

River Rock County Water & Sewer District  
Board of Director Meeting Minutes  
Wednesday, December 16, 2009

**Present:** Shawn Verdi, Steve Rude, Sharold Buerkle, Ron Squyres, and Regina Demis

**Guest:** Christine Clarkson; and Ron Edwards.

**Absent:** Eddie Muniz

The meeting was called to order at 7:10 p.m. by Shawn Verdi. Ron S. moves to accept the minutes and Steve Rude seconds the motion for Nov. 19 minutes. Vote 4-0-0 Motion carried.

**Citizens Comments/ Requests:** No public comments

**Claims:**

|   |            |
|---|------------|
| Bridger Analytical Lab – 1@\$940 1@\$268 / 2@\$112    | \$1,320.00 |
| Scenic City Pumping                                   | \$802.50   |
| Berg, Lilly & Tollefsen, P.C.                         | \$180.00   |
| Susan Swimley   | \$46.10    |
| Big Sky Publishing (Audit Publication)                | \$41.60    |
| Northwest Pipe (First reader repair)                  | \$150.00   |
| Qwest   | \$44.14    |
| Ron Edwards   | \$900.00   |
| Eddie Muniz   | \$275.00   |
| Christine Clarkson – Office manager                   | \$2,500.00 |
| Office Cell phone                                     | \$40.00    |
| Northwestern Energy for November                      | \$         |
| Director's Pay  | \$400.00   |
| Secretary Pay   | \$60.00    |
| James & Jo Ann Gordon (refund from sale of 55 E Vela) | \$36.51    |
| Subtotal:   | \$6,795.85 |

Motion was made to pay claims presented by Steve, and seconded by Sharold. All in favor, 4 ayes, motion passes.

**Reports:**

Revenue Summary: Christine Clarkson

Certificate of deposit will be coming due soon.

Financial: Shawna Verdi

|          |  |
|----------|--|
| Checking | \$71,071.62                              |
| MMA      | \$423,679.54                             |
| Transfer | \$52,000.00 to the Money Market Account. |

Maintenance: No report was given as Eddie Muniz was absent.

**Operations: Ron Edwards**

- 1.) The water system demands are still remaining under 200,000 gallons per day which means that the reduction can be attributed to the leaks that were repaired last month.
- 2.) The power is out at well no.2. No power is running to either panel or the telemetry TRU station. Northwestern Energy has been called to check on the transformer. Well no. 1 is running fine.
- 3.) Blower 3 is still down. Power Services have been called and will be out to check it after Christmas.
- 4.) Jason Burke has finished working on the IP cells.

**Old Business:**

- 1.) Steve makes a motion to table public hearing and decision regarding Ron Edwards' request for attorney fee assistance until next month. Ron S. seconds the motion, all in favor, 4-0-0. Motion passes.
- 2.) A unanimous decision was made by the board of directors to select Morrison & Maierle as the engineering firm to develop the Preliminary Engineering Report for sewer lagoon system. All of the ballots are available for review upon request. Ron S. makes a motion to have a letter sent to Morrison and Maierle that they have been selected and a draft of contract is requested; as well as letters will be sent out to all other engineering firms notifying them of their rejection. Steve seconds the motion, motion passes 4-0-0.

**New Business:**

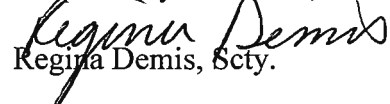
1.) Service contract for Equinox software and handheld computer is requested by Christine Clarkson. Annual system software cost is \$750.00 and the annual system maintenance is \$991.76, for a total \$1741.76. Steve makes a motion to grant Christine the service contract for Equinox. Sharold seconds the motion, all in favor, 4-0-0 all in favor, motion passes.

2.) Steve makes a motion to table election until the next month's meeting. Ron S. seconds the motion and it is passed, 4-0-0. Motion carried.


**Adjourn:**

Sharold moves to adjourn the meeting at 8:40 p.m. and Ron S. second the motion. All in favor, 4-0-0. Motion passes, meeting is adjourned.

Respectfully submitted,

  
Regina Demis, Scty.

Attested by:   
Board Member

Witness:   
Christine Clarkson

River Rock County Water & Sewer District  
Board of Director Meeting Minutes  
Special Meeting to Interview Selected Engineering Firms  
Thursday, December 3, 2009

**Present:** Shawna Verdi, Steve Rude, Steve Rude, Sharold Buerkle, Ron Squyres, and Regina Demis

**Guest:** Ron Edwards

**Firms Interviewed:** Great West Engineering, Morrison-Maierle, Inc., Dowl HKM

The meeting was called to order at 6:10 p.m. by Shawn Verdi.

**Citizens Comments/ Requests:** No public comments

First firm who presented was Great West Engineering. Presentation was given by Terry Threlkeld, PE, and Craig Pozega, PE.

Second firm presented was Morrison-Maierle. Given by Travis Meyer, P.E., and James Nickelson, P.E.

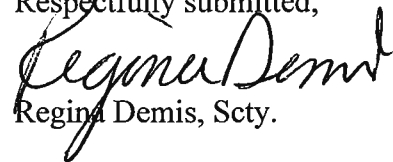
Third firm presented was Dowl HKM and was presented by Kevin Johnson, PE, and Ray Armstrong, PE.

All of these PowerPoint presentations are available for review upon request.

**Adjourn:**

Steve motions to adjourn the meeting at 9:08 p.m. and Sharold seconds and motion passes. 5 ayes. Meeting is adjourned.

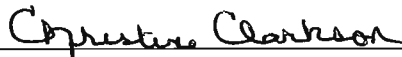
Respectfully submitted,

  
Regina Demis, Scty.

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

  
Board Member

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



River Rock County Water & Sewer District  
Board of Director Meeting Minutes  
Thursday, November 19, 2009

**Present:** Shawna Verdi, Steve Rude, Sharold Buerkle, Dan Child, Ron Squyres, and Regina Demis

**Guest:** Christine Clarkson, Ron Edwards, Eddie Muniz, and Josh McKenzie.

The meeting was called to order at 7:09 p.m. by Shawna Verdi. Dan moves to accept the minutes and Ron S. seconds the motion for Oct. 17 minutes. Vote 5-0-0 Motion carried.

**Citizens Comments/ Requests:** No public comments

**Claims:**

|  |            |
|--|------------|
| Bridger Analytical Lab – 1@\$470 1@\$268 / 2@\$112 | \$962.00   |
| Lone Mountain Excavation (curb stop repairs)       | \$5,312.05 |
| American Leak Detection                            | \$3,105.00 |
| Berg, Lilly & Tollefsen, P.C.                      | \$1,901.15 |
| Susan Swimley                                      | \$117.00   |
| T D & H (Assistance w/ values during leak repair)  | \$480.00   |
| Northwest Pipe (valve box tool)                    | \$115.00   |
| Qwest  | \$44.14    |
| Gallatin Asphalt                                   | \$5,595.00 |
| Holmes & Turner (Audit)                            | \$5,500.00 |
| Postmaster (20rolls .28 and 4 rolls .44)           | \$736.00   |
| Ron Edwards  | \$1,225.00 |
| Eddie Muniz  | \$912.38   |
| Christine Clarkson – Office manager                | \$2,500.00 |
| Office Cell phone                                  | \$40.00    |
| Printer  | \$50.00    |
| Supplies   | \$319.98   |
| Gary Ullman  | \$33.00    |
| Northwestern Energy for November                   | \$9,304.77 |
| Director's Pay                                     | \$400.00   |
| Secretary Pay                                      | \$60.00    |

Subtotal: \$47,902.17

Motion was made to pay claims as presented by Ron S., and seconded by Dan. All in favor, 5 ayes.

**Reports:**

Revenue Summary: Christine Clarkson

Expenses were high but as Ron Edwards will report much will be saved with having all the leaks fixed.

Financial: Shawna Verdi

|          |  |
|----------|--|
| Checking | \$102,834.88                             |
| MMA      | \$373,403.90                             |
| Transfer | \$50,000.00 to the Money Market Account. |

Maintenance: Eddie Muniz

Four leaks were fixed and many of the curb stops have been checked.

Operations: Ron Edwards

- 1.) Ron reports that 200,000 gallons per day are being saved due to having the leaks fixed. However, Blower 3 is having an electrical problem; the breaker is being tripped each time Blower 3 is turned on. Blowers 1 and 2 are in use and thus no air production is being lost while 3 is down.
- 2.) Proposals for Preliminary Engineering Report for the River Rock Wastewater Lagoon and Disposal System and Grant Application have been received and Ron has made comments regarding each proposal.

**Old Business:**

Nothing to report.

**New Business:**

- 1.) Preventative curb stop repair. Ron E. has suggested in his report that American Leak Detection could check on the curb stops once a year. It was also suggested to use a curb stop key to listen for the leaks.
- 2.) Discussion of Proposals for Preliminary Engineering Report for the River Rock Wastewater Lagoon and Disposal System and Grant Application. Prior to the discussion of the proposal both Steve Rude and Dan Child read aloud and brought signed Statements of Disclosure since they both are employed by Morrison-Maierle. Statement reads as follows:

"I am employed by Morrison-Maierle, Inc. one of the firms that submitted response to an RFQ to generate a Preliminary Engineering Report for the River Rock sewer system, and I am acquainted with several of the people who would work on the report. However, my position with Morrison-Maierle is such that I will not have any professional input for the report, nor will I financially benefit specifically from this project. Morrison-Maierle maintains profit-sharing, 401 (k) contributions, insurance, and other benefit programs. My review and evaluation of all RFQ responses will be without specific, personal bias toward Morrison-Maierle. However, since I am employed in the engineering consulting business, I am somewhat acquainted with the reputations of most of the firms that submitted proposals, and I will offer my opinion to the District if I believe doing so will be in the District's best interest.

If the Board of Directors chooses to retain Morrison-Maierle to generate the PER, and I am thereafter questioned by the engineers preparing the report, I

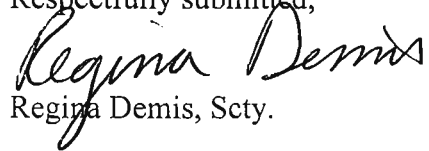
will answer their questions to the best of my ability with the District's best interest in mind, and I will treat the time involved as a contribution to the District's business."

A decision was reached to interview the following Engineering firms held on Thursday, December 3, at 6:00 p.m. The following firms will be interviewed: Dowl HKM, Great West Engineering, and Morrison-Maierle.

**Adjourn:**

Steve asks to close the meeting to the public to discuss litigation update as any information could be detrimental to the position of the Water Board. Dan seconded and motion passes. 5 ayes. Meeting is adjourned at 8:12 p.m.

Respectfully submitted,

  
Regina Demis, Scty.

Attested by:   
Board Member

Witness: 

RIVER ROCK COUNTY WATER & SEWER DISTRICT  
 BOARD OF DIRECTORS MEETING MINUTES  
 THURSDAY – OCTOBER 15, 2009

PRESENT: Shawna Verdi, Steve Rude, Dan Child  
 ABSENT: Ron Squyres, Sharold Buerkle  
 GUESTS: Christine Clarkson, Eddie Muniz, Ron Edwards, Dave Crawford, Matt McGee,  
 Rosie Barndt

The meeting was called for order at 7:10 P.M. by Shawna Verdi. Steve asked that p. 2 of the Citizens Comments / Requests be amended to read “*Dan Child* makes a motion...” and also the last line in p. 2 should read “*Mark Fasting will write a letter for the District’s signature.*” Steve made a motion to accept the minutes with corrections. Seconded by Dan. Motion carries.

CITIZENS COMMENTS / REQUESTS: None

CLAIMS:

|  |                     |
|--|---------------------|
| Bridger Analytical Lab - 1 @ \$422 / 1 @ \$150 / 1 @ \$844 / 1 @ \$100 | \$ 1,516.00         |
| Geyser Equipment (Repair curb stop and blower line)                    | \$ 1,896.98         |
| Berg, Lilly & Tollefsen, P.C.  | \$ 200.00           |
| Susan Swimley  | \$ 497.25           |
| Big Sky Publishing (RFP Legal Ad)                                      | \$ 80.00            |
| Insty Prints   | \$ 15.00            |
| Bozeman Printing   | \$ 254.05           |
| Brilliant Electric   | \$ 301.46           |
| Northwest Pipe   | \$ 50.95            |
| Qwest  | \$ 44.14            |
| Ron Edwards  | \$ 425.00           |
| Eddie Muniz  | \$ 775.00           |
| Christine Clarkson   | \$ 2,609.97         |
| Gary Ullman  | \$ 208.00           |
| Northwest Energy for October   | \$ 9,304.77         |
| Directors Pay  | \$ 400.00           |
| Secretary Pay  | \$ 60.00            |
| Charles & Paula Lewis (Reimb for overpayment at closing)               | \$ 23.58            |
|  |                     |
| <b>TOTAL</b>   | <b>\$ 18,662.15</b> |

Dan made a motion to pay claims as presented; Steve seconded. Motion carried.

## REPORTS:

### Revenue Summary – Christine Clarkson

There is nothing surprising to report. The August – September billing period was higher than it usually is during this period due to the overly warm September. Meter reading was just completed for the September – October period.

### Financial – Shawna Verdi

Checking \$120,585.86  
MMA \$282,171.97  
Transfer \$91,000.00 to the Money Market Account.

The 3 thirteen month CD's will rollover on October 21. Dan will contact Big Sky Western Bank to see what the new rate is going to be.

### Maintenance – Eddie Muniz

Eddie reported that all the valves in the west side of the subdivision have been exercised. Some valves are above street level. Ron and Eddie will work to get those back flush with the street. The curb stops on West Shore Drive are getting exposed by asphalt settling. Eddie will check to see if any are leaking and report back. The Board of Directors will prepare a letter to owners of these buildings to check their individual curb stops and make any repairs necessary to get them protected. Scenic City will come clean the lift stations in early November for routine maintenance. Eddie will start exercising the valves in the east side of the subdivision next week. Dave Crawford mentioned preparing a map of all of the water valves so we know exactly where they are and can identify any that are buried. Steve thought that at some point in the future it might be a good idea to have this type of master map prepared.

### Operations – Ron Edwards

Ron distributed his report. He states that we were at 1 million gallons per day on total usage. This should drop off with irrigation systems being shut down and 2 leaks repaired. It's estimated that 30K gallons per day are lost with a leak.

Bacteria samples will be collected next week.

The large IP cell has been dry and needs to have the bottom "roughed up" as a maintenance issue. Ron is working with contractors to try and find something to attach to equipment that will do the job.

The blower line air leak has been repaired and is back on line.

Ron has received several calls from engineering firms regarding the TSEP grant. After the field has been narrowed, he will arrange for an "open house" for a more extensive walk through of the facility.

Shawna asked about the new chlorination system. Ron says it's working much better and he hasn't been getting the build up with the additive.

See Operators Report for statements on sewer system, etc.



NEW BUSINESS:

Audit - Rosie Barndt of Holmes & Turner was at the meeting to explain the 2008 audit. There is a portion of the Management Report that the Board does not do but the Department of Administration has decided to require it so they may send a letter. There were basically no changes to the audit from previous years with the exception of some additions to the Capital Assets. The Restrictive Covenants discusses the client shortfall due to unforeseen expenses. Rosie also recommended that the bank statements are brought to the Board meeting each month so that the Board can review them. The Audit notifications should be published in the paper as per previous years. Rosie will e-mail the final audit to Christine.

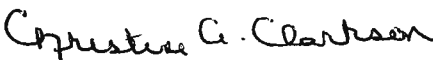
Leak Repair - Christine presented bids to repair the asphalt at 446 West Shore Drive where a leak was repaired a week or so ago. Steve made a motion to accept the bid from KM Construction. Dan seconded. During the discussion, Dan said he'd like to see additional bids. Motion failed. Christine will contact other asphalt companies for final bids by Monday then forward them to the Board for a final decision.

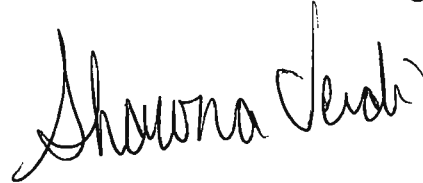
OLD BUSINESS:

Leak Detection – in light of the numerous leaks discovered, there was discussion to hire American Leak Detection out of Lewistown. The estimate we'd gotten was approximately 5K. Steve made a motion to hire American Leak Detection. Dan seconded. Motion passed. Christine will contact them to schedule it.

There being no further business, the meeting adjourned at 8:29 P.M..

Respectfully submitted,

  
Christine A. Clarkson, Office Mgr.



River Rock County Water & Sewer District  
 Board of Director Meeting Minutes  
 Thursday, September 17, 2009

**Present:** Shawn Verdi, Steve Rude, Sharold Buerkle, Dan Child, Suzette Whipple, and Regina Demis

**Absent:** Ron Squires, Eddie Muniz

**Guest:** Christine Clarkson, Ron Edwards, Andrew Hansard, Chris Mallery, Mark Fasting, Terry Threlkeld

The meeting was called to order at 7:00 p.m. by Shawn Verdi. Sharold made a motion to accept the August 20 minutes; Ron S. seconded. Vote 4-0-1 (one board member absent). Motion carried.

**Citizens Comments/ Requests:**

- 1.) Andrew Hansard introduced himself and his product, a system in which to help with the chlorine levels. Cost for system is estimated at around \$4,500, plus an electrician fee. The system would change the chlorine from a fixed state to a free but not change the hardness of the water. There is a one year trial.
- 2.) Pastor Chip Mallery from New Hope Bible introduced himself along with Mark Fasting, P.E. Pastor Mallery explains that his congregation is expanding and plans to build across from River Rock. In order to past building code New Hope Bible would like to have River Rock County Water and Sewer District board give approve to be listed as a water source in case of an emergency. They plan to break ground in 3-5 years. <sup>D. Child</sup> ~~Shawn~~ makes a motion and Sharold second, all in favor, motion passes. ~~Christine will write a letter and send it on letterhead.~~

*Mark Fasting for District's signature.*

**Claims:**

|   |            |
|---|------------|
| Directory's pay – September services          | \$400.00   |
| Secretary's pay – Suzette – August services   | \$60.00    |
| Christine Clarkson – Office manager           | \$2,500.00 |
| Office Cell phone                             | \$40.00    |
| Welding tool                                  | \$23.28    |
| Eddie Muniz – Maintenance                     | \$300.00   |
| Ron Edwards – Operator                        | \$1,165.00 |
| Gary Ullman                                   | \$158.00   |
| Susan Swimley, Atty.                          | \$461.77   |
| Berg, Lilly & Tollefsen, P.C.                 | \$2,847.09 |
| T D & H Eng. – Groundwater Discharge Permit   | \$228.00   |
| Northwest Pipe                                | \$122.53   |
| Bridger Analytical Lab - \$240 + \$25 + \$100 | \$365.00   |
| Insty Prints                                  | \$126.38   |
| Northwest Hydro Tech, Inc.                    | \$1,836.00 |
| HACH Company – Chlorine pillows               | \$72.92    |

|                                |            |
|--------------------------------|------------|
| Potts Drilling                 | \$7398.32  |
| Qwest                          | \$44.20    |
| NorthWestern Energy for August | \$8,577.82 |
| Curb Stop                      | \$300.00   |

Subtotal: \$26,977.96

Motion was made to pay claims presented by Dan, and seconded by Steve. All in favor. 4 ayes. Sharold makes a motion to pay the Secretary for the current month and not for previous month, Steve seconded and motion passes. 4 ayes.

**Reports:**

Revenue Summary: Christine Clarkson

Revenue is good. See printout. Christine needs to have two remotes for metering reading repaired. Landmark made a large payment. See deposits.

Financial: Shawna Verdi

|          |  |
|----------|--|
| Checking | \$114,925.98                             |
| MMA      | \$213,999.55                             |
| Transfer | \$68,000.00 to the Money Market Account. |

Maintenance: Eddie Muniz

No report, Eddie was absent.

Operations: Ron Edwards

- 1.) Ron reports that the average water use is 1.2 to 1.4 million gallons per day. In addition page 3 of 4 of his report mentions that there is a need for maintenance on the blower system. There is a leak in the same spot on the first bank of blowers coming off the header pipe. He will contact Eddie about this. It had been fixed prior, not long ago. If Eddie cannot fix it, someone will be called.
- 2.) Ron has drafted a Requests for Proposals for Preliminary Engineering Report for the River Rock Wastewater Lagoon and Disposal System and Grant Application and an ad and has emailed this to Kate Miller with the Belgrade Commerce. She has emailed back with her comments and Ron will make the revisions. Christine will put a notice in the Belgrade and Bozeman Newspaper. Closing date is set for October 23, 2009 by 5:00 p.m. A request of affidavit needs to be sent to the state.

**Old Business:**

Nothing to report.

**New Business:**

- 1.) Discussion on where Well #3 will be placed was tabled.
- 2.) Audit is completed and Rosie Barndt from Turner and Holmes will be at the October meeting to discuss and answer any questions.

**Adjourn:**

Steve asks to close the meeting to the public to discuss litigation update as any information could be detrimental to the position of the Water Board. Dan seconded and motion passes. 4 ayes. Meeting is adjourned at 8:13 p.m.

Respectfully submitted,

*Regina Demis*  
Regina Demis, Scty.

Attested by: *Shawna Verdi*  
Board Member

Witness: *Stan Pash*

Steve / file copy

RIVER ROCK COUNTY WATER & SEWER DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES  
THURSDAY, AUGUST 20, 2009

PRESENT: Shawna Verdi, Steve Rude, Sharold Buerkle, Dan Child,  
Ron Squyres

GUESTS: Christine Clarkson, Ron Edwards, Kim McPhee

The meeting was called to order at 7:04 P.M. by Shawna Verdi. Sharold made a motion to accept the July 16 minutes; Ron S. seconded. Vote 3-0-2 (two board members absent last month). Motion carried.

CITIZENS COMMENTS/REQUESTS:

Kim McPhee introduced herself. She has made application for the secretary position.

CLAIMS:

|  |           |
|--|-----------|
| Directors pay - August services                | \$ 400.00 |
| Secretary's pay - July services                | 60.00     |
| Christine Clarkson - Office Manager            | 2,500.00  |
| Office cell phone                              | 40.00     |
| Office supplies                                | 435.52    |
| Eddie Muniz - Maintenance                      | 325.00    |
| Gary Ullman                                    | 322.00    |
| Susan Swimley, Atty.                           | 975.00    |
| Berg, Lilly & Toffefsen, P.C.                  | 4,160.00  |
| Bridger Analytical Lab - \$240 + \$422 + \$100 | 762.00    |
| Northwest Pipe - \$1,489.10 for meters         | 1,585.10  |
| \$96.00 for recorder paper                     |           |
| Brenntag                                       | 1,031.18  |

CLAIMS (cont.)

|  |             |
|--|-------------|
| Power Service of Montana - \$1,018.58 + \$2,759.67 | 3,778.25    |
| Qwest  | 156.68      |
| Insty Prints                                       | 224.83      |
| Scenic City Pumping                                | 802.50      |
| Care & Quality Spraying                            | 975.00      |
| Hawkins, Inc. - 500 gal. chlorine tank             | 6,004.20    |
| First West Insurance (Quarterly)                   | 1,022.00    |
| NorthWestern Energy for July                       | 10,226.45   |
| Julie Hall (refund of op at 274 Woodman)           | 23.59       |
| Marty Phillips (refund of op at 344 W. River Rock) | 20.55       |
|  | <hr/>       |
| Total:   | \$35,829.85 |

Christine will call Susan's office manager.

Motion was made to pay claims presented by Steve; seconded by Dan. All in favor. 5 ayes.

REPORTS:

Revenue Summary - Christine Clarkson

Revenue healthy during the summer months. See printout.

Christine needs more stamps to mail out notice(s).

Edwards stated that with the new bulk tank of chlorine,

Gary can take samples so we still don't get notices.

PC made a large payment. See deposits.

Some residents have stopped their lawn sprinklers.

Financial - Shawna Verdi

Checking \$111,754.72

MMA \$159,866.62

Transfer \$54,000.00 to the Money Market Account.

The 6 mos. CDs rolled over. What is the new rate?

REPORTS (cont.)

Maintenance -

Tuesday morning, August 11, Pump #3 went off. Tried to restart around 9:00 a.m. without success. The motor shorted out. See Operator's Report for more details. (Note: Water was off at 9:45 when I got up and was back on before 10:30.) Well #2 was on auto.

Operations - Ron Edwards

Sharold and Ron E. were discussing Well #3, which is to be added to the system. Sharold stated that River Rock is approved for three (3) wells. ~~Ron will submit the design to DNRC. DESIGN WOULD BE SUBMITTED TO DNRC.~~

Water system demand was down due to cooler weather; however, summer is not over.

Ron recommended putting in a soft-start on Well #2 (near the elem. school).

When Pump #3 faulted, system pressure dropped to 20 psi.

New motors and soft-starts would cost \$10,000, plus \$4,000 for labor.

Ron Squyres suggested, "or remove existing soft-start to prevent burning up motors?"

Back-up power should have been a requirement when built. The topic of generators surfaced again; one in the booster station, one in the blower bldg, and one on a trailer for lift stations.

See Operator's Report for statements on sewer system, TSEP Grant, and request for changes in permit.

NEW BUSINESS:

Discussion was held on constructing Well #3.  
Big question - Where to drill for well?  
Ron said, "don't locate near ~~new~~ seepage cell."  
Overall cost will be approx. \$100,000.  
River Rock is approved for a third well. ~~Send design~~  
~~to DNRC.~~

It was decided to postpone contacting Eric of American Leak Detection, Lewistown MT until Spring 2010.

OLD BUSINESS:

~~Saved for last to allow board to make a decision~~  
regarding applicants for secretarial position.  
Board members spoke with Kim, the only applicant present.  
Christine provided details for applicant, Regina, who had a previous commitment and was unable to attend.  
The third applicant did not respond to e-mail and was not present. The #1 responsibility is to attend the monthly meetings and record the minutes. Also be familiar with parliamentary procedure as outlined in Robert's Rules of Order (1876) written by American army engineer, Henry Martyn Robert. By a split decision the board voted 3-1-1 to hire Regina.  
There being no further business, the meeting adjourned at 8:30 P.M.

Respectfully submitted,

*S R Whipple*  
Suzette R. Whipple, Scty.

ATTESTED BY:

*Dan Oll*  
Board Member

WITNESS:

*Steve Padon*



RIVER ROCK COUNTY WATER & SEWER DISTRICT  
BOARD OF DIRECTORS MEETING  
MINUTES  
THURSDAY, JULY 16, 2009

PRESENT: Shawna Verdi, Ron Squyres, Sharold Buerkle  
ABSENT: Dan Child, Steve Rude  
GUESTS: Christine Clarkson, Eddie Muniz, Ron Edwards

The meeting was called to order at 7:03 P.M. by Board President, Shawna Verdi. Sharold made a motion to accept the June 18, 2009 minutes; Ron S. seconded the motion. Motion carried.

CITIZENS COMMENTS/REQUESTS: None.

CLAIMS:

|   |                    |
|---|--------------------|
| Directors' pay - July services                              | \$ 400.00          |
| Secretary's pay - June services                             | 60.00              |
| Christine Clarkson - Office Manager                         | 2,500.00           |
| Supplies  | 685.06             |
| Phone   | 40.00              |
| Eddie Muniz - Maintenance                                   | 350.00             |
| Ron Edwards - Operator                                      | 762.50             |
| Postmaster (18 rolls of \$0.28)                             | 504.00             |
| Postmaster (11 rolls of \$0.44)                             | 484.00             |
| Gary Ullman   | 388.00             |
| Bozeman Daily Chronicle                                     | 13.00              |
| Brenntag - chlorine   | 1,018.85           |
| Bridger Analytical Lab - \$240 + \$422                      | 662.00             |
| TD & H - Monitoring well(s) plans/Layout re: lawsuit        | 610.67             |
| Berg, Lilly & Tollefsen, P.C.                               | 82.41              |
| NorthWestern Energy for June                                | 8,626.85           |
| Dean & Vicki Johnson (refund of o.p. at<br>111 N. Shore #2) | 45.00              |
| Total:  | <u>\$17,232.34</u> |

Claims: (cont.)

Sharold made a motion to pay claims presented; Ron S. seconded.  
Motion carried.

REPORTS:

Revenue Summary - Christine Clarkson

See printout. Don Brigham is looking at the auto dialer. Christine wants to be on dialer if red light comes on. Ron noted that the water level would have to drop below 6 ft. Leave it at that level and will double check. The reason is to prevent the tank going dry and consequently, loss of water to homes and businesses.

NW Energy has a program to lower speed of pumps during a brown-out and rep would like to meet with Ron. Ron stated that the present system has no variable frequency drive.

Financial - Shawna Verdi

In checking - \$53,538.94

In MMA - \$126,743.28; half of needed funds for the next bond payments.

Transfer \$33,000 to the MMA from checking.

Maintenance - Eddie Muniz

No more known breaks in the pipes.

Christine has a list of shut-offs; most will become current.

A Habitat house has been abandoned.

Operations - Ron Edwards

Regarding the bulk storage of chlorine - there will be a delivery charge and fuel surcharge for each refill.

A chlorine conditioner can be added to keep the lines from clogging. The additive will keep the system clean.

Ron recommends that this be done as the system has been

Operations: (cont.)

plagued with clogs of calcium solids.

Ron S. made a motion to approve purchase of a 500 gal. chlorine tank and authorize bulk delivery of chlorine. Sharold seconded the motion.

Discussion: Would take 2 - 3 weeks to set up.  
The board voted 3 - 0. Motion passed.

An amended Consumer Confidence Report will be mailed to all connections. This CCR is the 2008 Annual Drinking Water Report.

The water main line valves need to be regularly "exercised" to keep them operable. Eddie could do this; every valve should be turned off, fully closed and then reopened. Every valve should be checked by the end of next summer.

At the August meeting, discuss contacting Eric at American Leak Detection.

Well #2 needs an Hr. meter.

Ron S. made a motion to purchase and install an Hour meter on Well #2. Sharold seconded the motion.  
Motion carried.

WWTP flow was down July 4th weekend. Residents out of town?

The damaged control logic board which had been fixed - but it didn't work. Don B. sent it back - it's covered by a warranty. Note: The board has been replaced and is working fine.

OLD BUSINESS:

TD & H Eng. helped with the application for a TSEP Grant and the District was awarded \$15,000. Thank you TD & H. Now we need an RFQ (Requirements for Qualifications). TD&H again will help write it up with Ron's input.

NEW BUSINESS:

The Board received a letter from customer, Copper Bloom HOA, requesting a watering variance. CB has 10 bldgs. At 30 min. waterings, the entire cycle would take 5 hours. This could be split up 3 hours in the morning and 2-3 hours in the evening of the same odd-numbered day. The Board needs more information. How are the zones configured?

Susan Swimley is tasked with working on Discharge Permit. She is familiar with DEQ and DNRC. Steve will be asked to contact her regarding progress - the Board would like to finalize issuance of the permit.

There being no further business, Sharold motioned that the meeting be adjourned. All in favor. Meeting closed at 8:14 P.M.

Respectfully submitted,



Suzette R. Whipple, Scty.

ATTESTED BY:

  
Board Member

WITNESS:



RIVER ROCK COUNTY WATER & SEWER DISTRICT

BOARD MEETING MINUTES

Thursday, June 18, 2009

PRESENT: Shawna Verdi, Steve Rude, Sharold Buerkle, Ron Squyres

ABSENT: Dan Child

GUESTS: Christine Clarkson, Ron Edwards

The meeting convened at 7:08 P.M. The May 21 minutes were presented to the Board for approval. Add "MINUTES" to the heading. Ron S. made a motion to accept the minutes; Sharold B. seconded. Motion carried 4 - 0.

CITIZENS COMMENTS/REQUESTS: None.

CLAIMS:

|  |             |
|--|-------------|
| Directors' pay - June services                 | \$ 400.00   |
| Secretary's pay - May services                 | 60.00       |
| Christine Clarkson - Office Manager            | 2,500.00    |
| Phone  | 40.00       |
| Eddie Muniz - Maintenance                      | 300.00      |
| Gary Ullman                                    | 352.50      |
| Bridger Analytical Lab                         | 1,184.00    |
| Brilliant Electric - \$290.40 (pd.) + \$219.15 | 509.55      |
| Kredit Electric                                | 4,068.00    |
| Postmaster - 12 rolls of \$0.44                | 528.00      |
| Annual Financial Report Filing Fee             | 435.00      |
| NorthWestern Energy for May                    | 6,933.76    |
| Ron Edwards - Operator                         | 600.00      |
|  | <hr/>       |
|  | \$17,910.81 |

Sharold made a motion to pay claims and ratify payments already paid. Ron seconded; motion carries 4 - 0.

REPORTS:

Revenue Summary - Christine Clarkson

See printout.

Financial - Shawna Verdi

\$68,037.85 in checking

\$291,530.77 in Money Market Acct. (for bond payments)

Transfer \$45,000 to MMA

Maintenance - Christine reported that there have been three

water leaks and found three breaks. While fixing one of the leaks, the truck crushed the sewer line. Some of the homes lost pressure and some didn't.

Operator Ron E. recommended getting Eric of American Leak Detection to check for leaks with specialized equipment.

This needs to be done annually, as the system ages.

The inspection would take at least two days at \$1,000/day.

Landmark should also be checked. A leak can lose 20/gal/min.

Operations - Ron Edwards

Christine will mail out The Consumer Confidence Report along with the Odd/Even watering notice to all residents.

The blower motor arrived wired on the wrong side.

Ron adjusted the draw in electrical panel.

Blower #3 blew a valve. Until repaired, Ron recommended using Blower #4 to replace Blower #2. Have Blower #2 rebuilt and then use it as a backup.

Due to requirement of chlorinating 24/7, Ron wants/needs a bulk tank to hold enough chlorine. The tank can be filled by truck. 500 gallons would last almost a month.

OLD BUSINESS:

Odd/Even Watering Notice will be mailed to all residents. Postcard notification will be used to report violations. Only frequent violators will be warned of possible shut-off.

Ron S. made a motion to implement the Odd/Even Watering Ordinance. Steve R. seconded the motion.

Motion carries 4 - 0.

Electing Board Members - Interested candidates need to file between June 22 and August 20 with the Gallatin County Clerk. Discussion: The By-laws have a rotation schedule, doesn't require a resolution. However...

Steve made a motion to ratify resolution from the Gallatin County Clerk and number it 003. Sharold seconded the motion.

Discussion: Run an ad in the newspaper.

Motion passes 4 - 0.

The District has been awarded a \$15,000 TSEP Grant. The RFR will be written by TD&H with Ron's input. This item will be further discussed at the July meeting.

NEW BUSINESS:

The weeds around the lagoon were sprayed in June 2008. It is looking much better; maybe one application would keep it under control.

Steve made a motion to have John Huyser (Care & Quality Spraying service) spray one application on weeds.

Ron S. seconded the motion. Motion carries 4 - 0.

The Annual Financial Report for 2008 has been completed by Rosie. The report will be filed with MT Dept. of Admin.

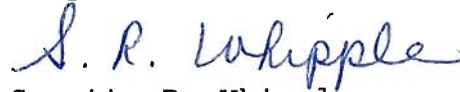
NEW BUSINESS: (cont.)

Sharold and Shawna will take care of the bond payment next week. The required paperwork is in-hand.

There is an opening for secretary to the Board. Suzette will stay on until a suitable replacement is found.

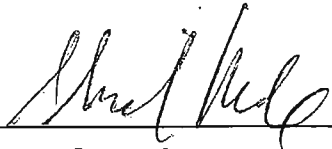
There being no further business, Sharold called for the meeting to adjourn. All in favor. Meeting closed at 8:08 P.M.

Respectfully submitted,



Suzette R. Whipple  
Secretary

ATTESTED BY: \_\_\_\_\_



Board Member

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



RIVER ROCK COUNTY WATER & SEWER DISTRICT

Board of Directors Meeting

& Public Hearing *Minutes*

May 21, 2009

PRESENT: Steve Rude, Dan Child, Sharold Buerkle, Ron Squyres  
ABSENT: Shawna Verdi  
GUESTS: Christine Clarkson, Ron Edwards

In the absence of Board Pres., Shawna Verdi, Steve Rude opened the meeting at 7:08 P.M.

PUBLIC HEARING: To hear comments on Potter-Clinton's request regarding rates. First call - no one from concerned parties was present. Second call - no comments.

Board Discussion: At last month's meeting, Mr. Bret Heidkamp, representing PC Dev., asked the Board to consider a break in the current bill - claiming he was not aware of rate increase and needed time to request a rate increase for Landmark Water Co. from the Public Service Commission. P.C. Dev. has filed with the PSC at this time, to the Board's knowledge.

Dan: a) the District made it known to all parties of the intended rate increase and b) talked to PSC.

Christine - a bill reflecting the increase went out April 2nd and the meeting was held April 16 -. plenty of time to file with PSC.

The Board's decision is to maintain a status quo. Landmark Water Co. is responsible for payment of all existing charges. Public Hearing closed.

a motion for  
Steve asked for approval of the April 16 minutes with amended name on p.4, change White to Mike Wheat.

Dan moved to accept minutes as amended. Sharold seconded. Motion passed 4-0.

CITIZENS COMMENTS/REQUESTS: None.

CLAIMS:

|  |                 |
|--|-----------------|
| Directors' pay - May services                        | \$ 400.00       |
| Secretary's pay - April Services                     | 60.00           |
| Christine Clarkson - Office Manager                  | 2,500.00        |
| Cell phone 581-7644                                  | 40.00           |
| Postmaster (11 rolls 28¢ / 5 rolls 44¢)              | 528.00          |
| Empire Office Machines (Bill Cards)                  | 475.13          |
| Eddie Muniz - Maintenance                            | 425.00          |
| Ron Edwards - Operator                               | 1,245.00        |
| Susan Swimley - legal services                       | 420.28          |
| Berg, Lilly & Tollefsen - legal services (Insurance) | 3,181.29        |
| First West Insurance - Quarterly                     | 1,022.00        |
| Bridger Analytical Lab - 2 @ \$100, 2 @ \$150, \$392 | 892.00          |
| Brenntag Pacific Inc. (chlorine)                     | 998.46          |
| TD&H - Discharge Permit \$941.40 / TSEP Grant \$500  | 1,441.40        |
| Brilliant Electric - Don Brigham                     | 1,913.42        |
| Advanced Plumbing & Heating - Chlorine Monitor       | 535.90          |
| Blue Collar Electric - Chlorine Monitor              | 104.91          |
| NorthWestern Energy for April                        | <u>6,115.88</u> |
|  | \$22,298.67     |

Discussion: Claims are now averaging \$22,000 a month.  
Sharold made a motion to pay the claims presented.  
Ron seconded. Motion carried.  
Brilliant Electric was paid earlier; signature ratified.

REPORTS:

Revenue Summary - Christine Clarkson presented to the Board the income record for April. Next month's bills will spike as homeowners begin to water their grass. There are 10+ residences in foreclosure.

REPORTS: (cont.)

Financial - Steve Rude

Checking has \$68,630 and the Money Market Account stands at \$259,312. Transfer \$32,000 to the MMA. Bond payments are due NLT Wednesday, July 1, 2009 in the amounts of \$85,120 and \$124,840 (\$209,960 total).

Maintenance - Eddie not available.

Christine reported that Eddie fixed a leaking curbstop. Steve Ross said the connection was broken at both ends. The homeowner asked that the District pay one-half. It was fixed in 24 hours. Eddie also fixed the leaky air-blower line.

Operations - Ron Edwards arrived in time to give the May Water Report. He presented his bill for services to the Board for \$1,245.00.

Coliform bacteria tests were good (we are chlorinating full-time). Ron files monthly reports on residual chlorine levels. The HACH Chlorine Analyzer has been installed, is programmed and working.

Steve asked, "Would it be possible to hardwire the data logger"? Ron answered, "Yes, we could start with the Community Center".

On p.3/4, see Influent/Effluent samples of BODs.

Low-volume toilets add to the BOD loading.

TSEP Grant money will be used to look at options.

Thanks to Don Brigham and Mark Kredit, the electrical work is done. The failed part was repaired by the manufacturer vs buying a new one, thereby saving half the cost.

Power Services of MT will need to install the new motor. This is/will be part of the insurance claim.

Operations (cont.)

Phase protection is installed. Ron will chlorinate both Monitoring Well #1 and #2.

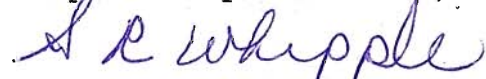
OLD BUSINESS:

A motion was made to ratify Gary Ullman's independent contractor's agreement. Ron Squyres made the motion and Dan seconded it. Motion passed 4 - 0.

NEW BUSINESS:

Now that Spring is here, odd/even watering was discussed. Dan moved that River Rock residents continue with implementation of odd/even watering. Ron seconded. Discussion: The subdivision has complied voluntarily for two years. Now, it needs to be mandatory to conserve precious water. CopperBloom Condos HOA complained that one night is not long enough to water their grounds. The Board voted 4 - 0 in favor of the motion. Motion carries. Ron moved to close the meeting. All in favor. Meeting adjourned approx. 8:25 P.M.

Respectfully submitted,



Suzette R. Whipple  
Secretary

ATTESTED BY:

  
Board Member

WITNESS:



RIVER ROCK COUNTY WATER & SEWER DISTRICT  
BOARD OF DIRECTORS MEETING  
APRIL 16, 2009

PRESENT: Shawna Verdi, Steve Rude, Sharold Buerkle, Dan Child, Ron Squyres  
GUESTS: Christine Clarkson, Gary Ullman, Bonnie Anzick, Steve Clarkson,  
Bret Heidkamp

The meeting was called to order at 7:05 P.M. by newly elected Board President, Shawna Verdi. First order of business was approving the March 19, 2009 minutes. Steve asked that p. 3 be amended to read : There is a meeting with DEQ scheduled April 2 at 11:00 a.m., regarding the District's appeal of the Discharge Permit requirements. Next paragraph – correct the spelling of applying and remainder of sentence to read: applying for a grant from TSEP. Steve then motioned to accept the minutes, with amendments. Ron seconded the motion. Motion carries. There was a second set of minutes from the tour of the facilities on Saturday, March 28 at 9:00 a.m. Steve made a motion to accept the minutes as presented. Dan seconded. Motion carried.

CITIZENS COMMENTS/REQUESTS:

Mr. Bret Heidkamp of P. C. Development, representing Landmark Water Co., spoke regarding the recent rate change. He stated that he will have to file with PSC (Public Service Commission) for increase on their end. Landmark had a self-imposed increase previously.

Discussion began with Steve stating that the process, starting past Fall with Public Hearings, was attended by guests from the Landmark Board of Directors. Nothing can be done at this meeting, however, the District Board could have a Public Hearing. December 2008 was the window of opportunity to submit PSC paperwork once rates were determined. This is the first increase since conception of the RRCW&SD.

A postcard was sent to the Landmark Water Co.

Shawna asked for feedback on time frame.

The Board cannot act on or make decisions from comments made during this meeting. (Note: A Public Hearing is scheduled for next month's meeting.)

Steve Clarkson and Bonnie Anzick of the River Rock Property Owners Association (RRPOA) were on the meeting's Agenda to discuss possible ways to by-pass chlorination in the irrigation system, thus saving chlorine use and expense. Ron Edwards arrived in time to get into the discussion. Sharold stated that the elementary school has its own irrigation system. The RRPOA is considering putting in irrigation wells. Ron Edwards suggested that they talk to Eddie about useage and zones . How much chlorine would be saved? How many gallons of potable water do the sprinklers use? Ron E. and Steve suggested converting well by well and reappropriate water rights. Ron E. stated that this gets irrigation load off the system, saving electricity, ... Aerating the pond comes from the pumphouse.

CITIZENS COMMENTS/REQUESTS: (cont.)

RRPOA Board of Directors have been added to the lawsuit, Micah, et al... Documents have been requested. Lewistown Judge Wayne Phillips did not make a ruling yesterday.

Another Agenda item is hiring Gary as an independent contractor (LLC). Ron Edwards would provide training to assist with chlorination during the summer. Ron will call Brenntag and look into getting a bigger tank to pump chlorine. Ron will draft an outline of duties helping with the chlorination and keeping up the grounds by the blower bldg./lagoon and pumphouse . Sharold suggested letting Eddie and Gary work separately. Sharold asked Gary "What would be your proposal for hourly rate? Gary will think about it.

CLAIMS:

|  |                    |
|--|--------------------|
| Directors' pay - April services                    | \$ 400.00          |
| Secretary's pay - March services                   | 60.00              |
| Office Manager - Christine Clarkson                | 2,500.00           |
| Telephone  | 40.00              |
| Office supplies - postage, Staples, Insty=         |                    |
| Prints,  | 3,357.72           |
| HACH order \$367 x 3 =                             | 1,101.00           |
| Eddie Muniz - Maintenance                          | <del>600.00</del>  |
| Ron Edwards - Operator                             | 1,087.50           |
| Bridger Analytical Lab - \$100 + \$150 +           |                    |
| \$784 (Lead & Copper)                              | 1,034.00           |
| Susan Swimley, Atty.                               | 152.05             |
| Berg, Lilly & Tollefsen, Attys.                    | 2,380.00           |
| T D & H Eng. - Discharge Permit                    | 189.00             |
| NorthWestern Energy for March                      | 6,462.94           |
| Brenntag Pacific Inc. - Chlorine                   | <del>9998.46</del> |
| Pwr Svc of MT - blower #1 motor                    | 2,387.50           |
| Advanced Wastewater                                | 602.50             |
| Postmaster (11 rolls .27/5 rolls "Forever" .42)    | 507.00             |
| Bridger Fence                                      | 110.00             |
| WIN, Inc. (DelGrande) - reimb for op of final bill | 159.76             |
| Kory Walstad - reimb for op on final bill          | <u>27.22</u>       |
|  | \$24,156.65        |

CLAIMS: (cont.)

Dan made a motion to pay claims presented. Steve seconded.  
Motion carried.

Discussion - the HACH testing kits are in. Christine has them.

REPORTS:

Revenue Summary - Christine Clarkson

See March printout. Landmark is in arrears.  
Shawna asked Christine to send Landmark Water Co. a  
letter citing what is due.

Financial - Checking has \$60,588.68 and a pending deposit  
of approx. \$6,700.

The Money Market Acct. has in excess of \$229K. Transfer  
\$30K from checking to the MMA.

Maintenance - Eddie n/a.

Operations - Ron Edwards

Ron met with Tim Kleppen, plumber, to have the chlorine  
monitoring equipment plumbed into the water system in  
the booster building. See Water Report for more details.  
Ron found a data logger for approx. \$200.

Landmark's reading has to be 0.2 or higher.  
Groundwater is pretty clean and holds chlorine residual.  
Nitrate levels measured in monitoring wells are below 6  
(see report).

Power Service of MT doesn't want to install Blower #1  
motor until all electrical work is done. There is a bad  
contact that needs to be repaired (and sent to the  
insurance company for reimbursement).

Steve made a motion to do the repair option on bad  
contact. Dan seconded. Brigham will do the repair.

OPERATIONS: (cont.)

Discussion - Some relays need tracing. Ron will e-mail Board if costly.

Motion passed.

Shawna - Has Eddie fixed the air leak to the lagoon?

Ron - Eddie knows about it.

OLD BUSINESS:

Does the District need a manager? May need in the future.

NEW BUSINESS:

Steve moved to ratify TSEP Resolution and number it 2009-2. Ron seconded. Motion passes. 2009-1 is the By-Laws Resolution.

Ron's indemnification - Ron asked <sup>Mike Wheat</sup>~~White~~ to take his name off the amended complaint; it did not come up in court yesterday, April 15.

Place of use for water right to Wild Horse Trail.

As engineers, Dan and Steve will recuse themselves on votes. Hydrologist, Pat, said there is a collision of discharge permit and litigation. Get estimate to lay pipeline to provide water to Wild Horse Trail.

Discussion - expanding place of use of River Rock water rights. April 2, a meeting with DEQ took place concerning the discharge permit. Met with Jennifer Chambers to discuss our concerns. Susan Swimley represented the RRCW&SD.

Issues addressed were: Sampling requirements, mixing zone, compliance schedule, and grant vs loan.

Susan is going to draft a letter to DEQ regarding the date-driven compliance schedule. What will happen when the 5 years is up?



There being no further business, Steve motioned for closure of the meeting to the public for litigation update and discussion. All in favor. Meeting closed, time 9:10 P.M.

Respectfully submitted,

*Suzette R. Whipple*

Suzette R. Whipple  
Secretary

ATTESTED BY: *Dan Child*  
Board Member

WITNESS: *And Kull*  
|

RIVER ROCK COUNTY WATER & SEWER DISTRICT  
BOARD OF DIRECTORS TOUR OF FACILITIES  
Saturday, March 28, 2009

PRESENT: Ron Edwards, Steve Rude and son, Dan Child and daughter, Shawna Verdi, Sharold Buerkle, Ron Squyres, Gary Ullman, and Suzette Whipple.

The tour began at 9:00 a.m. at the blower building across the street from the POA Office. Ron Edwards conducted the tour showing the group what is housed in this building and how it works. The blower bldg. is mainly for the sewer system, pumping air into the lagoon to help the waste to break down; thereby, less odor. Then the tour proceeded to the outside and the group entered the fenced-in lagoon. The weather was overcast, a little breezy, and 40°F. Walking along the dike, Ron pointed out pipes, aeration, holding cells, drying ponds, and lifted man-hole covers to check water levels and flow. This is where the bio-blocks are placed; another method of breaking down solids in the fluid. Sharold brought to our attention that plastic is not biodegradeable and floats to the edge of the pond. This bldg. is the mailing address for the District and customers can drop off their water and sewer bill payments. The group took a break. Shawna provided cinnamon rolls. Then everyone got into their vehicles and drove to the pumphouse which is located next to the "hill". The fence gate was unlocked and everyone went inside and down the stairs. Whereas the blower bldg. is for the sewer, the pumphouse is for the water, potable water. It houses five pumps, pump controls, monitoring equipment, and the chlorination system. The water source is aquifers, deep below the surface. It is pumped into a holding tank "under" the hill.

Tour - cont.

The District also has numerous monitoring wells and an infrastructure of water pipes going to every residence, business, and the Ridge View Elementary School. The District also provides water to the fire hydrants and sprinklers in the common areas, keeping River Rock green in the summer. All equipment is powered by electricity from NorthWestern Energy.

A separate infrastructure carries the sewage to the lagoon. It operates on a gravity-flow system with the help of the four lift stations.

Ron Edwards is the Operator for the RRCW&SD. He keeps the system running, fine-tuned, and updates efficiency. And much more. Eddie Muniz takes care of routine maintenance, orders stock items, and is on-call for emergencies. And much more.

Christine Clarkson is the Office Manager. She does the books, billing, and meter reading. Most phone calls to the District go to her. She handles the mail, records and deposits payments, and much more.

The Board of Directors meets the third Thursday each month at the POA Office at 7:00 P.M. The public is always welcome to attend.

The tour lasted two hours.

Respectfully submitted,

  
Suzette R. Whipple, Scty.

ATTESTED BY:

  
Board Member

WITNESS:



RIVER ROCK COUNTY WATER & SEWER DISTRICT  
BOARD OF DIRECTORS MEETING  
March 19, 2009

PRESENT: Rude, Verdi, Buerkle, Squyres, Child  
GUESTS: Christine Clarkson, Ron Edwards

The meeting was called to order at 7:05 P.M. by Steve Rude, Board President. After reading the February 19, 2009 minutes, Dan asked that the sentence on p. 3 of 4 be amended to read; Water-line extension to Wild Horse Subdivision - Dan and Steve met with attorneys Susan Swimley and John Kauffman to discuss potential mitigation for claims. Ron Squyres made a motion to accept the minutes as amended; Dan Child seconded the motion. Voted 5 - 0. Motion carries.

CITIZENS COMMENTS/REQUESTS:

None.

CLAIMS:

|   |                 |
|---|-----------------|
| Directors' pay - March services             | \$ 400.00       |
| Secretary's pay - February services         | 60.00           |
| Office Manager - Christine Clarkson         | 2,500.00        |
| Telephone                                   | 40.00           |
| Maintenance - Eddie Muniz                   | 325.00          |
| Operator - Ron Edwards                      | 768.97          |
| Susan Swimley, Atty.                        | 492.48          |
| T D & H Engrs. - Discharge Permit & Lawsuit | 1,264.29        |
| Bridger Analytical Lab                      | 100.00          |
| Brenntag Pacific Inc (chlorine)             | 538.54          |
| Power Service of Montana - Blower           | 4,859.72        |
| Chempace - bioblocks                        | 777.56          |
| Scenic City Pumping                         | 802.50          |
| Bozeman Printing                            | 222.06          |
| NorthWestern Energy - February              | <u>6,462.94</u> |
| Total:                                      | \$19,614.06     |

CLAIMS: (cont.)

Ron S. made a motion to pay claims presented to include any billings from Ron E. for operations. Shawna V. seconded the motion. Vote 5 - 0. Motion carried. Potter-Clinton Dev., TD&H, and the District will split the cost of TD&H's work on the lawsuit. All bills for litigation should be sent directly to the insurance company.

REPORTS:

Revenue Summary - Christine Clarkson provided a printout of income for February 09. Nothing unusual to report. The late March readings will be billed at the new rate and we'll be able to compare revenue. Rosie (Holmes & Turner) is working on the preliminary audit for 2008.

Financial - Steve Rude reported \$51,770 in checking and approx. \$229K in the Money Market Account. With additional deposits on hand, transfer \$22K to the MMA.

Maintenance - Several high-level alarms went off at the liftstations. Scenic City Pumping was called and cleaned the liftstations. Eddie had brought a corroded copper pipe to the Feb. meet. There was some discussion about why the pipe broke. It was decided that vibrations from construction equipment and trucks cause the pipes to wear; including earth tremors.

Operations - Ron Edwards went over the Water Report for March. He will take water samples next week. For chlorination, daily testing is now required. He asked the board to authorize buying more sample kits to give out more. The kit gives a digital readout. We have only one, need 3 more.

Operations (cont.)

Some residents are smelling the chlorine.

Luella from DEQ asked Ron to check residual levels. He will pull samples from Landmark also.

The new electric motor for the blower has been shipped. Installation will be scheduled.

Phase protection - worst scenario would be when one leg drops and destroys motors. Ron E. would support accepting Kredit Electric's bid (with subcontractor Brilliant Electric).

There is an <sup>meeting w/ DEQ regarding the District's appeal</sup> ~~appeal's~~ hearing scheduled April 2 at 11:00 a.m. <sup>of the discharge permit requirements,</sup>  
Susan Swimley will be the legal representation and Ron E. will attend. The appeal has a deadline.

Steve - Susan wants to look into applying for a grant from <sup>NY</sup> TSEP. ~~the Montana legislature~~. With the District matching funds, the value doubles. The grant could be used to research options for improvements to the wastewater system.

The monitoring wells are checked quarterly. Ron will call Jenny Chambers (DEQ Permitting) about doing monthly checks on Monitoring Wells 1 and 3.

Denny will fabricate a cover for the tank vent.

The board proceeded with 3 motions:

Dan made a motion to purchase 3 Hach chlorine tester kits. Shawna seconded. All in favor. Motion carries.

Dan made a motion to accept Kredit Electric's bid on electrical installation of phase protection.

Shawna seconded. Vote 5 - 0. Motion passed.

Ron S. moved for TD&H to apply for TSEP grant. The board understands that the District must match the amount granted (up to \$20,000). Shawna seconded. Vote 5 - 0.

Motion carried.

The Kredit bid was signed.

NEW BUSINESS:

Election of officers to the board -

Steve resigned as President. Shawna offered to fill this position. Sharold nominated Shawna for the office of President. Ron seconded.

Steve asked for any other nominations. Once. Twice. Nominations closed. All in favor. Shawna Verdi is the new President.

Dan nominated Steve for Vice President. Ron seconded. Vote 4-0, 1 abstain. Steve is now Vice-President.

Steve nominated Sharold for Sergeant at Arms. Shawna seconded. Vote 4-0, 1 abstain. Sharold is now SAA.

Papers will be filed with the county between July 2 and August 20.

Ron is point man with insurance company.

Dan is point man for contact with Susan regarding grant. Steve discussed privileged e-mails vs. non-privileged e-mails.

Records retention policy - Ron E. is developing/writing one for Big Sky and will print a copy for River Rock. Steve advised board members to file separately.

What do the Rules & Regulations say about a district manager? Referred to by district board or its agents.

The board may ask POA to ask Gary to help with chlorination. When we reach 2 million gallons/day, the chlorine tank will need to be filled/mixed everyday using 10 gal. of chlorine per day.

Tour of facilities - Ron will conduct a tour of the blower bldg., lagoon, and pumphouse on Saturday, March 28 at 9:00 a.m. Meet at the blower bldg. Notices were posted at their usual spots.

NEW BUSINESS (cont.)

There being no further business, Dan motioned for closure of meeting to the public for litigation update and discussion. The Board, having found that an open meeting would have a detrimental effect on the litigation position of RRCW&SD, when discussing claims, strategies, and possible settlements of issues in Micedh v. RRCW&SD closed the meeting pursuant to Section 2-3-203(4) MCA. Motion seconded by Ron. All in favor. Motion carries with closure of meeting at 8:35 P.M.

Respectfully submitted,

*Suzette R. Whipple*  
Suzette R. Whipple, Scty.

ATTESTED BY:

*Stan Pade*  
Board Member

WITNESS:

*Dan O'Neil*



Water  
RIVER ROCK COUNTY & SEWER DISTRICT  
BOARD MEETING MINUTES  
FEBRUARY 19, 2009

PRESENT: Shawna Verdi, Ron Squyres, Dan Child  
ABSENT: Steve Rude, Sharold Buerkle  
GUESTS: Christine Clarkson, Eddie Muniz, Don Brigham,  
Mark Kredit

The meeting was called to order by Board Vice Pres.,  
Shawna Verdi. The meeting began at 7:10 P.M.  
Shawna called for a motion to accept the January 2009 minutes.  
Ron made a motion to accept the minutes as presented; Dan  
seconded. Motion carried.

CITIZENS COMMENTS/REQUESTS:

Don Brigham of Brilliant Electric and Mark Kredit of Kredit  
Electric Inc, have joined to bid on the phase protection project.  
Mark has experience in industrial electrical and is a registered  
sales representative of Cutler-Hammer products to be used in the  
installation.

The control relay has a power loss monitor, which detects under  
or over imbalance.

Each motor will have a relay.

The Blower Bldg. and the Booster Housing Station -  
the three motors are not connected: one will not contact the  
other.

Kredit will bill the District; Don will sub-contract.

The District will collect a minimum of three bids before choosing  
a contractor.

Break.

CLAIMS:

|   |                 |
|---|-----------------|
| Directors' pay - February services              | \$ 400.00       |
| Secretary's pay - January services              | 60.00           |
| Office Manager - Christine Clarkson             | 2,500.00        |
| Telephone                                       | 40.00           |
| Maintenance - Eddie Muniz                       | 450.00          |
| Operator - Ron Edwards (Dec 08, Jan 09, Feb 09) | 2,752.30        |
| Susan Swimley, Atty.                            | 55.25           |
| Morrison - Maierle, INC                         | 500.00          |
| Potts Drilling                                  | 14,296.00       |
| Bridger Analytical Lab \$100 + \$150 + \$150    | 400.00          |
| DEQ - Public Water Supply Fee Payment           | 2,040.00        |
| AWWS - Lift Station #3                          | 227.50          |
| First West Insurance - Quarterly                | 1,022.00        |
| Northwest Hydro Tech                            | 1,600.00        |
| NorthWestern Energy for January                 | <u>6,193.81</u> |
| Total:  | \$32,536.86     |

Dan made a motion to pay the claims presented; Ron seconded.  
Motion passed.

REPORTS:

Revenue Summary - Christine Clarkson - nothing unusual to report. Getting ready for the 2008 audit. She had a form for the Board to sign to authorize John K. to notify board.

Maintenance - Eddie Muniz - the blower did not come with a motor! Christine received a separate bill for \$2,100. She will order the motor.

Ron made a motion to order the motor and have it installed. Dan seconded the motion. Motion carried.

Two residents experienced leaking pipes, approx. 500K gallons of water lost.

Maintenance (cont.)

For the lagoon, two blowers are running fulltime.  
Need to call Scenic City to clean out lift stations.

Operations - Edwards not available. See Report.

Financial - Shawna reported \$79,363.02 in the checking account and \$176,781.14 in the Money Market Account (for future bond payments). Transfer \$30K to the MMA.

OLD BUSINESS: To implement new rate structure, Ordinance 09-1001 needs to be signed and adopted by the Board.

NEW BUSINESS:

Ratification of Rules & Regs Version 1.1 dated April 2001.  
Dan moved to ratify the above document; Ron seconded. A vote resulted in 3 ayes, 2 absent. Motion carries.

Ordinance No. 09-1001 - Shawna read the Ordinance and signed it.

Dan made a motion to adopt Ordinance 09-1001 which outlines the new rate structure, fees, and fines, and have Steve sign it later. Ron seconded the motion. New rate is adopted. February is the last billing cycle under present rates.

Dan then moved to adopt rate adjustment to go into effect March 1, 2009. Ron seconded the motion. All in favor?  
The vote was 3 ayes, 0 nays, 2 absent.

Water-line extension to Wild Horse Subdivision - Dan met with attorneys Susan Swimley and John Kauffman to discuss potential mitigation for claims.

Dan moved that the District is willing to explore the possibility of placing water lines within County and Subdivision roads in the vicinity of the treatment facility for potential mitigation of future claims.

NEW BUSINESS: (cont.)

Ron seconded the motion. All in favor? Vote was 3 ayes,  
0 nays, and 2 absent. Motion carried.

The District is appealing the permit and Susan would like  
to offer an option.

There being no further business, Dan asked to adjourn the  
meeting. All in favor. The meeting ended at 8:05 P.M.

Respectfully submitted,



Suzette R. Whipple  
Secretary

ATTESTED BY:

  
Board Member

WITNESS:



RIVER ROCK COUNTY WATER & SEWER DISTRICT  
BOARD MEETING MINUTES  
THURSDAY, JANUARY 15, 2009

PRESENT: Rude, Buerkle, Squyres, Verdi  
ABSENT: Child  
GUEST(S): Clarkson, Muniz

The January meeting of the Board of Directors of RRCW&SD was called to order at 7:10 P.M. by Steve Rude. Steve asked that the Dec 08 minutes be amended to read: on p. 4, mid-page, replace the word profit with margin. Ron moved to accept the minutes as amended; Sharold seconded the motion. Motion carried 4 - 0.

CITIZENS COMMENTS/REQUESTS: Suzette stated the annual POA meeting was being held Tuesday, January 20.

CLAIMS:

|   |             |
|---|-------------|
| Directors' pay - January services             | \$ 400.00   |
| Secretary's pay - December services           | 60.00       |
| Office Manager - Christine Clarkson           | 2,500.00    |
| Office expenses - Phone                       | 40.00       |
| Postmaster - stamps                           | 750.00      |
| Eddie Muniz - Maintenance                     | 350.00      |
| Bridger Analytical Lab - water sample testing | 100.00      |
| Susan Swimley - Attorney fees                 | 379.76      |
| DEQ - replacement pump review                 | 60.00       |
| AWWS - main lift station                      | 345.00      |
| Black Mt. Software - annual maintenance       | 1,411.00    |
| Tryon Gen. Electric - sewer lift pump         | 110.00      |
| Pow. Svc. of MT                               | 3,066.86    |
| First West Insurance - D & O                  | 1,598.00    |
| NW Energy - December 08                       | 6,245.04    |
| Total:  | \$17,415.66 |

Sharold moved to pay all claims, including R. Edwards', if submitted when he arrives. Ron seconded the motion. Motion carried.

REPORTS:

Revenue Summary - Christine Clarkson - see printout for  
December 2008

Financial - Steve Rude - \$48,700 in checking, \$156,600 in the Money Market Acct.; with anticipated deposits the rest of the month, transfer \$20,000 to the MMA.

Maintenance - Eddie Muniz - ran into difficulties with water shut-offs due to piles of snow.  
Seven homes in River Rock are in foreclosure.  
Have the new motor installed for blowers before the Spring thaw. Then, run two 24/7.  
The 3rd motor needs replacing.  
Sharold made a motion to replace the motor; Ron seconded. Motion carried.  
Buy 14-16 rubber plugs for emergency use/removal if it rains and floods.  
The N. River Rock drain was fixed by the POA.  
Steve told resident(s) not to pop covers.

Operations: - Ron Edwards - arrived before 7:45 P.M. from Big Sky. Ron went over the new rate structure.  
NSF check charge will be \$35 and late payment fee is 1% of balance due.

Shut-off procedure. Mailout - 10 business days notice  
Written notice posted on door Monday  
Wednesday is shut-off day

Eddie will check the meter if it is reading incorrectly.  
Ron will ask Susan S. about a signed Ordinance superceding ratification of Rules & Regulations.

The question of 3/4 in. connections came up, such as the school. Steve referred to the Rules & Regs.  
A lively discussion was had by all.

Operations (cont.)

Commercial building connections -

Christine - the multiplier should apply. Sewer rate is the same for all buildings.

The school rate will remain the same for now; revisit later.

Ron E. spoke to electrician, Scott Tryon, about phase protection for unstable power. He suggested an MCC mounted breaker & TV SS surge protector in the Blower Bldg. and at the Booster Station. Cost would be around \$11,530.

Contact Gary, the original electrician

Mike Bowen, who lives in Cobblestone, and

Don Brigham, who recently did some electrical repairs in the pumphouse

for ideas and bids.

An e-mail was sent to the insurance company regarding the damages from the power brown-out in Dec. 08.

OLD BUSINESS:

Christine received the rescindment from DEQ for the July 08 water notice.

S. Swimley is looking over the new rate structure.

The new pump was installed over the old pump that broke off in the well. The old pump was 10-12 years old and too heavy to lift out.

Sharold asked Eddie to check on electrical ASAP when power fails or fluctuates. He will turn off everything until the problem is identified, repairs are made, then restart.

Steve - the District will submit claims.

The bill from Potts will be approx. \$15,000 for a new submergible pump and \$7,200 for install labor.

NEW BUSINESS:

Sharold - table electing officers of the board until all are present.

New Business (cont.)

The 2009 budget allows \$30,000 for compensation for office manager. An increase, effective Jan. 1, 2009, is reflected in Christine's claim.

The Board will arrange for a guided tour of all facilities in the near future.

Sharold made a motion to adjourn. All in favor. Meeting ended at 8:47 P.M.

Respectfully submitted,



Suzette R. Whipple  
Secretary

ATTESTED BY:

  
BOARD MEMBER

WITNESS:

