessment to South Eighty customers. The South Eighty Board met with General Manager

and Board President. They are happy with the water pressure and how the system is working. They would also like to have a backup generator in case of a power outage. Will get a firm estimate to wire in the quick connect generator port and transfer switch.

Lakeside/Troutbeck Water Connection – power coming from pole has been relocated and panels and Mission controls mounted. Generator and pumps will be delivered on site this week. Construction will start next week.

DEQ WWTP Capacity Update – the 2018 PER Amendment prepared by Jakola Engineering was distributed. Board will review with the goal of submitting to the State in two weeks.

Shelter Cove Pressure – The water valve on Wulff Lane was closed and the PRV increased to produce more pressure to Shelter Cove. This is a temporary fix while other options are investigated.

Project Update

None

NEW BUSINESS:

Sewer Highway Crossing – A land owner contacted LCWSD to explore the possibility of extending utility lines from Highway 93 to Clothier Lane. Project would be costly – discussed potential to participate in exchange for high elevation area for water tank storage.

Composting – Derek Skees, Legislator, met with General Manger and Board President to discuss constructing an indoor facility to compost sludge from the Kalispell Sewage Treatment System as well as from LCWSD's ponds. He proposed leasing 30 to 40 acres of LCWSD land for this facility. The Board agreed we cannot give up this land. Board would like to investigate other options for sewage treatment and disposal.

Outside District

– None

Inside District

– 175 Crystal View Court

The meeting adjourned at 4:05 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, OCTOBER 16, 2018)

MINUTES

LCWSD BOARD OF DIRECTORS MEETING OCTOBER 16, 2018

PRESENT: Directors Marc Liechti, Jim Heim, Howard Cicon, and Roxanne Wadman 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: The agenda was amended to include Treatment Site Capacity Report under Old Business. A motion was made by Director Wadman to accept the agenda as amended. Director Cicon seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the September 18, 2018 Board meeting were reviewed. A motion was made by Director Cicon to accept these Minutes. Director Wadman seconded and motion carried.

VISITORS: None

FINANCIAL REPORT: The financial reports were presented by the General Manager. A motion was made by Director Cicon to approve the financial report. Director Heim seconded and motion carried. The Board requested a graph be prepared annually to forecast our EDU growth and sewer reserves.

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

- Glacier Construction & Irrigation – Pivot
- Meriwether Mechanical and Drain – PRV Ball Valves
- Metron-Farnier, LLC – Meters for South 80
- GC Systems – Booster Pumps
- Cummins, Inc. - Generator

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

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

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

OLD BUSINESS:

Lakeside/Troutbeck Water Connection – construction continues. Contractor is hitting a lot of rocks.

DEQ WWTP Capacity Update – calculations between what is being sprayed on pivot field and what is being metered at L/S 1 Tiger Mag meter shows a 15-million gallon difference. To allow time to address this difference, the capacity report will be submitted to the DEQ in the spring after performing the leak test on the ponds.

Project Update

- Activity in the Lakeside Club is increasing.
- Lakeside Estates Phase 3 – developer wants to get road completed.

NEW BUSINESS:

CD Rates

With two of our CDs maturing, we are looking at renewing with a nationwide bank as they offer a larger rate of return. A motion was made by Director Cicon to move forward with a nationwide bank after confirming with auditor. Director Wadman seconded and motion carried.

Center Pivot Winter Drain

The line to the pivot field must be drained each Fall because it is shallow and will freeze. Draining takes 2.5 to 3 days due to the 1-inch curb stop. Proposed cutting pipe on both sides of concrete, installing a 2-inch curb stop, and lowering pump chamber 2 feet.

Outside District

Three new hookups:

- 61 Mackinaw Loop
- 1524 Mackinaw Loop
- 1129 mackinaw Loop

Inside District

- None

Board Member Vacancy

Director Wadman made a motion to appoint Todd Fleming to complete Director Thomson's term. Director Cicon seconded and motion carried.

The meeting adjourned at 3:20 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, NOVEMBER 20, 2018)

MINUTES

LCWSD BOARD OF DIRECTORS MEETING NOVEMBER 20, 2018

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

ABSENT: None

Board Chairman Liechti was 20 minutes late; therefore, Director Wadman called the meeting to order at 2:05 p.m.

AGENDA: The agenda was amended to include Treatment Site Winter Storage under Old Business. A motion was made by Director Cicon to accept the agenda as amended. Director Heim seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the October 16, 2018 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: The financial reports were presented by the General Manager. A motion was made by Director Fleming to approve the financial report. Director Heim seconded and motion carried.

BILL APPROVAL: Director Liechti arrived and continued the meeting. Accounts payable for September were reviewed. Expenses of note included:

- Tanner Smith – Lakeside Blvd. leak
- DNRC – Water right extension
- Vlad Tree Service – Tree trimming
- Tire Rama – Winter tiers
- ELOI Marketing Group – Hats
- Maintenance Connection – Annual fee

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

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

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

OLD BUSINESS:

Lakeside/Troutbeck Water Connection – project is progressing well. Pipe has been laid and trench filled in. Generator and pumps have been installed. Building addition is almost complete. Startup is scheduled to take place before the end of December. Cummins (pump vendor) will be present for startup.

Treatment Site Winter Storage – Manager met with DEQ in Helena to discuss underground discharge. Future needs cannot be determined until the leak study is complete. Discussed applying for an SRF grant to complete a full PER.

NEW BUSINESS:

Steamboat Landing – Somers has requested a will-serve letter for 178 units for their new Steamboat Landing subdivision to be good for 20 years. The subdivision will be developed in three phases. Rodney along with our attorney Duncan Scott will draft a will-serve letter for the Board to review.

Water Rights – Lakeside Estates/Troutbeck – Working to bring water rights under one system. One of the Troutbeck water rights was lost due to an oversight; however the other existing water rights should be sufficient. The Lakeside Estates water right completion date has been extended to 2038. Combining the water rights is estimated to cost \$8,000 to \$13,000.

A motion to contract with Applied Water to work on the LCWSD water rights was made by Director Cicon. Director Wadman seconded and the motion carried.

EDU Growth Trend - A graph showing 2% EDU, Depreciation recovered, and reserves for sewer through 2024 was presented and discussed.

Lift Station 1A VFD Replacement – The 21-year old VFD in LS 1A needs to be replaced. The board agreed to replace the Allen Bradley VFD with a lower cost ABB VFD.

Outside District – two new hookups:

- 873 S. Juniper Bay Road - Sewer
- 502 Bierney Creek Road - Water & Sewer

Inside District

- None

The meeting adjourned at 5:07 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, DECEMBER 18, 2018)

MINUTES

LCWSD BOARD OF DIRECTORS MEETING DECEMBER 18, 2018

PRESENT: Directors Marc Liechti, Jim Heim, Howard Cicon, and Todd Fleming and employee Rodney Olson, General Manager

ABSENT: Roxanne Wadman and Beth Dotson

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

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

APPROVAL OF MINUTES: The Minutes of the November 20, 2018 Board meeting were reviewed. A motion was made by Director Cicon to accept these Minutes. Director Fleming seconded and motion carried.

VISITORS: None

FINANCIAL REPORT: The financial reports were presented by the General Manager. A motion was made by Director Cicon to approve the financial report. Director Heim seconded and motion carried.

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

- ESRI – Arc Map Annual Fee
- APEC – Booster Pump Project
- Core Water Consulting – Water Rights
- Diversified Electric Co. – Pump for LS#2
- Roxanne Wadman – Christmas Party Reimbursement
- Xylem Dewatering Solutions – Pump for LS#2

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

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

DELINQUENT REPORT: As Beth was off most of the month of December, no calls were made to collect on past due accounts. Collection of past due accounts will resume in January.

OLD BUSINESS:

Lakeside/Troutbeck Water Connection – Startup is scheduled for January 8, 2019. All plumbing is complete and electricians are working on wiring. The pump and generator reps will be here for startup.

Somers Will Service – Steamboat Landing – See LCWSD Subdivision Will Serve Policy under New Business below.

Projects Update

- Lakeside Estates Phase 3 – developer requested a will serve letter for their submittal to DEQ for Phase 3. Discussed the need for a new well. As LCWSD's future plans include a new well, developer agreed to pay \$40,000 to LCWSD for Phase 3 and an additional \$40,000 for Phase 4.

NEW BUSINESS:

LCWSD Subdivision Will Serve Policy – LCWSD currently has an interlocal agreement with Somers, a Service Standards document, and ordinances/resolutions that address LCWSD's will serve policy. As these documents have not been reviewed for some time, a two-person committee was formed to review these existing documents and make recommendations to ensure consistency and that all scenarios are addressed.

Outside District – two new hookups:

- 514 Bierney Creek Road - Water & Sewer
- 105 Mackinaw Loop (Somers) - Sewer

Inside District

- None

The meeting adjourned at 3:25 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, JANUARY 15, 2018)