

**Minutes, River Rock Water and Sewer District Meeting
7/21/02**

Called to order at 7:05 PM by President Jim Smith. Present: Sherrold Buerkle, Rich Sherlock, Jim Smith. Motion to approve minutes of June meeting by Sherlock, 2nd by Buerkle, passed U.

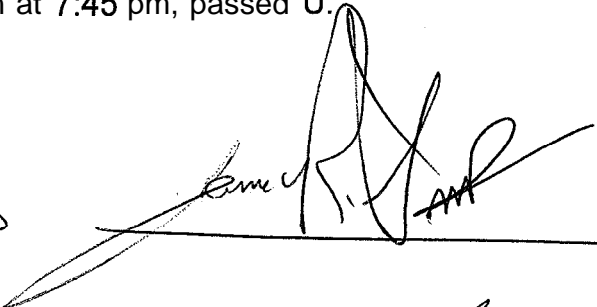
Claims: Motion to approve claims by Buerkle, 2nd by Sherlock. Smith amended to not pay Sime pending explanation of charges, 2nd Buerkle, passed U.


Reports: Christine reported one resident had water shut off, but she reinstated service with no fee because resident sold house and had mail forwarding to new address in Colorado. Resident has paid current.

Old Business:

- 1) Regarding draft of financial statement, Smith will ask Leep for final report.
- 2) Regarding "available fees", will hold over to old business for August meeting.
- 3) Regarding status of board members Alex O. and M. Potter, Potter has not returned calls, and Alex's home appears to be unsold as of yet.
- 4) Discussion of \$20.00 inspection fee. Who pays it, who reimburses whom, should district pay PC development for service, should district buy meters, is there a legal need to inspect, certification needed to do so, what party can be held liable? Will hold over to August meeting.
- 5) List of potential candidates to fill secretary position and possible board vacancies has not been completed yet. For secretary, should we place ad in paper, restrict to residents of R.R., or consider Independent Contractor status? Will hold over to August meeting.
- 6) Christine reports Landmark subdivision is on line to purchase water from R.R.. She will bill in lump sum based on main water meter, PC Development will bill individual residents of Landmark.
- 7) Question regarding failure of water service last week. Apparently due to operator error, failed to properly set switch, system shut down when water level fell.

Sherlock moved to adjourn at 7:45 pm, passed U.

Approved by  Board President 8.18.02

Attested  8/18/02

River Rock Water & Sewer Board Meeting Minutes

June 30, 2002

Present: Buerkle, Leep, Ostberg, Sherlock, Smith

Absent: Potter

Secretary: Michelle Ostberg

Citizens Present: Christine Clarkson, Terri Zullo

Minutes Approval:

- Meeting called to order at 7:05 pm
- Sherlock moved to approve minutes as presented
- Ostberg seconded
- Unanimous Approval

Claims:

- Buerkle moved to approve claims
- Sherlock seconded
- Unanimous Approval

Reports:

(Terri Zullo - controller)

- Presented statement to each board member
 - o Statement based on general accounting principles
 - o Net loss for first year due to equipment depreciation and maintenance
 - o Document with Tax ID for county has year end date so can give official statement at next meeting
 - o Recommendation that once a month move money beyond that needed for expenses from operating account to money market account
 - Establish a threshold value and anything above move to money market
 - o Bond payments money set for loan amount less reserve (goes into state holding fund)
 - o Income tax taken out of money market account for 2001 (total amount \$6.71)
 - o Does the district need to file a tax return?
 - Have to go through the state audit process
 - Need to look into - Jason speak with Anna Miller NRC
 - May need to publish info for public
 - o Statement in draft form
 - Make sure proper accounting process
 - Also check year end date
 - o Review in detail at next months meeting and consider approval then
- 12 month certificate deposits come up in July
 - o Next month get extra \$8000 approximately so take checking account down to almost zero due to income and extra move to money market
- Interest payable escrow US BOND in district name
 - o When renews every 6 months also make interest payments to Valley Meadows
- If any questions call and talk to Terri - will get finalized copy by next meeting

(Christine Clarkson)

- Revenue Reports
 - o Old Company Bills still not paid show up as availability fees
 - o Jason talk to PC Development to see if willing to write off rather than continue to bill for money not ever going to collect

(Jason Leep)

- Operation running smoothly

Old Business:

- Claims approved at an earlier meeting need to be paid tonight as checks have not yet been issued

New Business:

- Have to be a property owner to be a board member (stated in Article III)
 - Once Ostberg sells property will resign from board and a new board member shall be appointed by the board
- Smith left a message with Potter regarding the boards request to resign due to lack of attendance at meetings
 - May bc looking for another appointed member
 - Add to by-laws required meeting attendance for board members
 - Check Montana code first
 - Amending by-laws requires a 3/5 vote and also good idea to run through Cok, Wheat, Brown for legality purposes
- Terms for offices change upon election of new board members which coincides with the general election year
- Upcoming loan payments total \$123,600
 - \$51,800 for Water and \$71,800 for Sewer
 - Take all out of checking to pay except \$1800 which leave in account
 - \$58,79 1.86 of district money
 - Pay for all water (\$5 1,800) and roughly \$7000 on sewer
 - Residual comes out of reserve in amount of \$64,800
 - Ostberg moved to approve
 - Sherlock seconded
 - Unanimous approval
- Need to apply for property tax exemption - Smith signed necessary paperwork
- Water meters required for hookup always bought by River Rock Water & Sewer Company before
Leep suggest district start buying
 - Cost \$95 per meter to buy
 - Sell for \$115 (this includes inspection fee plus cost of meter)
 - Contractors install and then district inspects to ensure proper installation and connection
 - Suggest sell nonprofit (only for expense of purchasing)
 - Can word so reads \$95 for meter and \$20 for inspection
 - Intending to put on claims for next meeting (roughly \$3500 for 50)
- Request for list of district people from district for marketing insurance purposes
 - On bottom of application states name will not be given out
 - Request Denied

Citizens Comments:

- The 2 drains on West Shore Drive were really backed up during last storm
 - They have been cleaned and it's really not a district issue
- Buerkle moved to adjourn @ 8:02 pm
- Unanimous approval

Attested By

Position

**Minutes of the River Rock County Water and Sewer District
Board of Directors Monthly Meeting January 20, 2002**

Present: Buerkle, Leep, Sherlock, Smith

Absent: Potter, Ostberg

Secretary: Michelle Ostberg

Approval of Minutes

- Meeting called to order at 7:00 p.m.
- No minutes to approve will do next time for 1 1/01 meeting

Claims

- Directors pay should be double
- Sherlock moved to accept amended claims
- Buerkle seconded motion
- Unanimous Approval

Reports

(Christine Clarkson)

- Homeowners staying current on paying bills
- \$6425.44 left on Water & Sewer Company outstanding debts
 - Mostly contractors debt that they are refusing to pay because they were not told in advance
- Handout of Revenue **Summary**
 - Will the district get an **annual** report (add balance forward + December deposit)

(Jason Leep)

- Since May 200185 services have been added and forecasted for next year between 150-200 added
- Just under 300 hooked up services and meters and forecasted for next year between 450-500 total
- Should be a little over **half** way to the projected **number** of hookups to meet the loan payments
- Currently reading meters is a 2 day process so possibly look toward purchase of new equipment to aid in the meter reading process instead of walking up to each house
- Water samples have all been fine – waiting for lead results
- No major breakdowns with the system – couple of minor leaks due to contractor error in hookup

Old Business

• None

New Business

- First payment to DNRC
 - WRF loan **\$65,300.00** (taken from River Rock Water & Sewer District account)
 - SRF loan **\$91,633.33** (taken **from** PC Development Agreement account)
 - Copy of payment schedule and amounts handed out
 - First payment larger because covers dates **5/01 – 12/01** otherwise normal payments will be **bi-annually**
- Should be getting interest back on CD's pretty soon (one should mature this month and rollover)

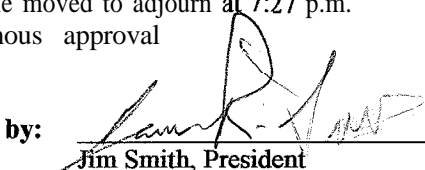
Citizen Comments

• None

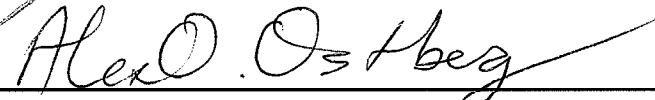
• Buerkle moved to adjourn at 7:27 p.m.

- Unanimous approval

Approved by:


Jim Smith, President

Attested by:



Print Name:

ALEX O. OSTBERG

Title:

SGT & ARMS