

## HUNGRY HORSE COUNTY WATER AND SEWER DISTRICT BOARD OF DIRECTORS' REGULAR MEETING

Location of meeting: Water District Office, 528 Colorado Blvd., Hungry Horse, Montana

Thursday, August 18, 2022

**Call to Order:** President Wagner called the meeting to order at 6:01 p.m.

**(0:21) Those present:** President Doug Wagner, Vice President Vivian Allen, Director Jamie Foster.  
Staff: General Manager/Operator Ben Shafer.

**(0:25) Public Comment:** John Vanvalkenburg and Corey Dehart appeared before the Board to address the contested ownership of the property at 522 1<sup>st</sup> St. SW. Mr. Dehart shared that he had purchased the property from his sister, and is the owner, but that she had not conveyed the deed to him after payment in full. Mr. Dehart had previously delivered the District a Transfer of Service form, so the water bill has been in his name and has been kept current.

Bookkeeper Cassie Ferguson and Director Brent Schmidt joined the meeting at **6:04:49**

Mr. Vanvalkenburg stated that he had purchased the property from the previous owner, Jessica McLaughlin (acct #346) and that he holds the deed to the property. He provided title paperwork verifying legal title, for the Board's examination. The Flathead County ARC/GIS website shows Mr. Vanvalkenburg as the owner of record. Mr. Vanvalkenburg requested the District turn off the water to the property. Per District Rules, the property owner is responsible for the water bill. Mr. Vanvalkenburg is concerned about being legally responsible for Mr. Dehart's water usage. Mr. Vanvalkenburg planned to bring a signed Transfer of Service to the meeting, but the director whose assistance he had sought was out of printer ink.

It appears the next lot immediately south this is also owned by Mr. Vanvalkenburg, but is currently being served water through a meter assigned to Holly McAllister, the adjacent neighbor to the south. A former owner of that lot had made an agreement with Ms. McAllister to move the service line onto the lot, at that time owned by Bob Church. Mr. Church later relinquished the rights to that meter back to Ms. McAllister, and Ms. McAllister provided the District with a letter signed by both parties to that effect. According to the District Rules & Regulations, a customer may not furnish water to someone on an adjacent lot. The Operator will make a visual survey at earliest opportunity to determine if the property served by the McAllister service line is a part of the property in dispute. Once ownership is determined, branched services must be changed to the correct owners via unbranching within 30 days.

Mr. Dehart and Mr. Vanvalkenburg are both presently requesting a decision by District Court. Mr. Dehart expects PreTrial on the matter next year, and shared his paperwork to that effect, while Mr. Vanvalkenburg stated his attorney has determined there is no hearing on schedule and is requesting Summary Judgement of the Judge, which could be determined in as little as ten days.

Vice President Allen moved that "We inquire of the Flathead County Plat room who the bona fide owner of this piece of property being contested is, and if it does indeed belong to Mr. John Vanvalkenburg, that as soon as he has filed his Transfer of Service and paid the fee, if he so requests the water be turned off, we proceed with that." Director Foster moved that the resolution be amended to include a query of the county tax department as to where the tax bill is to be sent. **(32:54)** All Ayes to the amendment. The vote on the original motion received 1 Aye, 2 Nays {this was all votes that could be determined from repeated review of the audio.} Motion failed. President Wagner moved that "Director Foster go to the Plat room tomorrow, or text message or whatever you want to do, and find out who is the legal owner of that property according to the courthouse and find out where the tax bill is being sent. Then you get back to us with that information." All Ayes, unanimous. MOTION CARRIED. **SO RESOLVED (41:36)**

**(48:47) July 21, 2022 Minutes:** The Board reviewed VP Allen's additions and corrections to the July 21, 2022 Meeting Minutes.

**(50:45)** Director Hardesty texted VP Allen to inform us that he wouldn't make the meeting. His absence is excused.

Director Schmidt moved to accept the July 16, 2022 minutes as amended and corrected. All ayes. Unanimous. MOTION CARRIED. **SO RESOLVED (55:22)**

**Reports: Reports from monthly meetings are available from the District's office upon**

**request.**

**1. (55:47) Bookkeeper's Report**

- **Financial Statements** – The Bookkeeper reviewed the financial report and answered questions.
- **Bills** – The Bookkeeper presented the unpaid bills for the month. Director Schmidt moved that we pay the unpaid bills as presented in the report. All ayes, unanimous. MOTION CARRIED. **SO RESOLVED (1:07:48)**
- **Correspondence** –
  - i. We received an invitation from Julie Allen of MRWS to submit prospectus for next year's Rural Water Conference.
  - ii. Ben Hammer, our attorney has left his previous firm in good standing and invited us to continue utilizing his services at his new firm. The District's Agreement is with the original firm.
- **Final updated Budget Proposal** – President Wagner walked the Board through the presented FY2023 budget, and GMO and the Bookkeeper were requested to explain their adjustments to the Board. The Board requested changes to many budget items. Ms. Ferguson then made these adjustments while the General Manager covered his monthly report.

**2. (2:58:31) Manager's Report**

- **Summary of Activities** – Mr. Shafer read his monthly summary.
- **Leak Update** – While doing a shutoff for non-payment, the GMO observed the curb box was full of water. Water appeared to be flowing up out of the curb box, even with the customer valve closed. A U-dig locate has already been called in and excavation and repair are scheduled for next week. If this does not reasonably fix the large system leak gallonage, other investigation now on hold will be continued.
- **Well #1 nearby septic update** – No update or recommendation has yet been received from our MRWS circuit rider.
- **Cost Savings** – CenturyLink has agreed to cancel our leased circuits, and refund us \$60/mo back to February 9<sup>th</sup>.
- GMO Shafer will be on scheduled leave from 9/8 to 9/19, and will not be in attendance at the September meeting.

**F. Unfinished Business (01:43:31)**

**1. Policy Committee Report** - Directors Foster and Hardesty met on 8/10. They began reviewing the 2006 version of the Rules & Regulations. They also found in the office the 2018 Rules & Regs draft version with explanatory notes for changes made at that time. The Committee will be meeting the first Wednesday of each month.

**2. Clarify and/or modify bylaws meeting posting verbiage** – It was included in the bylaws that we would post our meeting agenda at Irene Shafer Hall as well as the post office. President Wagner didn't feel comfortable inviting the public to our facility when staff may not be present and the gate may be locked. Rather than post the agenda here, it would be easier to amend the bylaws and remove that line. President Wagner has reached out to the District's Attorney to verify this is advisable. Director Allen had proposed language for a change in another area of the bylaws and moved "the Board table the current suggested change and take both up at the next meeting. All ayes, unanimous. MOTION CARRIED. **SO RESOLVED (3:13:49)**

**3. Sand Creek status vs. Water Compact decision** – President Wagner contacted Ross Miller who did not have any concerns about the CSKT Water compact impacting our water rights. VP Allen shared her concerns about potential impacts not yet realized.

**4. Resolution Register** – VP Allen requested that the Resolved Register be updated by the pro tem secretary. GMO Shafer will update the register with resolutions from the March meeting to present.

**5. Asset Management Analysis** – VP Allen went to the Kalispell DEQ office and met with Mike Kropp. He

recommends Asset Management Analysis, a service provided by the State, as the best thing a District can do to improve and provide wisely for the future. VP Allen moved that the District invite Mike Kropp of the Water Quality Division of DEQ to schedule our District in for an asset management analysis. All ayes, unanimous. MOTION CARRIED. **SO RESOLVED (3:25:42)**

Ms. Ferguson returned to the meeting to present the Board with their finalized FY2023 budget. The Board reviewed it line by line. VP Allen moved that we accept the budget as we have last amended it, in its final form. All Ayes, unanimous. MOTION CARRIED. **SO RESOLVED (3:27:40)**

**G. New Business (3:27:42)**

**1. Task Review** – Staff and Directors reviewed the tasks they had been assigned during the meeting.

Director Foster will check with the county regarding true ownership of the property discussed in public comment. She will check with WFCU about interest rates.

VP Allen will invite Mr. Kropp up to find out the process.

Director Schmidt will hold a meeting of the Policy Committee on the first Wednesday of each month. GMO Shafer requested that the committee prioritize the new language regarding our policy of charging new customers our actual parts costs rather than a flat rate, and update the New Service Application as well.

GMO Shafer will ask Rocky Hoerner for an invoice, so we can pay for the artwork used in our District Seal. He will get bids for insulating Well #1. He will overflow the tower to purge the top layer of water. He will also populate the Resolution Register and will get the Board his Clockify report for last month. He will ask Director Hardesty to make the amendments in the form to reflect policy to charge actual parts vs. flat rate.

Ms. Ferguson will work to fix the depreciation in Quickbooks. She will make sure the Board gets her reports by the Tuesday ahead of each meeting. She will check whether the HHCP (development partners for former USFS land) is sent to taxes for collection. She will also make sure all the taxes are sent out tonight.

**H. Adjournment** – Meeting was adjourned at 9:33pm.

Signed \_\_\_\_\_ Date \_\_\_\_\_  
President Douglas T. Wagner

Attested \_\_\_\_\_ Date \_\_\_\_\_  
*Pro Tem* Secretary, General Manager Ben Shafer