

River Rock County Water and Sewer District Board  
Meeting Minutes  
December 16, 2004

Present: Buerkle, Rude, Richards, Dance  
Absent: Carlson  
Guests: Christine Clarkson, Ron Edwards, Jason Leep,  
Terri Zullo, David Finegan, Don Walters

The meeting was called to order at 7:08 P.M. by Pres. Buerkle.  
Motion was made by S. Rude to accept the November minutes as  
written. P. Dance seconded the motion. Motion passed.

Claims: Directors' pay - December \$400.00  
Secretary's pay - November (S. Whipple) \$40.00  
Motion to pay claims as presented made by Rude and seconded by  
S. Buerkle. Motion passed and claims were paid.

Reports:

Revenue Summary: C. Clarkson - little activity this month.  
Approx. 10 delinquent accounts will receive a 24-hour notice  
of shutoff.

Water Usage: R. Edwards, Oper. - water usage from meter readings  
2003 avg/day 261,000 gal.  
2004 avg/day 346,000" gal.  
peak July27, 2004 966,826.3 gal.

If a leak is suspected, the service connections should be checked.  
Ron will do a year-end report:- including a comparison of River  
Rock and LandMark usage. Sharold recommended checking billing  
since no one is sprinkling.

Pump run: #1 manual mode  
#2 & #3 for normal growth  
#4 & #5 fire (flow tests)

BAC T Testing: In July, E-coli was detected and cleaned. Five (5)  
repeat samples were tested. The Dec. 14 test results are pending.  
The chlorine system is shut off at present.

Edwards needs a parts inventory to fix pumps in a timely manner. The parts would be stored in the pump house. Fifteen (15) Nitrate samples SOC(@ \$500)/VOC (@ \$120) and inorganic (@ \$120) samples were done this year.

Lead & Copper in Jan. 2005 - reduce sampling if results are good. Liquid chlorine is hard on the rubber parts of the pump(s). The ground storage tank has 1-2 turnovers normal and 4-5 in the summer.

Possible sources of contamination were discussed - the ongoing construction, connections - anytime the system is opened can allow contaminants.

Due to the transfer of operation to the Board of Directors, Christine will be doing the day-to-day accounting with QuickBooks and billing possibly with Black Mountain, T. Zullo from PC Devel., recommended having a central location for the check register and have 'internal controls. Ron further talked about the operation at Big Sky. Approx. \$2,000 will be the cost of a year-end audit (2005). Separate accounts will be maintained for water and sewer; The Fiscal year will be the calendar year [check with State for requisements).

New Business,:

Eddie and Christine's updated contracts were presented, which includes a job description. Buerkle motioned to accept the contracts. Rude, Dance, and Richards were all in favor.

Transition: A Certificate<sup>fic</sup> as to Resolution was presented and signed. The resolution states that there are 846 connections. The transition forms will be posted on the WebPage. Board Member, S. Rude, questioned the date. It was changed to reflect the true date of Dec. 16, 2004. Goad catch Steve!

A tax statement (non-profit) must be filed for 2001-2004 and a property tax exemption.

The address will be 240 North River Rock Road.

Transfer money from the checking account regularly to the Money Market Acct. A bond payment is due Dec. 31, 2004.

New Business (cont.)

Budget Proposal by Terri Zullo: The check register will now combine PC payables with the Board's payments. A split budget was worked out with the River Rock Property Owners Association. Ayres is not included in 2005 projections because the first hookup won't be until approx. Oct. '05. Edwards stated that the rates charged will reflect depreciation and cost of replacement items and fund the capital reserves. Dir. Buerkle stated that the rates are high, but we are anticipating a 15% increase in power costs. Other recommendations by Zullo included investing capital reserves, ladder the CD program, reserves should be protected by FDIC. (Check limits in each acct.).

Approval of the 2005 Budget will be conducted at the January 2005 meeting.

Board Director, Buerkle remarked that the State set rates have produced a financially sound water and sewer operation, the River Rock County Water and Sewer District. The Board members and the Secretary signed the forms.

Sharold motioned to adjourn the meeting. Eric seconded. All the board members were in favor. The meeting was adjourned at 8:25 P.M.

Respectfully submitted,



Suzette R. Whipple, Sec.

ATTESTED:

BY: \_\_\_\_\_  
Board Member

WITNESS: \_\_\_\_\_

Christine

River Rock County Water and Sewer District Board  
Meeting Minutes  
November 18, 2004

Present: Sharold Buerkle, Steve Rude, Eric Richards, Don Carlson  
Absent: Pam Dance  
Guests: Don Walters, LeAnn McManus, Jason Leep, David Finegan,  
Lori Livesay, Christine Clarkson, Eddie Muñiz

After a few minutes to give the board time to read over the minutes and the letter from TD&H Engineering Consultants, the meeting was called to order by Board Director Buerkle. Motion made by Rude and seconded by Richards to accept the October minutes as written.

Claims:

Directors' Pay - November Services	\$400.00	(5 members @ \$80 ea)
Cok, Wheat & Brown	218.75	
Northwest Pipe	7,278.27	
Secretary's Pay - October Services	40.00	(for Christine)

After Buerkle checked previous payments to NW Pipe, motion was made by Rude to pay claims as presented. Carlson seconded. Motion passed.

Reports:

Revenue Summary: Christine noted that water usage was down due to low irrigation this Fall. Landmark's usage was also lower. There are only 14 delinquent accounts. Payments are due Monday, Nov. 22. Action will be taken if not paid.

Water Quality: Ron Edwards, Operator, e-mailed the annual water quality report, which will be mailed out with the December water bills and River Rock newsletter, Rock Around the Block.

Complaint: Regarding a resident using the water spicket at the pumphouse for personal use. Eddie talked to her, and Christine checked water usage. The resident was also watering the strip of commons grass and it was determined that the resident's usage was negligible. No action required.

Chlorination Equipment: there have been several recent failures. Jason Leep, PC Development, took care of it. Only one neighbor complained of the smell/taste.

Landmark Connections: has reached 153

Liens: Don Carlson reported that unpaid water bills can be attached to the property tax, alleviating the need to file a lien.

Reports (cont.)

TD&H Engineering Consultants: A letter was written to Pres. Buerkle by the engineering firm that conducted our recent water quality tests. It is recommended, but not required, that the RRCW&SD plan to provide for a backup power system or an elevated water tank in case of a serious power failure, backflow, or emergency.

Discussion: possibilities would be to put in a generator in Well #1 in case of power failure at a cost of approx. \$250,000., or construct an elevated storage tank which would cost approx. \$500,000. Buerkle would like to study outgoing and incoming expenses to maintain the system. (Note: In Dec., PC Develop. will be transitioning operation to the Board of Directors) Meanwhile, individual houses have a backflow protection device and fire trucks can use hydrants or the lake. The previous contaminations due to chlorine not being operated properly was noted.

Operations/Management: Jason Leep handed out info sheets on OPS/MGT The 828 connections level has been reached (831) - it's time to transition the operation of RRCW&SD from PC Development to the Board of Directors. PC is working on Real Estate Tax Exemption Claims, Tax Filings, Financial Statements, and a 2005 Budget for Board approval. Ron Edwards, a licensed operator, will assist personnel.

RRCW&SD plan to hire Christine and Eddie from the River Rock POA and pay the POA as an independent contractor. The IC Agreement states that Christine will receive \$2,000.00 in salary and benefits and pay Eddie an hourly rate of \$50.00, estimated to be about 20 hours/month. The POA will present claim(s) monthly. The POA will assume liability insurance on Eddie's work. booking ahead, Landmark and Ayers subdivisions will need to read their own meters. Ayers Sub. to connect soon.

Fiscal Report 2005: Payments & Projected Cash Flow worksheet listed expenses and income for 2005,. 2006 should be better. CD's should be saved for expensive repairs. As transition proceeds, signatures will be on file at the bank for the checking account. Buerkle said he would attend the Dec. POA Annual Meeting. The River Rock POA is also going through transition from PC Dev. to its Board of Directors, who were all -present at tonight's meeting. NO costs to the board have incurred by the transition.

Old Business: All board members are to be familiar with water and sewer regulations. Delinquent accounts have been notified and given a deadline, The board will look into acquiring an accounting service and set up an audit.

New Business: Discussion was held on whether or not to cap Eddie's hours. This will be addressed at a later date. David Finegan, Assoc. 8 Board Consultant with PC, gave a brief presentation and suggested that Eddie's job description be very specific.

Motion was made to adjourn by Buerkle and seconded by Carlson. Motion carried at approx. 8:30 P.M.

Respectfully submitted,

*Suzette R. Whipple*  
Suzette R. Whipple, Secretary

ATTESTED:

BY:

*S. Buerkle*  
Board Member - S. Buerkle

WITNESS: \_\_\_\_\_

**River Rock County Water & Sewer District Board**  
Meeting Minutes  
October 21, 2004

**Present:** Sharold Buerkle, Pam Dance, Eric Richards, Steve Rude  
**Absent:** Don Carlson  
**Guests:** Christine Clarkson, Suzette Whipple

The meeting was called to order at 7: 10 p.m. by Buerkle. Motion made by Dance and seconded by Richards to approve the September minutes as written.

**Claims:**

Directors' Pay – October Services                      \$400.00

Motion made by Dance to pay claims as presented. Approved by Richards. Motion carried.

**Reports:**

Christine- Revenue summary (attached). Christine stated that the payment column on the revenue summary is from the month prior and the billing column is for the most current billing period. Rude asked about the 60 day past due amounts and Christine explained how the 60 day process works. There was discussion on whether the District can file for liens for the outstanding debt, what this would mean for the board and if there was interest charged for outstanding balances. Christine said that there is a 1% interest charge for any outstanding balance. Buerkle read the rules and regulations on deposits and past due amounts (Chapter 5). Richards suggested that any account past due 100 days or more be required to pay a deposit and if that deposit is used to pay for the past due amount, then the water service be shut off until the account is brought current and the deposit returned to it's full balance. Buerkle suggested writing a letter including this section of the regulations stating that they must bring their account current and make deposits for the future. Chapter 5, Section 4 allows the district to require this or accounts will be shut off. Buerkle further recommended sending this section of the regulations with the 60 day letters and starting to strictly enforce this regulation. Motion made by Rude to adopt the following: The Board resolved that anyone past due on their account more than 60 days is considered to have an unsatisfactory credit history. Therefore, effective October 21, 2004 the District will enforce Chapters 5 & 7 of the River Rock County Water & Sewer District Rules and Regulations. Motion seconded by Dance. Richards amended motion to include "and any other pertinent regulations". Amendment approved. Motion carried.

Dance moved that the District adopt an amendment to the Regulations to allow for filing of liens and collecting fees for costs associated with these liens. Without all of the necessary information, this motion was tabled until this information can be gathered. Buerkle will check into this with Jason Leep and Cok, Wheat and Brown.

Jason Leep -Not present  
Ron Edwards – Not present

**Old Business:**

- *Deposit System for her hookups – See above.*
- *1 % Late Fee-* There was discussion among the Board members on whether to change this percentage. Buerkle suggested leaving it at 1% in light of the deposit system. Dance recommended revisiting the possibility of raising the percentage in 3 months or so. Tabled without a vote.
- *Rules and Regulations for Dance and Richards-* Dance and Richards were both given binders which included the Rules and Regulations.

**New Business:**

- *Accounting Service*- The Board discussed whether they want to keep the current accounting service after they take control and look for another **firm** sometime in the future. Rude asked if bids were required. Dance asked if the District would need to publish an RFP. As there were no clear answers to these issues, it was suggested that Cok, Wheat and Brown be contacted on these requirements and continue this discussion later when the District has more information. Dance suggested faxing questions to Cok, Wheat and Brown.
- *Secretary*- Suzette Whipple came to the meeting interested in this position. Rude pointed out that having **Clarkson** try to write and answer questions is too difficult. Buerkle briefly explained what's expected of the secretary as far as attendance, minutes preparation and distribution. Suzette asked for copies of past minutes and that members introduce themselves and explain their position with the Board. Buerkle then explained about the relationship with PC Development/Jason Leep and the District. Board members then stepped out of the meeting to discuss the candidate. When Board members returned, motion was made by Dance to employ Suzette Whipple as the secretary for a probationary period of 3 months to give the candidate and the Board members time to become familiar with each others. Motion seconded and approved unanimously.

Rude made motion to adjourn meeting at 8: 15 p.m. Richards seconded. Motion carried.

Respectfully submitted,

Christine Clarkson, Acting Secretary



# REVENUE SUMMARY

September 2004

USER TYPE	BILLED	PAYMENTS
Vacant - Water	\$0.00	\$0.00
Vacant - Sewer	\$0.00	\$0.00
Site Built - Water	\$10,979.33	\$14,097.92
Site Built - Sewer	\$13,168.72	\$15,753.15
Site Built - Late Fee	\$39.18	\$68.49
Mfg. Home - Rental - Water	\$1,636.66	\$2,448.52
Mfg. Home - Rental - Sewer	\$2,367.93	\$3,225.58
Mfg. Home - Rental - Late Fee	\$16.55	\$21.37
Mfg. Home - Land/Home - Water	\$863.82	\$1,018.82
Mfg. Home - Land/Home - Sewer	\$1,158.91	\$1,376.32
Mfg. Home - Land/Home - Late Fee	\$8.81	\$7.45
Commercial Location - Water	\$0.00	\$0.00
Commercial Location - Sewer	\$0.00	\$0.00
Commercial Location - Late Fee	\$0.00	\$0.00
School - Water	\$357.13	\$357.13
School - Sewer	\$57.79	\$22.48
Condominium - Water	\$462.50	\$424.42
Condominium - Sewer	\$601.73	\$592.05
Condominium - Late Fee	\$0.60	\$0.58
Irrigation Meters - Water	\$1,119.23	\$1,109.54
Irrigation Meters - Late Fee	\$3.29	\$0.00
Multi Family - Water	\$567.72	\$128.47
Multi Family - Sewer	\$487.33	\$128.47
Multi Family - Late Fee	\$0.00	\$0.00
<b>Totals</b>	<b>\$33,897.23</b>	<b>\$40,780.76</b>

Site Built has overpayment of \$183.26  
 Land/Home has overpayment of \$96.87  
 MHC Has an overpayment of \$13.86  
 Other" payments of \$70.00  
 Irrigation has overpayment of \$3.41

**Total overpayments** \$367.40

**Grand Total of Deposits** **\$41,148.16**

**Total Accounts Billed** **692**

## ACTUAL DEPOSITS MADE TO RIVER ROCK COUNTY WATER & SEWER DISTRICT

Deposit No. 1	\$2,487.33
Deposit No. 2	\$1,719.99
Deposit No. 3	\$2,080.84
Deposit No. 4	\$10,983.55
Deposit No. 5	\$2,300.10
Deposit No. 6	\$2,334.49
Deposit No. 7	\$3,999.47
Deposit No. 8	\$2,530.13
Deposit No. 9	\$1,824.72
Deposit No. 10	\$3,089.97
Deposit No. 11	\$2,112.16
Deposit No. 12	\$2,839.30
Deposit No. 13	\$1,539.61
Deposit No. 14	\$2,395.45
Deposit No. 15	\$1,974.91
Deposit No. 16	\$2,401.91
Deposit No. 17	\$2,237.67
Deposit No. 18	\$1,000.35
Deposit No. 19	\$1,940.11

**TOTAL MONTHLY DEPOSITS:** **\$52,362.66**

<u>LANDMARK:</u>	Billed:	Gals. Used
<b>Apr - May</b>	Billed:	\$2,270.95
	Paid:	\$2,270.95 <span style="float: right;">1145000</span>
<b>May - Jun</b>	Billed:	\$2,769.62
	Paid:	\$2,769.62 <span style="float: right;">1405000</span>
<b>Jun - Jul</b>	Billed:	\$5637.23
	Paid:	\$5,637.23 <span style="float: right;">2920000</span>
<b>Jul - Aug</b>	Billed:	\$8,597.37
	Paid:	\$8,597.37 <span style="float: right;">4490000</span>
<b>Aug - Sept</b>	Billed:	\$6,346.60
	Paid:	\$6,346.60 <span style="float: right;">3285000</span>
<b>Sept - Oct</b>	Billed:	\$3,525.75
	Paid:	<span style="float: right;">1780000</span>

RIVER ROCK WATER and SEWER DISTRICT

GUESTSIGN-IN

Date: 10-21-04

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>PURPOSEOFVISIT</u>
1. Suzette Whipple	51 N Shore Dr #8	388-6663	To volunteer as sec.
2.			
3.			
4.			
5.			
6.			
7.			
8.			

**River Rock Water & Sewer District Board Meeting  
September 16, 2004  
Minutes**

**Present:** Buerkle, Carlson, Dance, Richards, Rude  
**Absent:** None  
**Guests:** Christine Clarkson, Jason Leep  
**Minutes:** Dance

The meeting was called to order at 7:10 p.m. by Buerkle. Motion Rude to accept August Minutes as amended. Second Carlson. Motion carried.

**Claims:**

Directors' Pay – September Services	\$ 400.00
Secretary's Pay – August Services	40.00
Northwest Pipe	4,949.50
Northwest Pipe	691.86

Motion Carlson to pay claims as presented. Second Rude. Motion carried.

Buerkle: We need copies of the RRW & SD Operators Agreement, By Laws, and the proposed Independent Contractors Contracts for Christine Clarkson and Eddie Muniz to be sent to new board members Dance and Richards. Buerkle and Clarkson will send this information to the new board members.

Buerkle: Suggest that we have a written board member job description on hand. Description to include RRW & SD day-to-day operations for the District, and provide this overview to board candidates in the future prior to nomination and elections.

**Reports:**

Christine: Revenue summary (attached). Payments are received approximately one month behind the amounts billed. Four more 1 ½" meters were ordered. These are the larger, more expensive meters. Copper Bloom wants to buy the meters directly from Northwest Pipe. We are receiving about \$10 mark-up per meter.

Rude: Does this offset our handling expenses?

Christine: Yes

Carlson: Christine or Eddie (Muniz) would have to spot check their installation. Do we want to set a precedent for other builders (to be able to buy direct)? Discussion followed. Motion Carlson that Copper Bloom and other builders continue to buy fittings from RRW&SD. Second Rude. Motion carried.

Christine: Bacteria appeared in water samples taken from the community center, necessitating four samples this time. Ron Edwards, district Operator, suspects the sample bottle was contaminated, but followed procedures to make sure we were in compliance.

Leep: The District has on hand	\$159,769.42	checking
	<u>2,512.58</u>	savings
Total	\$162,282.00	

As of August 18, 2004 Landmark had 128 connections to the system. Each Landmark connection is counted as one-half because they are water only; no sewer. Combined with River Rock connections, there are currently 784 total. There was no response from TD&H regarding the fire system.

Christine: Fire system sprinklers will be installed in the new commercial construction building in River Rock Village.

Leep will fax a letter from Attorney Brown to Christine, stating Brown's legal opinion to proceed with the Resolution and Agreement to Receive Water. Copies of the Bond Payment Schedule were provided to the new board members. First payment is due January 5, 2005. \$85,800 (water) plus \$128,800 (sewer) for a total of \$214,600.

Leep explained the "User Type" Table to establish number of connections to the system. Operations management will switch from PC Development to RRW&SD when 828 connections have been made. At that time the District can hire Christine Clarkson and Eddie Muniz. (See Independent Contractor forms, attached).

Carlson: Remember the morning the pump alarms went off? Who would be responsible to deal with this problem (in the future)? Jason offered to cover this item, since he lives right in front of the pump house. There would be no need to call maintenance.

Rude: Christine, how many shut-offs did we have this month?

Christine: There were thirty outstanding accounts. Typically, these customers pay the minimum amount to prevent being shut off, but almost never bring the account(s) current for a zero balance. There has only been one shut-off in the history of (our) management. The usual follow up notices will go out Monday, September 20<sup>th</sup>.

Discussion regarding the implementation of a deposit system. Tabled without a vote.

### **Old Business:**

1. Oath of Office for Richards and Dance. Signed, notarized by Rude.
2. Any board members who have not stopped by the bank to sign signature cards, needs to take care of that promptly. (Carlson).
3. Election of President and Vice President. Acting President Buerkle stepped out of the meeting while discussion of candidates ensued. Buerkle rejoined the meeting and voting proceeded. Motion Carlson to nominate Buerkle for President. Second Rude. Carried unanimously. Motion Dance to nominate Rude as Vice President. Second Richards. Carried Unanimously. Motion Dance to nominate Carlson as Sargeant At Arms. Second Rude. Carried unanimously.
4. Secretary's Position. Christine will advertise the vacancy in the River Rock Newsletter. Christine will act as interim secretary under agency of independent contractor in accordance with our By Laws. She will also check By Laws to see

if she can become the permanent Secretary when the District assumes operating responsibilities without conflict of interest. Note: Make this part of the District Secretary's job description when management changes from PC to RRW&SD.

**New Business:**

Add to Agenda for October Board Meeting:

1. Enact a deposit system for new and/or changing connections to the System.
2. Increase late charges to more than 1% of the outstanding amount. Rentals are higher risk for non-payment or late payment. The building owner is ultimately responsible for payment.

Motion Rude to adjourn at 8:07 p.m. Second Richards. Motion Carried.

Respectfully submitted,

Pam Dance, Board Member

**ATTESTED:**

By: \_\_\_\_\_  
                    **Board Member**

WITNESS: \_\_\_\_\_

**River Rock Water & Sewer District Board Meeting**  
**August 19, 2004**  
**Minutes**

**Present:** Buerkle, Rude, Carlson (2 Vacancies)  
**Absent:** None  
**Guests:** Jill & Craig delGrande (Copper Bloom), Jason Leep (P C Development); Myldred Stine (Board Position); Eric Richards (Board Position)  
**Minutes:** Dance

The meeting was called to order at 7:12 p.m. by Buerkle. Three directors, representing a quorum, were present. Minutes from the previous meeting were amended to read: Reports, Item 2, Line 1 "New Home Owner inquired about the service application and declined to sign it." Motion Rude to accept Minutes as amended. Second Buerkle. Carried.

**Claims:**

Directors' Pay – August Services	\$ 320.00
Secretary's Pay – July Services	40.00
Northwest Pipe	5,105.60
Service Electric	2,085.36

Service Electric statement was for repairs to breaker damage at the well house. Motion Carlson to pay claims as presented. Second Rude. Motion carried.

**Reports:**

Christine: Revenue Summary (attached). One person will be shut off tomorrow. Landmark's bill was enormous this past month, July 15 – August 17 on 128 meters due to new housing starts and people putting in sod. Ron Edwards was here and pump #4 was working this week because of high demand in the early morning. Jim Crawford quotes approximately \$10,000 for an irrigation well 40 – 60 feet deep at \$12 per foot.

Carlson: What are the chances of getting copies of the bank statements?

Leep: PC Development controls these. Christine just makes deposits.

Leep: You will not be able to cover your next bond payment and will have to use reserve funds to cover the shortfall.

Carlson: Should we get a deposit for new accounts in the future to safeguard against turnover rates and non-payment?

Rude: The June report billed \$30,000. July was \$26,000 billed but not all collectable.

Christine: There is an average of 35 shut offs per month. Some owners pay the bare

minimum and no more, representing \$30-50 per month on a \$250 water bill. They move out without paying the balance.

Rude: Can we create a lien?

Christine: The answer is to use a deposit system.

Carlson: We can attach a lien to a tax bill anywhere in the county. The June billing was erroneous. Twenty accounts were incorrectly wiped out to zero and billed for total water use to date (e.g. 450,000 gallons each).

**Old Business:**

1. Proposed Contract between Copper Bloom Homeowners and River Rock Water & Sewer District. See letter from Copper Bloom, attached. Discussion followed for clarification of Contract. The start date will be effective with the October 2004 billing cycle. A list of Copper Bloom homeowners will be provided by September 15, 2004. There will be a 60-day default before shutoff.

Rude: Motion to accept the Contract with dates and terms as specified therein. Second Carlson. Motion carried.

2. Resolution and Agreement to Receive Water (attached). Leep stated this document was drawn by PC's attorney and reviewed by John Brown, attorney for RRW & SD, today. Mr. Brown gave his verbal approval at that time. River Rock and Landmark combined would use 70% of the allowed water usage. See pages 6 & 7 of the report. River Rock, Landmark and Ayres combined would use 78% of the allocation.

Discussion followed. The report was written on the assumption that Landmark and River Rock work off the water district system keeping well demand at capacity (worst case scenario). The storage tank would still have enough water to fight a two-hour fire at 2,000 gpm. The Booster station is adequate even if the largest pump is out of service.

3. Buerkle briefed Guests Richards and Stine regarding the Water District history, (i.e. sale of water to Landmark, proposed addition of new subdivision, and who would buy water from RRW&SD. The new subdivision, Covered Wagon Arabian Ranch, signed a consent document in June to buy water from RRW&SD. The sprinkler system in the new commercial building at River Rock has to meet state fire code for firewalls and sprinkler systems. This is the builder's responsibility.

Discussion followed regarding confusing and conflicting language in the Agreement as it pertained to code and requirements. Which authority takes precedence, DEQ or State regulations?

Conclusions: There is no power outage backup plan for water and sewer. Ayres and Landmark should pro-rate cost sharing for back-up generators which may cost \$300,000 - \$400,000. All other infrastructure is otherwise adequate in the event of a fire. Leep will have PC's attorney draft a resolution to accept the Agreement to Receive Water.

Landmark Homeowners Association does not bear additional expense for repair costs to infrastructure in the District. They are responsible only for their own infrastructure behind the hook-up to our system. We should be at the cost breakeven point by May 2005. Sale of water to other subdivisions helps us meet operating expenses and bond payments including operating and electrical cost increases, without raising our own water and sewer rates. We currently have no restrictions on water use. If we went to every other day use as Bozeman and Belgrade do, could we get Ayres and Landmark to comply? We have determined we have enough water. Comparing use projections vs. actual, TD&H estimated on the high side for purposes of their report. We need clarification of the fire flow and sprinkler requirements. Leep and PC will look into the conflicting language. Discussion followed on reserves, capacity performance, drought and low water conditions, usage at buildout.

Motion Rude to accept Resolution as written. There was no second.

Motion Carlson to accept Resolution conditionally pending:

- (1) satisfactory clarification of TD&H's report regarding fire regulations (see pages 9 and 10 of the report), and
- (2) written approval from John Brown to proceed, both items 1 and 2 to be reviewed at the September Board Meeting.

There was no second for Carlson's motion.

Motion Rude to adopt Resolution as written. Second Buerkle. No further discussion.

Motion carried, 2 yea and 1 nay (Carlson).

3. Board Vacancies. Buerkle gave history and overview of board function and board member responsibilities. Each candidate was asked to give a short presentation on why they would want to serve on the Board, and what their respective qualifications were. Candidates Eric Richards, Myldred Stine and Pam Dance introduced themselves and responded to Buerkle's requests.

Motion Rude to nominate the three board candidates to be voted on. Second Carlson.

Motion carried. The secret ballot system was used. Eric Richards and Pam Dance were confirmed by Carlson. Board members will meet at Big Sky Western Bank next Wednesday, August 25<sup>th</sup> at noon to complete signature cards and update our bank records.

#### **New Business.**

Election of new President and Vice President. Buerkle outlined the options before the board to fill the office of President vacated by Jim Smith's resignation. Buerkle will



abstain from voting. Motion Rude to table until the September meeting when new board members will be eligible to vote. Second Carlson. Buerkle abstained. Motion carried.

Motion Carlson, second Rude to adjourn at 9:12 p.m. Motion carried.

Respectfully submitted,

Pam Dance, Secretary

**ATTESTED:**

By: \_\_\_\_\_  
Board Member

**WITNESS:** \_\_\_\_\_

**River Rock Water & Sewer District Board Meeting  
July 15, 2004**

**Present:** Smith, Buerkle, Rude, (1 Vacancy)  
**Absent:** Carlson  
**Guests:** Todd Throop re Board Vacancy  
**Minutes:** Dance

The meeting was called to order at 8:15. June Minutes were amended to read as follows:  
Page 1, "Revenue" paragraph 2, line 1 "T D & H" instead of TBH.  
Page 3, "citizen Comments/Reports" paragraph 3, line 1 "Jill DelGrande" instead of June.  
Motion to accept June Minutes as amended carried.

<b>Claims:</b>	Directors' Pay, July	\$320.00
	Secretary's Pay, June	40.00

The bill from Northwest Pipe will be held over to the August Board Meeting when Leep will be present. Motion to accept claims as presented carried.

**Reports:**

1. Christine requested two 1-1/4" meters for new construction. Approved.
2. New Home Owner inquired about \$80 quarterly association dues and declined to pay. Christine advised him he was legally obligated when he purchased his home in River Rock. After Board discussion Christine was instructed to advise the Homeowner of the 10-day shut-off rule and enforce it.
3. A Homeowner mistakenly wrote a check for \$27.67 to the Homeowners Association instead of Water and Sewer. After Board discussion it was decided to return the original check to the Homeowner and request a substitute check payable to RRW & SD for purposes of accuracy and documentation.

**Revenue:**

Water revenues are up with new construction and increased sprinkler usage during the summer season.

**Old Business:**

The Agreement To Receive Water proposal was tabled until the August 15 meeting for further discussion with Leep.

**New Business:**

Board Vacancy. Todd Throop inquired about the responsibilities of the open board position. Smith provided an overview and Throop requested time to consider the position.

Jim Smith tendered his resignation as Board President as he is moving out of River Rock. There are currently two Board vacancies.

Motion to adjourn at 8:45 p.m. carried.

Respectfully submitted,

Pam Dance, Secretary

**ATTESTED:**

By: \_\_\_\_\_  
Board Member

**WITNESS:** \_\_\_\_\_

**River Rock Water & Sewer District Board Meeting**  
**June 17, 2004**  
**As Amended July 15, 2004**

**Present:** Smith, Buerkle, Carlson, Rude, Leep , (1 Vacancy)  
**Absent:** None  
**Guests:** Craig and June del Grande, Suzette, Karen and Scott (Copper Bloom)  
**Minutes:** Dance

The meeting was called to order at 8:15.

<b>Claims:</b>	Directors' Pay, June	\$320.00
	Secretary's Pay, May	40.00
	Northwest Pipe	73.85
	Cok, Wheat, Brown	381.25

Buerkle moved to accept claims as presented, second Smith. Motion carried.

**Reports:**

Christine needs remotes and meters before next meeting. There was one shut-off last month for non-payment. She cannot find the curbstop for this account. Leep indicates the curbstop is always in the exact middle of the lot, however this particular curbstop was not brought up to grade. Leep also stated they can be brought up to grade without damage even if they are buried and rusty. The homeowner received 10- and 20-day notices and is out of town at this time. Eddie will continue to look for the curbstop.

**Revenue:**

Report heading "User Type" indicates new classifications to break out condo, single family and irrigation use categories (See attached Revenue Report). Landmark usage has quadrupled since February/March 2004 because of new hook ups and Phase IV construction's use of water trucks at 15,000 gallons per truck to keep dust down in construction area.

Operators: "Not much to report". Jason was not able to reach TD & H (engineers) regarding the water discharge permit. This should happen late summer or early fall. There were no additional questions for Jason. Steve Rude commented on common area sprinklers operating at odd times (i.e. during rain storms and in the middle of the day when sprinkling is less efficient/cost effective). Smith will talk to Eddie Muniz regarding the watering schedule, amounts of time, etc. There are a dozen clocks +/- to be reset if Eddie changes the water times. Jason suggests it is better to water at night and he will talk to Eddie about adjusting the timers.

**Old Business:**

**1. Agreement to Receive Water:** Jason says we have the attorney's opinion (attached). The Agreement is legal and RRW&SD would have the right to not serve Landmark if there is a water shortage. The District must demonstrate it has sufficient water supply to serve both communities. Smith: Make sure we have enough delivery stations down the line. Will this be changed by PC or Landmark to add Right of Refusal per the attorney's recommendation if there is an insufficiency?

G: Is this ground water or surface water? How much are you allowed to take out of the aquifer per year?

Jason: 1200 acre feet per year. In 2003 we used 15% of that allocation.

Guest: Is Landmark considered part of our water system?

Jason: This system was designed to expand. The question is can the infrastructure handle it, or need a bigger pump? Then Landmark would have to do it via subsequent agreement. TBH will be the engineers. The Gallatin River is losing stream. No study has been done on this. So far this aquifer is not having problems. Monitoring wells are not dropping. Normal depth of ground water is 50 feet. Wells are 280 feet deep at 1,000 gpm.

Jason: Agreement gives Landmark the ability to explore the feasibility of additional development. This helps RRW&SD to cover their debt service. You cannot drill your own private well in River Rock within the Water and Sewer District. However, you can have your water metered separately for domestic and irrigation use. If new development happens, it would be junior to Landmark. The proposed location is Thorpe and Royal on 80 acres.

Rude: This seems like a long dead-end system. The source is here in RRW&SD with one set of pumps. Does that concern you as a developer to not have a back-up?

Jason: DNRC and DEQ would have to approve it. PC is relying on their accuracy.

Rude: It looks like a risky deal.

Jason: It doesn't bother us. PC wants RRW&SD to consider expanding the District to include Landmark. PC might turn in a petition. 100% signatures are required for inclusion. The Board could consider this without a public hearing. Are there any questions?

On Rates: The Agreement is a standard residential water district. PC charges Landmark \$1.41 (a marked up rate) for every 750 gallons. Rates can be reviewed every two years. Landmark brought in \$25-30K in revenue last year. That figure should be close to \$100K per year at build out for Landmark. P.C.'s engineering study should be completed by next month.

Buerkle moved to accept the Agreement with current rates of \$12.50 for the first 6,000 gallons and \$1.41 for each subsequent 750 gallons. Second Smith. Motion carried. Smith and Jason will arrange date for signatures and notarization.

**2. Open Board Position.** Smith gave overview of board responsibilities and District operations. Action tabled until July meeting.

**New Business:**

<b>1. Bond Payment Due July 1.</b>	\$51,000	Water System
	\$71,000	Sewer System

\$10,000 of each of those payments goes to principal (\$20,000 total toward principal). Balance in account after July 1<sup>st</sup> payment approximately \$80,000. Jason will have budget projections prepared for July meeting. Jason and Smith will meet at bank Wednesday June 30 at 10:00 a.m. to wire funds.

**Citizen Comments/Reports:**

DelGrande Development (“DGD”) has acquired Copper Bloom and plans two new buildings with 12 units each. DGD wants a way to meter new units separately and make sure they comply with the system. New owners will pay their bills on time or they will be shut off. DGD would like information on price specifications for individual meters. It was agreed it would be cost-prohibitive to retrofit the existing 24 units with individual meters.

Smith: We would like to have both individual meters and curb stops. With new construction all 12 meters will be in one utility closet.

Jill DelGrande addressed the challenge of consistency with existing Cooper Bloom homeowners. Building #51 is o.k. Building #31 meters may not be wired properly, therefore not reading accurately. Some Homeowners want to pay their own water bill, rather than remitting to Copper Bloom condos, who then remit to RRW&SD. Christine says we can bill individuals.

DGD suggests we put a lien on units for non-payment. DGD will amend the Copper Bloom Homeowners covenants to provide for lien procedure. Unpaid bills after the grace period will be guaranteed by Copper Bloom Homeowners Association. RRW&SD will send bills to individuals for old buildings and new. RRW&SD will repair meters that are not working.

Buerkle recommends cooperation between RRW&SD and DGD as outlined above.

Jason proposed we formalize arrangements between Copper Bloom and RRW&SD. Requested DGD’s attorney draft a proposal for resolution. New construction will have central turnoff and meter reading capabilities for each new unit. For existing buildings, Copper Bloom Homeowners Association will guarantee bill payment. Carlson suggests we set this as an exception not a precedent; also, that we accept Copper Bloom’s proposal

and set the exception simultaneously at the August Board Meeting while using July to check meters and flow.

Buerkle moved to adjourn, Smith second, motion carried at 9:47 p.m.

Respectfully submitted,

Pam Dance, Secretary

**ATTESTED:**

By \_\_\_\_\_  
Board Member

WITNESS: \_\_\_\_\_

**River Rock County Water & Sewer Board Meeting  
May 27, 2004**

**Present:** Smith, Buerkle, Carlson, Rude  
**Absent:** Leep 1 Vacancy  
**Guests:** None  
**Minutes:** Dance

The meeting was called to order at 7:10 p.m. by President Smith. The April minutes, page 3, first paragraph were amended to read "Jason pointed out this is the only way to make it feasible..." instead of Carlson. Motion Smith to approve the April Minutes as amended. Second Rude. Motion carried.

<b>Claims:</b>	Directors' pay	\$320.00	May services
	Secretary's pay	\$ 40.00	April services
	Pettycoat Pipe Cleaning	125.00	
	North West Pipe	\$4,923.50	
	North West Pipe	4,923.50	

Discussion followed regarding charges from Pettycoat Pipe Cleaning to clear a clogged drainpipe on Greentree when the sewer cleanout backed up into a garage. It was determined the blockage occurred on the street side of the sewer connection and would, therefore, be the responsibility of RRW&SD, not the property owner. Motion Carlson, second Smith to pay all claims as presented. Motion carried.

**Reports:** Christine presented the monthly Revenue Summary, indicating water usage was up slightly due to people watering lawns in the early part of the season.

**Old Business:**

Regarding the agreement to Receive Water. Jason will present findings at the June Board Meeting from his meeting with RRW&SD attorney, John Brown. Rude proposed we examine the District's liability exposure at that time. Smith proposed a right of refusal clause. Rude requested the Board meet with John Brown to review the Agreement. Smith suggested the Board review the final draft with Attorney Brown prior to Board approval. There will be quite a bit more on the June agenda on this issue. Smith notified the Board an additional meeting may be necessary the week of May 30<sup>th</sup> when Jason returns to review and prepare the Agreement.

**New Business:** Christine alerted the Board to a problem with backed-up storm drains located at the North end of Meadowbrook, Shallowbrook and West River Rock. Dance noted similar flooding at the intersection of North Shore and West Shore. Discussion followed. Problem is suspected to be a design and installation flaw exacerbated by the unusual conditions of heavy rain and hail during a recent spring storm. Hail clogged the drain and the perforated pipe that allows drainage to dissipate



into a leech field due to subsurface ground conditions being significantly colder than surface temperatures. Rude indicated the Shallowbrook/West River Rock area backs up and floods any time there is a heavy rain. Christine will check with PC Development to determine whose responsibility it is to remediate this condition. Smith will confer with Ron Edwards on the problem. Both will report their findings at the June Board Meeting which will be held at 8:00 p.m. instead of 7:00 p.m. June 17, 2004.

**No Citizen Comments**

There being no further business, Smith moved to adjourn, second Carlson at 7:32 p.m.

Respectfully submitted,

Pam Dance, Secretary

**ATTESTED:**

By: \_\_\_\_\_  
Board Member

Witness: \_\_\_\_\_

**River Rock County Water & Sewer Board Meeting  
April 15, 2004**

**Present:** Smith, Buerkle, Carlson, Rude, Leep  
**Absent:** Sherlock  
**Guests:** None  
**Minutes:** Dance

<b>Claims:</b>	Directors' Pay, April Services	\$320.00
	Secretary's Pay, March Services	40.00
	Attorneys, Cok, Wheat & Brown	75.00

Motion Smith to accept claims with ammendment to Cok, Wheat and Brown increase from \$35 to \$75. Second Rude. Carried.

**Reports:** Christine – Revenue looks good. She needs more water meters and remotes to meet new construction needs. Landmark is paid in full for February. Reported on how many water connections and users there will be at build-out. (See attached). A Keller Williams Realty agent (no name) called to inquire about buying water for a small new subdivision ¼ mile away. Discussion of feasibility followed. Board consensus was that expense to subdivision developers would be prohibitive. Agent will be asked to put his request in writing to the board. Community center is rented 75% by non-River Rock residents and is booked every weekend through the summer with the exception of the last weekend in August.

Jason – Everything is running very smoothly, pumps working well. Smith proposed three meetings be held to arrange for transition from PC management to River Rock Water and Sewer district. Motion Smith for meetings to be held April 26, 27 and 29, 2004 at 7:00 pm at the Community Center. Notices to be posted at Community Center and old business office, 240 North River Rock.

**Old Business:**

1. Smith would like the board to determine whether or not they can reduce water rates. There is a concern that revenue that would go toward bond payments will be lost from non-paying open lots unless there is a policy change. Should we do a wintertime water usage study to establish an average? Would using that figure create risk of not being able to make the bond payments? Landmark buying water from us helps the budget. After the meetings with Jason, we should have a better idea how to establish the monthly budget. Buerkle presented his estimated figures on how debt service will affect his monthly and annual water bills, reflecting approximately a 50% increase by his calculations. Debt service of \$24.35 per month would be a separate itemized charge and added to monthly water bills. Discussion followed on how to structure debt service and billing. Topic will be discussed in greater detail during the special session meetings. Smith moved to table discussion on debt service until May. Second, Rude. Motion Carried.

Carlson joined the meeting at 7:43 pm.

2. East Magnolia Condominiums have one curb stop with four meters. With present configuration, Christine would need access to the separate units in the condo to shut off water in event of non-payment. Discussion followed on most effective way to manage this problem. Smith moved to establish policy that one bill per curb stop will be issued to the condo association by RRW&SD, regardless of number of units it services. It is up to the condo association to bill their individual owners and remit to RRW&SD. In the event of non-payment, water to the entire condo building will be turned off. RRW&SD will not accept individual checks by condo association homeowners. Second Carlson. Motion carried.

**New Business:**

1. A letter of intent for water and sewer hook up was presented by High K Minor Subdivision, 14 lots, located across Royal Road. Jason suggested if they are really interested they should retain an engineer for planning and cost estimates. We should let them arrive at their own conclusions rather than categorically deny their request. So moved by Rude. Second Smith. Motion carried. Jason will write the letter.
2. Jason presented a request by Landmark to purchase additional water from RRW&SD (see attached). Smith questioned what PC had in mind regarding selling the Landmark water district. Jason replied PC had three options.
  1. PC could keep it a private water company and then sell it to the homeowners.
  2. Go with the rural Improvement (RID) option where the county buys the district, however, the County has no ability to maintain the water system.
  3. Form another district for Landmark, however their board would be powerless.

By expanding Landmark into the RRW&SD, River Rock's revenue stream would be preserved, but their liability increased.

Landmark could put in their own irrigation wells, but not drinking water, leaving them no option but to obtain their potable water elsewhere. The PC agreement with River Rock is perpetual. We have to provide water as long as we have the ability to do so. With the proposed amendment Landmark could expand additional lots to neighboring land. The central water system would expand with the land acquisition. PC would make expansion financially feasible. PC owns the system. River Rock owns the water. River Rock can say "no more" when they can no longer service new expansion. We should determine per household/per connection usage and compare to what the permit allows. What are the projected numbers a full build out? River Rock's huge water rate is a good asset. More users make the water more affordable for everyone. Jason wants to present this amendment to John Brown. It is beneficial to add customers. River Rock is o.k. as long

as we minimize the liability exposure. River Rock's needs are senior; all other users are junior. (See Amendment Para. 4, page 3) Discussion followed. Para. 6, page 5 stipulates our right to review sufficiency of water. Carlson pointed out this is the only way to make it feasible for a high density, 50-60 acre subdivision to be built. It would be better to tag on to an existing sewer system. Otherwise the developer would have to go to one-acre lots. It would be cost prohibitive to build their own water and sewer district. The rate should be reviewed bi-annually. PC would increase the rate to cover administrative and billing overhead.

Motion Carlson that Jason present the amendment to John Brown and PC obtain an engineer's assessment as to feasibility, and second opinion from Ron Edwards. Motion seconded by Smith and carried unanimously.

**No Citizen Comments.**

Smith adjourned the meeting at 8:30 pm.

Respectfully submitted,

Pam Dance, Secretary

**ATTESTED:**

By: \_\_\_\_\_  
Board Member

Witness: \_\_\_\_\_

**River Rock Water & Sewer Board Meeting Minutes**  
**March 18, 2004**  
**Held at Former River Rock Office**

**Present:** Smith, Carlson, Buerkle, Sherlock  
**Absent:** Burnham, Leep  
**Visitors:** Ron Edwards, Steve Rude, Neal Richter  
**Minutes:** Secretary

Smith called the meeting to order at 7:10 pm.

Minutes of the January 15, 2004 meeting were rejected by the Board. Discussion followed regarding content and format of the minutes, whether to include verbatim content or a substantive overview of board discussion. Smith recommended the secretary get the names of people in discussion and provide a concise synopsis. January minutes contain personal feelings of the person who recorded the minutes. Content should be factual, not emotional. Carlson brought Roberts Rules of Order as a guideline with pertinent sections highlighted.

Carlson moved to reject the January minutes as written and requested the secretary to re-do them in a manner respectful of the Board. Smith seconded. Motion carried.

Carlson requested the statement that "he misses meetings" be stricken from the January minutes as it does not accurately represent his consistent board participation. Duly noted.

**Claims:**

In Leep's absence, Sherlock requested two or three meetings be scheduled for management transition from PC Development to River Rock Home Owners Association.

February & March directors pay - \$640.00

March Secretary's pay                   \$ 40.00

Motion to approve made by Smith, seconded by Carlson. Motion carried.

**Reports:**

*Water Operations*, Ron Edwards. Compared water use at River Rock vs. Landmark on a month-by-month basis. (See attached report). Discussion followed regarding cost per gallon and consumption per household.

Smith: Would Landmark put in their own well situation? Are they looking to not buy water from River Rock?

Sherlock: Landmark septic system is on each plat. Is PC Development controlling their water? Landmark Homeowners paid \$170/month for water. Is PC marking up their price?

Carlson: River Rock and Landmark can drill wells. Landmark doesn't know they are buying water from us.

Edwards: River Rock can negotiate price on how much per gallon. Our increased use gives River Rock basis to adjust price. River Rock may cause problems for themselves if they continue to supply to others. River Rock tanks and ground storage are not that good. They need enough water to fight a fire for two wells. That is ¼ million gallons/250,000 gallons, in addition to regular, everyday use. Pumps 1, 2, and 3 did most of the work at River Rock last summer while Pump 3 did most of the irrigation work.

Christine: Are River Rock water restrictions similar to City of Belgrade?

Edwards: This would reduce demand on water with voluntary compliance.

Christine: PC is looking to sell Landmark Water Company within one year.

Smith: Likely they would sell to property owners, then could they put in their own wells? Ask Jason.

Edwards: If they were limited to just irrigation, that might work.

Carlson: River Rock would build out wells for 1,100 connections.

Christine: Will provide copy to Carlson for review.

Carlson: Wants approximate number of Single Family Residential connections at buildout.

Edwards: Tank problems have been corrected after transducer line was cleared. Samples are good.

Smith: Review Edwards' data. Smith will talk to Jason re Landmark water sales revenue. Twenty percent put toward bond payments. May ask Landmark for conservation efforts if their use gets out of hand.

Christine: River Rock pays \$1.41 per 750 gallons over the base of 6,000 gallons, for which homeowners pay \$12.50. There is a 25% markup. Landmark bills out higher.

Smith: Should we go to one of their Homeowner meetings?

Sherlock: Make discrete inquiry first.

Smith: Will check with Jason first. Data from last several meetings is becoming clear. Stabilize sewer rates.

Smith to Edwards: Should we use winter averages as base rate?

Use 4<sup>th</sup> and 1<sup>st</sup> quarters to create base rate. Irrigation water does not go through the sewer system at that time of year.

Guest, Neal Richter: What will happen with summer rates? Concerned about financial constraints for homeowners.

Smith: We must make minimum bond payments plus 20% windfall. River Rock Water and Sewer District is set up as a non-profit. We are trying to reduce summer sewer expense.

Guest, Steve Rude: Suggested base rate plus debt fee plus summer gallon rate plus surcharge for use to increase base amount for use.

Smith: Will review data for water use levels to change rate structure. We are stuck with the rate set by State when we bought the water and sewer system. We are trying to flatten the rate to minimize seasonal fluctuations.

Edwards: Is rate based on volume and use or based on total divided by number of units?

Vacant lot owners should be charged a fee to help cover debt service as they benefit from the infrastructure.

Edwards: Montana case law is not favorable to charging for "use". Debt service charge is o.k.

Christine: \$26.00 per month per connection covers debt service only.

Edwards: Review with attorney before beginning billing vacant lot owners.

Christine: Bond payment default is pro-rated to individual property owners' tax bill.

Cost for bond should be pro-rated among all owners since they benefit from RRW&SD.

Edwards: Must publish intent to charge before billing.

Further discussion on how to structure rate increases, on what basis of use and commence charging vacant lots at the beginning of the new fiscal year. Edwards suggested a tie-in charge to connect to the system, pro-rated and tiered to reflect debt service. "Pay me now or pay me later." Unpaid bills would appear as a tax lien on the property.

*Revenue Report, Christine Clarkson. December 2003 – January 2004 4208. Double-billed by mistake. Error has been corrected.*

Suggested the four-plex, East Magnolia Condos have individual owners pay their water bills. They are not part of the homeowners' association. All four are on one curb stop. How should we resolve water use and billing? This problem is similar to Copper Bloom. Smith suggested billing to their homeowner association, not individuals. Their association pays RRW&SD.

Carlson: Their association can, in turn, use individual meters to bill the homeowners.

Christine: Suggested new construction policy, no more four meters per curb stop. We will not bill individual homeowners.

Edwards: What are our district rules?

Christine: Don't know.

Smith: Fairest way to do it is have a meter to every unit.

Edwards: Separate curb stop for every unit being plumbed with one shut-off valve per unit. Discussion of options, fairness, need more information.

Edwards: Change regulations to reflect one service line to each building with individual water shut offs for each unit. This is the best system for billing individuals.

Smith: Review data and develop recommendations.

Smith: Jason wants several meetings in April to prepare for PC's transition to River Rock W&SD.

#### **New Business:**

Smith: Stone house vet wants to hook on to our service. Carlson moved to deny request. Sherlock seconded. Motion to deny carried.

\$1,950 is our annual fee with application for pending Montana Ground Water Pollution Control.

#### **Board Vacancy:**

Sherlock nominated the two guests, Steve Rude and Neal Richter for interest in the vacant board position, indicating the next six months of transition from PC to RRW&SD will require more than the usual time commitment with a steep learning curve before

easing up after transition. Board wants Ron Edwards to continue in his capacity as Water Operator. Carlson nominated Steve Rude as the new board member, seconded by Sherlock. Motion carried and position accepted by Rude.

There were no additional citizen comments or requests.

Carlson will handle updating oaths of office. From the January Board Meeting, a board vote of 2:1 constitutes affirmative action based on "What is a Quorum".

Smith moved to adjourn at 8:55 pm. Second by Carlson, unanimous approval.

Respectfully submitted,

Pam Dance, Secretary

ATTESTED

BY: \_\_\_\_\_  
Board Member

Witness: \_\_\_\_\_



**RIVER ROCK WATER & SEWER DISTRICT BOARD MEETING MINUTES**  
**February 19, 2004**

**Present:** Carlson, Smith  
**Absent:** Buerkle, Sherlock and Burnham  
**Visitor:** Rev. Richard Sutterlin  
**Minutes:** Pam Dance

**Call to Order:** The meeting was called to order at 7: 15 PM. In the absence of a quorum, no business was conducted. The meeting was adjourned at 7:26 PM.

Respectfully submitted,

Pam Dance, Secretary

ATTESTED

BY: \_\_\_\_\_  
Board Member

Witness: \_\_\_\_\_

**River Rock County Water & Sewer Board Meeting  
January 15, 2004**

**Present:** Buerkle, Carlson, and Smith  
**Absent:** Sherlock  
**Guests:** Christine Clarkson, Jason Leep, Ron Edwards, Pam Dance, and Maria Burnham

Smith called the meeting to order at 7:07 PM  
Minutes of the previous meeting, December 18, 2003 were read and approved.

<b>Claims:</b>	January Directors' Pay	\$ 320.00
	Northwest Pipe	4,633.96
	Northwest Pipe	274.54

A motion was made by Buerkle, seconded by Smith to pay claims; approved.

**Reports:** Christine – No problems to report.  
Jason - Since the arrival of cold weather he has had to operate the wells by hand to keep the storage tank full. The high and low water level indicators seem to stick in colder temperatures.

Jason indicated he would follow up with the on-going Copper Bloom issues and report to the Board at their next scheduled meeting.

Ron Edwards - Copper and lead samples were taken in December and returned good results. If we obtain two or three more good samples, we could apply for less frequent sampling. Nitrate and nitrite samples were also good, as was December's coliform sample. Ron presented current comparative rates for Belgrade, Bozeman and other cities around the state.

**Old Business:**

1. Open board position.  
Maria Burnham and Pam Dance presented resumes and letters of intent for the open board position. Buerkle thought that according to the By Laws, a unanimous vote was needed with only three members present. Carlson read the By Laws and didn't agree. Smith was not sure. A motion was made by Buerkle and seconded by Smith to proceed to vote on the open board position. Motion passed. The result of the vote was not unanimous. Smith moved, seconded by Buerkle to revote. Motion passed. Maria Burnham was elected to fill the board vacancy for a four-year term commencing November, 2003.
2. Carlson provided the New Oath of Office papers to be filled out and returned at the February 2004 meeting.

3. Smith nominated Sherlock to fill the Parliamentarian/Sergeant at Arms vacancy. Seconded by Carlson. Smith and Carlson voted for approval. Buerkle voted against. Motion carried.

4. Secretary Position.  
Motion by Smith, seconded by Carlson that Pam Dance fill the Secretary's position. Carlson and Buerkle had discussion about the responsibilities of the position and how minutes should be handled. Carlson asked for highlights and overviews of discussions. Buerkle said it was only necessary to record motions, seconds and votes. Buerkle feels that "if you need to know the discussion then you should be at the meeting." It was agreed in discussion that a taped transcript of board meetings was not necessary, however the general content of discussions should be included in the interest of good record keeping and the ability to track the content and chronology of each meeting. Smith and Carlson voted in favor of this method. Buerkle abstained. Motion passed.

5. Copper Bloom  
Jason said he would try to follow up again.

6. Water Rates/Sprinkler Meters.  
Tabled.

**New Business:** None

**Citizens Comments:** None

Smith moved to adjourn at 8:35 PM; motion passed.

Respectfully re-submitted,

Pam Dance, Secretary

**ATTESTED**

**BY:** \_\_\_\_\_  
**Board member**

**Witness:** \_\_\_\_\_

**RIVER ROCK WATER & SEWER DISTRICT BOARD MEETING MINUTES**  
**February 19, 2004**

**Present:** Carlson, Smith  
**Absent:** Buerkle, Sherlock and Burnham  
**Visitor:** Rev. Richard Sutterlin  
**Minutes:** Pam Dance

**Call to Order:** The meeting was called to order at 7:15 PM. In the absence of a quorum, no business was conducted. The meeting was adjourned at 7:26 PM.

Respectfully submitted,

Pam Dance, Secretary

ATTESTED

BY: \_\_\_\_\_  
Board Member

Witness: \_\_\_\_\_

Agenda of Board of Directors Meeting  
River Rock County Water and Sewer District  
March 18, 2004  
Old River Rock North Office Building

The meeting agenda will be as follows:

CALL MEETING TO ORDER

ROLL CALL OF DIRECTORS

Approval of January 15, 2004 minutes

Claims:           Directors' pay-\$640.00 – February and March services  
                      Secretary pay- \$40.00 – February service  
                      Others to be brought by Jason Leep

Reports;          Jason Leep – Operators report  
                      Christine Clarkson – Revenue Summary

- A.    Old Business
  - a.   Water Rates(conservation)
- B.    New Business
  - a.   Open Board Position
  - b.   Application fee and 1<sup>st</sup> annual fee for groundwater discharge permit
  - c.   Letter of intent for water and sewer hookup
- C.    Citizen's comments/requests
- D.    Adjourn meeting