

Seeley Lake Sewer District
REGULAR BOARD MEETING AGENDA

DATE: Thursday, November 19, 2020
PLACE: Virtual Meeting via Zoom
Computer: <https://us02web.zoom.us/j/8563339071?pwd=Z0NhbmRoWitlUFpyME8vTWJ0QlZ0Zz09>
Telephone: 1 669 900 6833
Meeting ID: 856 333 9071
Password: 123528
TIME: 6:00 p.m.

ROLL CALL

Tom Morris, President	O	05/2024
Beth Hutchinson, Vice President	O	05/2022
Pat Goodover, Director	O	05/2022
Walt Hill, Director	O	05/2022
Jason Gilpin, Director	O	05/2024
Felicity Derry, Secretary	O	

1. OPENING: Scheduled for 6:00 PM Via Zoom
2. APPROVAL OF AGENDA:
3. PRESIDENT'S COMMENTS:
4. PUBLIC COMMENT: On Items not on the Agenda of the Meeting and within the Jurisdiction of the Sewer District [MCA 2-3-103 (1)a]
5. CORRESPONDENCE:
 - a} MACo Insurance
 - b} Jon Beal
 - c} Seeley Lake Baptist Church
6. MINUTES: July 28, 2020, August 3, 2020 & October 22, 2020 - *Action*
7. FINANCIAL REPORTS:
 - a} Invoices - *Action*
 - b} September 2020
8. MANAGER'S REPORT: Status Report
9. UNFINISHED BUSINESS:
 - a} Resolution# 11192020 - Calling for a Bond Election - *Action*
 - b} Draft Policy on Setting the Agenda - *Discussion/Action*
 - c} Proposed Amendments to By-Laws - *Discussion/Action*
 - d} Board/Employee - Staff Relations - *Discussion*
 - e} Draft Letter to District Property Owners - *Discussion/Action*
10. NEW BUSINESS: RRGL Grant Extension - *Action*
11. NEXT SCHEDULED MEETING: December 17, 2020
12. AGENDA ITEMS FOR NEXT SCHEDULED MEETING
13. ADJOURNMENT:

Seeley Lake Water District

From: Jean Curtiss <jcurtiss53@gmail.com>
Sent: Wednesday, November 4, 2020 1:55 PM
To: Seeley Lake Water District
Subject: Fwd: MACo Form

From: Gary Zadick <gmz@uazh.com>
Date: Tue, Oct 27, 2020 at 5:05 PM
Subject: RE: MACo Form
To: Jean Curtiss <jcurtiss53@gmail.com>, Seeley Lake Water District <slk2559@blackfoot.net>
Cc: Andrea Callender <ajc@uazh.com>

Thanks Jean please mail the original to me too. PO box 1746, great falls 59403

I am gathering the bills & invoices. I don't have them yet but I have requested them and will send them to you

Gary

From: Jean Curtiss [mailto:jcurtiss53@gmail.com]
Sent: Tuesday, October 27, 2020 4:42 PM
To: Gary Zadick <gmz@uazh.com>; Seeley Lake Water District <slk2559@blackfoot.net>
Subject: Fwd: MACo Form

Hi Gary, I have attached the signed Assignment of Rights and Claims. Do you want us to mail the original or is the scanned version sufficient?

Also, at the Board meeting, Beth Hutchinson, who called you a few months ago, requested that I ask you for an accounting of the bills MACO paid for Mr. Beal's legal work on this lawsuit. I told her I would ask for a copy.

Thanks

Jean

BEAL LAW FIRM, PLLC



Jon G. Beal Kristine J. Beal
Jacob Anderson Ian Gillespie
Katelyn Riordan - Paralegal/HR Manager

TRANSMITTAL

Date: October 29 , 2020

From: Hope Slowik

Via Email and US Mail:

Seeley Lake Sewer District
PO Box 403
Seeley Lake, MT 59868

Regarding: Notice of Termination as Counsel of Record Pursuant to Montana Fourth
Judicial District Court Rule of Practice 21(D)
Seeley Lake Sewer District (adv. Larson) - SLS 18-01

Attachment:

- 2020-10-29 Notice of Termination as Counsel of Record Pursuant to Montana Fourth Judicial District Court Rule of Practice 21(D)

<input type="checkbox"/> File or record	<input type="checkbox"/> Per your request
<input type="checkbox"/> Return a conformed copy	<input checked="" type="checkbox"/> For your information
<input type="checkbox"/> Present to the Judge	<input type="checkbox"/> For review. Please contact

//

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Dear Ladies and Gentlemen,

Please find enclosed the above-referenced document that was emailed to you today. If you have any questions, please do not hesitate to contact me at the number below. Thank you.

Sincerely,
Beal Law Firm, PLLC



Hope Slowik
hslowik@beallawfirm.com

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1 Jon G. Beal
2 **BEAL LAW FIRM, PLLC**
3 121 Hickory St., Suite 4
4 P.O. Box 8898
5 Missoula, MT 59807-8898
6 (406) 728-2911
7 jonbeal@beallawfirm.com

8 Attorneys for Seeley Lake Sewer District.

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**MONTANA FOURTH JUDICIAL DISTRICT COURT,
MISSOULA COUNTY**

Donald Larsen, et al.,

Plaintiffs,

v.

Seeley Lake Sewer District,

Defendant.

Cause No. DV-18-913
Dept. 1

**NOTICE OF TERMINATION AS
COUNSEL OF RECORD
PURSUANT TO MONTANA
FOURTH JUDICIAL DISTRICT
COURT RULE OF PRACTICE
21(D)**

Comes now Jon G. Beal of Beal Law Firm, PLLC, counsel of record for Seeley Lake Sewer District, and respectfully submits this Notice of Termination as Counsel pursuant to Montana Fourth Judicial District Court Rule of Practice 21(D).

A final disposition of this case was made on July 8, 2020 by Judge Leslie Halligan. *Dkt. 99.*

These conditions having been satisfied, Beal Law Firm, PLLC and Jon G. Beal are hereby automatically relieved of any further duty as counsel of record for Seeley Lake Sewer District.

1 DATED this 29th day of October, 2020.

2
3 BEAL LAW FIRM, PLLC
4 Attorneys for Seeley Lake Sewer District

5 By: /s/ Jon G. Beal
6 Jon G. Beal

7
8 **CERTIFICATE OF MAILING**

9 I, the undersigned, an employee of Beal Law Firm, PLLC, hereby certify
10 that a true and correct copy of the foregoing was forwarded as set forth
11 below, at Missoula, Montana this 29th day of October, 2020, to:

12 Colleen Dowdall
13 Colleen M. Dowdall Law
14 120 West Broadway, Ste B
15 Missoula, MT 59802
16 colleen@dowdall-law.com
17 *Attorneys for Plaintiff*

U.S. Mail
 Hand Delivery
 Federal Express
 Facsimile
 Email

15 Seeley Lake Sewer District
16 PO Box 403
17 Seeley Lake, MT
18 sbp@centric.net
19 walt.hill@mso.umt.edu
20 bethyhutchinson@hotmail.com
21 jcurtiss53@gmail.com
22 slk2559@blackfoot.net
23 *Defendant*

U.S. Mail
 Hand Delivery
 Federal Express
 Facsimile
 Email

24
25 /s/ Hope Slowik
Hope Slowik, Legal Assistant to
Jon G. Beal



SEELEY LAKE BAPTIST CHURCH
3116 HWY 83N
P.O. BOX 304
SEELEY LAKE, MONTANA 59868
(406) 6772268



NOV 12 REC'D

11/6/2020

Seeley Lake Sewer District Board

In this envelope you will find 3 letters protesting the tax assessment levied on the Seeley Lake Baptist Church for something that is not even sure will be built as is. Two are hand-written by the deacons and trustees of the church and this one by me.

The last protest apparently fell on deaf ears and again we ask that this issue be brought before the citizens for a rather vote rather than ramming it down pipeline regardless of what the citizens think. It would better to wait until the project is 100% assured of happening before collecting these fees. As of my knowledge, it is still up in the air.

I was told at the meeting I attended by calling into Zoom to protest this levy, that a chart would be provided with comparable towns of the same size and have yet to receive that document.

I would also like to know if this project does not occur what will happen to the money and how that money will be paid back to those that pay it under protest. I understand how governments work and once money is paid in it is very rarely given back.

So, for the record Seeley Lake Baptist Church is paying this assessment we just received under protest.

Sincerely,

Pastor Jim Johnson
520-251-2858

Email: pastor@seeleylakebc.org
Web: www.seeleylakebc.org



Seeley Lake Baptist Church
Loving God, Loving Others, Serving All



NOV 12 RECD

Seeley Lake Baptist Church
Seeley Lake Montana 59868
P.O. Box 304
Parcel # 9000051
Statement 53372

We recieved this bill of \$870¹³
for seeley lake sewer which we are
not hooked up to because there isn't
one, not even a pipe!

Not one drop of water has
gone into a new sewer system!

How many year has this been
going on?

How can you charge for a service
that does not exist?

When I was in business I didn't
ask people to pay for an engine
rebuild befor their car even
broke down !!

In hopes of fairness
and in wisdom
Martin T. Cahoon

NOV 12 REC'D

11/6/20

Seeley Lake Sewer District:

I am writing with concern + opposition to the Sewer Districts charges on our tax bill.

These charges seem to be excessive and without any tangible benefits for us.

I believe the current projected project is unaffordable for our community. The District needs to propose something that will work - efficient and affordable for all.

Thank you,

Jack Greenwood-

board member of Seeley
Lake Baptist Church

SEELEY LAKE SEWER DISTRICT

BOARD WORK SESSION

July 28, 2020

Tom Morris	President	PRESENT	Pat Goodover	Director	PRESENT
Beth Hutchinson	Vice President	PRESENT	Walt Hill	Director	PRESENT
Jason Gilpin	Director	PRESENT	Felicity Derry	Secretary	PRESENT*
Jean Curtiss	Manager	PRESENT	Kim Myre	Missoula Co	PRESENT

* Joined at 7:44pm

Public Attendance - Appendix A

CALL TO ORDER:

The meeting was called to order by Tom Morris at 6:01pm. The meeting was held remotely via Zoom, due to the ongoing COVID-19 situation.

APPROVAL OF AGENDA:

The agenda was approved as presented.

NEW BUSINESS:

Conceptual Discussion of Bonding Options Based on a Preliminary Analysis

Jean Curtiss reviewed Dan Clark's comments from the board training workshop regarding the responsibilities of the Board.

Presentation by Dan Semmens, Dorsey & Whitney Bond Counsel for the Seeley Lake Sewer District (Topics may Include: General Obligation Bonds, Revenue Bonds and Other Tools)

Dan Semmens introduced himself and gave the board some background on how long he had been involved with the District.

Dan Semmens explained what bonds were and outlined the different kinds of bonds available to water and sewer districts. Also, the different methods each used to assess the cost within the District to repay the bonds.

Dan Semmens reviewed examples of a general obligation bond, a revenue bond and a combined general obligation bond and revenue bond, explaining how the cost for each would be spread within the District. Also, how the change in taxable value effected general obligation bonds.

Discussion/Questions – Board Members

Dan Semmens outlined how the Board could proceed to a bond election and inform the public. The discussion moved to how a general obligation bond would affect customers' monthly payments.

07/28/2020

Seeley Lake Sewer District
Board Work Session

The election/notice and protest requirements for the various bonds were discussed.

Dan Semmens outlined the options available to the Board and recommended that the Board evaluate their fundamental financing concerns and the mixture of bonds that could best address them.

The Board discussed the feasibility of putting a District bond election on the November 2020 ballot and the requirements of such an election.

When and how a deficiency tax could be levied was discussed.

The Board discussed the bond options available and the importance of having the correct figures to present to the public. Also, how quickly the Department of Revenue (DOR) could provide the District's taxable value to facilitate this being placed on a ballot was discussed.

The possibility of presenting two options on a ballot was discussed. Discussion turned to when the Board would discuss a bond election and placing it on the ballot. The Board agreed that a bond election should be added to the August 6, 2020 meeting agenda. The Board discussed the procedure for moving towards a bond election and the optimal time to schedule it.

The fine line between informing the public and not influencing them in the event of an election was outlined and discussed.

Voter turnout in past Sewer District elections and public education were discussed. There was further dialog on the Board's bond election discussion that had taken place at the August 6, 2020 meeting.

PUBLIC COMMENT:

Nathan Bourne asked if the Board went forward with a bond election would it eliminate the current methodology. Dan Semmens confirmed that the bond election would replace the current notice and protest and assessment methodology.

Discussion followed on the agenda items for the August 3, 2020 meeting and when the insurance company's request for reimbursement of the litigation expenses would be addressed. It was confirmed that the primary focus of the August 3, 2020 meeting was to be prepared to present, if needed, a resolution and a notice of hearing for an alternative assessment methodology. When the litigation expenses would be addressed was discussed further.

Preparing the documents for the alternative assessment methodology and what would trigger the Board to change the assessment methodology were discussed.

NEXT REGULARLY SCHEDULED MEETING: August 20, 2020

ADJOURNMENT OF MONTHLY BOARD MEETING:

Tom Morris moved to adjourn the meeting at 8:17pm. Walt Hill seconded the motion, which was then passed.

Attest:

Tom Morris, President

Felicity Derry, Secretary

SEELEY LAKE SEWER DISTRICT
SPECIAL BOARD MEETING
August 3, 2020

Tom Morris	President	PRESENT	Pat Goodover	Director	PRESENT
Beth Hutchinson	Vice President	PRESENT	Walt Hill	Director	PRESENT
Jason Gilpin	Director	PRESENT	Felicity Derry	Secretary	PRESENT
Jean Curtiss	Manager	PRESENT	Kim Myre	Missoula Co	PRESENT
Public Attendance - Appendix A					

CALL TO ORDER:

The meeting was called to order by Tom Morris at 7:01pm. The meeting was held remotely via Zoom, due to the ongoing COVID-19 situation.

APPROVAL OF AGENDA:

Pat Goodover moved to approve the agenda as presented. Walt Hill seconded. There was no discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

PUBLIC COMMENT:

None.

MANAGER REPORT:

Jean Curtiss reviewed the protest spreadsheet's figures, noting that the amount of the protest was insufficient.

Jean Curtiss summarized the work that had been done leading up to the end of the protest period and the decision that the Board faced now that the protest had been unsuccessful.

Tom Morris invited discussion regarding the assessment methodology from the Board, as well as from the public.

Cheri Thompson questioned how people would know that their protest had been received. Jean Curtiss confirmed that Cheri Thompson's protests had been received.

Beth Hutchinson noted that she would be willing to make a motion to change the methodology to the alternative one, which was more balanced.

Pat Goodover noted that he would be against that motion because of the public's expectation that the proposed methodology would go ahead if the protest was unsuccessful.

Colleen Krause commented that the current methodology was unbalanced and felt that there were insufficient people to protest around the lake. The people in town would not protest the methodology as their assessments were low. Also, that a neighbor who owned two lots on the lake would be paying more assessment than the mill.

Cheri Thompson commented that she was not on the lake but felt that the proposed system of assessment was inequitable because it burdened a small group of people. Not everybody on the lake was rich. Some families had inherited their lake property.

The equal assessment method and how it distributed the cost was discussed.

The Board discussed changing the assessment method, how it would affect the assessment for some properties and the public expectation created by the language of the notice of hearing.

Nathan Bourne requested clarification of the procedure if the Board chose to change the assessment methodology. Jean Curtiss outlined the process and the timeline for an alternative methodology and the possible outcome if there was an adequate protest the second time. The Board discussed the implications if there were sufficient protests for the alternative methodology.

Nathan Bourne questioned if an alternative methodology failed, would it then invalidate the first methodology. Jean Curtiss clarified that by choosing the alternative methodology the Board would nullify the first methodology.

Colleen Krause thought that the Board should consider the alternative methodology as not many of the people in town attended the meetings and probably would not protest as their assessment would only be raised by a couple of hundred dollars. However, the mill's assessment would be dropping significantly. While the mill could sue if the methodology was changed, the people around the lake were upset and could sue also.

Michael Richards reviewed MCA 7-12-2151 noting that all the properties within the District received the same benefits; however, the lake properties would be charged substantially more for that same benefit. Jean Curtiss noted that the specific code Michael Richards had referenced was used when there was an actual functioning system. The methodology that the Board chose was legally correct.

Tom Morris acknowledged all of the public comment.

Michael Richards felt that he had an ethical responsibility to speak for the people he had spoken with, who felt that even though the proposed methodology was legal, it was not necessarily the right choice.

Colleen Krause felt that both Rovero's and Lindsey's could afford to pay the higher assessment as businesses could write the expense off.

Colleen Krause questioned if it would be a hardship for Tom Morris and Jason Gilpin if their assessments increased by a couple of hundred dollars. Tom Morris felt that it would not be a hardship and that it was a tough decision as potential lawsuits had been inferred for both options.

There was further discussion on the language of the notice of hearing not addressing the Board changing the assessment if the protest was insufficient, and what discussion had taken place when the Board had chosen the assessment method.

Colleen Krause felt that the push to change the assessment methodology stemmed from the mill's threat of a lawsuit and questioned a possible conflict of interest for two Board members. Jean Curtiss clarified that the mill had protested the old assessment methodology but were agreeable to the two new assessment methodologies.

Beth Hutchinson noted that if the equal assessment method was used, it would be a hardship for her and reviewed how it affected other properties in the District, concluding that the equal assessment would be a fairer method and would be worth the risk.

NEW BUSINESS:

If Protest is Successful the Board will Consider a motion to Adopt the Alternative Methodology Discussed at 6/15/20 Meeting

Beth Hutchinson moved that the Board reconsider the way the assessment methodology was set, and put forth an assessment methodology that was more balanced, and that it would be the legal version of equal assessments per category of residents, business and the land value for vacant lots. Whether the motion aligned with the agenda and maintained transparency was discussed. The motion failed.

Tom Morris	Nay
Beth Hutchinson	Aye
Pat Goodover	Nay
Walt Hill	Nay
Jason Gilpin	Nay

Sign Notice of Hearing

Tom Morris noted that because there would not be an alternative assessment methodology and a new notice of hearing, this item was redundant.

Schedule Public Hearing Date

This item was also redundant.

Resolution# 08032020 Intent to Set Assessments

This item was also redundant.

NEXT SCHEDULED MEETING: August 06, 2020

Tom Morris noted that the next scheduled meeting would be the public hearing on August 6, 2020 at 6:00pm.

Colleen Krause questioned if the Board would be discussing the attorney fees at the next meeting. Discussion followed on which meeting the attorney fees and possibly the bond election would be discussed. It was concluded that it would be appropriate for these to take place at the August 20, 2020 regular meeting.

Michael Richards requested the date of the Pyramid Mountain Lumber letter to the Board, as well as a list of the people that had protested and apologized for the loud grandchildren in the background. Tom Morris noted that the Pyramid letter was sent June 4, 2020. Jean Curtiss added that the protest spreadsheet was public information and would be posted on the website.

Colleen Krause was interested in what the protests said. Tom Morris noted that the public hearing gave the public the opportunity to read their protests out loud during that meeting. Jean Curtiss added that several people who had protested the methodology were still in favor of the sewer.

ADJOURNMENT OF BOARD MEETING:

Tom Morris adjourned the meeting at 7:54pm, which was carried unanimously.

Attest:

Tom Morris, President

Felicity Derry, Secretary

08/03/2020
Seeley Lake Sewer District
Special Meeting

SEELEY LAKE SEWER DISTRICT
REGULAR BOARD MEETING
October 22, 2020

Tom Morris	President	PRESENT*	Pat Goodover	Director	PRESENT
Beth Hutchinson	Vice President	PRESENT	Walt Hill	Director	PRESENT
Jason Gilpin	Director	PRESENT	Felicity Derry	Secretary	PRESENT
Jean Curtiss	Manager	PRESENT	Kim Myre	Missoula Co	PRESENT

Public Attendance - Appendix A
 *Joined the meeting at 6:14pm

CALL TO ORDER:

The meeting was called to order by Beth Hutchinson at 6:04pm. The meeting was held remotely via Zoom, due to the ongoing COVID-19 situation.

APPROVAL OF AGENDA:

Walt Hill moved to delete item e (Board Member/Board Accountability) from the agenda. Pat Goodover seconded the motion. Pat Goodover suggested moving the item to a later meeting. There was no discussion.

Beth Hutchinson requested that the Board vote on putting item e on a later agenda.

Tom Morris	Absent
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

The Board agreed by consensus to move item f (Board/Employee – Staff Relations) and item b (Draft Policy on Setting the Agenda) to a later meeting.

Pat Goodover moved to approve the agenda as modified. There was no discussion. The motion was carried.

Tom Morris	Absent
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

PUBLIC COMMENT:

Deb Bell, Missoula County Public Works Department noted that due to the increase in COVID cases, beginning November 4, 2020 the main office on Training Drive would be closed to public

access and would only be accepting online permits. The Seeley office would remain open by appointment only. The Surveyor's Office is also closed to the public. The road crews would continue Monday through Thursday as normal. The Road & Engineering Office would continue to work remotely. For questions call (406)258 3702 or (406)531 8468.

Kim Myre added that she had requested for the office hours to be removed from the District's website. The building was locked and only open by appointment.

Tom Morris joined the meeting at 6:14pm and Beth Hutchinson yielded the chair to Tom Morris.

PRESIDENT'S COMMENTS:

Tom Morris had been delayed printing some last-minute documents and apologized for being late.

Tom Morris noted that Jean Curtiss had done a really good job in the October 7, 2020 NBC news article. However, no elected officials were interviewed. During the article the reporter had listed the adverse health effects of the consumption of increased nitrates, and then strategically placed a clip of Jim Erven confirming that was happening in Seeley Lake. It was sensationalized journalism that was misleading and deceptive. Tom Morris was not aware of any reported cases with those side effects from consuming increased nitrates occurring in Seeley Lake.

Jim Erven agreed that his clip had not been portrayed correctly. He had not said that there had been those kind of documented health effects in Seeley Lake. The majority of Seeley Lake residents were drinking lake water and not groundwater.

CORRESPONDENCE:

None.

MINUTES:

July 28, 2020

The Board agreed by consensus to postpone reviewing these minutes until the November meeting.

September 17, 2020

Beth Hutchinson's proposed amendments were discussed. What information should be included in the minutes was discussed. The proposed amendment discussion continued.

Tom Morris moved to approve the minutes for September 17, 2020 as amended. Pat Goodover seconded the motion. There was no further discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Aye

Walt Hill Aye
Jason Gilpin Aye

There was further discussion on what would be included in the amendments and then clarification as to how Beth Hutchinson had voted.

FINANCIAL REPORTS:

Invoices – September 2020

Jean Curtiss noted that the general counsel's invoice was to review MACo's insurance claim. The Board discussed requiring an estimate from the attorney prior to work commencing. The Board discussed where the money to pay the attorney bill would come from and acknowledged that it would probably come out of the reserve.

Pat Goodover moved to pay all of the invoices as presented. Beth Hutchinson seconded the motion. There was no further discussion. The motion was carried.

Tom Morris Aye
Beth Hutchinson Aye
Pat Goodover Aye
Walt Hill Aye
Jason Gilpin Aye

August 2020 Financial Reports

Felicity Derry reviewed the August 2020 financial reports for the Board. Discussion followed on the three payments to the Beal Law Firm and confirmation that the agreed upon payment schedule was being kept. The upcoming WRDA draws and the matching funds were reviewed.

Tom Morris moved to accept the August 2020 Financial Reports. Walt Hill seconded the motion. Pat Goodover commented that a report was not required to be approved.

MANAGER'S REPORT:

Jean Curtiss noted that the process to request an extension for the RRGL planning grant for Phase III had begun.

The quiet title on Pine Drive still was not complete.

Overall, the reporter for KECI had done a pretty good job learning about the system.

WELL & LAKE TESTING REPORT:

This item was moved after the next item.

UNFINISHED BUSINESS:

Resolution#11192020 Calling for a Bond Election

Dan Semmens noted that the resolution was a discussion draft to be voted on at the November meeting.

Dan Semmens outlined how the treatment plant and the collection system would be paid for using a general obligation bond and a revenue bond respectively. The estimated cost of the project and how that cost was allocated to the components of the project was reviewed.

Discussion followed on the terminology used in the bond election and the type of property it related to. How businesses would be assessed was reviewed.

Dan Semmens reviewed the general obligation bonds and the loan that would pay the estimated cost of the treatment plant and then explained how the debt service was calculated and would be assessed.

Jean Curtiss reviewed where the increase to the estimated cost of the project had come from and how some components that served all four phases had been moved to the treatment plant, which would be assessed across all four phases. How the project would be bid was reviewed.

Dan Semmens reviewed the revenue bond that would be used to pay the cost of the Phase I collection system and how it would be assessed.

Dan Semmens reviewed how the combined revenue and general obligation bonds would be assessed to properties, using different property values to illustrate the effect on the monthly bill.

Dan Semmens reviewed the two ballots in the proposed resolution and who would be eligible to vote in the bond election.

The high proportion of grants to loans was discussed.

Dan Semmens outlined what could happen if one bond election passed and the other bond election failed, and discussion followed.

Dan Semmens encouraged the Board to read the resolution and then ask questions and make comments. Dan Semmens clarified that the proposed general obligation and revenue bonds would supersede the current assessment bonds, passed by the notice and protest, and requested direction from the Board regarding moving forward with the bond election.

Discussion followed that if the bond election were to fail the grant money more than likely would be reallocated elsewhere, as the Rural Development funds were only committed until April 2021.

The deadline to get responses regarding the draft resolution to Dan Semmens was discussed and a deadline of November 2, 2020 was agreed upon.

The election rules for water and sewer districts were reviewed and discussed.

Jim Erven questioned how much more equitable a bond election would be and if the Board had weighed that against the risks of losing the funding.

Dan Semmens noted that the Board was concerned about the affordability for the low-income residents and felt this methodology would make the project more equitable. The Board had discussed this matter at great length.

Tom Morris moved to have Resolution#11192020 as action item on the November meeting agenda. Beth Hutchinson seconded the motion. There was no discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

WELL & LAKE TESTING REPORT:

Vince Chappell reviewed the test results for the well & lake monitoring as well as those for the proposed treatment site. Concluding that the test results showed the levels downtown were slowly elevating. The test results for the proposed treatment plant site were excellent.

Draft Policy on Setting the Agenda

This item was moved to next meeting.

Proposed Amendments to the By-Laws

Tom Morris noted that Jean Curtiss had not been included when the by-law committee met in error. The Board discussed whether Jean Curtiss' absence from the by-law committee meeting should cause the full committee to be convened and thus, postpone the item until the next meeting. Sending the by-law amendments to an attorney for review and why the by-laws were being amended were discussed.

The proposed amendments to the purpose of the District and the duties sections were reviewed. The proposed language regarding the need for a centralized sewer was discussed.

There was further discussion as to what effect Jean Curtiss being absent from the initial committee meeting and submitting her comments after the fact had made. The committee discussed whether they felt that Jean Curtiss' absence from the committee meeting had been detrimental to the document that it had produced.

Pat Goodover moved to delay the discussion until the next meeting and to have the three committee members (Tom Morris, Beth Hutchinson and Jean Curtiss) actually get together by phone, by Zoom or by some method, so that you can interact with each other and discuss

the by-law changes. Walt Hill seconded the motion. Discussion followed on what had been included in the by-laws purpose of the District over the years and the necessity to amend the by-laws at this time.

Tom Morris requested that the Board vote on moving this item to the November meeting as an action item.

Tom Morris	Aye
Beth Hutchinson	Nay
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Nay

Status of Insurance Regarding Lawsuit Legal Bills

Jean Curtiss reviewed the events leading up to this point with the assignment of rights and claims from MACo and what it would mean to the District if the Board President signed the agreement.

Nathan Bourne requested the actual invoices for the legal fees in the amount of \$321,000.

The Board discussed how the agreement would affect past and present Board members. The billing practices of the attorney were reviewed and how the agreement would protect the District was discussed. A spelling error was noted.

Pat Goodover moved that the Board authorize Tom Morris to sign, as the President, the agreement with the spelling error corrected. Walt Hill seconded the motion. Beth Hutchinson recused herself, as she had been unable to read the final document. There was no further discussion. The motion was carried.

Tom Morris	Recuse
Beth Hutchinson	Recuse
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

Board member/Board Accountability

Postpone until next month

Employee/Staff Job Descriptions

Postponed until next month

NEW BUSINESS:

Response to 7/31/20 Don Larson Letter

The Board discussed the draft letter and agreed by consensus that the last two paragraphs be deleted from the letter and that Walt Hill should sign the letter.

Walt Hill moved to delete the last two paragraphs and have Walt Hill sign the letter on behalf of the Seeley Lake Sewer District Board. Pat Goodover seconded the motion. The motion was carried.

Tom Morris	Recuse
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Recuse

Draft Letter to District Property Owners

Jean Curtiss outlined the reasons for sending a letter to the District's property owners and then reviewed the draft letter and the extensive information it contained.

The Board discussed shortening the letter and adding this item to the November agenda.

Nathan Bourne questioned if the Board intended to construct the project if the bond failed. Discussion followed on the how to address that in the letter and that the Board had not resolved to move the project forward without the funding.

The discussion turned to the Health Department's statements that doing nothing was not an option. Jim Erven added that the Health Department or DEQ had not made any decisions regarding the path forward, but there had to be a solution. Jim Erven suggested that it would be a good idea to inform the public that there could be additional costs if they elected to not take advantage of the funding.

The Board discussed the best method to convey their amendments to Jean Curtiss and when the letter should be mailed out.

Tom Morris moved that the Board should get all their ideas and changes to the draft letter to Jean Curtiss by November 2, 2020. It should be a discussion and an action item on the November agenda. Jason Gilpin seconded the motion. There was no further discussion. The motion was carried.

Tom Morris	Aye
Beth Hutchinson	Aye
Pat Goodover	Aye
Walt Hill	Aye
Jason Gilpin	Aye

NEXT REGULARLY SCHEDULED MEETING: November 19, 2020

ADJOURNMENT OF MONTHLY BOARD MEETING:

Walt Hill adjourned the meeting at 9:08pm

Attest:

Tom Morris, President

Felicity Derry, Secretary

Seeley Lake Sewer District
Invoices for October 2020

District:

Seeley Lake Water District - <i>Inv#190 October 2020</i>	\$369.30
Curtiss Consulting - <i>October/November</i>	\$1,440.00
Felicity Derry - <i>September/October</i>	\$412.50
Pathfinder - <i>Inv#25881 Meeting Change Notice 10/15</i>	\$13.00
MACo Insurance Deductible	\$1,000.00
Christian, Samson & Baskett - <i>Inv#5935 October</i>	\$693.00
	<hr/>
	\$3,927.80

Project:

Great West Engineering - <i>Inv#22757 Sept 20 - Oct 17, 2020</i>	\$437.50
Great West Engineering - <i>Inv#22735 Phase 2 Sept 20 - Oct 17, 2020</i>	\$11,660.00
Project Total	<hr/>
	\$11,660.00

Total Invoices:

\$15,587.80

Seeley Lake - Missoula County Water District

PO Box 503
 Seeley Lake, MT 59868-0503

Phone # 406-677-2559

Invoice

DATE	INVOICE #
11/1/2020	190

BILL TO
Seeley Lake Sewer District PO Box 403 Seeley Lake, MT 59868-0403

SHIP TO

P.O. NUMBER	TERMS	REP	SHIP	VIA	
	Due on Receipt		11/1/2020	Vince	

QUANTITY	ITEM CODE	DESCRIPTION	PRICE EACH	AMOUNT
24	MiscI	Bookkeeping October 2020	15.00	360.00
186	MiscO	Copies	0.05	9.30

THANK YOU!	Total	\$369.30
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**CURTISS CONSULTING LLC
1419 HOWELL ST
MISSOULA, MT 59802**

District Manager for Seeley Lake Sewer District Board Invoice

10-20-20	Board Prep	3 hrs
10-21-20	Gen admin/ worked on letter to district	2 hrs
10-22-20	Board prep and board mtg	7 hrs
10-26-20	general admin	.5 hr
10-27-20	general admin	.5 hr
10-28-20	call with Amy/Michelle gen admin	1.5 hr
10-29-20	gen admin/ worked on draft letter/ emails	3 hr
10-30-20	calls from prop owners/ gen admin	1 hr
11-1-20	Bylaws committee/ zoom mtg and prep	2 hrs
11-2-20	Bylaws memo for board/ emails	2.5 hrs
11-5-20	calls from district/ gen admin/	2 hrs
11-6-20	calls from district/ gen admin	2 hrs
11-9-20	calls/ admin	3 hrs
11-10-20	general admin	2 hrs
11-11-20	call with Amy/ Michell/ gen admin	1 hr
11-12-20	letter and supporting docs	1 hr
11-13-20	letter and supporting docs/ research	2 hrs

Total 36 hrs @ \$40/hr = \$1440

Payable to Curtiss Consulting, LLC

Felicity Derry
October/November

Date	Time	Subject	Hours
10/22/2020	5:45-9:15p	Meeting	3.50
10/26/2020	6:15-8:30p	Meeting Mins	2.25
10/27/2020	5:15-8:45p	Meeting Mins	3.50
11/2/2020	4:45-8:30p	Meeting Mins	3.75
11/4/2020	5:30-9:00p	Meeting Mins	3.50
11/5/2020	5:00-9:30p	Meeting Mins	4.50
11/9/2020	5:45-9:00p	Meeting Mins	3.25
11/10/2020	5:30-8:45p	Meeting Mins	3.25
			<u>27.50</u>

27.50 x \$15 = \$412.50

\$412.50
\$412.50



Pathfinder LLC, PO Box 702, Seeley Lake MT 59868
406-677-2022

Seeley Lake Sewer District
PO Box 403
Seeley Lake, MT 59868

Invoice #:
00025881

			TERMS	DATE	PG.
			Net 10	10/31/20	1
QTY.	DESCRIPTION	PRICE	UNIT		EXTENDED
1	folio ad, 10/15 issue Meeting chnage notice	\$13.00	1		\$13.00
Please pay promptly; a Late Charge will be added to all past due balances. Each month a \$10 late charge will be added to outstanding balances under \$100, and balances of \$100 and over will be charged 10% of the outstanding balance.			TOTAL		\$13.00
			ON ACCOUNT		\$0.00
			BALANCE		\$13.00



Montana Association of Counties

Claims Services

2717 SKYWAY DR STE A, HELENA, MT 59602

(406) 442-1178 • E-Fax (406) 443-4161

www.mtcounties.org



September 24, 2020

Seeley Lake Missoula County Sewer District
PO Box 403
Seeley Lake, MT 59868-0403

SENT VIA MAIL & EMAIL

RE: Deductible Billing Invoice for:
Claimant: Larson, Donald
Claim #: EO8050033570
Department: * Water / Sewer District
Date of Loss: 6/26/2018
Claim Type: Errors & Omissions

Dear Member:

The above referenced claim has either reached or exceeded the applicable deductible. The claim financials are presented below:

Bodily Injury Paid:	0.00
Expenses Paid:	321,500.99
Property Paid:	0.00
Total Paid:	320,990.75

<i>Errors & Omissions</i> Deductible:	1,000.00
--	----------

Amount Due:	\$1,000.00
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Please find the applicable billing statement below. As always, if you have any questions or concerns regarding this claim or the amount due, please contact the Claims Department at (406) 442-1178. THANK YOU!

BILLING STATEMENT

Please make all checks payable to: **MACo PCT**

To ensure proper credit, please write the claim number on the check or enclose this statement with your payment.

Covered Member: Seeley Lake Missoula County Sewer District

Montana Association of Counties PCT
Attn: Claims Department
2717 Skyway Dr Ste A
Helena, MT 59602

PAYMENT INFORMATION	
Policy ID:	8172PCT2018
Claim Number:	EO8050033570
Payment Due:	10/24/2020
Amount Due:	\$1,000.00

Thank you for your continued trust in Montana Association of Counties Property & Casualty Trust!

Christian, Samson & Baskett, PLLC
310 W Spruce St.
Missoula, MT 59802
(406) 721-7772

Invoice submitted to:
Seeley Lake Sewer District
c/o Jean Curtiss
jcurtiss53@gmail.com
P.O Box 403
Seeley Lake, MT 59868

November 11, 2020

Balance Due: \$693.00
Charges through: 10/31/2020

Invoice # 5935

Professional Services

	Hours	Amount
<u>SE42-03 General Matters</u>		
10/6/2020 WBC Researched whether non-assignment provision in Cincinnati insurance contract was enforceable. Forwarded to supervising attorney.	2.60	
10/7/2020 AMN Review Bridger's and Eric's research; email Jean re the Assignment of the District's claims against Cincinnati Insurance Company to MACO in exchange for an agreement not to collect against the District;	0.60	
10/13/2020 AMN Exchange emails with Jean;	0.10	
10/22/2020 AMN Finalize the Assignment from the District to MACo; exchange emails with Gary and Jean re same;	0.20	
SUBTOTAL:	3.50	693.00
For professional services rendered	3.50	\$693.00
Previous balance		\$1,025.00
10/27/2020 Payment - Thank You. Check No. 68001879		(\$1,025.00)
Total payments and adjustments		(\$1,025.00)

	<u>Amount</u>
Balance due	<u>\$693.00</u>

A service charge of 1% per month (12% APR) will be charged on all invoices not paid within 30 days from the invoice date.

Please make amounts payable to Christian, Samson & Baskett, PLLC. If you wish to pay by credit card, please visit our website at CSBLawOffice.com. A processing surcharge of 2.5% will be applied to all credit card transactions.



PO Box 4817
 2501 Belt View Drive
 Helena, MT 59604
 Phone: 406.449.8627

Seeley Lake Sewer District
 Pat Goodover, District President
 PO Box 403
 Seeley Lake, MT 59868

Invoice number 22757
 Date 10/29/2020
 Project 1-11298 SEELEY LAKE SEWER
 DISTRICT - MISSOULA COUNTY

Professional Services from September 20, 2020 through October 17, 2020

	<u>Amount</u>	
60-13 Study & Report Phase		
Contract Amount	75,000.00	
Percent Complete	101.01	
Prior Billed	75,760.29	
Total Billed	75,760.29	
		Current Billed 0.00
62-13 Final Design		
Contract Amount	343,000.00	
Percent Complete	100.00	
Prior Billed	343,000.00	
Total Billed	343,000.00	
		Current Billed 0.00
63-13 Bidding and Negotiating		
Contract Amount	138,600.00	
Percent Complete	25.00	
Prior Billed	34,650.00	
Total Billed	34,650.00	
		Current Billed 0.00
64-13 Construction Phase		
Contract Amount	760,700.00	
Percent Complete	0.00	
Prior Billed	0.00	
Total Billed	0.00	
		Current Billed 0.00
65-13 Post-Construction Phase		
Contract Amount	24,800.00	
Percent Complete	0.00	
Prior Billed	0.00	
Total Billed	0.00	
		Current Billed 0.00

Amount

66-13 Resident Project Representative (RPR)

Contract Amount	749,400.00
Percent Complete	0.00
Prior Billed	0.00
Total Billed	0.00

Current Billed 0.00

85-13 Additional Services: EDA Disaster Grant Application Sections B-E

Contract Amount	4,000.00
Percent Complete	100.00
Prior Billed	4,000.00
Total Billed	4,000.00

Current Billed 0.00

Total 0.00

Additional Services: EDA Disaster Grant Application

Professional Fees

	Hours	Rate	Billed Amount
Project Administrator	3.50	125.00	437.50

Invoice total 437.50

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
60-13 Study & Report Phase	75,000.00	101.01	75,760.29	75,760.29	-760.29	-1.01	0.00
61-13 Preliminary Design	324,200.00	100.11	324,563.70	324,563.70	-363.70	-0.11	0.00
62-13 Final Design	343,000.00	100.00	343,000.00	343,000.00	0.00	0.00	0.00
63-13 Bidding and Negotiating	138,600.00	25.00	34,650.00	34,650.00	103,950.00	75.00	0.00
64-13 Construction Phase	760,700.00	0.00	0.00	0.00	760,700.00	100.00	0.00
65-13 Post-Construction Phase	24,800.00	0.00	0.00	0.00	24,800.00	100.00	0.00
66-13 Resident Project Representative (RPR)	749,400.00	0.00	0.00	0.00	749,400.00	100.00	0.00
67-13 Additional Services: Grant Application	36,000.00	63.45	22,840.77	22,840.77	13,159.23	36.55	0.00
68-13 Additional Services: Groundwater Discharge Permit	76,500.00	99.74	76,298.66	76,298.66	201.34	0.26	0.00
69-13 Additional Services: Geotechnical Investigation	98,750.00	86.57	85,484.04	85,484.04	13,265.96	13.43	0.00
70-13 Additional Services: Powell County Land Use Permit	5,000.00	82.39	4,119.25	4,119.25	880.75	17.62	0.00
71-13 Additional Services: DNRC Land Application Assistance	2,500.00	61.13	1,528.25	1,528.25	971.75	38.87	0.00

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
72-13 Additional Services: Environmental Analysis and Reports	15,000.00	103.40	15,509.40	15,509.40	-509.40	-3.40	0.00
73-13 Additional Services: Sewer Service Field Work	74,290.00	99.55	73,954.14	73,954.14	335.86	0.45	0.00
74-13 Additional Services:Aerial Photo	7,810.00	91.75	7,165.61	7,165.61	644.39	8.25	0.00
75-13 Additional Services: Forcemain & Lift Station Topo Survey/Aerial Photo	10,000.00	100.67	10,066.60	10,066.60	-66.60	-0.67	0.00
76-13 Additional Services: Funding Agency Assistance	60,000.00	99.93	59,957.80	59,957.80	42.20	0.07	0.00
77-13 Additional Services: Grant Administration	80,000.00	0.00	0.00	0.00	80,000.00	100.00	0.00
78-13 Additional Services: Phase 1 Wastewater Collection - Bidding & Construction Mgmt	0.00	0.00	81.75	81.75	-81.75	0.00	0.00
79-13 Additional Services: Separate Treatment & Collection Projects	10,500.00	100.00	10,499.99	10,499.99	0.01	0.00	0.00
80-13 Additional Services: O&M Manual Preparation	30,000.00	0.00	0.00	0.00	30,000.00	100.00	0.00
81-13 Additional Services: Startup Assistance	15,000.00	0.40	60.00	60.00	14,940.00	99.60	0.00
82-13 Additional Services: Coordinate with District	30,000.00	97.64	29,293.33	29,293.33	706.67	2.36	0.00
83-13 Additional Services: Phase 3 & 4 Cost Estimates	4,000.00	100.01	4,000.50	4,000.50	-0.50	-0.01	0.00
84-13 Additional Services: EDA Disaster Grant Application	10,000.00	100.25	9,587.00	10,024.50	-24.50	-0.25	437.50
85-13 Additional Services: EDA Disaster Grant Application Sections B-E	4,000.00	100.00	4,000.00	4,000.00	0.00	0.00	0.00
Total	2,985,050.00	39.96	1,192,421.08	1,192,858.58	1,792,191.42	60.04	437.50

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
21784	05/28/2020	5,496.00					5,496.00
21898	06/26/2020	2,693.25					2,693.25
22151	07/27/2020	4,041.50				4,041.50	
22329	08/21/2020	1,231.25			1,231.25		
22757	10/29/2020	437.50	437.50				
Total		13,899.50	437.50	0.00	1,231.25	4,041.50	8,189.25

Payments are due within 30 days of the invoice date. Thank you.



PO Box 4817
2501 Belt View Drive
Helena, MT 59604

Phone: 406.449.8627

Seeley Lake Sewer District
Pat Goodover, District President
PO Box 403
Seeley Lake, MT 59868

Invoice number 22735
Date 10/26/2020

Project 1-19246 SEELEY LAKE PHASE 2

Professional Services from September 20, 2020 through October 17, 2020

	<u>Amount</u>	
10-13 Preliminary Design		
Contract Amount	149,600.00	
Percent Complete	100.00	
Prior Billed	149,600.00	
Total Billed	149,600.00	
		Current Billed 0.00
11-13 Final Design		
Contract Amount	116,600.00	
Percent Complete	30.00	
Prior Billed	23,320.00	
Total Billed	34,980.00	
		Current Billed 11,660.00
12-13 Bidding & Negotiating		
Contract Amount	51,000.00	
Percent Complete	0.00	
Prior Billed	0.00	
Total Billed	0.00	
		Current Billed 0.00
13-13 Construction		
Contract Amount	313,000.00	
Percent Complete	0.00	
Prior Billed	0.00	
Total Billed	0.00	
		Current Billed 0.00
14-13 Post-Construction		
Contract Amount	20,000.00	
Percent Complete	0.00	
Prior Billed	0.00	
Total Billed	0.00	
		Current Billed 0.00

Amount

15-13 Resident Project Representative (RPR)

Contract Amount	420,800.00
Percent Complete	0.00
Prior Billed	0.00
Total Billed	0.00

Current Billed	0.00
Total	<u>11,660.00</u>

Invoice total 11,660.00

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
10-13 Preliminary Design	149,600.00	100.00	149,600.00	149,600.00	0.00	0.00	0.00
11-13 Final Design	116,600.00	30.00	23,320.00	34,980.00	81,620.00	70.00	11,660.00
12-13 Bidding & Negotiating	51,000.00	0.00	0.00	0.00	51,000.00	100.00	0.00
13-13 Construction	313,000.00	0.00	0.00	0.00	313,000.00	100.00	0.00
14-13 Post-Construction	20,000.00	0.00	0.00	0.00	20,000.00	100.00	0.00
15-13 Resident Project Representative (RPR)	420,800.00	0.00	0.00	0.00	420,800.00	100.00	0.00
60-13 Geotechnical Investigation	10,000.00	0.00	0.00	0.00	10,000.00	100.00	0.00
61-13 TSEP - Phase 2 Application Revision	5,000.00	100.00	5,000.00	5,000.00	0.00	0.00	0.00
Total	1,086,000.00	17.46	177,920.00	189,580.00	896,420.00	82.54	11,660.00

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
20558	11/19/2019	44,880.00					44,880.00
21904	06/26/2020	4,908.25					4,908.25
22333	08/21/2020	3,498.00			3,498.00		
22548	09/28/2020	5,830.00	5,830.00				
22735	10/26/2020	11,660.00	11,660.00				
	Total	70,776.25	17,490.00	0.00	3,498.00	0.00	49,788.25

Payments are due within 30 days of the invoice date. Thank you.

OPERATING BILLED INCOME	SEPTEMBER 2020	MTHLY BUDGET	2021 FISCAL YTD	YTD BUDGET	2021 BUDGET	% OF BUDGET
Fee Assessment	\$742.24	\$17,860.75	\$3,744.67	\$53,582.25	\$214,329.00	1.7
Interest Income CAB	\$77.46	\$0.00	\$248.55	\$0.00	\$0.00	
Interest Income Missoula County	\$22.31	\$0.00	\$105.06	\$0.00	\$0.00	
TOTAL OPERATING INCOME	\$842.01	\$17,860.75	\$4,098.28	\$53,582.25	\$214,329.00	1.9

OPERATING EXPENSES

Audit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0
Bookkeeping	\$600.00	\$416.67	\$2,047.50	\$1,250.00	\$5,000.00	41.0
Dues & Subscriptions	\$0.00	\$41.67	\$0.00	\$125.00	\$500.00	0.0
Election	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0
Equipment	\$0.00	\$4.17	\$0.00	\$12.50	\$50.00	0.0
Income Survey	\$0.00	\$62.50	\$0.00	\$187.50	\$750.00	0.0
Insurance - Liability	\$1,000.00	\$166.67	\$1,000.00	\$500.00	\$2,000.00	50.0
Legal	(\$515.59)	\$0.00	\$2,634.05	\$3,750.00	\$15,000.00	17.6
Licenses & Fees	\$0.00	\$81.25	\$0.00	\$243.75	\$975.00	0.0
Meals & Entertainment	\$0.00	\$4.17	\$0.00	\$12.50	\$50.00	0.0
Office Supplies	\$16.20	\$33.33	\$77.37	\$100.00	\$400.00	19.3
Postage	\$0.00	\$58.33	\$185.35	\$175.00	\$700.00	26.5
Public Relations	\$0.00	\$100.00	\$144.00	\$300.00	\$1,200.00	12.0
Manager	\$1,980.00	\$0.00	\$7,580.00	\$9,600.00	\$38,400.00	19.7
Secretary	\$547.50	\$350.00	\$1,706.25	\$1,050.00	\$4,200.00	40.6
Training	\$0.00	\$41.67	\$0.00	\$125.00	\$500.00	0.0
Travel	\$0.00	\$16.67	\$0.00	\$50.00	\$200.00	0.0
SSHS Testing	\$0.00	\$83.33	\$0.00	\$250.00	\$1,000.00	0.0
Water Testing	\$0.00	\$75.00	\$0.00	\$225.00	\$900.00	0.0
Well/Lake Monitoring	\$854.45	\$250.00	\$1,687.90	\$750.00	\$3,000.00	56.3
Reserve	\$0.00	\$0.00	\$0.00	\$7,000.00	\$28,000.00	0.0
Grant Match	\$0.00	\$1,250.00	\$0.00	\$3,750.00	\$15,000.00	0.0
Grant Writing Contracts	\$0.00	\$1,125.33	\$0.00	\$3,376.00	\$13,504.00	0.0
Repay Reserve	\$0.00	\$5,666.67	\$0.00	\$17,000.00	\$68,000.00	0.0
Pin Drive Easements	\$0.00	\$1,250.00	\$0.00	\$3,750.00	\$15,000.00	0.0
TOTAL OPERATING EXPENSES	\$4,482.56	\$11,077.42	\$17,062.42	\$53,582.25	\$214,329.00	7.96

NET OP. INCOME (LOSS)	(\$3,640.55)	\$6,783.33	(\$12,964.14)	\$0.00	\$0.00
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OTHER INCOME & EXPENSES

Grant WRDA - 2017	\$0.00	\$0.00	\$4,191.56	\$0.00	\$0.00
Grant DNRC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grant TSEP 2012	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LOR Grant	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RRGL - 2020	\$0.00	\$0.00	\$60,140.00	\$0.00	\$0.00
Grant STAG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Missoula County Match Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

TOTAL OTHER INCOME & EXPENSES	\$0.00	\$0.00	\$64,331.56	\$0.00	\$0.00
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TOTAL NET INCOME (LOSS)	(\$3,640.55)	\$6,783.33	\$51,367.42	\$0.00	\$0.00
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BALANCE SHEET

ASSETS

07/31/20

08/31/20

09/30/20

CURRENT ASSETS

Cash Accounts	07/31/20	08/31/20	09/30/20
Citizens Alliance Bank Account	\$314,058.63	\$314,149.03	\$314,226.49
Missoula County Account	\$79,500.51	\$52,874.09	\$44,194.94
- District Reserve Funds	\$0.00	\$0.00	\$0.00
- General District Funds	\$79,500.51	\$52,874.09	\$44,194.94
Total Cash Assets	\$393,559.14	\$367,023.12	\$358,421.43
Accounts Receivable	\$0.00	\$0.00	\$0.00
TOTAL CURRENT ASSETS	\$393,559.14	\$367,023.12	\$358,421.43

FIXED ASSETS

Construction in Progress			
Grant Administration	\$10,487.36	\$10,487.36	\$10,487.36
Fees	\$143,402.31	\$142,477.31	\$142,477.31
Capital Expenditure	\$55,917.00	\$70,917.00	\$70,917.00
Engineering			
Coordinate with District	\$2,111.13	\$2,111.13	\$2,111.13
Environmental Analysis & Review	\$6,506.40	\$6,506.40	\$6,506.40
USFS Land Acquisition	\$11,522.60	\$11,522.60	\$11,522.60
Groundwater Discharge Permit	\$99,957.17	\$99,957.17	\$99,957.17
Public Meeting	\$2,362.80	\$2,362.80	\$2,362.80
Treatment and Collection System	\$88,825.09	\$88,825.09	\$88,825.09
Study & Report Phase	\$75,760.29	\$75,760.29	\$75,760.29
TSEP Grant Application	\$19,528.52	\$19,528.52	\$19,528.52
Coordinate with District & Attend Monthly Board Meetings	\$5,767.28	\$5,767.28	\$5,767.28
Groundwater Discharge Permit DNRC Site	\$24,270.30	\$24,270.30	\$24,270.30
Geotechnical Investigation	\$25,255.50	\$25,255.50	\$25,255.50
Powell County Land Use Permit	\$4,119.25	\$4,119.25	\$4,119.25
DNRC Land Application Assistance	\$1,528.25	\$1,528.25	\$1,528.25
Environmental Analysis & Review DNRC	\$15,509.40	\$15,509.40	\$15,509.40
Preliminary Design	\$332,916.66	\$332,916.66	\$332,916.66
Final Design	\$343,834.55	\$343,834.55	\$343,834.55
Sewer Service Field Work	\$74,403.05	\$74,403.05	\$74,403.05
Aerial Photo	\$7,809.99	\$7,809.99	\$7,809.99
Force main/Lift Stat Topo/Aerial	\$10,179.70	\$10,179.70	\$10,179.70
Funding Agency Assistance	\$47,307.80	\$47,307.80	\$47,307.80
Add Services - Grant Application	\$3,312.25	\$3,312.25	\$3,312.25
Add Services - Phase Collection - Bid & Construction	\$81.75	\$81.75	\$81.75
Add Services - Separate Treatment & Collection	\$10,499.99	\$10,499.99	\$10,499.99
Add Services - Startup Assistance	\$60.00	\$60.00	\$60.00
Add Services - Coordinate with District	\$23,526.05	\$23,526.05	\$23,526.05
Add Services - Phase 3 & 4 Cost Estimates	\$4,000.50	\$4,000.50	\$4,000.50
Add Services - Geotechnical Investigation	\$60,228.54	\$60,228.54	\$60,228.54
Add Services - Forcemain & Lift Station Topo	\$2,058.85	\$2,058.85	\$2,058.85
Add Services - Funding Agency Assistance	\$197.25	\$197.25	\$197.25
Add Services - EDA Grant App B-E	\$3,800.00	\$4,000.00	\$4,000.00
Add Services - EDA Grant App	\$8,555.75	\$9,587.00	\$9,587.00
Construction in Progress - Other	\$131,320.15	\$131,320.15	\$131,320.15
Bidding & Negotiating	\$34,650.00	\$34,650.00	\$34,650.00
Phase II Preliminary Design	\$149,600.00	\$149,600.00	\$149,600.00
Phase II Final Design	\$13,992.00	\$17,490.00	\$23,320.00
Phase II TSEP Application Revision	\$5,000.00	\$5,000.00	\$5,000.00
Total Fixed Assets	\$1,860,165.48	\$1,878,969.73	\$1,884,799.73
TOTAL ASSETS	\$2,253,724.62	\$2,245,992.85	\$2,243,221.16

BALANCE SHEET**LIABILITIES & EQUITY**

07/31/20

08/31/20

09/30/20

CURRENT LIABILITIES

Accounts Payable	\$150,226.99	\$88,588.84	\$89,457.70
Advance LOR Grant Income	\$308,963.37	\$308,963.37	\$308,963.37
Total Current Liabilities	\$459,190.36	\$397,552.21	\$398,421.07

TOTAL LIABILITIES**\$459,190.36 \$397,552.21 \$398,421.07****OWNERS' EQUITY**

Retained Earnings	\$1,794,357.67	\$1,793,432.67	\$1,793,432.67
Net Income (Loss)	\$176.59	\$55,007.97	\$51,367.42
Total Owners' Equity	\$1,794,534.26	\$1,848,440.64	\$1,844,800.09

TOTAL LIABILITIES & EQUITY**\$2,253,724.62 \$2,245,992.85 \$2,243,221.16**

CASH FLOW RECONCILIATION

	31-Aug	30-Sep	FISCAL YTD
TOTAL NET INCOME (LOSS)	\$54,831.38	(\$3,640.55)	\$51,367.42
Operating Activities			
Accounts Payable	(\$61,638.15)	\$868.86	(\$63,083.41)
Advance LOR Grant Income	\$0.00	\$0.00	\$0.00
Total Investing Activities	(\$61,638.15)	\$868.86	(\$63,083.41)
INCREASE (DECREASE) IN NON-CASH ASSETS			
Accounts Receivable	\$0.00	\$0.00	\$0.00
Net Cash Provided by Operating Activities	<u>(\$6,806.77)</u>	<u>(\$2,771.69)</u>	<u>(\$11,715.99)</u>
INCREASE (DECREASE) INVESTING ACTIVITIES			
Construction in Progress	(\$19,729.25)	(\$5,830.00)	(\$29,600.75)
Total Incr (Decr) in Investments	(\$19,729.25)	(\$5,830.00)	(\$29,600.75)
NET CASH INCREASE (DECREASE)	<u>(\$26,536.02)</u>	<u>(\$8,601.69)</u>	<u>(\$41,316.74)</u>
CHANGE IN ACCOUNT BALANCES			
Cash at Beginning of Period	\$393,559.14	\$367,023.12	\$399,738.17
Cash at End of Period	\$367,023.12	\$358,421.43	\$358,421.43
Change in Account Balances	<u>(\$26,536.02)</u>	<u>(\$8,601.69)</u>	<u>(\$41,316.74)</u>

Seeley Lake - Missoula County Sewer District

Check Detail

September 2020

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1873	09/17/2020	Christian, Samson & Basket...		1001 - Missoula County A...	-300.00	-300.00
Bill	Inv#5407	09/16/2020			6282 - Legal Fees - Gener...	-300.00	300.00
TOTAL						-300.00	300.00
Bill Pmt -Check	1874	09/17/2020	Curtiss Consulting LLC		1001 - Missoula County A...	-1,980.00	-1,980.00
Bill		09/14/2020			6117 - Sewer District Cons...	-1,980.00	1,980.00
TOTAL						-1,980.00	1,980.00
Bill Pmt -Check	1875	09/17/2020	Seeley Lake Water District		1001 - Missoula County A...	-616.20	-616.20
Bill	Inv#188	09/01/2020			6652 - Bookkeeping Services Copies	-600.00 -16.20	600.00 16.20
TOTAL						-616.20	616.20
Check	1876	09/17/2020	Felicity Derry		1001 - Missoula County A...	-547.50	-547.50
TOTAL						-547.50	547.50
Bill Pmt -Check	1877	09/24/2020	Beal Law Firm, PLLC		1001 - Missoula County A...	-6,000.00	-6,000.00
Bill	Inv#12215	06/30/2020			6282 - Legal Fees - Gener...	-6,000.00	14,365.45
TOTAL						-6,000.00	14,365.45

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Seeley Lake-Missoula County Sewer District, Montana (the "District"), hereby certify that the attached resolution is a true copy of Resolution No. 11192020, entitled: "A RESOLUTION OF SEELEY LAKE-MISSOULA COUNTY SEWER DISTRICT, MONTANA, SUBMITTING TO THE QUALIFIED ELECTORS OF THE DISTRICT THE QUESTIONS OF ISSUING (I) GENERAL OBLIGATION BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED FOUR MILLION NINE HUNDRED FORTY-TWO THOUSAND AND NO/100 DOLLARS (\$4,942,000.00) FOR THE PURPOSE OF PAYING A PORTION OF THE COSTS OF A SEWAGE TREATMENT PLANT AND ASSOCIATED IMPROVEMENTS TO SERVE ALL PROPERTIES IN THE DISTRICT, AND (II) REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED ONE MILLION FOUR HUNDRED EIGHTY-EIGHT THOUSAND AND NO/100 DOLLARS (\$1,488,000.00) FOR THE PURPOSE OF PAYING A PORTION OF THE COSTS OF A SEWAGE COLLECTION SYSTEM AND ASSOCIATED IMPROVEMENTS TO SERVE ALL PROPERTIES IN SUBDISTRICT NO. 1 OF THE DISTRICT, AND (III) PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS" (the "Resolution"), on file in the original records of the District in my legal custody; that the Resolution was duly adopted by the Board of Directors of the District at a meeting on November 19, 2020, and that the meeting was duly held by the Board of Directors and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Directors voted in favor thereof: _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand and seal officially this _____ day of November, 2020.

Secretary

RESOLUTION NO. 11192020

A RESOLUTION OF SEELEY LAKE-MISSOULA COUNTY SEWER DISTRICT, MONTANA, SUBMITTING TO THE QUALIFIED ELECTORS OF THE DISTRICT THE QUESTIONS OF ISSUING (I) GENERAL OBLIGATION BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED FOUR MILLION NINE HUNDRED FORTY-TWO THOUSAND AND NO/100 DOLLARS (\$4,942,000.00) FOR THE PURPOSE OF PAYING A PORTION OF THE COSTS OF A SEWAGE TREATMENT PLANT AND ASSOCIATED IMPROVEMENTS TO SERVE ALL PROPERTIES IN THE DISTRICT, AND (II) REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED ONE MILLION FOUR HUNDRED EIGHTY-EIGHT THOUSAND AND NO/100 DOLLARS (\$1,488,000.00) FOR THE PURPOSE OF PAYING A PORTION OF THE COSTS OF A SEWAGE COLLECTION SYSTEM AND ASSOCIATED IMPROVEMENTS TO SERVE ALL PROPERTIES IN SUBDISTRICT NO. 1 OF THE DISTRICT, AND (III) PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS

RECITALS

WHEREAS, the Seeley Lake-Missoula County Sewer District, Montana (the "District") is a county water and sewer district, validly organized pursuant to Title 7, Chapter 13, Parts 21 and 22, Montana Code Annotated (the "Act"); and

WHEREAS, the District was incorporated on June 18, 1992 and is located within the boundaries of Missoula County, a political subdivision of the State of Montana; and

WHEREAS, pursuant to Resolution No. 09072016 A adopted following a public hearing at a special meeting on September 7, 2016, the District created Subdistrict No. 1, Subdistrict No. 2, Subdistrict No. 3, and Subdistrict No. 4, and pursuant to Resolution No. 03192020 adopted on March 19, 2020 following a public hearing on January 16, 2020, the District amended the boundaries of Subdistrict No. 2, Subdistrict No. 3, and Subdistrict No. 4; and

WHEREAS, the District and Subdistrict No. 1 are legally described on the attached Exhibit A hereto and Subdistrict No. 1, Subdistrict No. 2, Subdistrict No. 3, and Subdistrict No. 4 are depicted on the map attached as Exhibit B hereto (which exhibits are hereby incorporated herein and made a part hereof); and

WHEREAS, the Board of Directors of the District (the "Board") conducted special assessment proceedings to seek to authorize the levy of special assessments (the "Special Assessments") against properties in the District to repay bonds in the total principal amount of \$5,790,000, and pursuant to Resolution No. 12212017 (the "Resolution Approving the Special Assessments") adopted following a public hearing at a regular meeting on December 21, 2017, the District approved the Special Assessments for the purpose of repaying special assessment bonds to pay a portion of the costs of the design, construction, and installation of the Improvements (as defined below); and

WHEREAS, the Board has caused to be designed and now proposes to cause to be constructed and installed a sewer system for the District, including the construction and installation of a sewage treatment plant, a force main, lift stations, and associated improvements that have the capacity to serve all properties in the District (the "Sewage Treatment Plant") and a sewage collection system and associated improvements that serve all properties in Subdistrict No. 1 of the District (the "Collection System"); and

WHEREAS, the Board has determined that it is the best interests of the District to construct and install the Sewage Treatment Plant and the Collection System (collectively, the "Improvements") as the initial stage of an overall undertaking that will result in a public sewer system serving the District, with Subdistrict Nos. 2, 3, and 4 subsequently being served by sewage collection systems; and

WHEREAS, the Board, as presently constituted, has determined that rather than proceeding with the Special Assessments contemplated by the Resolution Approving the Special Assessments, it now desires to (i) hold an election on bonds to finance a portion of the costs of the Sewage Treatment Plant and of the Collection System, and (ii) provide for a methodology that in the Board's estimation spreads the costs of the Improvements in a manner that is more equitable than the methodology employed under the Resolution Approving the Special Assessments; and

WHEREAS, the election on the bonds authorized by this Resolution supersedes, replaces, and renders of no further force or effect the authority to levy the Special Assessments conferred upon the Board by the Resolution Approving the Special Assessments; and

WHEREAS, the Sewage Treatment Plant will benefit all of the properties in the District and the Collection System will benefit properties in Subdistrict No. 1; and

WHEREAS, pursuant to Section 7-13-2321, Montana Code Annotated, whenever the board of directors of a county water or sewer district deems it necessary for the district to incur a bonded indebtedness, it shall by resolution so declare and state the purpose or purposes for which the debt is proposed to be incurred, the land within the district to be benefited thereby, the amount of the debt to be incurred, the maximum term the bonds proposed to be issued shall run before maturity, and the proposition to be submitted to the electors; and

WHEREAS, the Board has determined that there should be submitted to the electors of the District qualified to vote at bond elections in accordance with the provisions of Title 7, Chapter 13, Parts 22 and 23, the questions of whether the Board shall be authorized to sell and issue (i) general obligation bonds for the purpose of paying a portion of the costs of constructing and installing the Sewage Treatment Plant and paying associated costs of issuance, and (ii) revenue bonds for the purpose of paying a portion of the costs of constructing and installing the Collection System and paying associated costs of issuance; and

WHEREAS, based on the information provided to the District from Great West Engineering, Inc., of Helena, Montana (the "Engineer"), the estimated total cost of the Sewage Treatment Plant and associated costs is \$11,927,750, which will be paid from the proceeds of

general obligation bonds proposed to be issued in one or more series in the total principal amount of \$4,942,000 and grants available to or funds on hand of the District in the total amount of \$6,985,750; and

WHEREAS, based on the information provided to the District from the Engineer, the estimated total cost of the Collection System and associated costs is \$5,072,250, which will be paid from the proceeds of revenue bonds proposed to be issued in one or more series in the total principal amount of \$1,488,000 and grants available to or funds on hand of the District in the total amount of \$3,584,250; and

WHEREAS, it is necessary to submit to the qualified electors of the District the questions of whether the Board of the District shall be authorized to issue bonds for the Improvements;

WHEREAS, pursuant to Sections 7-13-2323, 13-1-504, and 13-19-104, M.C.A., such election can be conducted by a mail ballot election; and

WHEREAS, the Board has determined that a mail ballot election conducted in accordance with the provisions of Title 13, Chapter 19, Parts 1-3, M.C.A. (the "Mail Ballot Act"), is in the best interests of the District and the residents thereof and owners of real property therein, and has notified the County Election Administrator of its desire to have the County Election Administrator conduct a mail ballot election; and

WHEREAS, the County Election Administrator will prepare a mail ballot election plan in accordance with the provisions of Section 13-19-205, M.C.A. (the "Mail Ballot Plan"); and

WHEREAS, this Resolution relates to seeking to authorize bonds to pay a portion of the costs of the Sewage Treatment Plant and the Collection System and nothing in this Resolution binds or obligates the Board in connection with the planning for or provision or financing of the sewage collection systems to serve Subdistrict Nos. 2, 3, or 4.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

1. Calling of the Election. The Board of the District hereby calls and directs a special election to be held in the District on February 23, 2021, to be conducted by mail ballot pursuant to the provisions of the Mail Ballot Act for the purpose of voting on the questions of whether the Board, acting on behalf of the District, shall be authorized to sell and issue (i) general obligation bonds of the District in one or more series in an aggregate principal amount not to exceed \$4,942,000 for the purpose of paying a portion of the costs of designing, constructing and installing a sewage treatment plant, a force main, lift stations, and associated improvements to serve all properties in the District and paying costs associated with the sale and issuance of such bonds, and (ii) revenue bonds of the District in one or more series in the aggregate principal amount not to exceed \$1,488,000 for the purpose of paying a portion of the costs of designing, constructing and installing a sewage collection system and associated improvements to serve all properties in Subdistrict No. 1 of the District and paying costs associated with the sale and issuance of such bonds. Each series of bonds shall be payable during a period of not more than forty (40) years.

2. Benefited Land. All land within the District will be benefited by the Sewage Treatment Plant and all land within Subdistrict No. 1 will be benefited by the Collection System, as such land within the District and within Subdistrict No. 1 is described in Exhibit A hereto and as such land is shown on the map attached as Exhibit B hereto (which exhibits are incorporated by reference and made a part hereof).

3. Conduct of Election. All qualified electors of the District shall be entitled to vote at the bond election. For purposes of this election, the qualified electors include those registered electors owning or residing upon real property in the District who have satisfied the requirements of Section 7-13-2212, M.C.A. The Secretary of the District is hereby authorized and directed to give notice of the call and details of this election to the County Election Administrator at least 85 days before the election. The County Election Administrator is requested to give notice of the close of registration and thereafter prepare printed lists of the qualified electors in the District and in Subdistrict No. 1 of the District entitled to vote in the election and to conduct the election in the form and manner prescribed by law and consistent with the Mail Ballot Plan and the attached Exhibit C.

All qualified electors, as defined in Section 7-13-2201, M.C.A., are those who reside within the District and are registered to vote and, upon satisfaction of the requirements of Section 7-13-2212, M.C.A, qualified electors also include registered electors owning real property in the District.

For electors qualified under general election laws who reside in the District and who miss the close of registration deadline, late registration is available through the office of the County Election Administrator until noon on February 22, 2021, and will resume on Election Day, February 23, 2021, from 7:00 a.m. until 8:00 p.m.

For an elector who is not a resident of the District but owns taxable real property in the District, such elector must provide written proof of the individual's qualification to vote to the Missoula County Election Administrator by no later than January 29, 2021. Electors who are not residents of the District but own taxable real property in the District and who therefore are eligible to be qualified electors include individuals, individuals representing a corporation or a company that owns such property, or a designated agent of a trust that owns such property, as described more particularly in Section 7-13-2212, M.C.A.

4. Notice of Election. The County Election Administrator is hereby authorized and requested to cause notice of the call and holding of the election at least three times no earlier than 40 days and no later than 10 days before the election by publishing notice in the *Missoulian* and the *Seeley Swan Pathfinder*, both newspapers of general circulation in Missoula County. The notice as published shall read substantially as shown on Exhibit C hereto (which is incorporated by reference and made a part hereof) with such additions or deletions as shall be necessary or appropriate.

5. Forms of Ballot. The ballots shall be printed in substantially the following forms, with such additions or deletions as shall be necessary or appropriate:

OFFICIAL BALLOT

SEELEY LAKE-MISSOULA COUNTY SEWER DISTRICT, MONTANA

MAIL BALLOT BOND ELECTION – SEWAGE TREATMENT PLANT
FEBRUARY 23, 2021

INSTRUCTIONS TO VOTERS: Completely fill in the oval using a blue or black ink pen before the words “BONDS—YES” if you wish to vote for the bond issue; if you are opposed to the bond issue, completely fill in the oval using a blue or black ink pen before the words “BONDS—NO.”

Shall the Board of Directors of Seeley Lake-Missoula County Sewer District, Montana (the “District”) be authorized to sell and issue general obligation bonds of the District in one or more series in a total principal amount of up to Four Million Nine Hundred Forty-Two Thousand and No/100 Dollars (\$4,942,000), payable over a period of not more than forty (40) years, for the purpose of paying a portion of the costs of designing, constructing and installing a sewage treatment plant, a force main, lift stations, and associated improvements to serve all properties in the District and paying costs associated with the sale and issuance of the bonds (the “Sewage Treatment Plant Project”)?

The total estimated cost of the Sewage Treatment Plant Project is approximately \$11,927,750. Costs of the Sewage Treatment Plant Project in excess of \$4,942,000 are expected to be paid from grants available to and funds on hand at the District in the total amount of approximately \$6,985,750. The Sewage Treatment Plant Project will benefit all properties in the District, the boundaries of which are on file in the office of the District and the office of the Missoula County Clerk and Recorder.

The annual property tax to pay debt service on the bonds assuming the bonds bear interest at the rate of 2.35% per annum and have a 40-year term and based on the current estimate of taxable value of taxable property in the District is \$139.05 (or \$11.59 per month) for a home valued at \$100,000 and \$278.10 (or \$23.18 per month) for a home valued at \$200,000.

BONDS – YES

BONDS – NO

OFFICIAL BALLOT

SEELEY LAKE-MISSOULA COUNTY SEWER DISTRICT, MONTANA

MAIL BALLOT BOND ELECTION – SUBDISTRICT NO. 1 COLLECTION SYSTEM
FEBRUARY 23, 2021

INSTRUCTIONS TO VOTERS: Completely fill in the oval using a blue or black ink pen before the words “BONDS—YES” if you wish to vote for the bond issue; if you are opposed to the bond issue, completely fill in the oval using a blue or black ink pen before the words “BONDS—NO.”

Shall the Board of Directors of Seeley Lake-Missoula County Sewer District, Montana (the “District”) be authorized to sell and issue revenue bonds of the District in one or more series in a total principal amount of up to One Million Four Hundred Eighty-Eight Thousand and No/100 Dollars (\$1,488,000), payable over a period of not more than forty (40) years, for the purpose of paying a portion of the costs of designing, constructing and installing a sewage collection system and associated improvements to serve all properties in Subdistrict No. 1 of the District and paying costs associated with the sale and issuance of the bonds (the “Collection System Project”)?

The total estimated cost of the Collection System Project is approximately \$5,072,250. Costs of the Collection System Project in excess of \$1,488,000 are expected to be paid from grants available to and funds on hand at the District in the total amount of approximately \$3,584,250. The Collection System Project will benefit all properties in Subdistrict No. 1 of the District, the boundaries of which are on file in the office of the District and the office of the Missoula County Clerk and Recorder.

The monthly charge to pay debt service on the bonds assuming the bonds bear interest at the rate of 2.25% per annum and have a term of 40 years is approximately \$25 per each lot, tract, or parcel in Subdistrict No. 1 of the District.

BONDS – YES

BONDS – NO

Passed and approved this 19th day of November, 2020.

President, Board of Directors

ATTEST:

Secretary

EXHIBIT A

LEGAL DESCRIPTION OF THE DISTRICT AND OF SUBDISTRICT NO. 1

Legal Description of the District

The following described real property, lying in Townships 16 North and 17 North, Range 15 West, Montana Principal Meridian, Missoula County, Montana enclosed by the following boundaries:

Beginning at the north section corner between Sections 2 and 3, T16N, R15W; thence southerly along the section line between Sections 2 and 3 to a distance of 850 feet south of section corner common to Sections 2, 3, 10 and 11, to the northwest corner of Parcel 1, Section 11, COS 5056, and including all of Parcel 1; thence easterly and southerly along the northeast and east boundary of said Parcel 1 to the common point with Mood to Double Arrow Ranch Lot 1 amended lots 109, 110 and 111, and including all of said Lot 1; thence easterly to the northeast corner of Lot 1; thence southerly to the southeast corner of Lot 1; thence westerly to the common point with Parcel A, Section 11, COS 3186 and Parcel B1, Section 11, COS 5925, and including all of parcels A and B1; thence southerly a distance of 312 feet along the east boundary of said Parcel B1, to the southeast boundary of said Parcel B1; thence westerly a distance of 402 feet along south boundary of said Parcel B1, to west boundary of said Section B1 (also Highway 83); thence northerly 667 feet along west boundaries of said Parcels B1, A and 1 (also Highway 83); thence westerly 120 feet, across Highway 83, to southeast corner of Lot 5, Section 10, Lazy Pine Addition, and including all of said Lot 5; thence continuing westerly 642 feet along south boundaries of said Lot 5 and also Lot 4A, Section 10, Lazy Pine Addition, and including all of said Lot 4A; thence northerly 131 feet along west boundary of said Lot 4A; thence easterly 1920 feet along south boundaries of said Lot 4A and also Lot 1A, Section 10, Lazy Pine Addition, and including all of Lot 1A, to centerline of Section 10; thence northerly along centerline of Section 10 to common point with south boundary of Section 3; thence westerly along Section line between Sections 3 and 10 to section corner common to Section 3, 4, 9 and 10; thence northerly along section line to section corner of north boundary of Section 3 and 4; thence easterly along section line between 3 and 34 to southwest boundary of Parcel 1, Section 34, T17N, R15W, COS 5079, and including all of said Parcel 1; thence northwesterly 665 feet along southwest boundary of said Parcel 1 to north-south centerline of SE $\frac{1}{4}$ of Section 34; thence northerly along the said centerline of SE $\frac{1}{4}$ of Section 34 to common point with NE $\frac{1}{4}$ of Section 34; thence westerly along common boundary between NE $\frac{1}{4}$ and SE $\frac{1}{4}$ of Section 34 to the center point of Section 34, which point is also the southwest corner of Block 1 of Clark Addition No. 1; thence northerly along centerline of Section 34 a distance of 1320 feet to NW corner of Clark Addition No. 1, which corner is also the NW corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 34; thence easterly along the northern line of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 34 to point on the section line common to Section 34 and 35, thence southerly along section line to 288 feet north of section line common to Sections 3 and 35, at northwest corner of Parcel A, Carnes Seeley Creek Tracts, No. 1 in Section 35, T17N R15W, COS 3181, and including all of said Parcel A; thence easterly 727 feet along north boundary of said Parcel A to the northeast corner of said Parcel A;

thence southerly 283 feet along east boundary of said Parcel A to southeast corner of said Parcel A and common point with section line common to section 3 and 35; thence easterly along section line between Section 35 and Section 3 to the north section corner between Sections 2 and 3.

Legal Description of Subdistrict No. 1 (or Phase 1)

SUBDISTRICT NO. 1 (OR PHASE 1)

Tract A COS 3181 including Portion A, Carnes' Seeley Creek Tracts, No. 1, in Section 35, T17N R15W; Section 3, T16N R15W, easterly of Highway 83 and northerly of Redwood Lane, excluding the following lots in Seeley Lake Homesites No. 4, lots 3, 4, and Clearwater Park in block 6, lots 1 and 2 block 5, lots 2-15 block 4, all lots in blocks 1, 2, 3, and 7; and excluding the following lots in Seeley Lake Homesites No. 1, lots 2-9 block 1 and lots 1-7 block 2; also excluding Deed Exhibit 3007; also excluding any public rights-of-way.

EXHIBIT B
 MAP OF SUBDISTRICTS

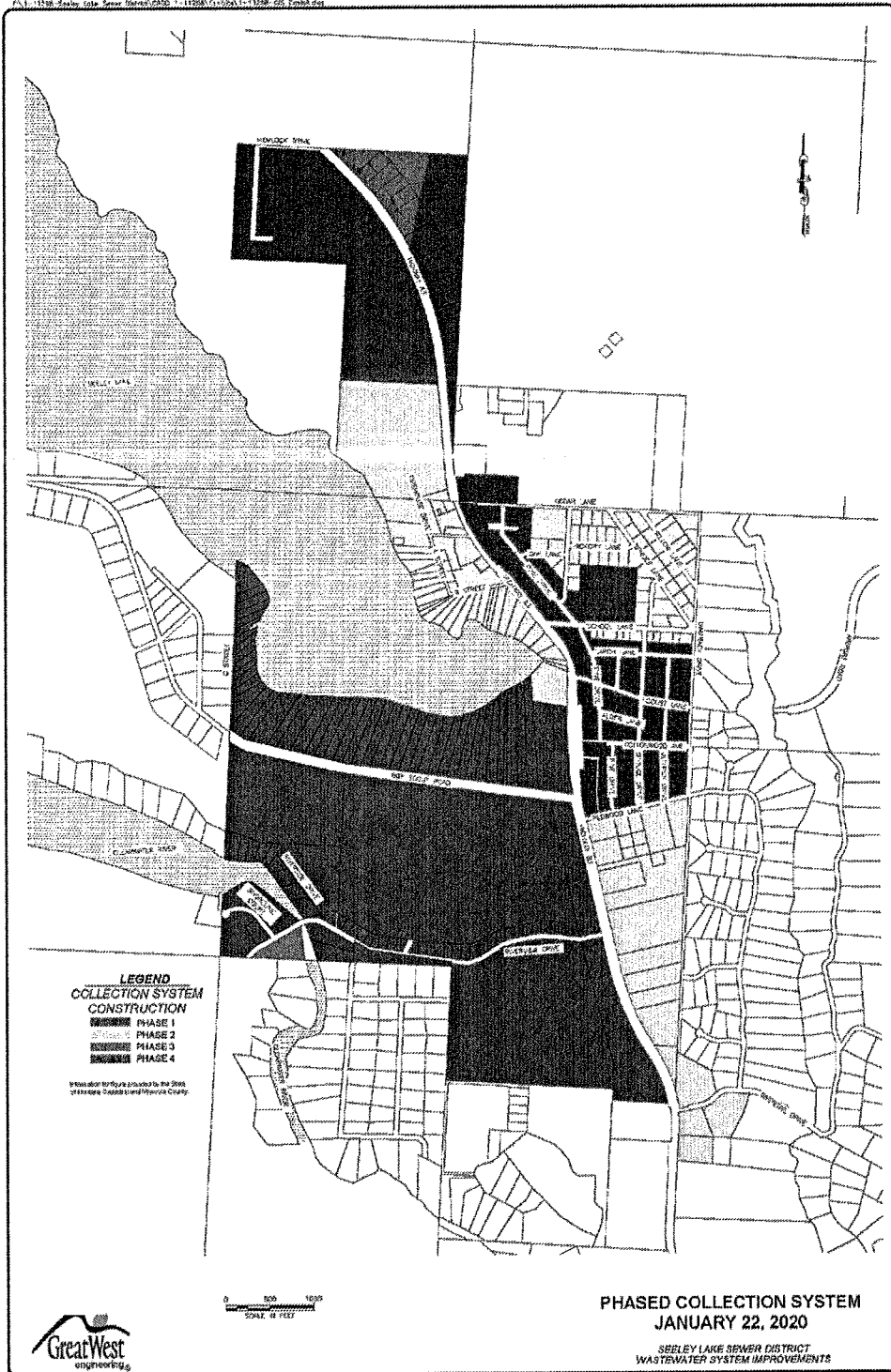


EXHIBIT C

NOTICE OF SEELEY LAKE-MISSOULA COUNTY SEWER DISTRICT, MONTANA BOND ELECTION

NOTICE IS HEREBY GIVEN by the Board of Directors (the "Board") of Seeley Lake-Missoula County Sewer District, Montana (the "District"), that pursuant to a certain resolution duly adopted at a meeting of the Board on November 19, 2020, which resolution is available for public inspection, a mail ballot election will be held February 23, 2021 for the purpose of voting on the question of whether the Board shall be authorized to sell and issue:

- (i) General obligation bonds of the District in one or more series in a total principal amount of up to Four Million Nine Hundred Forty-Two Thousand and No/100 Dollars (\$4,942,000), payable over a period of not more than forty (40) years, for the purpose of paying a portion of the costs of designing, constructing and installing a sewage treatment plant, a force main, lift stations, and associated improvements to serve all properties in the District and paying costs associated with the sale and issuance of the bonds (the "Sewage Treatment Plant Project"). The total estimated cost of the Sewage Treatment Plant Project is approximately \$11,927,750. Costs of the Sewage Treatment Plant Project in excess of \$4,942,000 are expected to be paid from grants available to and funds on hand at the District in the total amount of approximately \$6,985,750. The Sewage Treatment Plant Project will benefit all properties in the District, the boundaries of which are on file in the office of the District and the office of the Missoula County Clerk and Recorder. The annual property tax to pay debt service on the bonds assuming the bonds bear interest at the rate of 2.35% per annum and have a 40-year term and based on the current estimate of taxable value of taxable property in the District is \$139.05 (or \$11.59 per month) for a home valued at \$100,000 and \$278.10 (or \$23.18 per month) for a home valued at \$200,000.
- (ii) Revenue bonds of the District in one or more series in a total principal amount of up to One Million Four Hundred Eighty-Eight Thousand and No/100 Dollars (\$1,488,000), payable over a period of not more than forty (40) years, for the purpose of paying a portion of the costs of designing, constructing and installing a sewage collection system and associated improvements to serve all properties in Subdistrict No. 1 of the District and paying costs associated with the sale and issuance of the bonds (the "Collection System Project"). The total estimated cost of the Collection System Project is approximately \$5,072,250. Costs of the Collection System Project in excess of \$1,488,000 are expected to be paid from grants available to and funds on hand at the District in the total amount of approximately \$3,584,250. The Collection System Project will benefit all properties in Subdistrict No. 1 of the District, the boundaries of which are on file in the office of the District and the office of the Missoula County Clerk and Recorder. The monthly charge to pay debt service on the bonds assuming the

bonds bear interest at the rate of 2.25% per annum and have a term of 40 years is approximately \$25 per each lot, tract, or parcel in Subdistrict No. 1 of the District.

A complete legal description of the property in the District and of Subdistrict No. 1 therein is on file in the office of the District at 3360 Highway 83 North in Seeley Lake, Montana, and at the office of the Missoula County Clerk and Recorder in the Missoula County Courthouse, 200 West Broadway, Missoula, Montana 59802.

The election will be conducted by the County Election Administrator solely by mail ballot. Ballots will be mailed to all qualified electors in the District on February 3, 2021, and must be returned by each voter, in person to the Missoula County Election Office, 140 N. Russell Street in Missoula, Montana during regular business hours (8:00 a.m. to 5:00 p.m.), weekdays (exclusive of holidays) February 4, 2021 through February 22, 2021, or by mail to the Missoula County Election Office, 140 N. Russell Street, Missoula, MT 59801, or as described below:

On Election Day, February 23, 2021, the only places for deposit of voted ballots will be:

- Missoula County Election Office at 140 N. Russell Street, in Missoula
- Seeley Lake Elementary School at 200 School Ln, in Seeley Lake

A qualified elector who will be absent from the District during the time the election is being conducted may:

- A. Vote in person in the office of the Missoula County Election Administrator as soon as the ballots are available and until noon on February 2, 2021.
- B. Make a written request prior to noon on February 2, 2021 signed by the applicant and addressed to the office of the Missoula County Election Administrator requesting the ballot be mailed to an address other than that which appears on the registration records. All ballots to be mailed will be mailed no later than February 3, 2021.

An elector may obtain a replacement ballot if his or her ballot is destroyed, spoiled, lost, or not received by the elector by filling out and mailing, emailing, or faxing back a completed replacement ballot request form or by personally appearing at the Missoula County Election Office at 140 N. Russell Street in Missoula.

Ballots may be returned in person at the places of deposit listed above, or returned by mail. If returning by mail, please use the then-prevailing first-class-postage price or one Forever Stamp. Postmark date does not apply; ballots returned by mail must be received by the 8:00 p.m. Election Day deadline to be counted.

Please note, a "qualified elector" with regard to this election is defined in Section 7-13-2201, Montana Code Annotated.

For electors who are residents of the District and who miss the close of registration deadline, such electors may register late at the Missoula County Election Office (140 N. Russell Street in Missoula) from January 26, 2021 until noon on February 22, 2021. Same day voter

registration is available for such electors at the Missoula County Election Office on Election Day, February 23, 2021, from 7:00 a.m. until 8:00 p.m.

For an elector who is not a resident of the District but owns taxable real property in the District, such elector must provide written proof of the individual's qualification to vote to the Missoula County Election Administrator by no later than January 29, 2021. Electors who are not residents of the District but own taxable real property in the District and who therefore are eligible to be qualified electors include individuals, individuals representing a corporation or a company that owns such property, or a designated agent of a trust that owns such property, as described more particularly in Section 7-13-2212, M.C.A.

DATED this __ day of _____, 20__.

/s/Bradley Seaman
Missoula County Election Administrator

Publish: January 28, 2021, February 4, 2021, and February 11, 2021

**Seeley Lake Missoula County Sewer District
Board Policy on Meeting Agendas**

The agenda for Regular Monthly Board Meetings of the District will be set by the Board President with input from Board members and the General Manager.

Criteria for setting the agenda may include:

- keeping the meeting length manageable-2 hours is the goal
- whether the item is time sensitive
- does the board have the needed information
- should a speaker be invited to present
- is it an item that is the board's role or responsibility
- has the item been discussed already
- is the item one that needs addressed regularly -on District calendar- like annual conflict of interest statement to be signed

Basic Agenda for Monthly Meetings

1. Open Meeting
2. Roll Call Attendance
3. Public Comment on items not on the agenda of the meeting and is within the jurisdiction of the sewer district {MCA 2-3-103 (1)a} *(can limit time/ do not have to respond at the time/ ask to focus on issues/ be respectful)*
4. President's Comments
5. Approval of Minutes
6. Financial reports
 - a. Claims list
 - b. Monthly report
7. Manager Status Report
8. Committee Reports
9. Unfinished Business
10. New Business
11. Next Scheduled Meeting
12. Agenda Items for Next Meeting
13. Adjournment

Public right to know and participate – Montana Constitution Article II Declaration of Rights, Sections 8, 9, 10.

- Board goal to facilitate public participation (MCA 2-3-103 (1)(a))
 - **Permit participation-** notice of when, where and how meetings are being held
 - Minimum of 48 hours notice for meetings
 - The goal is to post the agenda a week prior to the meeting with a note that the agenda may be amended up to 48 hours prior to the meeting
 - Action items must be on the noticed agenda

- **Encourage participation/engagement-** welcome questions and comments
 - Action items listed on agenda should be followed by *adopt/amend/reject*
 - Should there be discussion first or should the motion be put on the floor first? - either is ok
 - Board discussion followed by public comment may lead to a different motion than originally intended.
 - Once a motion is made
 - Person who made the motion should be asked if they would like to speak to their motion
 - President should ask for board discussion and then public input
 - Discussion and public comment may require amending the motion (that's ok)
 - The motion should be restated by the President prior to the vote.
 - Board should deliberate in the open, make decision in the open, board members should state reason for vote even when it is not controversial so the public hears their rationale
 - If public comment is taken before the motion is made, you do not have to take it again after the motion is on the floor.
 - Public comment on agenda items can be limited in time
 - Public comment during agenda items needs to focus on the item, be respectful and can be limited to one comment per person
 - Public comment or questions do not have to be addressed immediately. If it is a pertinent sewer district issue, it could be referred to another meeting or method of response.
 - The order of agenda items and time limits for each item allows public to know when the item they are interested in will be addressed and it also makes the meeting length manageable
- **Assist participation-** provide notice and access to documents and links
 - Resolutions and ordinances should be linked to agenda
 - Board packet should be posted for public access

Placing items on the agenda

Board chair should work with board members, District Manager and Board Secretary to set the agenda

Agenda items should be to the Board secretary 10 days prior to the meeting

Goal to have meeting no more than 2 hours long with a reasonable number of items on agenda for discussion/action

Board members, District Manager and others may suggest items for next meeting, at the end of the meeting. President will ask Board if there is interest in the item being on the next agenda and what additional information or background material they may need.

If a Board member has a proposed motion, resolution, or ordinance to be considered- it should be drafted and sent to the Board President, District Manager and Secretary 10 days prior to the meeting.

Bylaw amendments should first be brought forward as a discussion item. If there is a need for amendments, the responsibility of drafting amendments may be referred to the bylaws committee. Once drafted, the amendments must be sent to the Secretary to distribute to all Board members a minimum of 14 days before the meeting where action on the amendments is on the agenda. The proposed amendments shall be posted on the website for a minimum of 10 days before the meeting.

Bylaw amendments may be sent to the general counsel for review.

Special meetings shall be set as per the bylaws.

DRAFT

Seeley Lake Sewer District -OUR MISSION (this is on the Seeley Sewer website)

The Seeley Lake Sewer District was formed in 1992 to assist the community in determining the need and cost of a centralized sewer system. The District's goals are to:

- 1. Identify grant opportunities and other funding strategies that support an affordable sewer project*
- 2. Address water quality concerns from high density septic system influence*
- 3. Facilitate solutions related to design, construction, acquisition or financing needs for proposed improvements*

BYLAW AMENDMENTS to be considered at the November 19, 2020 board mtg.

Current Bylaws Reads:

Section 1. Purpose. It is the purpose of the District to maintain and provide a healthful environment for present and future generations and to supervise wastewater treatment within the District. *This amendment passed unanimously November 21, 2019.*

Beth's Proposed Change:

Section 1. The purpose of the District is multi-factored: a) to support and maintain a healthful environment for present and future generations in accord with state regulations, b) to determine whether centralized community wastewater treatment is needed for all or part of the District and c) to supervise wastewater treatment within the District in the most responsible, technologically reasonable and affordable manner, recognizing the diversity of economic resources of property owners and residents within the district.

Bylaw Committee recommendation- November 2020

Section 1. Purpose The purpose of the District is multi-factored: a) to support and maintain a healthful environment for present and future generations in accord with state regulations, b) to determine the appropriate wastewater treatment for all or part of the District and c) to supervise wastewater treatment within the District in the most responsible and affordable manner.

Current Bylaws Reads:

Section 14. Duties. Board directors, staff members, volunteers and any individuals appointed to committees of the Board owe attendant duties of loyalty, trust and competence to the District and the Board in carrying out the purpose and intent of the Board's duly adopted resolutions and/or ordinances pursuant to M.C.A. 2-2-103(1) and other applicable law. All persons must comply with the laws of Montana pursuant to M.C.A. 1-1-101 through 1-1-109, as may be amended, including but not limited to Mont. Const. Art. II – 9 and related case law. No person may use their own rights so as to infringe on the rights of another, pursuant to M.C.A. 1-3-205, as may be amended. "The holding of public office or employment is a public trust, created by the confidence that the electorate reposes in the integrity of public officers, legislators, and public employees. A public officer, legislator, or public employee shall

carry out the individual's duties for the benefit of the people of the state. "M.C.A. 2-2-103(1). The Montana Supreme Court has held that a fiduciary relationship has "attendant fiduciary duties of loyalty, trust, and competence". Anderson v. ReconTrust Co., N.A., 2017 MT 313, Parag. 11, 390 Mont. 12, 407 P.3d 692. Likewise, the public trust set forth in M.C.A. 2-2-103(1) has been described as requiring "a duty of loyalty and responsibility to act in the best interests of...the public" Sheehy v. Comm'r of Political Practices for Mont., 2020 MT 37, Parag. 60, 399 Mont. 26 (Justice McKinnon, concurrence). Thus, board directors, staff members, volunteers, and any individuals appointed to committees of the Board must place the best interests of the District and the Board above their own competing interests and personal beliefs when carrying out the purpose and intent of resolutions and/or ordinances that have been duly adopted by the Board. Any action taken by an individual to interfere with, delay or otherwise prevent the Board from pursuing its duly adopted resolutions and/or ordinances may constitute a conflict of interest and breach of the individual's attendant duties of loyalty, trust, and competence to the District and the Board.

Duties:

- A. To select and appoint all agents of the District, remove such agents of the District, prescribe such duties and designate such powers consistent with these Bylaws and fix their compensation and pay for such services.
- B. To prescribe, adopt and amend, from time to time, such equitable uniform rules and regulations as, in its discretion, may be deemed essential for the conduct of the business and affairs of the District and the guidance and control of its officers and employees; and to prescribe adequate penalties for the breach thereof.
- C. To order, as required by law, an independent audit of the books and accounts for the District and accept the report of the independent auditor at a regular meeting of the Board.
- D. To set an annual financial budget once a year for the management of the business of the District. The proposed budget shall be available for public review, properly noticed and a public hearing conducted prior to adoption by the Board. The budget shall be approved by a majority of the board prior to July 1 each year. The Board of Directors may, from time to time, review the budget and revise the same by a majority vote of the directors present. Any revisions in the budget that require an increase in user fees will be submitted for public notice.
- E. To review rates for sewer usage rates charged by the District as often as deemed necessary, but at least once every year, prior to the beginning of the new fiscal year, in order to fix the rate or charge for the services, facilities and benefits directly afforded or received, that will be sufficient in each year to provide income and revenue adequate for:
 - a. The payment of the reasonable expense of operation, maintenance and repair of the sewer system;
 - b. Administration of the District;
 - i. The establishment of maintenance of any required reserves, including reserves needed for expenditures for depreciation and replacement of system facilities, as may be determined necessary from time to time by the

Board or as covenanted in the ordinance or resolution authorizing the outstanding bonds of the District.

Prior to the passage or enactment of an ordinance or resolution imposing, establishing, changing, increasing rates, fees or charges for services or facilities, the Board shall order a public hearing as provided in M.C.A. 7-13-2275.

F. To determine and require performance bonds for certain District employees deemed necessary by the directors, the costs, thereof, to be paid by the District (M.C.A 7-13-2279).

G. To disclose any conflict of interest on agreements or contracts that will be voted on by the Board, before board or committee action. A Director or committee member having a conflict of interest shall not participate in the Board discussion or vote on the agreement or contract where a conflict exists.

The Bylaw Committee is offering four (4) options for amending Section 14. Duties.

Option A: Remove all text in Section 14. except specific duties A-G – Beth's proposal

Option B: Substitute the following for the first paragraph of Section 14 and keep specific duties A-G:

Board directors, staff members, volunteers and any individuals appointed to committees of the Board owe attendant duties of loyalty, trust and competence to *the people of* the District and the Board in carrying out the purpose and intent of the Board's duly adopted resolutions and/or ordinances pursuant to M.C.A. 2-2-103(1) and other applicable law, as may be amended.

Directors of the Seeley Lake Sewer District have a duty and obligation to conduct their representative activities under the parameters of 1) the US Constitution, 2) some relevant federal law, 3) the Montana State Constitution, 4) Montana Code Annotated (M.C.A.) and district by-laws, all as may be amended.

M.C.A. portions of particular utility and frequent reference are found in Titles 1, 2, 7, 13, and 15.

Option C: Remove all existing text down to the specific tasks and substitute-

Section 14: Duties. Board directors, staff members, volunteers and any individuals appointed to committees of the Board owe attendant duties of loyalty, trust and competence to *the people of* the District and the Board in carrying out the purpose and intent of the Board's duly adopted resolutions and/or ordinances pursuant to M.C.A. 2-2-103(1) and other applicable law, as may be amended.

Specific duties A – G, listed above as in current bylaws, would remain following this substituted section.

Option D: Remove all existing text down to the specific tasks and substitute-

Section 14: Duties. Board directors, staff members, volunteers and any individuals appointed to committees of the Board owe attendant duties of loyalty, trust and competence to *the people of* the District and the Board in carrying out the purpose and intent of the Board's duly adopted resolutions and/or ordinances pursuant to M.C.A. 2-2-103(1) and other applicable law, as may

be amended. All persons must comply with the laws of Montana pursuant to M.C.A 1-1-101 – 109, as may be amended.

This option refers to the MCA codes to that address the parameters listed in Option B. These codes are in the current bylaws. See attachment of Montana Codes to see how they read.

Montana Code Annotated 2019

TITLE 1. GENERAL LAWS AND DEFINITIONS

CHAPTER 1. GENERAL PROVISIONS

Part 1. Meaning of Law

1-1-101. Definition of law. "Law" is a solemn expression of the will of the supreme power of the state.

1-1-102. How expressed. The will of the supreme power is expressed by:

- (1) the constitution;
- (2) statutes

1-1-103. Laws -- written or unwritten. Laws, whether organic or ordinary, are either written or unwritten.

1-1-104. Written law defined. A written law is that which is promulgated in writing and of which a record is in existence.

1-1-105. Constitution and statutes. The organic law is the constitution of government and is altogether written. Other written laws are denominated statutes. The written law of this state is therefore contained in its constitution and statutes and in the constitution and statutes of the United States

1-1-106. Public and private statutes. Statutes are public or private. A private statute is one which concerns only certain designated individuals and affects only their private rights. All other statutes are public, in which are included statutes creating or affecting corporations

1-1-107. Unwritten law defined. Unwritten law is the law that is not promulgated and recorded, as mentioned in **1-1-104**, but that is, nevertheless, observed and administered in the courts of the country. It has no certain repository but is collected from the reports of the decisions of the courts and treatises of learned people.

1-1-108. Common law -- applicability of. In this state there is no common law in any case where the law is declared by statute. But where not so declared, if the same is applicable and of a general nature and not in conflict with the statutes, the common law shall be the law and rule of decision.

1-1-109. Common law of England -- when rule of decision. The common law of England, so far as it is not repugnant to or inconsistent with the constitution of the United States or the constitution or laws of this state, is the rule of decision in all the courts of this state.

TITLE 2. GOVERNMENT STRUCTURE AND ADMINISTRATION

CHAPTER 2. STANDARDS OF CONDUCT

Part 1. Code of Ethics

2-2-103. Public trust -- public duty. (1) The holding of public office or employment is a public trust, created by the confidence that the electorate reposes in the integrity of public officers, legislators, and public employees. A public officer, legislator, or public employee shall carry out the individual's duties for the benefit of the people of the state.

(2) A public officer, legislator, or public employee whose conduct departs from the person's public duty is liable to the people of the state and is subject to the penalties provided in this part for abuse of the public's trust.

(3) This part sets forth various rules of conduct, the transgression of any of which is a violation of **public duty, and various ethical principles**, the transgression of any of which must be avoided.

(4) (a) The enforcement of this part for:

(i) state officers, legislators, and state employees is provided for in **2-2-136**;

(ii) legislators, involving legislative acts, is provided for in **2-2-135** and for all other acts is provided for in **2-2-136**;

(iii) local government officers and employees is provided for in **2-2-144**.

(b) Any money collected in the civil actions that is not reimbursement for the cost of the action must be deposited in the general fund of the unit of government.

THE FOLLOWING SECTION OF TITLE 7 TALKS ABOUT THE GOVERNING BODY FULFILLING, IMPLEMENTING AND ACCOMPLISHING THE PURPOSES OF THE DISTRICT.

TITLE 7. LOCAL GOVERNMENT

CHAPTER 11. GENERAL PROVISIONS RELATED TO SERVICES

Part 10. Special Districts -- Creation and Governance

7-11-1021. Governance -- powers and duties. (1) A special district must be administered and operated either by the **governing body** or by a separate elected or appointed board as determined by the governing body.

(2) (a) If the special district is governed by a separate board, the board must be established in accordance with Title 7, chapter 1, part 2, except as provided in **7-11-1010**, and specific powers and duties granted to the board and those specifically withheld must be stated.

(b) A vacancy created pursuant to **2-16-501** occurring during a term must be filled for the unexpired term by the governing body. The member appointed to fill the vacancy holds the office until a successor has been appointed and qualified.

(c) The governing body may grant additional powers to the board. This includes the authorization to use privately contracted legal counsel or the attorney of the governing body. If privately contracted counsel is used, notice must be provided to the attorney of the governing body.

(d) The **governing body has ultimate authority** under this subsection (2).

(3) The entity chosen to administer the special district, as provided in subsection (1), may:

(a) **implement** a program and order improvements for the special district designed **to fulfill the purposes of the special district**;

(b) employ personnel directly related to the specific improvement or program;

(c) purchase, rent, or lease equipment, personal property, and material necessary to **develop and implement** an effective program;

(d) cooperate or contract with any corporation, association, individual, or group of individuals, including any agency of federal, state, or local government, in order to **develop and implement** an effective program;

(e) receive gifts, grants, or donations for the purpose of advancing the program and, by gift, deed, devise, or purchase, acquire land, facilities, buildings, and material necessary **to implement the purposes of the special district**;

(f) construct, improve, and maintain new or existing facilities and buildings necessary to **accomplish the purposes of the special district**;

- (g) provide grants to private, nonprofit entities as part of implementing an effective program;
 - (h) adopt a seal and alter it at the entity's pleasure;
 - (i) **administer local ordinances** as appropriate;
 - (j) **establish district capital improvement funds** pursuant to **7-6-616**, **maintenance funds, and debt service funds; and**
 - (k) borrow money by the issuance of:
 - (i) **general obligation bonds** as authorized by the governing body pursuant to Title 7, chapter 6, part 40, and the appropriate provisions of Title 7, chapter 7, part 22 or 42; or
 - (ii) **revenue bonds** for the lease, purchase, and maintenance of land, facilities, and buildings and the funding of projects in the manner and subject to the appropriate provisions of Title 7, chapter 7, part 25 or 44.
- (4) If the special district is administered by a separate board, the board shall submit annual budget and work plans to the governing body for review and approval.
- (5) The right to exercise eminent domain pursuant to **70-30-102** is limited to cemetery districts.

Memo to the members of the Seeley Lake Sewer District from the District Board of Directors

In an effort to improve community engagement, we have prepared this memo and some supporting documents that are footnoted and available at www.seeleysewer.org.¹

The Problem- groundwater degradation and costs

Since its formation in 1992, the District Board has been charged with determining if a community wastewater treatment system is needed and if so, to construct, operate and maintain a sanitary sewerworks for purposes beneficial to the District including but not limited to pollution abatement and figuring out how to fund it.

As far back as 1998, studies linked groundwater degradation to septic-tank effluent indicating the capacity of the soils to filter out the nitrates and bacteria have been overloaded by the high concentration of septic systems contaminating the groundwater that then flows to the streams and lakes below.² The Missoula City-County Board of Health established a Special Management Area in a portion of Seeley Lake in 2015 because of an upward trend in elevated nitrate levels.³

The cost of construction for the sewer system designed to serve the Seeley Lake Sewer District is now estimated at approximately \$12 million for the sewage treatment plant that will serve all of the District and approximately \$5 million for the collection system that will serve properties in Phase 1 of the project.⁴ The board recognize this is considerable for property owners in the sewer district and has secured about \$10.5 million in grants and \$6.5 million in low interest loans reducing the debt for property owners.

The Solution- community wastewater treatment /grants and low interest loans to reduce costs

Presented with this information, the Board sought grant funding to hire engineers to do a Preliminary Engineering Report (PER) in 2012⁵ and an update in 2018.⁶ The Board reviewed the PER and chose a wastewater treatment system and established four subdistricts⁷ that is now designed and approved and preparing to go to bid.

Over the last several years, the Sewer Board has managed to secure several large grants and the commitment of low interest loans to reduce the amount we, the members of the sewer district, will have to pay. Property owners in the District will repay approximately 40% of the estimated total cost of the sewage treatment plant. Property owners in Subdistrict #1 (Phase 1) of the District will repay approximately 30% of the total estimated cost of the collection system that serves their area. This is for construction costs alone. The design and cost estimates for the Collection Systems for Phases 2, 3 & 4 are not complete at this time.⁸

The Gorilla-Operation and Maintenance of the System

We know there is a gorilla in the room- the annual cost for operations and maintenance (O&M). O&M for the proposed system is estimated to be \$230,000/year.⁹ Once all Phases are built the O&M the monthly costs for O&M will be shared by the entire district. Although some may feel this is an unnecessary burden, all wastewater treatment systems require regular maintenance. Even septic systems need maintenance and eventually to be replaced. The costs of maintaining the approved community sewer system, an alternative community system or an individual system over 15 years are comparable. The grants and loans cannot be applied to the O&M costs but the Board continues to research programs that may help low- income families with these costs.

The Benefits to Public Health, the Environment and the Economy

The ability to protect public health is at risk. A significant number of septic systems within the District are on small lots and many do not meet the current standards including some served only by seepage pits. The approved system will reduce the nitrates entering groundwater in Seeley Lake by at least 85% and over time, the water quality will improve. Clearly, we

¹ Background/ history

² Map of groundwater flow paths, monitoring wells and septic locations

³ Seeley Lake Special Management Area

⁴ Project budget

⁵ 2012 PER Executive Summary

⁶ 2018 PER Update Executive summary

⁷ Phased Collection System map

⁸ Timeline for project

⁹ O&M projected budget

owe this to those who will come after us. The drinking water provided by the Seeley Water District comes from the lake, too.

The clean water we enjoy for fishing and swimming is impacted by the elevated nitrates because of the shallow aquifer in the area. Most people who live in Seeley Lake either full-time or seasonally enjoy being in the great outdoors. Protecting clean water in Seeley Lake and the other lakes, rivers and streams in the watershed are important to all of us.

We also know that Seeley Lake businesses increasingly count on the growing recreation economy in the area which also relies on clean water. Some businesses have already been forced to invest in expensive replacement septic systems. Others need public sewer to expand. Some property owners in the District cannot develop their small lots without a public wastewater system. Once the public system is operating, they will finally be able to use their lots. The Seeley Lake Regional Land Use Plan serves as a guide for development to maintain Seeley's character.

The Vote

The Seeley Lake Missoula County Sewer District Board of Directors adopted Resolution #11192020¹⁰, calling for a bond election on February 23, 2021, by mail ballot, asking the voters in the District¹¹ to approve a **General Obligation (GO) Bond** to finance a portion of the construction costs for the treatment plant and associated infrastructure and a **Revenue Bond** to finance a portion of the cost of the Phase 1 Collection system. These bonds will replace the Assessment Bond Methodology currently authorized through the Notice and Protest process in 2017. **What does that mean to you?**

New Financing Option: General Obligation Bonds for Sewage Treatment Plant¹²

Sewage Treatment Plant and associated infrastructure costs shared by all taxable properties in the District

- estimated **total construction cost** \$11,927,750
- **secured grants*** -\$ 6,985,750
- **Portion Financed /General Obligation Bonds** **\$ 4,942,000**

Annual property Tax per **\$100,000 market value** (on your tax bill) \$139.05/year or \$11.59/month
 (residential tax rate) **\$200,000 market value** (on your tax bill) \$278.10/year or \$23.18/month

New Financing Option: Revenue Bonds for Phase 1 Collection System

Phase 1 Collection costs shared **equally** by property owners in **Phase 1 only** with **Revenue bond**

- estimated total construction cost \$5,072,250
- **secured grants*** \$3,584,250
- **Portion financed /Revenue Bond** **\$1,488,000**

Each Phase 1 property will pay a charge of approximately \$25/ property/ month

***Some of these state and federal grants are only secure until spring of 2021. If the bond elections fail, there is no guarantee future grants will be available for the Seeley Lake Sewer Project. The amount each property in the District would have to pay would be substantially more without the approximately \$10M in grants.**

¹⁰ Seeley Lake Sewer District Resolution #11192020

¹¹ Who can vote in a Sewer District elections

¹² Tax impact table

What will be the outcome of your vote?

A YES vote would approve the General Obligation **[Golden Opportunity]** Bond **authorizing the Board** to finance \$4,942,000 (41.4%) of the approximately \$12,000,000 sewage treatment plant with low interest loans.

A YES vote would approve the Revenue Bond **authorizing the Board** to finance \$1,488,000 (29.3%) of the approximately \$5,000,000 Phase 1 Collection System with low interest loans.

A NO vote on the two bonds means the project will likely lose **ALL grants secured to help fund the majority of the sewer project construction**. If a sewer system is built in the future, property owners face the prospect of significantly increased out-of-pocket costs. While a community wastewater treatment plant is not mandated by EPA, DEQ or Missoula County, at this time, if the nitrate levels continue to trend upward from septic effluent, a future mandate is possible.

We hope you will read through this letter and the supporting materials on the www.seeleysewer.org website. Please call or write us with questions or comments.

Seeley Lake Sewer District Board

Tom Morris, Board President

phone

406-677-4199

email

tomree82@gmail.com

Beth Hutchinson, Board Vice-President

406-425-3601

bethyhutchinson@hotmail.com

Pat Goodover, Member

406-799-2030

sbp@centric.net

Walt Hill, Member

406-677-6563

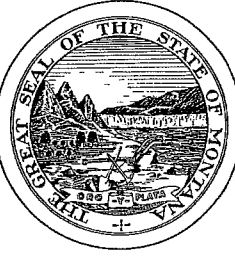
walt.hill@mso.umt.edu

Jason Gilpin, Member

406-261-6063

twolf.gilpin@gmail.com

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION



STEVE BULLOCK, GOVERNOR

1539 ELEVENTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE: (406) 444-2074
FAX: (406) 444-2684

PO BOX 201601
HELENA, MONTANA 59620-1601

Memorandum

To: Seeley Lake/Missoula County Sewer District
PO Box 403
Seeley Lake, MT 59968

From: Sonja Hoeglund
Program Specialist

Date: October 27, 2020

Re: Amendment No. 1 for Grant No. RPG-20-0613

Enclosed are two original Amendments for signature.

Please have both signed where indicated and return both to me for execution by the Department of Natural Resources and Conservation. A fully executed original will be returned to you when completed.

You may call me at 444-0552 with any questions or concerns that you have.

Cc: File w/1 copy

Maximum Amount under this Agreement: \$15,000

Source of Funds

<u>Fund Name</u> Natural Resource Projects Account	<u>Fund No.</u> 02577
<u>Subclass</u> 54010	<u>Org. No.</u> 3420101
	<u>Amount</u> \$15,000

Approved

No. RPG-20-0613

Amend No. 1

Division 17

F.S.O. [Signature]

Legal [Signature]



Appropriation Authority – 66th Legislature/2019 House Bill 6

AMENDMENT NO. 1

CONSERVATION AND RESOURCE DEVELOPMENT DIVISION
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

THIS AMENDMENT MADE AND ENTERED INTO BY AND BETWEEN THE MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION'S (DNRC) CONSERVATION AND RESOURCE DEVELOPMENT DIVISION HEREINAFTER CALLED "DNRC", AND THE SEELEY LAKE – MISSOULA COUNTY SEWER DISTRICT, HEREINAFTER CALLED THE "PROJECT SPONSOR".

The parties to this Agreement in consideration of the mutual covenants and stipulations set out herein hereby agree as follows:

THAT because additional time is needed to complete the project, SECTION 2. TERM. is hereby amended as follows:

SECTION 2. TERM. The effective date of this Agreement is the date of last signing. The Project Sponsor shall have until **December 31, 2021**, to complete the project and work described in SECTION 4. PROJECT SCOPE. DNRC may grant an extension for completion upon request and showing of good cause by the Project Sponsor. A request for extension submitted to DNRC within 45 days prior to the termination date of this agreement.

All other terms and conditions remain unchanged and continue in full force and effect. This Amendment consists of one (1) page.

To express the parties' intent to be bound by the terms of this Agreement they have executed this document on the dates set out below.

Project Sponsor

Date

DNRC

Date