



**COOKE CITY, PARK COUNTY WATER DISTRICT**  
**Monthly Board Meeting Minutes**  
**January 18th, 2018**  
**6:00 pm**

**Location:** Cooke City Fire Station Meeting Room

**Board Members in Attendance:** Deb Purvis, Kay Whittle, Troy Wilson, Rick Sommers  
Rob Vance, Operator

**Members absent:** Vacant Seat, Marilyn Hartley, Clerk

**Public Attendance:** Bill Whittle, Katie Weaver, Bob Smith, Victor Sandonato, Donna Rowland, Lisa Ohlinger

Chair, Deb Purvis, called the meeting to order at 6:02pm.

The minutes from the December meeting were reviewed with no additions or corrections noted. Troy made a motion to approve the minutes as presented and was seconded by Kay. Motion passed unanimously.

The Cash report as of 12/31/17 was reviewed and showed a total cash balance of \$126,164.47 of which all but \$19,417.31 is held in mandatory reserve accounts. There is also \$12,367.47 in tax revenue being held by the Park County Treasurer.

The December Profit & Loss report was reviewed. It was noted that the District actually again saw a profit last month.

The A/R Report from December 31<sup>st</sup> was reviewed with no significant issues.

Review of January invoices presented indicated one for \$900 from Performance Engineering for legal consultation that shouldn't be paid until settlement of the lawsuit. Deb will instruct Marilyn to remove it from the payment. The low electric bill was duly noted and it was determined that part of it was due to 2 pumps being down. Troy made a motion to approve all of the bills except the \$900 invoice and was seconded by Kay. Everyone was in agreement, so Board members signed bill payments for as follows:

January:

- Chk #2863 CenturyLink – \$52.83 – December Phone
- Chk #2864 Gateway Office Supply – \$39.95 – District seal embosser
- Chk #2865 American Bank Card Services – \$405.78 – Website hosting & computer security renew
- Chk #2866 Flathead Electric - \$566.77 – December Electric
- Chk #2867 Hartland LLC (Marilyn) - \$700.00 – January Accounting Services
- Chk #2868 Rob Vance - \$415.58 – January Salary (less deductions)
- Chk #2869 Unemployment Insurance Division – \$3.38 – 2<sup>nd</sup> Qtr SUTA tax
- Chk #2870 Internal Revenue Service - \$206.55 – 4<sup>th</sup> Qtr Payroll taxes
- Chk #2871 Verizon Wireless - \$13.70 – December Cell Phone
- Chk #2872 USPS - \$119.05– Certified postage for tax filings & 2 rolls stamps
- Chk #2873 Performance Engineering - \$2950.00 – Dec Engineering & Grant services

**Old Business:**

PER Update – Deb explained the determined schedule for paying the engineer for PER invoices. The district will pay current PER invoices using the resort tax allocation as long as the \$20,000 lasts. After that,

Performance Engineering will forgo payment until the preliminary report has been submitted at which time they will receive ½ of the grant funds. Upon final completion of the project, they will receive the balance of the grant funds.

Deb also reported that the PER Committee will be meeting for the first time the next day to look at educational materials for dissemination to the public to assist them in making an informed decision. They are planning for 2 public meetings. The first will be in March and mostly targeted for business owners who are in town and the second in July or August to reach out to summer residents.

Legal Activity – The report from Deb indicates that Attorney Jones has requested all construction notes from Great West's insurance company. Their response has been evasive in that they want her to request specific documents. Indications are that a request for mediation will be filed within 60 days and the attorney would like to know how much to ask for. Emily is suggesting \$289,000, but Deb feels that it's not enough due to the fact that the amount only includes expenses to date and there is still more repairs related to the poor construction that needs to be done. Troy suggested \$500,000 and Kay thought a % of current could be used. In the end, Troy recommended that the engineer be consulted to determine a good and reasonable amount based on the fact that there remain unknown issues under ground. All agreed and discussion was tabled until they hear from Performance Engineering.

Board Vacancy – No one had anything to report.

EDU Rate calculation – Deb reported that there is some progress after several exchanges of emails between Rick Stryker and Marilyn. A 3-yr average of annual expenses came to around \$147,000. There are 208 EDUs currently being billed which translates to \$58.89 per EDU per month. Deb indicated that she received a recommendation that the District seek the assistance of a cost analysis from an accountant who specializes in them. Troy suggested it may be a good choice for later when a base rate needs to be determined as they get ready to bill on usage, but not now.

Pumps 1 & 3 issues – Both pumps are currently inoperable. Discussion revolved around the implications of what would happen if pump 2 goes down and what it would take to get them both up and running again. Based on estimates from last summer, the cost would be approximately \$11,200 . . . \$6200 to upgrade the electrical service and another \$5000 to repair #1 pump. Pump #3 repair should be covered under warranty.

Vault Valves & Flooding – The engineer is upset over the flooding at the vault each spring and highly recommends it be addressed. Discussion regarding possible issues with the French drain ensued with a determination that a sump pump may be the best fix. Rob reported that the outlet there doesn't work, but he'd look into it.

Determination of Frost line – Deb asked if anyone knew how deep the frost line was in Cooke City. There were many thoughts as to how it is determined, but no consistent level was determined. Deb will consult with Rick Stryker to get his opinion.

Leak letter procedure – Deb reported that Alpine Motel has a significant underground leak. Bill Whittle indicated that it appears to be about 180 gallons per hour. He also reported that there are a total of 12 leaks in the system totaling 510 gallons per hour. Deb asked for thoughts on when the appropriate time is to send a letter that gives them 30 days to repair given Cooke City winters. Kay suggested waiting until summer or fall to send them out, but Troy thinks they ought to be sent out right away so that the customer has time to develop a plan and hire someone to get it done as soon as possible in the spring. Deb asked if Troy would take a shot at adding language to that affect into the form letter. Troy agreed.

### **Operator Update:**

Auto-dialer issues – Rob reported that the auto-dialer is currently shut off and he needs to call the company to clear and re-program it. Since he needs to call long distance from the well house, he will need a phone card. Rick indicated that they have them at the Exxon for purchase.

Hahn meter repair – No one had any information as to whether this had been taken care of. Deb will follow up with Lucas to find out.

Well house generator & pump functions – Rob indicated that he had just tested the generator. It loses power and isn't kicking on because the breaker kicks off instead of the generator. Rick suggested that he have the Dykman company fix it while they are there working on the electrical supply issues. Rob will call to give them a 'heads up'.

Company credit card – Lucas's credit card has been passed off to Rob, but Deb expressed concern that he should have one with his own name on it. Kay made the motion to acquire a new card for Rob and was seconded by Troy. All were in agreement, so motion passed.

### **Clerk update:**

Marilyn reported that the AFR has been completed and she's working on quarterly reports and the annual tax stuff.

### **New Business:**

Webpage – The webpage renewed automatically on schedule and Marilyn is wondering who will take over from Lucas. She has offered to keep the minutes posted if she can get some training on how to do it. The Board sees the logic in having her do it, so was in agreement to have her take that responsibility.

Well house plowing – Bob Smith has agreed to plow at the well house when there is 10 inches or more of snow. Troy made a motion to accept that offer and was seconded by Kay. Motion passed anonymously.

Engineer request to use data – Deb reported that Performance electric has requested permission to use the District's electric data on their updated website. Kay made the motion to allow them to do so and was seconded by Troy. Deb and Rick agreed, so motion passed.

Skunk Hollow issues – Deb stated that Skunk Hollow needs a real fix other than a hydrant. Rick @ Performance Engineering says there is usually grant money available at the end of the fiscal year that could be accessed for just such a project of the District had a plan and was ready to go with the project. This entails a scope and cost estimate of the project. He explained to Deb that a 'looped' system isn't necessarily the answer and that the problem lies in the depth of the lines. The recommendation is for either additional insulation, or to bury them deeper into the ground. Deb stated that this also needs to be part of the legal discussion regarding the settlement amount.

District timeline – It is Deb's understanding that the District's water permit needs to be perfected by December. She would also like to have the EDU rate finalized next month. A hearing must be noticed 15 days before a hearing and 10 days before implementation. The Board will have a full year of meter readings in August at which time new calculations can begin for billing on usage. Further discussion was tabled for the February meeting.

Resort tax requests – Discussion regarding the District's request(s) from the resort tax funds revealed several

thoughts. Deb believes the Water District needs more commitment from resort tax. Katie Weaver from MSU Extension suggested that the district present its total need for consideration. Victor Sandonato expressed concern that the people need to know that the District isn't being excessive and that it needs to be clear and open about what is needed. After further discussion, it was decided to table a decision until the February meeting to give the Board members time to think about what they want to do.

Next meeting – Since the meeting for resort tax allocation is on February 23rd, it was decided to leave the meeting on the usual 3rd Thursday of February 15th in order to make the decision on resort tax requests and still leave Marilyn with enough time to prepare the applications.

With no further open business to attend to, Kay made the motion to adjourn and was seconded by Rick. Deb then adjourned the meeting at 7:32pm

Respectfully Submitted,

Marilyn Hartley  
District Clerk

**BOARD APPROVAL: (SIGNATURES ON FILE)**

\_\_\_\_\_  
Deb Purvis, President

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Kay Whittle, Vice President

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Rick Sommers, Board Member

\_\_\_\_\_  
Troy Wilson, Board Member

\_\_\_\_\_  
**Vacancy**, Board Member

Date: \_\_\_\_\_