

RIVER ROCK COUNTY WATER & SEWER DISTRICT

Board Meeting Minutes

Thursday, December 13, 2007

Present: Rude, Child, Buerkle, Verdi

Absent: Squyres

Guests: Shannon Lester, Jon Patterson, Rosie Barndt,
Christine Clarkson

The meeting was called to order by Steve Rude at approximately 7:00 P.M. The meeting took place at the RR POA Office.

The Nov. 15 Minutes were reviewed; a question came up about the letter to the POA Board of Directors. Dan drafted the letter, sent it to the other board members via e-mail, then delivered it to Susan Swimley before forwarding to the RR POA BOD. (see p. 3, para. 2). After discussion, Shawna made a motion to accept the minutes, with clarification; Dan seconded the motion. 4 ayes, 0 nays. Motion passed.

CITIZENS COMMENTS/REQUESTS:

River Rock residents who were there to speak about the fence on the hill spoke at this time.

Shannon Lester asked "Who is responsible for cleaning inside and outside of the fences, doggie bags, hats, litter,...?" She had submitted several letters to the Board. The Board said that as soon as the tank top and vent are secure, the fence on the hill would be removed or moved closer to the hatch and vent. Waiting on new hatch cover and vent protector.

CLAIMS:

Directors' pay - December services	\$	400.00
Secretary's pay - November services		60.00
Christine Clarkson - Office Mgr.		2,150.00
Office expenses		40.00
Eddie Muniz - Maintenance		450.00
Susan Swimley - Atty. fees		45.77
Energy Labs - testing	\$413.25 + \$80	493.25
Bozeman Daily Chronicle - posting audit to public		28.90

CLAIMS: (cont.)

T D & H Engineering	\$240.00	Discharge Permit	549.00
	\$309.00	Flow Meter Contract	
Postmaster - postcard stamps			390.00
		Total:	<u>\$4,606.92</u>

Shawna made a motion to accept the claims; Sharold seconded.

Discussion: TD&H are doing several jobs for the District.
Keep track of the billings (by job).

Motion passed. All claims will be paid.

REPORTS:

Revenue Summary - see printout for November 2007.

Billing is low ATT of year (no irrigation).

Mr. Smith still owes more than \$900.

Financial - \$91,004.90 in checking

15,354.27 in MMA

\$106,359.17

Transfer \$60,000 from last month and an additional
\$15,000 to the MMA for a total of \$75,000.

Maintenance - the high level alarm at the pumphouse
sounded. Eddie turned on the pumps to lower the
level and cleaned the float. Thank you Eddie.

Operations - A motion was made to purchase a heavier
duty tank access hatch with curb mount. The cost
would be \$850 with shipping. A vote was taken.
4 ayes, 0 nays. Motion carried.

This equipment must be installed before moving the
fence.

OLD BUSINESS:

Rosie Barndt from Turner & Holmes has completed the 2006 audit and made a few recommendations. Concerning the covenants with the bonds, a reserve of \$426,000 is required and the District is very near that number. Any changes in the figures would result in the amount decreasing.

The DNRC also likes to see a Depreciation Reserve.

Christine suggested that the District start with \$30,000 assigned to the Reserve (separate account not needed). An additional 6 months deposits would be approx. \$320,000.

The State requires an Annual Report separate from the audit and is due in 6 months. T & H's fee is \$175 to file the report.

Dan made a motion to continue with Turner & Holmes, CPA to conduct annual audits for the District. Shawna seconded; motion carried. Rosie said it will be easier to do the 2007 audit because Christine has all the records (vs PC Dev. et al).

NEW BUSINESS:

Directors and Officers Insurance (D&O). The agent from 1st W. Ins., Tyler Delaney, will attend the January meeting. Christine has the D&O applications. One question for Mr. Delaney will be replacement vs original cost. We do not have a liability policy. The Board will need Ron Edwards input on that question.

U.S. Bank is confusing our old & new addresses. Some mail is being delayed.

Dan and Steve will go to the bank after Christmas to transfer money for the bond payments. (Big Sky Western Bank).

NEW BUSINESS: (cont.)

Easement - TD&H generated an exhibit. The pumphouse, tank, and the lagoon were there before the park and lake were developed. The first River Rock residents were on the Northern part of the subdivision.

Easement will be addressed at the County Commisioners meeting January 16th or February 20th.

Original easement read "to be determined after well is installed".

A courtesy copy will go to the POA. Steve will attend the Tuesday, Dec. 18th meeting of the POA.

Other business - a letter was received from NW Pipe re: maintenance contract on meter reader and software. The contract on a \$10,000 computer is \$665 yr. Probably a good idea. Also, notify NW Pipe of our current address. Christine will bring the equipment to the January meeting. Christine has been with the District since 2001.

Mountaint
the
D&O insurance - ~~Dan said better served to not buy this type of insurance. Steve agreed.~~ *to enter into this contract*
Sharold noted that officers of the board are protected by the County. The District is an entity of Gallatin County.

Christine - perhaps Errors & Omissions insurance vs D&O?

Steve had talked to Ron about this and he felt it was needed.


Disinfection - if we go to full-time chlorination, it will take buckets of chlorine. Full-time could be done intermittently.

NEW BUSINESS: (cont.)

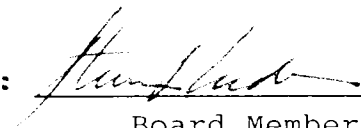
Security - Susan is looking into Homeland Security fencing requirements. What are our responsibilities?

There being no further business, Sharold made a motion to adjourn. All in favor. Meeting closed at 8:30 P.M.

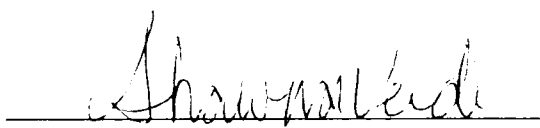
Respectfully submitted,


Suzette R. Whipple
Secretary

ATTESTED BY:


Board Member

WITNESS:



RIVER ROCK COUNTY WATER & SEWER DISTRICT
Board Meeting Minutes
Thursday, November 15, 2007

Present: Child, Verdi, Squyres
Absent: Rude, Buerkle
Guests: Kara & Zach Grosfield, Jon Patterson, Steve Eaton,
Shannon Lester

The meeting was called to order by V.P. Dan Child at 7:10 P.M. Shawna asked that the Oct. minutes NEW BUSINESS be amended to read "Christine (not Dan and Shawna) will get quotes for D&O Insurance Policy". In the section CITIZENS COMMENTS/REQUESTS, Dan asked that on p.2, last paragraph read "Steel doors and motion lights have already been installed, and a durable poly-carbonate cover will be installed over the windows".

Shawna then made a motion to accept the minutes, as amended. Ron seconded the motion. Motion carried with 3 ayes.

CITIZENS COMMENTS/REQUESTS: None.

Then the meeting addressed the decision of the Board regarding last month's Public Hearing on fencing the District's facilities. Several residents spoke about incidents that happened after Oct.'s meeting. Mr. Jon Patterson spoke first, then Mrs. Shannon Lester cited many offenses of children climbing on, over, and under the fence. Sheriff's Deputies came out twice.

Dan acknowledged receipt of letters from Shannon and thanked her for the letters and comments.

Montana's Dept. of Environmental Quality is aware of the problem the District is having with vandalism. Dan read a letter from DEQ concerning security and access to a public water system and should consider fencing. The prior inspection by Luella Schultz (DEQ) resulting in requiring a new seal and securing the hatch. Ron S. feels that the board is caught between securing and protecting the system and allowing the residents use of the "hill" for sledding. Jon reminded the board that there is no legal easement at present. In deciding whether or not to remove the fence, Ron E. stated that the vent does have a screen. Jon suggested that the tank top be secured, but not fenced.

Ron E. asked, "why are kids climbing the fence?"

Shannon said the fence is an attractive nuisance.

System Operator, Ron E., said that the State of MT is recommending fencing.

Kara G. said the fence is not doing its job.

Dan - Bridger Fencing ran a wire along the bottom of the fence to reduce crawling under the fence.

Ron E. systems all over Montana have fencing.

Dan - the pumphouse was broken into several months ago. The building contains chemicals, very expensive pumps, and the floor has an opening (which needs to stay open) to move pumps in and out. This bldg. also contains the circuitry for River Rock's water supply. Viable cameras are expensive.

Discussion (cont.)

Shawna - secure modifications on tank top.

Ron - with a new hatch (cover) with bolts.

Shawna - fence should be high enough to prevent unauthorized entry.

Dan called for a motion.

Shawna made a motion to modify fencing surrounding the tank top to only enclose the vent and hatch. Specifications to be determined at a later date. Ron seconded the motion.

Discussion:

Dan recommended not removing the existing fence until the new one is installed.

A vote was taken: 0 ayes, 3 nays. Motion failed.

2nd Motion: Ron made a motion to remove the fence around the top of the tank.

Amended - leaving the fencing around the pumphouse and Well #2 (by the elementary school).

A vote was taken: 3 ayes, 0 nays. Motion passed.

Dan called for additional motions for other actions

(1. Operator to accept proposals to secure the lid and vent, 2. easement, and 3. letter from POA).

Shawna made the motion to accept proposals to secure the lid and vent on the tank top. Ron seconded the motion with amendment to not remove existing fence until structure is secured.

Discussion: Shannon Lester had names of two companies that make doors. Ron Squyres accepted and thanked her for this valuable info.

Shawna amended the motion on the table to entertain proposals to secure the hatch and vent on top of the tank and not remove the existing fence until appropriate security measures have been implemented.

The board voted: All in favor. Motion carried.

The discussion continued on easement. The existing easement situation allows us to access the facilities.

Ron E. said that Gallatin County wants to correct the lapse where easement was not recorded when the platte was completed.

Shawna made a motion to have TD & H Engineering to draw up easements. Ron seconded the motion.

Discussion: Dan said that TD&H will do the exhibit and Atty. S. Swimley will draft the language. Amend motion for TD&H to clarify easements.

Board voted: All in favor; board is unanimous. Motion passed.

Referring back to the letter from the Property Owners Association Board, the RRCW&SD Board is taking note of their concerns and taking actions to correct the oversight.

Ron S. made a motion to have Dan draft a letter and submit it to S. Swimley for approval.

The board voted unanimously. Motion passed.

Break to allow guests to leave if they wish.

CLAIMS:

Directors' pay - November services	\$	400.00
Secretary's pay - October services		60.00
Office Mgr. - C. Clarkson		2,150.00
Office expenses		40.00
Eddie Muniz - Maintenance		
Ron Edwards - Operator		520.00
Postmaster		133.00
Susan Swimley - legal services		120.25
Energy Labs - testing samples	\$378.25 (WWTP & Mon. Wells)	398.25
	\$20.00 Water	
Power Svc of MT	\$490.36 Blower# repair	14,372.47
	\$13,882.11 Blower#3 (new)	
AWWS - E. Vela Lift Station upgrades		2,106.00
ABC Rental - fork lift rental to move blower into building		162.30
Bridger Fence		5,221.73
Holmes & Turner, CPA - 2006 Audit		3,350.00
First West Insurance - Dec. installment (Qtrly)		1,018.00
Reimbursements for overpayments at closing		68.36
	Total:	<u>\$30,120.36</u>

Shawna made a motion to accept claims presented. Ron seconded the motion. All in favor. Motion carried.

REPORTS:

Revenue Summary - see printout for Oct 07

Financial - Dan reported a balance of \$88K⁺ in checking and \$307K⁺ in the Money Market Account (MMA) which will be used to make two bond payments in late December. Transfer \$60K from checking to the MMA.

Maintenance - no report.

Operations - Ron E. spoke with Gary Hendricks about doing a sanitary survey.
Ron will draft a letter asking for waiver of full-time disinfection.
He could not find As-Built specs on chlorination system. Gary's contract is for \$2,000.
The population has increased to approx. 3,500; therefore, sample sites will be increased.
Ron recommends that the tank be cleaned using Liquid Engineering's services. The 250,000 gallon concrete tank's cleaning bill would be approx. \$2,415.
See Nov07 Report for more details.

Ron S. made a motion to contact TD&H for As-Builts and accept plans and specifications,
contact Liquid Engineering, and
address PC Dev. for reimbursement to TD&H.

Shawna seconded the motion. No further discussion.
Vote was 3 ayes. Motion passed.

Ron E. is looking for a replacement lid for the tank top (see item 4 on p. 2 of report). Ron will respond to Luella's letter.

Dillon had problems with BODs and they added something.
Ron will contact their operator.

A new monitoring well needs to be 500' out, therefore, we need to establish the groundwater flow. The mon. well should be located in the flow.

Ron S. made a motion to authorize expenditure to have TD&H survey the 3 monitoring wells for flow.
Shawna seconded. All in favor. Motion carried.

Quotes for the drilling need to be from qualified contractors. Gear up for drilling the well (while contractors are not as busy).

OLD BUSINESS:

The board members will peruse the draft of the 2006 audit.

NEW BUSINESS:

Elections of Officers

President - Steve Rude
Vice Pres. - Shawna Verdi
SAA - enforces Roberts Rules at meetings - Ron Squyres

D & O Insurance for board members to protect personal liability. POA board has it.

Shawna made a motion to have a representative from First West Insurance come to the meeting and discuss coverage.

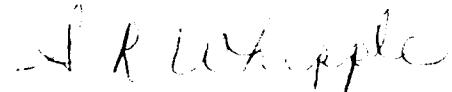
Ron seconded the motion. All in favor.

Vandalism continues - Two weeks ago, Friday kids were skateboarding inside the pumphouse fence. The Sheriff's Office was called and deputies came out to the "hill". One deputy told them "get out". The kids had pulled up the fencing and crawled under. Two workers from Bridger Fencing ran a wire along the bottom but did not do the fencing around the pumphouse. of the fence on the "hill"

Note: Deputies arrived and questioned the workers and Shawna.


Shawna made a motion to adjourn. All in favor. Meeting ended at 9:05 P.M.

Respectfully submitted,




Suzette R. Whipple
Secretary

ATTESTED BY:


Board Member

WITNESS:



RIVER ROCK COUNTY WATER & SEWER DISTRICT
Board Meeting Minutes
Thursday, October 18, 2007

Present: Buerkle, Child, Rude, Squyres, Verdi

Guests: Christine Clarkson, Craig Fisch (Al's Big Sky
Water Conditioning, Inc.), David Keeney, Betsy Morris,
Joel Stegink, Steve Eaton, Jon & Cheryl Patterson,
Zachary & Kara Grosfield, Shannon Lester

The meeting was called to order at 7:10 PM by the Board's
President, Steve Rude. After reading the minutes from last
month, Board Member Shawna Verdi made a motion to accept the
September 20th minutes as presented. Dan Child seconded the
motion. All in favor; motion carried.

CITIZENS COMMENTS/REQUESTS: None.

PUBLIC HEARING: Steve cited the procedures for the hearing.
Each speaker is allowed 5 minutes to speak on the subject
of the hearing, security fencing around the facilities.

Mr. Jon Patterson spoke first. His family lives by the hill
which has been fenced in at the top.

Directing his question to the Board, he asked if they had
received the letter (list of keypoints) from Mrs. Shannon Lester?
Yes, the list was received and made available to Board Members.
Shannon's family also lives next to the hill and pumphouse.
Jon requested that the fence be removed as it is a violation
of the River Rock Covenants - 6 ft. maximum height of a
chain-link fence. It is a violation of Gallatin County and
State law, restricting use of a public park. Children may run
into the fence around the booster station. The fence won't
stop getting into the facilities. The hill is the focal point
of the park.

The Secretary passed around a few pictures that she had taken of the fences and signs.

Shannon Lester came prepared to make her case with a display titled, "Do the Right Thing". Her presentation included three points:

1. Motion lights.
2. Make access difficult by installing steel doors and padlocks.
3. Noise - place an audible alarm in the building.

Besides children using the hill for play, her youngest child uses the hill for physical therapy. She asked that both fences be removed.

Zach Grosfield is concerned about the safety of the water - the present security is inadequate. He likes the idea of an audible alarm. The vandals have never been seen nor caught; no one is alerted when the facilities are disturbed. Zach claims that the space inside the fence is public property.

Mrs. Betsy Morris asked, "What was the reason for putting up this type (8 ft. chain link) fence?"

Steve answered, giving background on how the decision was reached. He and Dan discussed different options considered by the Board. Surveillance cameras are not reliable, especially in the dark, a wooden fence would block view in and out of the facility. Slats were not placed in the chain link for the same reason. Steel doors and motion lights have already been installed, and a ^{audible poly-carbonate} ~~clear~~ cover will be ~~placed~~ ^{installed} over the windows. An 8 ft. fence would discourage climbers.

Kara Grosfield asked, "When will a decision be announced?" Steve said that a decision will be rendered at the Nov. 15 meeting. Kara continued that she would not have bought their house if the fence was there. It is "totally ugly" and can't see the mountains.

The last speaker was David Keeney, who lives on Wally D Lane. Summing up the facts ~~XXXXXXXXXXXXXXXXXXXX~~, he stated that the new fence has been vandalized three times and may be drug related. He and his neighbors recently got together and drove out drug dealing activity. Just as with other crimes, we must take task with this problem and nip it in the bud. He told the Board that he believes they will make the right decision.

Steve said that he and the Board will consider their suggestions. He did not want to put up fencing, but ... something had to be done to protect the water supply. He likes the idea of involving residents and the District would reimburse to residents the cost for materials related to cleanup of vandalism. The water district is a public entity and must follow rules. Steve thanked guests for their presence and suggestions. ... 5 min. break ...

CLAIMS:

Directors' pay - October services	\$	400.00
Secretary's pay - September services		60.00
C. Clarkson - office manager		2,150.00
Office expenses		116.37
E. Muniz - maintenance		262.50
Energy Labs - \$655.00 WWTP & Mon. Wells		883.25
208.25 Lead & Copper		
20.00 Water		
NW Energy for Sept.		8,533.08
NW Energy for Oct.		7,841.97
NW Hydro Tech - install new solenoids		2,000.00
Power Service of Montana - blower repair		229.50
AWWS - Lift Station 1		200.00
Bridger Analytical Lab, Inc. - sample testing from June		90.00

CLAIMS: (cont.)

TD&H Engr. - wastewater system professional services	\$ 557.50
Larry Webb - returned unused meter purchased for irrigation system	115.00
Postmaster	554.00
Bozeman Daily Chronicle - posting public hearing notice	39.50
Reimbursements for overpayments at closings	99.04
	<hr/>
	\$24,131.71

Shawna made a motion to pay the bills presented.

Ron Squyres seconded the motion.

Discussion: Christine explained about the blower. See below.

Motion passed with 5 ayes.

REPORTS:

Revenue Summary - Christine provided a printout of billing totals and deposits for September.

Financial - Steve reported \$99,847.80 in checking and a deposit of \$12,408.01 = \$112,255.81

The MMA has a balance of \$236,615.89.

The new blower has arrived and we expect a bill in the amount of \$20,000⁺.

Transfer \$70,000 to the MMA.

Maintenance - Eddie has not purchased the rubber plugs yet. He will buy less than proposed because every hole will not be plugged, to allow gases to escape. Steve and Shawna heard that a resident popped a manhole cover. Eddie is aware and has checked the area.

Operations - Ron not present.

REPORTS: (cont.)

A motion was made to direct AWWS to install the new blower. (see estimate). The cost will be approx. \$10,000 for the installation (and \$20,000 for the blower).

NEW BUSINESS:

Elections will be conducted in November. The deadline for filing was in August. Forms will be signed and filed at the Office of Elections.

~~Christine Dan and Shawna~~ will get quotes for D & O Insurance Policy.

There being no further business, the meeting was adjourned at 8:40 P.M. Note: Edwards arrived after the meeting and chatted with the board and Christine.

Respectfully submitted,

Suzette R. Whipple
Suzette R. Whipple
Secretary

ATTESTED BY:


Board Member

WITNESS: _____

RIVER ROCK COUNTY WATER & SEWER DISTRICT
Board Meeting Minutes
Thursday, September 20, 2007

Present: Steve Rude, Dan Child, Shawna Verdi, Ron Squyres
Absent: Sharold Buerkle
Guests: Christine Clarkson, Eddie Muniz, Ron Edwards

The meeting was called to order at 7:08 P.M. by Board President, Steve Rude.

A motion was made by Shawna Verdi to accept the July 19 minutes as presented; Ron Squyres seconded the motion. All in favor, motion passed.

In the August 16, 2007 minutes, p. 2, Financial Report - omit the words "at a higher" to read "...will be renewed - rate of interest - 5.19%." Dan Child made a motion to accept the minutes, as amended; Shawna seconded the motion. All in favor, motion passed.

CITIZENS COMMENTS/REQUESTS: None present.

CLAIMS:

Directors' pay - September services	\$ 400.00
Secretary's pay - August services	60.00
C. Clarkson - Office Manager	2,150.00
Office expenses	642.19
E. Muniz - Maintenance	250.00
Energy Labs - sample testing (\$352.50, \$30.00, \$20.00)	402.50
AWWS - E. Vela Lift Station	495.00
PWR SVC of MT - Blower repair	281.00
Turftech - New clock for sprinkler system	267.14
Bridger Analytical Lab, Inc. - sample testing	110.00
USA BlueBook - Soloinst probe	295.05
S. Swimley, Atty. - conf. call w/Rude & Child	76.65
First West Insurance Quarterly installment	1,018.00
Reimb. for o/p at closings	110.28
Total:	<u>\$6,557.81</u>

NorthWestern Energy is paid electronically, runs \$7,500 - \$10,000 per month.

Power Service will replace casing cracked during install.

A mop head was found in the lift station.

Eddie suspects that the sprinkler by the blower bldg. was hit by lightning.

A motion was made by Shawna to pay all claims; Dan seconded the motion. There being no further discussion, the Board voted - 4 Ayes, 0 Nays. Motion carried.

REPORTS:

Revenue Summary - Clarkson reported \$84K in billing and has deposited \$70K. See August report.

Financial - Rude noted a balance of \$74⁺K in checking. Keeping a minimum of \$20K in checking to cover bills, Steve authorized a transfer of \$50K to the Money Market Acct. The MMA balance is \$185,928.98; with the addition of \$50K, the bond payments have been met.

Note: The original loans totaled \$5,200,000.00. The 13th of 40 payments is due Jan. 1, 2008 in the amount of \$211,520.00. The balance of the loans is \$4,252,000.00.

Maintenance - Muniz reported that AWWS will rewire the float bracket in Lift Station 2. Lift Station 3 is running good. One pump is running more than the others. AWWS will check it tomorrow.

Operations - Edwards submitted the monthly report for Sept. Water irrigation is going down as expected in the last quarter.

Two municipal wells were sampled.

The power supply on pump 5 burned. Gary found parts for repair; Marty has been called.

On Sept. 12, a sanitary survey was conducted with Luella Schultz (DEQ). This type of inspection is done every 3 years and it is time to have the water tank cleaned and upgrade the tank lid seal. Ron will call Liquid Engineering to clean the tank.

The June sampling started raising questions. Now we must get a groundwater permit, which was already in process. The heavy rain caused the pond to come up 2 ft. In the lagoon, cell 3 can be used as a holding cell.

The District can offer a neighboring resident to drill a monitoring well on their property 500 ft. north of the lagoon. The landowner would be compensated.

REPORTS (cont.)

Ron bought a 12V down-well pump. Stagnant water is 40 - 50 ft. deep in the monitoring well.

The August sample was taken to Bridger Analytical Lab in Four Corners.

The infrastructure & system was originally approved in the 1970's, built in the 1990's, the design is 30 years old. Ron recommended an insurance review.

OLD BUSINESS:

November Board Elections - Christine will call the Elections Office to check if anyone filed.

The fencing is paid for; need to find a steel door to install on Blower Bldg. Christine talked to Andy's Glass re window covers.

Rubber plugs are available locally. Buy 50 - 75 and Eddie will install them in the manhole covers.

Rosie (Holmes & Turner CPA) is finishing the 2006 audit. She has received the NW River Rock infrastructure values (improvements).

Re Mr. Smith's water bill: The house is being rented, meter read, and billing is going to new tenants. Discussion: Dan recommended that the bill not be reduced. The 2nd bill must be paid as presented (in installments to be paid in full by Dec. 31, 2007 without interest or penalties). The Board agreed to be proactive. Ron Squyres asked, "Why was the 2nd bill higher"? The sprinkler was still running almost non-stop until Mr. Smith had the water turned off. Steve stated, "you use the water, you pay for it". Note: Suzette strongly suggested that a concession be made by not charging for sewer.

Dan's original motion to not reduce bill was amended to pay bill in installments by the end of the year w/o penalty or interest. Mr. Smith will be notified by letter. All in favor. 4 ayes. 0 nays. Motion carried.

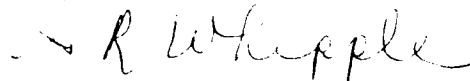
NEW BUSINESS:

The Johnson's sprinkler system was leaking. They discovered a boggy spot in the yard and had the leak repaired. Their water bill was 3x higher than normal. The Board's policy was set, therefore, cannot make an exception.

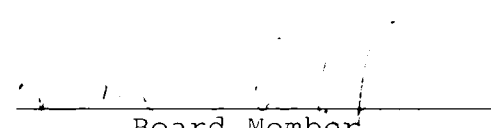
A letter was received from the Property Owners Association re the purchase of As-Builts. Because of the cost of keeping two sets, the Board is willing to share access and future buys to set held by the Water District. The sheets are kept in the Blower Bldg. and must be checked out w/Christine. Ron Edwards will complete indexing for easier access and accountability.


There being no further business, Dan made a motion to adjourn the meeting. All in favor. Meeting ended at 9:15 P.M.

Respectfully submitted,



Suzette R. Whipple
Secretary

ATTESTED BY: 
Board Member

WITNESS: 

RIVER ROCK COUNTY WATER & SEWER DISTRICT

Board Meeting Minutes

Thursday, August 16, 2007

Present: Child, Squyres, Verdi, Buerkle

Absent: Rude

Guests: Clarkson, Edwards

The meeting was called to order by Vice Pres. Dan Child at 7:03 P.M. Approval of the July 19, 2007 Minutes was postponed until the September meeting (Suzette left the Agenda and Minutes at her office. Note: Copies were hand-delivered to each Board member).

CITIZENS COMMENTS/REQUESTS:

None.

CLAIMS:

Directors' pay - August services	\$ 400.00
Secretary's pay - July services	60.00
C. Clarkson - Office Mgr.	2,924.52
Salary: \$2,150.00	Expenses: \$774.52
E. Muniz - Maint.	250.00
R. Edwards - Oper.	460.00
Montana Dept. of Administration -	375.00
Annual Finance Report Filing Fee	
Northwest Pipe	2,276.40
AWWS	300.00
Energy Labs - sample tests 1 @ \$20 +	100.00
1 @ \$80	
Power Service of MT - \$478.95 + \$609.42	1,088.37
H. Anderson/J. Kassner - refund of overpay.	10.00
	<hr/>
	\$8,244.29

Ron Squyres made a motion to pay claims as presented by Christine; Shawna Verdi seconded the motion. Claims were paid.

REPORTS:

Revenue Summary - see printout prepared by C. Clarkson
for July 2007.

Financial - the checkbook showed a balance of \$118,000+
and Christine has a deposit for \$4,000+, Dan authorized
a transfer of \$100,000 to the Money Market Account.
The 3 CDs maturing August 21, will be renewed at a higher rate
of interest - 5.19%.

Maintenance - collectively the Board members and Christine
discussed maintenance issues for the past month.

- A piece of rebar was found in a drain. Recommend
placing rubber plugs in the holes of the cover.
- Sprinkler needs a new clock - it was hit by lightning.
- Susan Swimley, Atty., sent a letter to Potter-Clinton
re. figures for audit(s).
- DEQ is having a meeting about fees for reviews/
applications for proposed new systems, construction,
engineering, and inspection(s). Dan said no one needs
to attend.
- AWWS recommended installing float bracket (in Lift
Station) to handle flow, enabling easier access.
- Bridger Fence submitted 4 bids:
 - . Well by the school
 - . Pumphouse
 - . Top of Tank
 - . Blower building

Discussion: weighing barbed wire vs 8 ft. chain link.
Slats or no slats.
Reinforce buildings vs fencing.

Shawna suggested that plastic covers (similar to
plexiglass) on windows and steel frame w/door
should suffice. Or, when materials are available,
Bridger said it would take 2 days to install the
fence with one gate.

What about the payment dropbox?

Sharold: A locked gate would cause delays in access for fire, alarms, or emergency. Consider safety and operations when upgrading security.

Decision: 3' chain link fence around and enclosed at the top for the well head (near the elem. school). For visibility and safety - no slats.

Fence in pumphouse (by pond) and the cistern head atop tank.

Install steel frame w/door on blower house and plastic covers on the windows. No fence.

Dan entertained a motion to the above.

Sharold made a motion to install the above security upgrades. Ron S. seconded the motion.

Sharold amended the motion to include a wire atop the existing wood fence around the lagoon.

Shawna seconded the amended motion.

Dan called for a vote. On the original motion - all ayes. Approval of the original motion with amendment - all ayes. Motion with amendment passed.

NO TRESPASSING signs have already been posted.

Ron E. arrived and was briefed on maintenance and security.

Operations - Ron presented his monthly report w/attachments to the Board.

.Effluent - nitrates were high, may have been caused by heavy rain in June.

.Power Service of Montana put 2 parts to the by-pass.

.Cobblestone's meter has been powered.

.Irrigation cutbacks are working. River Rock's usage is less than half of total.

.Pump #5 is tripping - called Marty. Dan, along with the Board, approved installation of solenoids.

.Cost of getting the As-Builts will be \$6-700.

- .Wastewater samples for 2nd Qtr. (June) were not good. July sample - BOD effluent basis is near 30 - not low enough. Neighbor, Ken Hengel, called Ron.
- .Ron will retest for nitrates monthly.
- .Pwr Svc of MT serviced 2 blowers - a blade was nicked and there was an oil leak. Weights were added to the blowers to prevent pop-offs.
- .An electrician will have to wire the blower (#3) and it will need a mechanical clock.
- .LandMark sale - lost in paperwork. Note: They may be able to annex into the District.
- .Ron brought in regulations about adding delinquent accounts to the tax rolls.

Christine asked Ron if he has or can get plugs for manhole covers. He will check.

A resident of Meadow Brook Lane was using sprinklers every day. He, along, with others, was sent a letter reminding about the odd/even watering. As the watering continued, he was sent 5-7 postcards. Steve called his realtor, as the house is for sale and empty. The sprinklers were coming on 3-4 times/day. His water bill was \$419.39 for 154,000 gallons. In a letter, he asked for a reduction in the bill. The Board discussed the situation and determined that he was responsible for the bill. Christine said that he could pay \$100/mo. until paid or settle at closing. Suzette will write a letter to this fact.

OLD BUSINESS: None discussed.

NEW BUSINESS:

Ron brought up that we need the As-Builts for NorthWest River Rock section.

There being no further business, the meeting was adjourned
by Dan. Allin favor. Meeting ended at 8:50 P.M.

Respectfully submitted,

Suzette R. Whipple
Suzette R. Whipple
Secretary

ATTESTED BY: *[Signature]*
Board Member

WITNESS: *[Signature]*

RIVER ROCK COUNTY WATER & SEWER DISTRICT
Board Meeting Minutes
Thursday, July 19, 2007

Present: Rude, Child, Buerkle, Verdi, Squyres

Guests: Clarkson, Swede Jensen

The meeting was called to order shortly after 7:00 P.M. by Pres. Steve Rude. First business was to read and accept the June 21, 2007 minutes. Dan Child made a motion to accept the minutes as presented, Shawna Verdi seconded, all ayes, motion passed.

CITIZENS COMMENTS/ REQUESTS:

Mr. Swede Jensen of W. River Rock Rd., is concerned about Zoot Enterprises taking water of the Gallatin River and the North Star Operation which has been known to flood. Could this, in time, contaminate the River Rock wells?
Steve: Our wells are deep, however, will bring this to the operator's attention.

Swede: Zoot changed from wells.

Should we buy a generator?

Christine: There was a grass fire on the corner of River Rock Sub. this past Saturday. The fire dept. pumped water from the pond to use in putting out the blaze which spread to a resident's wooden fence. The trucks would be refilled until the fire was out.

Swede: How much power are you using?

Steve: \$10,000+ a month

Swede: Would you sell water to anyone else?

Steve: No, we provide water to Landmark and Cobblestone.

Presently we are pumping close to 1 million gallons a day - from 222,000 gal/day in Jan07.

CLAIMS:

Directors' pay - July services	\$ 400.00
Secretary's pay - June services	60.00
C. Clarkson - Office Mgr.	2,773.20
Salary: \$2,150.00	Expenses: \$623.20
E. Muniz - Maint.	250.00
R. Edwards - Oper.	480.00
Postmaster - July & August billing	487.00
TD & H Eng. - Wastewater system	3,367.91
Energy Labs - testing of lagoon & monitoring wells	398.25
Tanya Rude - reimbursement for spray paint purchase	9.42
Zeke Pershing - refund at closing	35.80
Mark & Wendy Renner - refund at closing	38.25
	<hr/>
Total:	\$8,299.83

Shawna: The POA would like for the water board to pay to chip the broken branches from the trees around the lagoon. The trees were damaged by a "wind event".

Shawna Verdi made a motion to pay the claims presented. Ron Squyres seconded the motion. All in favor; motion passed.

REPORTS:

Revenue Summary - C. Clarkson: see report for June 2007.

Financial - S. Rude: With \$44K⁺ in checking and more deposits for this month, Christine was authorized to transfer \$30K to the Money Market Account for a total of \$85⁺ K.

The CDs are still a little low for the security bond. When the balance reaches 85%, satisfying the State's requirement, then any additional monies can go into building a maintenance fund.

The larger CDs are maturing Aug. 21 and may be renewed at a higher rate, thus producing more revenue.

Maintenance - Christine for Eddie:

Pump run times were over 12 hours.

AWWS - Todd may have to replace float in LS #1.

Pumps 1-5: #4 tripped when power went off for a short while.

Christine sent out 190 cards reminding residents about odd/even watering.

Susan Swimley will review the District's Rules & Regulations to see if we can assess a fine.

Operations - Steve for Ron E.: See Report.

The hydrant on Engberg Ln has been moved away from the driveway.

The 3rd blower must be installed ASAP to prevent another big stink in the Spring.

Sharold: the sewer flow should not change. If one blower gets hot, then #3 can run simultaneously with 1 or 2.

Little problem now as microbes are active during the summer.

Additional storm drains need to be added by the POA to prevent street flooding. Put in one - see if it helps. If/as needed put in one more, then another...

OLD BUSINESS:

Rosie is still working on the audit(s). She still needs documentation from P.C. - mostly costs - so the depreciation can be calculated.

Steve: Have Christine contact the Dept. of Administration to assist S. Swimley in getting the audit info.

NEW BUSINESS:

Security - Would a surveillance camera be useful? Even high-end equipment is fuzzy, especially at night.

NEW BUSINESS (cont.)


Security for windows - custom-made bars are not readily available and costly. Many of the windows are small, few are standard sizes. Andy's Glass has a product similar to plexiglass that rocks will bounce off and the window would have to be knocked out of its frame.

Immediately, replace door with a metal door,
get estimates for windows,
place at least 6 "No Trespassing"
signs around the lagoon, and
add wire to the fencing.

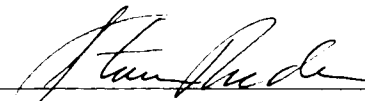
The well controls by the Elementary School (Riverview) are unfenced. The POA may want to securely enclose the pad with fencing, a gate, and a cap - minimum 6 ft. high.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Suzette R. Whipple
Secretary

ATTESTED BY:


Board Member

WITNESS:


Dan Child

RIVER ROCK COUNTY WATER & SEWER DISTRICT

Board Meeting Minutes

Thursday, June 21, 2007

Present: Rude, Child, Buerkle, Verdi, Squyres

Guests: Christine Clarkson, Dave Blanksma (PC Development),
Ron Edwards, Eddie Muniz

The meeting was called to order at 7:03 P.M. by Steve Rude. The May 17, 2007 Minutes, prepared by Christine, was accepted as presented with pen changes by Sec., Suzette, following a motion by Shawna and seconded by Ron.

CITIZENS COMMENTS/REQUESTS:

Dave Blanksma addressed the Board about the Landmark Water Co. dissolution in the event Landmark HOA would purchase the Co. and its infra-structure from PC, its developer.

Landmark would need a transfer of agreement with River Rock Cty. Water & Sew. Dist. Mr. Blanksma respectfully requested that the Board sign an agreement with Landmark HOA. There would be no PSC restrictions. cobblestone would continue to be served.

Proposal: in the best interest of both parties, the supply line be River Rock property. Is it in RR's interest to own asset - with no consideration (cost)?

Steve entertained a motion on the proposal.

Dan made a motion to accept the proposal; Sharold seconded with consent to consignment. All in favor, motion carried. The agreement will be reviewed by S. Swimley, final draft, signatures, PCS may want to review agreement with the Landmark HOA, ... Discussion:

PC Dev. wants to act quickly so all these steps may[^]be completed by the next meeting. need to

NorthWest Energy will power up the meters at Cobblestone in the next few weeks. Christine will read both master meters at CB, contingent on getting a meter that can be read with our reader. Sharold said he was in favor of ownership of the supply pipe to LM/CB. Steve said that our present revenue could cover a break in the pipe.

Sharold moved to accept ownership of the supply pipe to Landmark with the stipulation that the meter(s) is adapted for reading - and has the OK from PSC. Shawna seconded his motion.

More discussion:

Specifically define where each line ends and/or downstream of meter.

Sharold: the agreement would be good public relations with Landmark and Cobblestone.

Steve asked for a vote. 5 ayes, 0 nays. Motion passed.

CLAIMS:

Directors' pay - June services	\$	400.00
Secretary's pay - May services		60.00
C. Clarkson - Office Mgr		
Salary: \$2,150.00	Expenses: \$437.14	2,587.14
E. Muniz - Maint (Apr-May)		300.00
Custom Ag Service - Mowing weeds		340.00
Care & Quality - spraying weeds		1,150.00
Ron Edwards - Oper		610.00
Energy Labs - 1 @ \$20.00 / 1 @ \$80.00		100.00
Petticoat Pipe Cleaning		275.00
TD&H - Prof. Svcs. for Wastewater System		8,598.70
Postmaster - stamps		492.00
D. Geschwentner - Refund of overpayment		9.90
Jim Cummings - Refund of overpayment		<u>23.82</u>
		\$14,946.56

NorthWest Energy read 5 meters for a total of \$7,443.11, which will be paid electronically June 29.

Cost of opening drain cover(s) for flooding street was \$50 (Eddie). Board said not to bill POA.

Shawna made a motion to pay the claims; Dan seconded. All in favor, motion passed.

REPORTS:

Revenue Summary - Clarkson provided a printout of May 2007 billings/deposits. RRCW&SD received \$7,650 from PC Dev., their half of the lift station repair.

Financial - Rude reported \$72,081.75 and \$226,839.28
in checking in the Money Mkt. Acct.

Bond payments of \$211,960.00 will be transferred the end of June.

Maintenance - Muniz inquired about opening an account at Tru Value. Don't we have one at Kenyon Noble?
Yes, but TruValue stays open later at night.

Operations - Edwards submitted the ~~Conservation~~ ^{Consumer Confidence} Conference Report (Annual Drinking Water Quality Report) and filed with DEQ. Water usage has reached 1 million gallons/day. (See printout for details). The Water Quality Report was mailed to the residents with the water bill and a list of items that should not be placed in the sewer system.

Ron agreed with the proposal to transfer of ownership of the Landmark Water Co. and RRCW&SD ownership of supply line.

There was a break-in at the booster station. A bottle of NaCl was moved but not opened. Shawn Erickson installed a steel door, key lock and deadbolt.

Surveyors were by the lagoon shooting grades for effluent. Wade DeBoo (TD&H Great Falls) submitted the specs to improve the flow in the lagoon. A permit is required.

Lisa-Kay Keen has replaced Eric Regensburger at DEQ.
Need more sampling and equipment to make it easier.
The mean is more representative of BOD.
Need drainwater to ground permit.

During the last heavy rainfall, Green Belt, N. River Rock,
and E. Magnolia started to flood. The sewer manholes were
opened but we need to handle this influx into the system
in a better way. Dave Crawford (TD&H) is willing to talk
to the POA.

NEW BUSINESS:

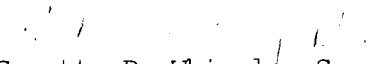
A fire hydrant in the new devel. NWRR is in a precarious
location and either needs to be moved or protected from
being hit by a vehicle.

Vandalism: the door on the pumphouse needs to be reinforced.
The Sheriff's Office recommended installing an audible
alarm - resettable. Place a bar over the double doors
and a steel frame.
Place appropriate signage on both bldgs. and on the
fence around the lagoon. Atop the hill, place a heavy-
duty hatch with lock and bars on the windows of both bldgs.

Bond payment: Steve and Dan will go to the bank to transfer
the money and check on rates for the CD that is expiring.

There being no further business, the meeting adjourned at 9:08 P.M.

Respectfully submitted,

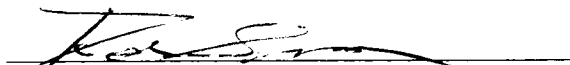

Suzette R. Whipple, Secretary

ATTESTED BY:



Board Member

WITNESS:



my copy

River Rock County Water & Sewer District
Board Meeting Minutes
Thursday, May 17, 2007

Present: Sharold Buerkle, Dan Child, Steve Rude, Ron Squyres, Shawna Verdi
Absent: None
Guests: Christine Clarkson, Ron Edwards, Eddie Muniz

The meeting was called to order at 7:04 p.m. by Steve Rude. Motion made by Shawna and seconded by Dan to approve the April minutes as written. All in favor. Motion carried.

Citizen Comments / Requests:

Resident Jimmy Spell from Copper Bloom came to meeting to discuss issues but as they were POA issues, he didn't bring them up but did thank the water district for cleaning up the graffiti.

Claims:

Directors' Pay - May services	\$ 400.00
Secretary's pay - April services	\$ 60.00
C. Clarkson - Office Mgr	\$ 2,190.00
Salary: \$2,150.00 - Office: \$40.00 - Cell Phone	
E. Muniz - Maint. (April - May)	\$ 275.00
R. Edwards - Oper.	
Northwest Pipe	\$ 1,970.15
Chempace - Bioblocks	\$ 783.62
Petticoat Pipe Cleaning - E Vela Lift Sta and Lift Sta # 1	\$ 650.00
T D & H - Prof. Svcs. For Wastewater System	\$ 309.00
First West Insurance - June Installment	\$ 1,018.00
David Koeccny - Refund of overpayment	\$ 24.66
Subtotal	\$ 7,680.43

Dan asked about the claim for Northwest Pipe. Christine answered that it was for additional meters purchased. Rude wanted to know exactly what the bill from T D & H was for and whose time. Shawna made a motion to pay the claims as presented with the exception of the T D & H bill until Christine can get clarification on what the bill is for. Motion seconded by Dan. All in favor. Motion carried.

Reports:

Revenue summary (attached) - Christine reported on the monthly revenues. Sharold asked about errors for adjustments. Christine said there aren't as many. Buerkle asked about PC Development paying their half of the lift station bill. Christine said it hasn't been paid yet but that they haven't called about it either. Christine will call Terri or Karen at PC Development regarding the bill.

Financials - Steve stated the checking account balance is \$41,574.71 as of 5/16/07 and the money market balance is \$204,957.68. The July 1 bond payments total \$211,960.00. After paying claims, transfer \$21,000.00 to the money market account.

Maintenance - No report.

Operations - Ron reported that water use has doubled and we're up to 910,000 gallons per day. Pump # 5 had an alarm. He's called Gary Henninger to come look at it after replacing the soft start last fall. He will be meeting with the Gallatin County Health Department on Monday for a routine system inspection. Ron

presented and went over a report from Gary Hendricks from his analysis on the lagoons. He also mentioned again the need for a 3rd blower and will request a bid from Power Service of Montana for the blower. Sharold asked about the bid from T D & H and Ron thought it may be for the lagoon work.

Old Business:

Lagoon Smell - The lagoon smell seems to have cleared up over the past few weeks. Blowers are running simultaneously for 12 hours a day.

3rd Blower - Ron again recommended we get a 3rd blower not only to run more air but if one blower goes down we'll have a backup. Steve asked how soon we might be able to get the 3rd blower. Ron thought possibly by the end of the summer. He'll mention that to DEQ when they're here. T D & H would need to draw up the plans. Ron estimated the cost to be around \$40,000 - \$50,000. Sharold made a motion to proceed with the 3rd blower as soon as possible. Shawna seconded. All in favor. Motion carried.

Steve wondered if we should cash in one of the CD's so long as we keep our \$427,000 reserve in order to pay for the blower.

New Business:

2006 Audit - Rosie is working on the 2006 audit. She needs firm numbers from PC Development on the River Rock Northwest construction project.

Landmark Water Company - Sharold said Dennis Bechtold contacted him and the Landmark POA is going to purchase the water company. Sharold explained how our billing works to the Landmark HOA Board members and they'd like to possibly have Christine do their meter reading and billing as well. Dan felt that a small fee, possibly \$100.00 per month, to Landmark for the use of the equipment to cover costs would not be out of line. There was discussion about the Landmark rate structure.

Bond Payments - Steve and Dan will make the payments again. Add this to the agenda for the June meeting as a reminder.

New Graffiti - there's more graffiti on the top of the storage tank. The Water & Sewer District will ask the POA if their maintenance employee would remove it and bill the District.

Letter for June Billing - With the watering season upon us and grease problems in the lift stations, it was decided that an informative letter should be sent with the June bills to let residents know what should NOT be put into the sewer system and asking for cooperation with odd even day watering. Steve will draw up the letter and e-mail it to the rest of the Board for review.

Sharold made motion to adjourn meeting at 9:15 p.m. Dan seconded. All in favor. Motion carried.

Respectfully submitted,

Christine Clarkson, Acting Secretary

ATTESTED BY: [Signature]
Board Member

WITNESS: [Signature]

RIVER ROCK COUNTY WATER & SEWER DISTRICT
BOARD MEETING MINUTES
THURSDAY, APRIL 26, 2007

PRESENT: Rude, Buerkle, Child, Verdi
ABSENT: Squyres
GUESTS: Gary Hendrix - TD&H, Ken & Beck Hengel, Greg Kuhl,
Jerry & Ginger Rice, Brett & Amy Harlan,
Christie H. Francis, ReNae Grantier, Donnie Maxwell,
Jackie Hillman, Joel Sterink

After 7:00 P.M., the meeting was moved from the POA Community Office (sewer backup) to the Lobby located at 129 Village Dr. When everyone relocated the meeting was called to order by Pres. Steve Rude at 7:15 P.M.

Shawna noticed a missing zero on p. 1, the \$427,000 in CDs... She asked that the minutes be amended to reflect this change. Sharold seconded the motion to accept the minutes as amended. All in favor; March 15, 2007 Minutes was accepted.

CITIZENS COMMENTS/REQUESTS:

About 13 neighbors from subdivisions West and North of River Rock, attended the meeting to voice their disgust with the odor emanating from the sewer lagoon.

Discussion: Mr. Ken Hengel spoke first. When the wind blows, the smell is so noxious it can give you a sorethroat. Last spring the stench was so bad, all outside activities had to be cancelled. Residents cannot leave their windows open or go for a walk. The residents, including those of River Rock have been given various reasons for the smell - spring turnover, algae, increase in sewage, ...

Steve responded that we have cool mornings then warm afternoons. The District has been addressing the problem with running blowers longer and earlier, replaced filters, and consulted the engineering firm, TD&H.

Mr. Greg Kuhl started a discussion on the history of the sewer system, back to 1974, when it was part of Royal Village subdivision. He raised questions about population density, then and now.

TD&H Engineer, Gary Hendrix, took the floor. The original design was for the same density as River Rock at full buildout (3,400 residents - 2.5 per connection).

The developer, Potter Clinton, was restricted to the same site and had to lease acreage to aerate in case of a system failure.

Steve - as each Phase is brought on-line, the volume increases.

Mr. Jerry Rice - by trade familiar with the system, spoke for a few seconds then gave his remaining 4⁺ minutes to his neighbor, Ken Hengel.

Ken - has tried to get info from DEQ, without success.

Mr. Donnie Maxwell - disagreed that all ponds smell. He worked 50 ft. from a pond in Big Sky and it didn't bother him. Is there more current methods available? There doesn't seem to be any density controls in River Rock.

Steve - RR has added 400-500 connections per year - a 20% increase to the system each year.

Christine - RR is approximately 95% to maximum buildout.

Ken - The load (put on the pond) will not decrease - something needs to happen.

How far is city (Belgrade) hook-up?

Steve - to the Flying J on Jackrabbit Ln. (a little over 2 miles).

ReNae Grantier - lives North of RR. When the winds come from the NNW, it affects her the most. Ms Grantier had a question about the liner of the pond.

The lagoon does have a liner. It drains into leach about 30 - 40 ft. From an engineering standpoint, where is the water going? In 10 years, will we be drinking ground water?

G. Hendrix - the district uses monitoring wells and another one is needed. The system flows NNW (westerly) 150 - 180,000 gallons per minute. There are 2 wells to the SouthEast.

Nitrates are the most common concern. The District is looking for a SouthWest location for a third monitoring well.

A NW location would be most sensitive to sample.

Ron Edwards - Operator - March 26, samples were taken at 3 points; no measureable effect ATT.

ReNae - What is the life of the liner? Ron - Good for 20 years.

Ron - there are 1160 ^{service} connections \approx 2900 people

Gary H. - system is permitted for 3,400 people

Greg K. - Where are the people from River Rock?
Good question.

The guests stayed to hear what Mr. Hendrix had to report.

NEW BUSINESS:

TD&H Engineering Evaluation presented by Gary Hendrix

Problem - Smell
What's causing it?
Is the system overloaded?

Look at water use records and compare to sewer pumping.
Discharge is high. Placing a meter on discharge side would give a more accurate measure.

Is someone dumping septic?

The biological life is not recovering.

The biochemical oxygen demand (BOD) at its highest 122 mg/meter produces 578 lbs/day of sludge - at 2.5 persons/svc conn averages 0.17 lbs/person These estimates are reasonable. The system is at 87% of capacity.

Treatment works twice as fast at 68° than at 34°. The original design allowed for a higher flow rate. There are 25 tubes in each cell for oxygen flow. It takes horsepower to move O₂. The 1st cell has green algae, 2nd cell has least smell. The system started smelling in June 2005. Something is killing off the biologicals.

Should we add 3rd blower? Run two and one in reserve. When the power fails, the water goes off.

Steve - the District is spending \$50,000 in consulting fees and hardware to monitor flow rates.

Ron - system must work within limits.

The lagoon always has a musty smell. Is there a leak in the aerator.

Steve - RR does not want to be a "rotten" neighbor.

Another pump blower would cost approx. \$25K

To allow the guests to leave at this time, the meeting took a 10 min. break: 8:40 - 8:50

CLAIMS:

Directors' pay - April services	\$ 400.00
Secretary's pay - March services	60.00
Clarkson	2,230.00
Postmaster	702.00
Energy Labs	598.25
AWWS - Todd King	803.00
Jason Burk	15,300.00
Buy the Hour	815.00
Curt Electric	1,671.65
NW Pipe	348.00

CLAIMS: (cont.)

Refund - Ryan Allen	\$	31.85
Edwards		

Shawna made a motion to pay the claims presented.
All in favor; 4 ayes. Motion passed.

REPORTS:

Revenue Summary - see new formatted summary

Christine has had some kinks in the hand-held reader.
She adjusted the misread bills, but had to subtract
error by hand. (see summary).

Delinquent accounts - every 6 months can be added
to tax roll.

The resident on Potter Ln. was billed for repairs.
The owner is aware.

PC Dev was billed for half of cost of repairs to
Lift Station.

Financials - Rude (treasurer) reported \$102,352.16 in
checking and the MMA has \$146,371.80
Transfer \$58K to the Money Market

Maintenance - Eddie reported that Carol Gerovac found
2 ft. of grease in the lift station.
She could not pump it so she put bio-
blocks in it and was able to break it up.

Eddie called AWWS to clean the hard build-
up in the lift station.

Roto Rooter tried to check the clogged
sewer line near the RR POA Office.
The sewage backed up. The pipe is
blocked and possibly broken. A 10"
water line to Cobblestone was laid over
the sewer line and it may have collapsed.

Maintenance (cont.)

Call Simes general contractor, Tim Dietz and TMC, Inc. (Jerry Rice) for digging up the pipes. The pavement will have to be cut.

The tenant in the house next to the office is without sewage service.

Note: work crew on the problem next day.

Operations - Ron reported water use steady

Water tank alarmed

Lift Station #2 - upgraded with check valve, fully operational

Discharge Permit-Attachment B

We are at the high end of residential BOD

Steve - designed in 1978, blowers added in 90's should be operating at 170° F and 6 psi

Ron will manually turn on both blowers, check gauges and Eddie will check on them within 2 days

Start doing a monthly BOD test; Ron just did March and will do April when he gets back from Seattle

Ron - System needs a 3rd pump. Motion to authorize monthly BOD sample was made by Dan and seconded by Shawna. All in favor.

OLD BUSINESS:

Paint is peeling on the metal trim along the roof of the pumphouse. Put this off until the Fall.

Steve asked Christine to get someone to rid River Rock of noxious weeds, especially knapweed. Christine brought an estimate to the meeting from Quality Spraying Service.

Sharold moved to contact Quality to take care of weeds.

OLD BUSINESS (cont.)

Discussion: beat down the weeds, have Dan (POA employee) mow the weeds, then spray the new growth. Call John at Care & Quality to do the spraying.

Dan made a motion to have Dan mow the weeks before Quality comes In to spray. Shawna seconded the motion.

There being no further pressing business, and the length of the meeting, Dan called for the meeting to adjourn. All in favor. Meeting ended at 9:30 P.M.

Respectfully submitted,



Suzette R. Whipple
Secretary

ATTESTED BY: 
Board Member

WITNESS: _____

RIVER ROCK COUNTY WATER & SEWER DISTRICT
BOARD MEETING MINUTES
Thursday, March 15, 2007

PRESENT: Rude, Buerkle, Child, Verdi, Squyres
GUESTS: Barndt

The meeting was called to order at 7:04 PM by Pres. Rude.

Verdi asked that the spelling of Amber's name be changed to Jillard on p. 2 of the February 15, 2007 minutes. Rude entered a motion to accept the minutes. Child made the motion, with amended spelling; Verdi seconded the motion. The minutes have been accepted into the record.

CITIZENS COMMENTS/REQUESTS: None, therefore, courtesy was extended to Ms Barndt so she didn't have to stay any longer than necessary.

CPA Rosie Barndt presented the results of the audits. With 120% of the balance of the loan, the \$427,000⁰ in CDs are held as a reserve and the District can keep transferring money to the MMA to pay the semi-annual loan payments. Barndt spoke with Anna Miller, DNRC, about maintaining a depreciation acct. The life of the system is set at 50 years.

Is there a problem with having all funds in one bank? No, the Washington bank secures the CDs that are over \$100,000.

Internal controls are in Clarkson's hands as an independent contractor. Meters are inventory. When sold, become part of the system. Ron stated to add system in NWRR to total assets (get dollar amounts from TD&H - work was done by Simes). Also, keep on file documents authorizing NWRR (Northwest River Rock).

An IB-34 form, 5-6 p. letter discussing financial management analysis must be written by a Board Member.

CLAIMS:

Directors' pay - March services	\$ 400.00
Secretary's pay - February services	60.00
Clarkson	2,154.75
Muniz	675.00
Edwards	520.00

(cont.)

MSD Computer Supply - billing cards	\$ 401.49
Energy Labs	40.00
Postmaster - 2 rolls stamps	78.00
Refund - Peter Krauser	65.72
Holmes & Turner	<u>11,370.00</u>
	\$15,764.96

H&T will be paid up front, and PC will reimburse board \$7,830.
 Verdi made a motion to accept the claims and pay amounts presented.
 Child seconded the motion; motion passed.

REPORTS:

Revenue Summary - Clarkson - see February figures.

Financial - Rude - \$53,933.89 in checking.
 \$145,765.27 in Money Market.
 \$34,000.00 will be transferred to MMA.

Maintenance - Muniz - there was a water leak on Potter Lane.
 The leak was before the meter. On Feb. 24, Steve Ross fixed
 the leak. The homeowner will be billed for repairs.

The breaker tripped Pump #2.
 March 9, AWWS cleaned out the grinder pump. Gerovac will clean
 lift station. Once the lift station is fixed, the board will
 consider a surcharge on users.

The air filters on blowers were changed and need to be changed
 every 3-4 months.

Operations - Edwards - Ron will follow up on getting copies of NWRR
 As-Builts NLT close-out.
 An avg. of 230,000 gallons of water is being used daily.
 Compared to 1,200,000 gal/mo for Landmark (41,100 gal/day),
 20% of total water usage. 30 homes are being read in Cobblestone.

See p. 3 of Operator's report for info on LS #2 work.

Ron will ask TD&H to attend April's meeting.

OLD BUSINESS:

The Board needs a Vice President. Dan nominated Shawna. Shawna declined because she is the RRPOA Board Pres. Steve nominated Dan. Dan accepted the nomination and was elected to the position of Vice President.

The subject of April's meeting came up. Three of the Board Members will be out of town. Sharold made a motion to postpone the meeting one week, April 26. Dan seconded the motion. The April meeting will be conducted on the 26th, 4th Thursday of the month.

NEW BUSINESS:

Vandalism to District property - spray painting on the pumphouse. There were also numerous incidents & damage around River Rock Subdivision.

Sharold said he would try several paint removers. He will check at House of Clean.

Shawna made a motion that the District purchase motion-sensor lights and install them on the pumphouse. Ron Squyres seconded the motion with amendment to motion that Curt Electric purchase and install lights. Sharold seconded.

The clean up of existing damage will be done immediately. Board authorized Christine to find a painter(s) and get bids with a motion from Shawna seconded by Dan.

The Board is still debating alternate-day watering vs cash flow. There are 15 unsodded yards in LandMark and Cobblestone is 60/90. Use new-lawn irrigation permits? Black Mountain Software can do surcharges per usage. Hold off until engineering evaluation.

There being no further business, Dan made a motion to adjourn. All in favor; meeting ended at 9:07 PM.

Respectfully submitted,

Suzette R. Whipple, Sec.

ATTESTED BY: [Signature]
Board Member

WITNESS: [Signature]

RIVER ROCK COUNTY WATER & SEWER DISTRICT
BOARD MEETING MINUTES
Thursday, February 15, 2007

PRESENT: Rude, Buerkle, Verdi
ABSENT: Child
GUEST: Ron Squyres

The meeting was called to order at 7:07 PM.

Sharold made a motion to accept the January 18 minutes as presented. Shawna seconded the motion. All in favor - 3 ayes; motion carried.

Steve entertained a motion to consider Ron Squyres for the open seat on the Board. Sharold moved that the Board interview Ron. He has lived in River Rock 1 1/2 years and is a mechanical engineer by trade. Shawna seconded the motion. The Board voted 3-0 in favor of Ron Squyres joining the Water District Board of Directors.

CITIZENS COMMENTS/REQUESTS: None.

CLAIMS:

Directors' pay - February services	\$	320.00
Secretary's pay - January services		60.00
Christine Clarkson - Office Mgr.		
Salary \$2,150.00	Office/misc. \$273.44	2,423.44
AWWS		776.28
NW Pipe - Equinox training		2,400.00
Power Service of Montana - Filters/lagoon blowers		502.81
Energy Labs		20.00
Bozeman Daily Chronicle - audit posting		25.90
First West Insurance - 1st Qtr 2007		<u>1,018.00</u>
		\$7,546.43

Shawna made a motion to pay all claims. Sharold seconded the motion. All in favor. None opposed. Add \$400.00 to claims for Ron Edwards.

REPORTS:

Revenue Summary - Christine submitted the billings/receipts for Jan07.

Sharold said that Anna Miller from DNRC wants to meet with the Board to discuss Reserves/Income.

Amber Gillard reads the LandMark meters and keeps an eye on the master meter readings.

Attorney Susan Swimley has increased her hourly fee from \$175 to \$195.

Financial - Steve reported \$58,576.93 in checking, plus Christine has another deposit for \$8,000+ and \$107,356.79 in the Money Market Acct. Christine will transfer \$39,000 to the MMA.

Operations - Ron submitted monthly report.

Ron recommended that the Board give the contract to Jason - there were only 2 bids - ask for breakdown of costs. Let P C Dev. know they are in for half, the Water District the other half, and TD&H for design and inspection.

Ron entertained a motion to authorize to enter into contract with Jason Burke up to \$15,000.

Sharold made the motion and Shawna seconded.

Discussion: Let's not let this drag on for a year and a half.

A vote was taken - all ayes.

Ron and TD&H will keep this project moving forward.

Ron will ask Jim Pierce to contact Jason Leep at PC.

In the monthly report, the numbers show that water usage is stable.

Ron will be attending the Annual Operators Conference in Great Falls.

NEW BUSINESS:

NorthWestern Energy bills can be put on auto pay. They will send copies of the 5 bills 10 days prior to the automatic payment (due date). This will omit writing/signing a blank check each month.

A motion was made by Shawna to start this process. All members of the Board present were in favor. Motion carried.

Garrity Homes wants to do an irrigation well for the townhomes sprinkler system. This can be avoided if they lay a wider pipe and install a sprinkler meter.

The POA has requested copies of the As-Builts owned by RRCW&SD. Ron said it could be done: print to a PDF. Jim at TD&H can do this.

LandMark - PC is pushing the LM POA to buy LM Water Co. They are asking \$450,000. Residents are being billed \$43/first 6,000 gal.

Anna Miller from DNRC said to consider the system and applying for loan.

She also said graduated rates are a great idea and add a well.

Steve said he doesn't want to own a deadend system.

Get a well and we'll consider buying.

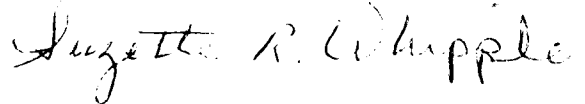
LM POA will have to get water rights for a well. Also, ask PC to reduce the asking price.

Adjourn:

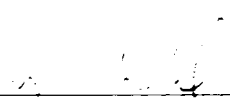
Considering the length of the meeting, Sharold called for the meeting to end. All in favor. Meeting adjourned at 9:10 P.M.

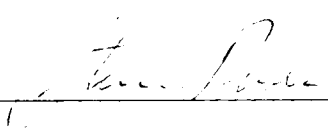
Note: The slot box has been installed at 265 N. River Rock Dr.
and is fully operational for customers to drop off their
payments.

Respectfully submitted,



Suzette R. Whipple
Secretary

ATTESTED BY: 
Board Member

WITNESS: 

RIVER ROCK COUNTY WATER & SEWER DISTRICT
BOARD MEETING MINUTES
Thursday, January 18, 2007

PRESENT: Rude, Buerkle, Child, Verdi
ABSENT: Dance
GUESTS: Clarkson, Muniz, Edwards, Tanya Rude, Sam Mudlin
(Landmark HOA Board)

The meeting was called to order at 7:12 P.M., after board members read the December minutes. A motion was made to accept the minutes with correction on p.2, Operations-line 3, change outmeter to hour meter by Shawna and seconded by Dan. Motion passed.

SAA Buerkle received a letter of resignation from Board Member, Pam Dance. She is moving to Texas. Pam will be missed.

CITIZENS COMMENTS/REQUESTS:

Sharold received a phone call from Dennis, asking for someone from RRCW&SD to attend the Landmark HOA meeting scheduled for February 7. PC Dev. is proposing selling Landmark Water Co. to the HOA. Wanted input and advice on the pros and cons. LM's infrastructure starts at the intersection at Royal & N. River Rock. Sam Mudlin engaged in discussion of rates, advantage of owning the system, River Rock's billing, etc. It was agreed that the only advantage for LM was controlling rates. However, LM and Cobblestone must conserve water, which is controlled by the RRCW&SD. The Board plans to send a representative to the Feb. 7 meeting.

Tanya Rude, an appointed member of the River Rock Property Owners' Board, representing herself as a resident of River Rock, asked several questions about the recent severed contracts with POA employees, and its effect on water usage/billing in common areas. Board President, Steve, stated that the POA would not be billed for water. Sharold told Tanya to let the POA's new maintenance employee to conserve water used by the sprinklers in common areas (greens).

CLAIMS:

Directors' pay - January services	\$ 400.00
Secretary's pay - December services	60.00
Christine Clarkson - Office Manager	
Salary \$2,150.00, postage, and office misc.	2,991.61
Eddie Muniz - Maintenance	306.99
Ron Edwards - Operator	800.00
Postmaster - stamps	597.00
Petticoat Pipe Cleaning - Carol Gerovac	165.00
Energy Labs - \$15.00 + \$578.15 + \$38.15	631.30
Black Mountain - Utility billing software \$1,130	
Neptune & handheld reader 1,225	2,355.00
Fjosne - refund	28.59
Nistler - refund	86.20
	<hr/>
	\$8,421.69

NorthWestern Energy was paid prior to the meeting. Shawna made a motion to pay all claims presented. All in favor; motion carried.

Shawna made another motion to buy a slot for drop box at 265 N. River Rock Dr. All in favor? Aye.

REPORTS:

Revenue Summary - Christine presented the figures for December 2006. During the Black Mountain training, they ran into a snag with 4-digit numbers, but worked it out. The new system will cut Christine's meter-reading time in half. Cobblestone has a sophisticated laptop reader but no power. Notify Cobblestone to get reader powered up by April 1, 2007.

Financial - Steve reported \$39,683.43 in checking
\$106,903.67 in the Money Market Acct.
and Christine deposited \$9,329.68 in checking today.
Steve decided to transfer \$30,000 from checking to the MMA.
Some upcoming expenses will be Holmes & Turner's audits
\$7,000, NW Energy \$4,000, and TD&H will be billing monthly.

REPORTS (cont.)

Maintenance - Eddie has been making weekly checks Dec. 23, Jan. 2, Jan. 9, ... He had a callout on a curb stop. It was buried 2 ft. and frozen. The homeowner may be billed. He suggested that a letter be sent out reminding property owners need to know where their curb stop is and it should be accessible. Ron said that curbstops can be found with GPS, if necessary.

Sharold made a motion to send a copy of the Regulations section that curbstop needs to be accessible.

Dan seconded the motion amended to say that the homeowner can be billed. All board members present were in favor of sending a notice.

There is a broken aerator. Eddie needs to purchase wrenches to work on pumps, e.g. oiling them.

Operations: Ron submitted his monthly operations report.

Daily flows are steady. See the Report for YR 2006 totals. The different parts of the water rights are also addressed in the Report.

A computer has been hooked up at Christine's home. RRCW&SD will have an e-mail address.

Need to change oil on blowers; filters on order for lagoon blowers.

OLD BUSINESS:

TD&H is trying to get bids to redo the lift station.

NEW BUSINESS:

Rosie was unable to attend the meeting due to being ill. She is working on the 2006 audit to determine where the district stands on required capital from revenue.

Pam's resignation has created a vacancy on the Board.

Note: Dan, Pam, and Steve's positions expire this Fall.

NEW BUSINESS (cont.)

Candidates will need to register with the Gallatin County Clerk, Charlotte Mills.

Christine will send a copy of the audit to the newspaper, Bozeman Daily Chronicle.

Reminder: PC Dev. should pay for 2003-04 audits.

Shawna made a motion to adjourn the meeting. All in favor.
Meeting ended at 9:00 P.M. at the POA Community Office.

Respectfully submitted,

S. R. Whipple, Secretary

ATTESTED BY: _____
Board Member

WITNESS: _____