

**GREENFERRY WATER AND SEWER DISTRICT
MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING
June 19, 2023, 4:00 PM, via Zoom and at the District Office**

CALL TO ORDER

Chairman Mr. Steve Tanner opened the meeting at 4:00 pm.

Board Attendance:

Vice Chairperson, Ms. Carol Rassier
Secretary Treasurer Ron Utz
Member, Rex Grace
Member, Dr. Robert Stiger

Staff Attendance:

District Manager, John Austin
Engineer, Roger Glessner
District Operators, Bob and Ian Kuchenski (via Zoom)
Accountant, Debbie Swenson

Guests:

Board member-Elect Susan Sloyka, Sarah Loader, Nadine & Mike Ferry, Mike Reynolds, Andrew Netzel, Kent Blanton, Kirk Hjeltness and Kent Lunders.

NEW BUSINESS

The Board then thanked Mr. Tanner for his many years of leading the District as Chairman. He was presented with items from the Board and staff, in recognition of his outstanding service and asked that he remain active in the District. The Board then welcomed new Board member Susan Sloyka, who officially joined the Board. Discussion ensued concerning nominations for the offices of the District. Dr. Stiger nominated Vice Chairperson Rassier for Chairperson. Mr. Grace seconded the motion and the motion passed unanimously. Ms. Rassier then assumed the Chair. Mr. Grace then nominated Dr. Stiger as Vice Chairman. The nomination was seconded by Mr. Utz and it passed unanimously. Vice Chairman Stiger then nominated Mr. Utz as Secretary Treasurer. Mr. Grace seconded the nomination and it passed unanimously.

PUBLIC HEARING

Chairperson Rassier opened the public hearing on the Capitalization Fee Change.

Mr. Hjeltness asked how the Capitalization Fee was determined. Mr. Glessner explained it is computed by taking the value of District's Water System divided by the number of water hookups. This fee will change over time as values change and new capacity is added, and can only be used for replacement and not expansion. Mr. Glessner also said the District has a moratorium on new water hookups while the Board works on additional capacity of the system.

Mr. Blanton asked if the District anticipated any developers being interested in building in District. Mr. Austin replied that while developers have approached the Board in the past, there was no new development planned in the District.

Mr. Lunders asked what is the proposed date for the new Capitalization Fee. Mr. Austin replied it would be July 1, 2023.

Mr. Hjeltness asked if the District allowed private wells. Mr. Austin replied that since there is a moratorium on water hookups the Board would likely approve drilling a well.

With no further comments, the meeting was closed.

CONSENT AGENDA

Vice Chairman Stiger made a motion to approve the Consent Agenda and Mr. Grace seconded the motion on the following items:

- Water Operator Report
- Engineers Report
- Welch Comer Status Report
- Financial Report, Invoice and Delinquent List Approval
- Approval of the May 15, 2023 Meeting Minutes
- Action List – Projects/Issues and Timelines For Action

Mr. Ian Kuchenski discussed the Water Operator Report and stated that the altitude valve needs replacing at the Highland tank, to determine if that helps with the loss of approximately 5,000 gallons per day. Mr. Grace asked what the altitude valve did and Mr. Ian Kuchenski said it set the elevation level of water to prevent from overflow. Mr. Ian Kuchenski reported he has scheduled a repair for next week. Further discussion ensued and Mr. Glessner will evaluate the issues concerning the Highland tank.

Action: Mr. Glessner will evaluate issues concerning the Highland Reservoir.

Due: July 17, 2023

With no further discussion the Board approved the motion unanimously.

OLD BUSINESS

Mr. Austin stated that Mr. Grace and Vice Chairman Stiger had worked with he and Mr. Glessner on the Capital Improvement Plan (CIP), with the Project Priorities that Dr. Stiger presented. He recommended that the water operators join the subcommittee at the next meeting so a final priority list is prepared. Mr. Austin noted the availability of funds for any new projects are currently limited, and that further discussion on funding would be presented under the Audit comments later in the meeting.

Action: Mr. Glessner, Vice Chairman Stiger, Mr. Ian Kuchenski and Mr. Bob Kuchenski will continue to work with Mr. Austin on the CIP.

Due: July 17, 2023

There was no update on the Tanglewood Booster Station.

Mr. Glessner noted the final costs and payments required on the Greensferry Terrace Project are being reviewed for payment at the July meeting.

Action: Mr. Glessner and Mr. Utz will work to finalize the payment to LaRiviere for the Greenferry Terraces Project.

Due: July 17, 2023

Mr. Glessner updated the Board on the Well House Expansion Plans and Specs and the Preliminary Engineering Report. Mr. Austin noted there's a discussion item later in the meeting on possible funding for the project.

The Board approved the Water Quality Report for DEQ, following a motion by Mr. Utz and second by Mr. Grace.

NEW BUSINESS (CONTINUED)

The Board unanimously approved the Capitalization Fee Change, from \$9,200 to \$15,300 per new hookup, following a motion by Mr. Utz and second by Mr. Grace.

Action: The new Capitalization Fee will be added to the District policies and be effective July 1, 2023

Due: July 1, 2023

Mr. Austin then discussed the issues concerning the FY 2021-22 Audit. He stated the audit is prepared but an issue remains concerning a bond covenant requiring a 1:15 coverage factor of the amount of the annual debt service to Banner Bank on the \$1.8 million bond. He stated he believed that cash carried forward from the Capital Reserve Fund (from the \$15 per month per account paid since 2016 and Capitalization Fees received) would be counted as revenues, easily covering the 1:15 factor. He noted the covenant does not define such cash as a revenue and therefore a waiver of the requirement is needed from the bank. He said he and Stephanie Mueller would work on that, while also ensuring that the factor is being addressed in FY 2022-23.

Mr. Austin noted there is a Source Water Protection Grant available from the State, similar to that received by the District to fence the wells and office site. Possible projects may include expansion of the well house, for the safe storage of the chlorine used for water treatment. He noted fencing other sites in the District would not be allowed because they are not the source of water. He stated he would work with Mr. Glessner to prepare the grant.

Action: Mr. Glessner and Mr. Austin will prepare the grant.

Due: July 15, 2023

Mr. Austin discussed the progress on the Crossflow Connection program, and compliance as determined by Ms. Lynn Sherman on behalf of the Board. He presented her analysis showing 66 accounts not yet in compliance, and being notified by letter. He also reminded the Board that the District was among the first in the State to be fully in compliance with the directive from the State.

Action: Ms. Lynn Sherman will send second letter to all those that have not sent in their crossflow report.

Due: June 30, 2023

ADJOURN

With no further business to come before the Board, Mr. Grace motioned to adjourn the meeting. After a second by Mr. Utz, the meeting adjourned at 6:37 pm.

Carol Rassier, Chairperson

John Austin/Manager, Debbie Swenson, Accountant

Greenferry Water Operator Report

A. Water Production/Consumption update.

9,940,000 gallons produced by the wells during May. This works out to 321,000 gallons per day or 819 gallons per day, per customer. (392 connections). Winter production: 35,947,000 gallons produced by the wells from October through May. 15,431,000 gallons registered through customer meters. This equals 57% unaccounted for water lost. See B.1 below.

4,721,000 gallons produced by the wells during May last year. This works out to 152,000 gallons per day or 388 gallons per day, per customer. (392 connections). Winter production: 25,713,000 gallons produced by the wells from October through May last year. 12,842,000 gallons registered through customer meters. This equals 50% unaccounted for water lost. Note that over the winter, wells were test pumped into the river and the Bella Ridge reservoir overflowed at times due to controls issues.

10,962,000 gallons produced by the wells during May 2 years ago. This works out to 354,000 gallons per day or 989 gallons per day, per customer. (358 connections). Winter production: 33,353,000 gallons produced by the wells from October through May. 23,039,000 gallons registered through customer meters. This equals 31% unaccounted for water lost.

5,098,000 gallons produced by the wells during May 3 years ago. This works out to 164,000 gallons per day or 469 gallons per day, per customer. (350 connections). Winter production: 22,327,000 gallons produced by the wells from October through May last year. 14,455,000 gallons registered through customer meters. This equals 35% unaccounted for water lost.

8,588,000 gallons produced by the wells during May 4 years ago. This works out to 277,000 gallons per day or 808 gallons per day, per customer. (343 connections).

8,541,000 gallons produced by the wells during May 5 years ago. This works out to 276,000 gallons per day or 813 gallons per day, per customer. (339 connections)

B. General issues.

1. It has been determined that the Highland tank loses about 5,000 gallons per day. We just discovered that the altitude valve at the Highland reservoir randomly chooses not to close. This has the potential for discharging hundreds of thousands of gallons per random event. Prestige Worldwide Tech has been scheduled to repair the altitude valve.

Greenferry Water and Sewer District

June 2023 Engineers Report

Terraces / Greenferry Bypass Project

The contractor has been on site grading and seeding and performing on the project punch list. We are still getting requests from landowners for gravel etc. The project bid was to place back what was listed on the improvement plans. I will be going to the site this coming week to ensure the contractor has fulfilled the project improvement plans and to verify the landowner request.

I met with the contractor this week and went over project close out cost. I reminded them the board meeting was June 19th and any pay request will likely need a special board meeting for approval.

Well House expansion

There has not been any new work on this project. We have finalized a project priority list with several board members and are awaiting direction.

Well 1 & 2

Nothing new on this project.

Snowshoe & Tanglewood old booster station

Nothing new on this project

Highland Reservoir leak test

Ian has completed the leak test and has reported to me that the reservoir is losing approximately 4900 gallons of water a day. 147000 gal per month. The leaks are likely at tank penetrations and concrete cold joint locations. We have a estimated cost to replace the access ladder, clean and grout the inside of the tank and seal it for \$50000.00. This was estimate would need updated.

New Greenferry Booster proposed location

The landowner has talked with the owner of the neighboring property about placing a new Greenferry booster station on her property and they have decided that they would not want this. There is another parcel in the same area that has a smaller buildable footprint and is owned by Aspen homes. We could look into this location to see if it would be feasible.

Revised Capital Fee

There is no change from the last report. We will be discussing the capitol fee at the June 2023 board meeting.