

**Minutes of the River Rock County Water and Sewer District  
Board of Directors Monthly Meeting November 17, 2001**

**Present:** Buerkle, Ostberg, Sherlock, Smith

**Absent:** Potter, Leep

**Secretary:** Michelle Ostberg

**Citizens Present:** none

**Approval of Minutes**

- ≡ Meeting called to order at 7:03 p.m.
- ≡ Ostberg moved to approve **minutes** based **on** change to reports section which should read "someone other than Landmark"
- ≡ Buerkle moved to accept amended minutes
- ≡ **Ostberg** seconded motion
- Unanimous approval

**Claims**

- ≡ Sherlock moved to approve all claims as presented
- ≡ Ostberg seconded motion
- ≡ Unanimous Approval

**Reports**

- ≡ None Christine **Clarkson** not present
- ≡ Expect PC Development claim for debts collected next time

**Old Business**

- ≡ Presentation by MAP
  - Still working on setting up time
- ≡ Still checking with Brown on finance charge as not part of written agreement
- ≡ **Annual** average billing option
  - ≡ Ostberg moved to table until further interest expressed so further develop a track history or until the board decided to revisit it again
  - ≡ Smith seconded motion
  - Unanimous approval

**New Business**

- None

**Citizen Comments**

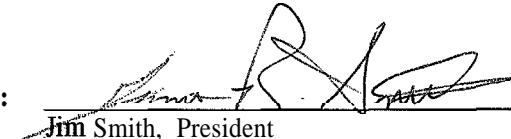
- ≡ None

≡ Buerkle moved to adjourn at 7: 15 p.m.

≡ Ostberg seconded motion

, ≡ Unanimous approval

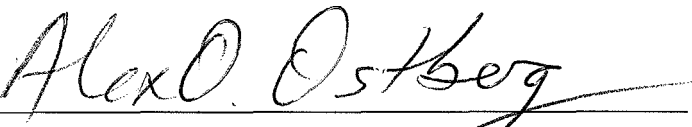
Approved by: \_\_\_\_\_

  
Jim Smith, President

Attested by: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_



ALEX OSTBERG

SGT. OF ARMS

**Minutes of the River Rock County Water and Sewer District  
Board of Directors Monthly Meeting September 16, 2001**

**Present:** Buerkle, Leep, Ostberg, Sherlock, Smith

**Absent:** Potter

**Secretary:** Michelle Ostberg

**Citizens Present:** Rhonda Decker, Steve Decker, Corby Elton, Sunny Elton, Becky Copenhauer, Rod Copenhauer, Matt Fry

**Approval of Minutes:**

- ⚡ Smith called the meeting to order at 7:07 p.m.
- ⚡ Smith moved Citizen Concerns and Comments to beginning of meeting

**Citizen Comments/Requests**

- ⚡ *Citizen:* It appears that we are being double charged for the amount of water we use, once for water usage and then again for sewer usage based on the gallons of water used. We would prefer to be billed separately for a **fixed** sewer rate so it is independent of the amount of water used. Currently we are being billed for sewer to water our lawn. It's not a matter of how much water used rather we're being billed for something not used.
- ⚡ *Board Answer:* The rate for billing water and sewer was imposed by the state at the **first** official River Rock Water and Sewer District Board Meeting. It was basically accept the rate and agreement or it will be given to a private company to manage. The state based the rate on similar communities and expected average usage when the subdivision was at **full** capacity so rates wouldn't change. There is no way known yet to meter just sewer usage. There is only the ability to meter water input into the house.
- ⚡ *Citizen:* There is no base gallon usage for sewer, it is strictly based on the amount of water used. The affordability to water our lawns is too high. In summer we have to pay sewer just to water our lawns so they stay green. Give us a base usage for sewer especially in the summer.
- ⚡ *Board Answer:* Have to base sewer on the amount of water used. There is no base usage for sewer because we have to generate enough money to pay the loan. This is the most expensive loan. We also do not have the numbers back **far** enough to be able to estimate a standard rate, which would meet the loan payment. The subdivision is still too new and not fully developed. Currently the remainder of the loan payment that is required beyond the amount of **funds** generated through billing is being taken out of a ½ million dollar bond set up by the developer according to the state agreement. The rates were voted on by the community; on the same ballot used to elect the board members.
- ⚡ Board will discuss setting up a base sewer charge. They will investigate the rates, feasibility, and usage amounts. If there is a proposed change it will be voted on by the community. Board will try to bring in some current figures and estimates for next meeting. Also a suggestion that you check into the rates that other communities have. The River Rock Water and Sewer rates are set up so there is no profit made.
- ⚡ *Citizen:* Why meetings on Sunday?
  - ⚡ *Board Answer:* Convenience for the board members since some travel during the week.
- ⚡ *Citizen:* What are some of the specs of the system? Such as how long will it work?
  - ⚡ *Board Answer:* Industry standard is a **20-year** expectancy on pipes, manholes, etc. The blower expectancy is about 10 years. State did set aside reserve **funds** to pay for emergencies or unexpected failures.

**Approval of Minutes Continued**

- ⚡ Ostberg moved to approve 8/19/2001 minutes with correction on page 2, **line7**, to driver's license
- ⚡ Smith Seconded motion
- Unanimous approval

**Claims**

- ≈ Discuss Water and Sewer Company payment
  - ≈ Still \$6700.00 outstanding
- ≈ Sherlock moved to approve claims
- ≈ Ostberg Seconded motion
- ≈ Unanimous Approval

**Reports (Leep)**

- ≈ Nothing new or exciting to report since last month

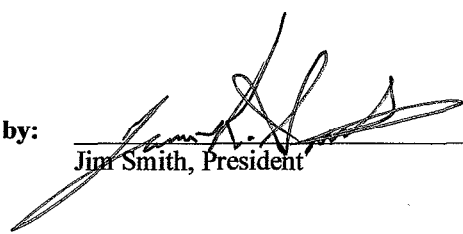
**Old Business**

- Hiring a secretary still in works
  - ≈ Michelle Ostberg nominated to be interim secretary
  - ≈ Ostberg moved to table until next meeting
  - ≈ Smith Seconded the motion
  - ≈ Unanimous approval
- ≈ Review Service Application
  - ≈ Privacy notice added
  - ≈ Accounts in landowner's name but both tenant and landowner receive bill
  - ≈ Sherlock moved to approve service application
  - ≈ Buerkle Seconded the motion
  - Unanimous approval

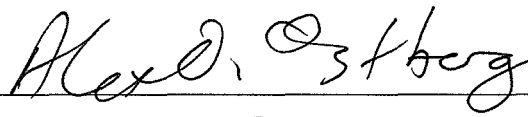
**New Business**

- ≈ Presentation MAP (reminder)
- ≈ Average usage bill \$78.21 and average water usage 22,350 gallons
- ≈ Cok, Wheat, Brown no mention of **finance** charge in agreement
  - ≈ Query to clarify
    - ≈ If in contract need to know charge
    - ≈ If not in contract needs to be added
    - ≈ Request to review at no charge since not part of agreement
- ≈ Next Meeting October 2 1,200 1
- ≈ Upon no further questions/concerns Sherlock moved to adjourn at **8:30** p.m.
  - Unanimous approval

Approved by:

  
 \_\_\_\_\_  
 Jim Smith, President

Attested by:

  
 \_\_\_\_\_

Print Name:

Alex O. Ostberg  
 \_\_\_\_\_

Title:

Director

**Minutes of the River Rock County Water and Sewer District  
Board of Directors Monthly Meeting August 19, 2001**

**Present:** Buerkle, Leep, Ostberg, Potter, Sherlock, Smith (all board members)

**Secretary:** Michelle Ostberg

**Approval of Minutes**

- Smith called the meeting to order at 7:07 pm
- Reviewed 7/27/2001 minutes
- Sherlock moved to correct grammatical errors on last page and approve
- Ostberg seconded the motion
- Unanimous approval of motion

**Claims**

- Sherlock clarified \$80.00 per month for board members
- Secretary service \$40.00 for Mrs. Sherlock
- Directors pay \$400.00
- Reviewed claim for \$171.22 to Cok, Wheat, Brown & McGarry
  - Clarified charge and breakdown
  - Questioned whether finance charges could be assessed
  - Decided that agreement should be reviewed
- Ostberg moved to approve all claims on the basis that finance charges are part of the agreement
- Potter seconded the motion
- Unanimous approval of motion

**Reports**

*Operator (Report from Leep)*

- Water system functioning normally
- Water system inspected and passed
- Start extending transmission line in next 4 to 6 weeks
- 2 wells supply water for district sufficiently therefore no need for 3 wells unless district expands
- Level of chlorination adequate (1 ppm)
  - Sodium Hypochlorite
  - 12% bleach mixed in 3 : 1 ratio of water: chlorine
- New areas developed tested and passed
- Addition of Landmark later summer

*Clerk (Theresa Richards ill)*

- everyone current with bills
  - one person made payment arrangements
- balance checking : \$22,000.00
  - bringing in about \$14,000.00 - \$17,000.00
- interest next meeting on average household usage and bill
  - Requested that Leep contact Theresa

## Old Business

- Talk to Brown about secretary
- Leep in contact with Kathy Norwoski regarding hiring
- Leep bring "proof ad" to next meeting

## New Business

- Midwest Assistance Program (no presentation this meeting, Shelly ill)
  - based in Northeastern Montana
  - private company which gives assistance and advice to small companies
  - will come to next meeting
- Review Service Application
  - Leep reviewed rules and regulations prior to creating application
  - Only way account opened is with true owner of property
  - Existing accounts may remain as they are
  - Smith introduced idea to put all accounts in owners name rather than renters
  - Discussion ensued
  - Ostberg moved to transition accounts to landowner **from** renters
  - Smith seconded the motion
  - Potter suggests that the board wait and see how it works out
  - Further discussion continues
  - Requested that Leep investigate the mechanics and legalities
  - Landowner get copy of bills know ultimately responsible for unpaid accounts
  - Options for billing per building
    - 1 meter for owner – 1 ½" meter
    - 1 meter for owner and 4 meters for renters – ¾" meter
  - Unanimous approval of motion
  - Potter moved to approve service application
  - Buerkle seconded the motion
  - Ostberg amended the motion to make minor corrections
    - line 9 of agreement to read "If no, please provide information . . ."
    - add to line 7 "State of issue of driver's license"
  - Potter seconded the amendment
  - Discussion followed regarding Montana Privacy Act for personal and private information – have to disclose what **info** is used for – must be written/stated on application
  - Form only accessible to River Rock District Billing (privacy notice)
  - Leep bring revised form to next meeting
  - **Carry**
    - Amendment passed unanimously
    - Motion passed unanimously
- Reviewed Groundwater Sample Report
  - Nitrogen concentrations low
  - Provided by Western Ground Water Service (Mark Cunnane P.E., P.G.)
  - Nice level of treatment
  - 3 test wells

- if possible requested another column of maximums for comparison (limits)
- Sample every quarter currently
- All data in packet handed out
- Reported to DEQ, Gallatin Health Board, and Gallatin Co. Community

**Citizens Comments**

- If a question comes from a landowner written on a bill, will the billing personnel present the question to the board or make the board aware of the concern?
  - If this circumstance was to occur, the question will be brought to the attention of the board members now.
- 
- Next meeting September 16, 2001
  - Upon no further questions/concerns Buerkle moved to adjourn at 8:02 pm
  - Unanimous approval

**After Adjournment**

- Smith addressed money market account
  - Money market account moved into CD's except \$1000.00 needed to keep money market account open
  - Requested all board members names be listed on account
  - 50% in 1 year CD and 50% in 6 month CD to be renewed
    - interest rate changes weekly and monthly statements received

Approved by: \_\_\_\_\_

Jim Smith, President

Attested by: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Minutes of the  
River Rock County Water and Sewer District  
Board of Directors Monthly Meeting  
7-22-01**

**Present:** Buerkle, Sherlock, Ostberg, Smith, Leep (acting as secretary as well)

**Absent:** Potter

**Approval of Minutes**

- Smith called to order at 7:07 p.m.
- Buerkle moved to approve the minutes of the 6-24-01 meeting  
Ostberg seconded the motion  
Unanimous vote to approve followed

**Claims**

- Directors reviewed receipts  
Discussion of Cok, Wheat, Brown & McGarry bill followed  
Smith moved approval of River Rock Water and Sewer Company Claim (\$126.59)  
Sherlock seconded Smith motion  
Unanimous approval of Smith motion followed
- Ostberg moved approval of Cok, Wheat, Brown and McGarry claim (\$3,758.46)  
Ostberg motion passed 3 to 1

**Operators Report**

- Leep gave report - operations are normal  
Leep said he would hand out results of last groundwater sampling information before the next board meeting and review with the board if necessary.  
Leep mentioned that the new phase construction and will be sure to secure copies of the Engineers certification for the District files.
- Smith asked about the status of the Service Applications as required by the Rules and Regs
- Leep said he would have a draft by next district meeting.

**Old Business**

- Discussion concerning secretary
- Leep mentioned there was confusion regarding legal ramifications and would continue to work with John Brown to resolve the questions.  
Sherlock moved that we appoint an interim secretary until the questions are answered.
- Ostberg seconded Sherlock motion
- Unanimous approval of Sherlock motion followed
- Ostberg said that his wife will perform secretaries duties at next meeting
- Ostberg also moved that the appointed secretaries should be compensated the at

the approved rate of \$40 per month and that Sherlock's wife is owed compensation for the time she performed secretarial duties.

- Buerkle seconded the Ostberg motion
- The Ostberg motion passed with three yes votes and one abstain vote
- Discussion continued on the web-site
- Ostberg has reserved a domain (www.riverrockmontana.com) for 2 years for the District but has made no further progress
- Smith suggested that the issue should be held until the Property Owners Association is up and running.
- Buerkle moved to drop the web-site issue from the Board of Directors business agendas without prejudice
- Sherlock seconded the Buerkle motion
- The Buerkle motion passed 3 to 1
- Discussion moved onto Reserve Funds
- Smith reported that he had met with Jim Hudack at Big Sky Western Bank and gave out a handout concerning the investment options Mr. Hudack recommended.
- Discussion continued
- Buerkle moved to invest half of the reserve account into a 6 month Certificate of Deposit and the other half be invested into a 1 year Certificate of Deposit at Big Sky Western Bank.
- Ostberg seconded Buerkle motion
- Unanimous approval of Buerkle motion followed.
- At this point, Sherlock suggested that the agenda be altered slightly to allow the presentation by Mr. Driscoll.
- Everybody agreed
- Mr. Driscoll gave his presentation (see minutes of presentation under new business)
- Following the Driscoll presentation, discussion moved onto the approval of Version 1.3 of the By-laws
- Sherlock moved approval of By-laws
- Ostberg seconded Sherlock motion
- Unanimous approval of Sherlock motion followed.
- Discussion moved onto the approval of the Attorney-Client agreement
- Ostberg moved to accept the Agreement
- Buerkle seconded Ostberg motion
- Unanimous approval of Ostberg motion followed.
- Discussion moved onto the collections of old debt
- Leep reported on his discussion with John Brown. It is his opinion that any money that is paid on an old account should be credited to the debts due to the previous company.
- The board discussed purchasing the old debts from River Rock Water and Sewer Company
- Sherlock moved to not buy the old debt and urges the previous company to begin their own collection efforts to clear this matter up as quickly as possible.
- Ostberg seconded Sherlock motion



Unanimous approval of Sherlock motion followed.

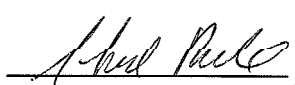
- Discussion moved onto the pending Rules and Regulations Amendment
- Leep stated that the amendment that was approved by the board in the previous meeting was not possible because it would effectively change the rates which can only be done by a vote of all of the District members.  
Buerkle moved that the pending Rules and Regulations Amendment be canceled and dropped from the business of the District due to in-proper procedure.
- Ostberg seconded Buerkle motion  
Unanimous approval of Buerkle motion followed.  
Leep handed out keys to District Facilities and explained that the District now has a fire proof safe  
Board directed that the Blower building should be kept locked at all times.  
Leep explained the insurance needs of the District are currently met and that the previous company is currently putting all of the District insurance policies under a separate issuance.

### New Business

Ed Driscoll with Hauge Water Systems gave a presentation on how his system is able to remove chlorine as well as hardness out of the water. He thought this would be beneficial for the residents of River Rock to know since permanent chlorine would be occurring early in August. He also mentioned that his system removes hardness more efficiently than other systems and this can effect the performance of the waste water system.

- Leep concurred that the mount of salts in the waste water can effect the sewage system and that the District should encourage users to install efficient systems.
- The District will be sending letters concerning the chlorine system and will mention that efficient water treatment systems should be used.
- Following the remainder of Old Business, Ostberg moved to adjourn.  
Sherlock seconded Ostberg motion.

Approved by:   
Jim Smith, President

Attested by:   
Print Name: Sharold Baerckle  
Title: V P

COPY

**Minutes of the  
River Rock County Water and Sewer District  
Board of Directors Monthly Meeting  
6-24-01**

**Present:** Buerkle, Sherlock, Ostberg, Leep (acting as secretary as well)

**Absent:** Smith, Potter

**Approval of Minutes**

- Buerkle (vice-president) called to order at 7:10 p.m.
- Sherlock moved to approve the minute of the 5-24-01 meeting
- Ostberg seconded the motion
- Unanimous vote to approve followed

**Old Business**

Buerkle opened discussion concerning secretary  
Leep suggested he and Barb coordinate with Smith concerning advertising for secretary position  
Sherlock moved that the Secretary be paid 50% of the directors pay unless statutes say otherwise  
Ostberg seconded Sherlock motion  
Unanimous approval of Sherlock motion followed  
Secretary issue is to be kept under Old Business  
Buerkle queried Ostberg about web-site possibilities  
Ostberg had no further info at this time  
Buerkle directed to keep the web-site under Old Business  
Buerkle opened discussion of the Reserve Account  
Leep and Buerkle discussed the issue and decided to wait for a meeting when all five Board Members are present. The issue is tabled until that time.  
Sherlock queried Leep about the status of the Version 1.3 By-laws.  
Leep said he would check into it and bring the new version to the next meeting

**Operators Report**

Leep gave report - operations are normal  
Leep asked the Board to consider letting Ed Driscoll give a brief presentation on a certain brand of water softener that also removes chlorine and is easier on the waste water system  
Ostberg moved to schedule Driscoll for the next meeting  
Sherlock seconded Ostberg motion  
Unanimous approval of Ostberg motion followed  
Ostberg then moved that Driscoll be given 15 minutes max.  
Sherlock seconded Ostberg motion  
Unanimous approval of Ostberg motion followed

Leep also recommended that the Mitl-West Assistance Representative be given time to make a presentation

Sherlock moved to schedule MAP for the next meeting and limit the time to 15 minutes

Ostberg seconded Sherlock motion

Unanimous approval of Sherlock motion followed

Theresa gave a brief report on accounts and billing with a handout

#### New Business

- Past due accounts were discussed at length by all members
  - The Board requested that Loop call Brown and ask about whose responsibility it is to collect old debts due to River Rock Water and Sewer Company
  - Leep said he would do that and report at the next meeting
  - Further discussion about late payments occurred
  - A thorough review of the section pertaining to delinquent accounts occurred
  - Ostberg moved to amend the rules and regs to increase the late fee penalties in order to get peoples attention before having to turn them off (min. \$10.00 or 10% of bill whichever is greater
  - The motioned died for lack of a second
  - Sherlock moved that the late fee should be \$5 min or 10% whichever is greater
  - Ostberg seconded Sherlock motion
  - No further discussion ensued
  - Unanimous approval of Sherlock motion followed
  - Ostberg moved that the Hoard members paychecks for the previous 3 months be issued by 3 p.m. on 6-25-01.
  - Ostberg moved to create a slush fund with Potters money
  - Ostberg then amended his motion to include a thank you to Potter
  - Sherlock seconded Ostberg motion and amendment
  - Unanimous approval of Ostberg amended motion followed
  - Discussion followed about how claims are to be handled at Board meetings in the future
  - It was decided that claims must be presented to the Secretary prior to the meeting and the claims will be handled at the beginning of the meetings
  - Sherlock moved that the \$1000.00 that Valley Meadows funded to the district account be reimbursed
  - Ostberg seconded Sherlock motion
  - Unanimous approval of Sherlock motion followed
  - Sherlock requested a copy of the insurance policy
  - Ostberg moved to adjourn
  - Sherlock seconded
- Meeting was adjourned

# COPY

## Minutes of the River Rock Water Board Meeting, 5-24-01

**Present:** Smith, Sherlock, Buerkle, Brown, Ostberg, Potter (who arrived late) And Christy Sherlock (acting Secretary).

**Absent:** Leep

Smith called the meeting to order at approximately 7:15 P.M.

### **Old Business:**

- 1) Smith mentioned that he attended part of the closing. Some discussion followed.
- 2) Brown introduced version 1.2 of the River Rock Water District By-laws. A necessity of a Vice-President was discussed as well as the amendment of the Sergeant at Arms. Sherlock motioned for approval of the By-laws barring any misspellings. Ostberg made a 2nd. A unanimous vote for approval followed.
- 3) Ostberg motioned for Buerkle for Vice-President. Sherlock made a 2nd. A unanimous vote for approval followed.
- 4) AU financial duties were tabled until next- meeting as Leep was not present,
- 5) A new meeting time was brought up for discussion. Buerkle motioned for the 3rd Sunday of every month at 7:00 P.M. to be the meeting time, Sherlock made a 2nd. A unanimous approval followed.
- 6) The subject of a new Board Secretary was discussed. It was decided that more information was needed and therefore the matter was tabled until the next meeting when the current Secretary can be there to discuss the details involved with the job. Ostberg motioned for the subject to be tabled until the next meeting. Buerkle made a 2nd. A unanimous vote followed.

**New Business:**

- 1) Ostberg opened discussion for a possible River Rock Website. He looked into having the site listed as r.r.community.com. He also volunteered his personal services and p.c. to set things up. The cost for use of materials is \$85/mo. Discussion followed. Buerkle questioned the return on investment. Potter suggested sharing the costs and site with the Homeowners Association after it's established. More discussion ensued regarding going ahead and getting the domain and whether it should be .com or .org. Smith told Ostberg to do further research for the next meeting. Sherlock offered to assist and Potter will find out what other communities are doing.
- 2) Discussion occurred on the possibility of investing the finances (approx. \$427,000) into a money market to promote better growth. The FDIC only insures for \$125,000 so it might be better to diversify conservatively.

Sherlock motioned and the meeting was adjourned at approx. 7:50 P.M. The next meeting is scheduled for June 24th, as the 3rd Sunday in June is Father's Day.

COPY

RIVER ROCK COUNTY WATER AND SEWER DISTRICT  
Board of Directors  
SPECIAL MEETING  
May 3, 2001

---

A special meeting of the River Rock County Water and Sewer District was held at 8:00 PM on May 3, 2001 at the Blower Building at 265 North River Rock Road, Belgrade, Montana.

The meeting was called to order by Board President, James Smith. Board members in attendance were: Rich Sherlock, **Sharold Buerkle**, Mike Potter, and Alex Ostberg. Others in Attendance: John Brown, **Joby Sabol**, Barbara Campbell, Jason Leep, Anna Miller, and Tom Clinton.

As a special meeting, there was not a reading of the minutes of the **previous** meeting or a review of the claims.

President James Smith proceed to agenda item #1 : A resolution approving rates and charges for the water and sewer systems. Following a short discussion Jim made a motion to adopt Resolution #6-200 1, Rich Sherlock gave a second, the motion passed by unanimous vote.

Agenda item #2: An **Ordinance** approving Rules and Regulations Governing Water and Wastewater Service. Following a short discussion Jim made a motion to adopt Ordinance #A-200 I, Alex Ostberg gave a second, the motion passed by unanimous vote.

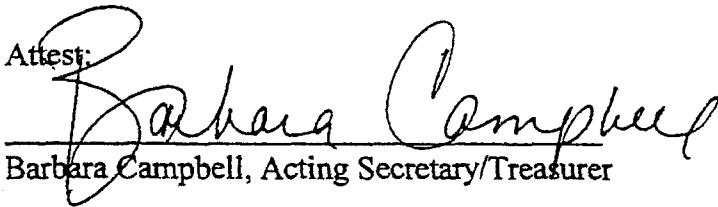
The Board was reminded that the next regular meeting will be held on May 24,200 1 at 7 PM in the Blower Building. With no further business the meeting was adjourned.

Minutes for Record as Approved:

---

James Smith, President

Attest:

  
Barbara Campbell, Acting Secretary/Treasurer

COPY

RIVER ROCK COUNTY WATER AND SEWER DISTRICT  
Board of Directors

MEETING  
April 18, 2001

---

MINUTES

■ ORGANIZATION

The **first meeting** of the River Rock **County** Water and Sewer District **was** held **April 18, 2001** at the Wastewater Facility Blower Building located **at 265 North River Rock Road**. The meeting commenced at 7:00 PM.

Directors in Attendance: James (Jim) Smith, Rich Sherlock, Sharold **Buerkle**;  
Directors Absent: Mike Potter, Alex Berg

Others **in Attendance**: John **Brown**, Joby **Sabol**, Barbara Campbell

- **John Brown, Acting Attorney** for the District started the meeting by **giving** a general overview of the election held on **April 11, 2001** and a **general description** of the **functions** of a District Board. A letter **from** absent Director, Mike **Potter**, was reviewed.
- Selection of President: **Following** a brief discussion of the role and responsibilities of the Board **President**, a motion was made by **Sharold Buerkle** nominating James **Smith** for President. The motion received a **second from Rich** Sherlock. Motion **carried** by unanimous vote,
- Acting **Secretary/Treasurer**: Motion by James **Smith** to appoint Barbara Campbell as **acting Secretary/Treasurer**, **second** by Rich Sherlock Motion carried by **unanimous** vote. **Mrs. Campbell will** provide those services to the Board on a temporary basis through the summer or **until such** time as the Board is able to hire a permanent replacement. There **will** not be a fee **for her services**.
- **Legal Counsel**: The District's need for **legal** representation was discussed. John **Brown with Cok, Wheat, Brow, and McGarry, has** been **representing** the District's interests prior to **formation** of the district and the **first** meeting of the Board. **He** indicated **the** cost for past **services** and **services required** through the closing set for **May 3, 2001 will** be paid at closing **from** Bond **Proceeds** due the **seller**. In **the** event of **an overpayment**, there will be a credit to the District.

**John Brown estimated** the District's legal needs **after** the **acquisition** of the **water** and sewer systems is **complete** at **\$500/year**. The hourly **rate** for his **firm** is **\$150/hour**. A **motion** was made by James Smith to retain **Cok, Wheat, Brown, and McGarry** as legal counsel for the District, second by **Sharold Buerkle**. Motion **carried** by **unanimous** vote.

- Regular meeting times and place were discussed. Three meeting dates and the public hearing date for establishing rates and charges were set. (motion by James Smith, second by Sharold Buerkle, unanimous vote in favor)

April 25, 2001	board meeting	7:00 PM	Blower Building
May 3, 2001	public hearing	7:00 PM	Blower Building
(if crowd size exceeds space the hearing will be moved to the school)			
May 3, 2001	board meeting	7:00 PM	Blower Building
May 24, 2001	board meeting	7:00 PM	Blower Building

After the May 24, 2001 meeting, pending full board approval, meeting times will be at 7:00 PM on the 3rd Thursday of each month in the Blower Building.

- Director Terms: As provided for by Montana statutes, director terms were determined by lot.

Sharold Buerkle	4 year term
Jim Smith	4 year term
Rich Sherlock	2 year term
Mike Potter	2 year term
Alex Ostberg	2 year term

Sharold moved that the term for the office of President be one year, Jim second, motion carried by unanimous vote.

- Director Compensation: John Brown explained the statutory provisions for director compensation. Rich Sherlock made a motion to set the director compensation at the maximum amount stated in the law which is \$80/month. A second was given by Jim, motion carried by unanimous vote. As per Mike Potter's letter to the Board, he will donate his monthly compensation to a fund for board refreshments.

**ADOPTION OF RESOLUTION setting forth BY-LAWS**

- John Brown presented the District By-Laws as prepared. Sharold moved to adopt the BY-Laws, Jim second. An amendment to the motion was made by Rich to modify the language in Article VI (2) to indicate the Board of Directors has final say in hiring and firing of all personnel, and Article VIII to provide a simple majority to amend the By-Laws rather than the 3/5ths cited. Amended motion passed by unanimous vote.

**ADOPTION OF RESOLUTION relating to the ACQUISITION of the RIVER ROCK WATER AND SEWER SYSTEMS**

- Barbara Campbell gave the board a summary overview of the process by which the acquisition has developed. The ensuing discussion covered related documents, rates, purchase price, and the State of Montana's role. A motion was made by Rich Sherlock to Adopt the Resolution as presented. Sharold Buerkle second. Motion carried by unanimous vote,



- **ADOPTION OF RESOLUTION of INTENTION of the RIVER ROCK WATER AND SEWER DISTRICT to Implement** charges for the water and sewer systems and to **ADOPT an ORDINANCE ESTABLISHING RULES and REGULATIONS** Governing the Water and Sewer Systems for the **District**
  - A **brief discussion** was held regarding the process involved in **establishing** rates. It was recommended that a cover letter accompany the **required mailing of notice to the rate** payers that more **clearly explains** the **rates**. The public **hearing scheduled** for May 3, 2001 was noted.
  - ≈ It was decided **informally** that the Board would hold a worksession following the April 25, 2001 meeting to go through the governing Rules **and Regulations**, section by section to **familiarize** themselves on the **contents therein**.
  
- **SCHEDULE of EVENTS**  
It was noted that **all dates and activities** through the May 25, 2001 meeting had been previously discussed+

---

A motion **was received** and seconded, **the** meeting was adjourned at **9:45 P.M.**

**Minutes** for Record as Approved:

---

James **Smith**, President

**Attest:**

---

Barbara Campbell, Acting Secretary/Treasurer