

Stone Gate Estates Improvement & Service District
Regular Meeting
MINUTES

Monday, May 8, 2017, 7:00 p.m.

Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106, Gillette

BOARD MEMBERS PRESENT: Dave Daigle, Bobby Schmitz
BOARD MEMBERS NOT PRESENT: Charlotte Terry
OTHERS PRESENT: Helenanne Cathey, Duaine Faucett, Paul Younger

Dave Daigle called the meeting to order at 7:00 p.m.

I. Water System Update – The water system information was reviewed. Duaine Faucett was at the meeting and showed pictures and a video of the tank cleaning and the tanks after they were cleaned. There were pictures of the sand that was removed from the tanks. There was a lot of it! Duaine Faucett went over the work that was done. On the west tank, there was a lot of sand. There is some coating missing on the floor and on the walls of the tank. Duaine Faucett will get an estimate to the District for the repairs needed. The roof looks good. On the east tank, the ceiling was pretty rusted. Some fencing needs to be done around the tanks. The water system was flushed today. Pictures and video of the tank cleaning are on file at Water Guy.

- 1) Master Meter (on distribution side of water tanks) to compare with meter readings – The County approved the District Support Grant on 4/18/17 for \$2,891 (33% of \$8,760 estimate from Black Cat Construction). Black Cat will be installing the distribution meter on Monday. The Board reviewed and signed the grant agreement with the County. In order to install the distribution meter, they will have to shut down the water system around 9:00 a.m. and should be back on by 4:00 p.m. It shouldn't actually take that long, but it could take that long. A notice will be e-mailed with the following information:

Water Guy has advised that on Monday, May 15, 2017, Black Cat Construction will be installing the distribution meter on the Stone Gate Estates water system. This will require a shutdown of the water system. **This means that the Stone Gate Estates Improvement and Service District will experience a complete water outage – beginning at 9:00 a.m. ON MONDAY, MAY 15, 2017, for several hours –possibly until as late as 4:00 p.m.** Please consider alternative sources for household and livestock use. As soon as the meter is installed, information will be posted to the Water Guy web site at WaterGuyWyoming.com or the Water Guy Facebook page. Thank you for your cooperation.

Duaine Faucett recommended installing a post at each entrance that can be used to put up signs whenever there are water restrictions. He recommended that the District purchase signs for water emergencies. Bobby Schmitz moved to authorize Duaine Faucett to put posts at each entrance to Stone Gate subdivision where signs can be posted by Mr. Faucett, if and when there is a problem with the water system and residents need to conserve water. If the cost is more than \$2,000 Duaine Faucett will contact the Board. Dave Daigle seconded. Motion carried unanimously.

Duaine Faucett reported that the ladders on the system need to be fenced out. He will get quotes on a chain link fence around the storage tanks, the well and the regional equipment. Bobby Schmitz will talk to a contractor that is doing a fence at his house.

- 2) Reverse Dial system (Reverse 911) set up – Charlotte Terry gave an update on the 911 system at the March 15th meeting. They will need to know how people want to be contacted – text, phone, e-mail, more than one phone number, etc.
- 3) Billing structure to accommodate regional water – Water Guy gave a presentation at the March 15th meeting. This is on hold for now.
- 4) Regional Connection / Water System Study / DOWL Proposal – The DOWL proposal was put on hold at the March 29, 2017, special meeting. Bobby Schmitz moved to table any application for a Level I or Level II study. Dave Daigle seconded. Motion carried unanimously.

- 5) Meter readings for 4/23/17 – There was discussion on a water leak this past winter at a property that occurred in January. Bobby Schmitz moved to bill the 6 month average for the property over the winter months. Dave Daigle seconded. Motion carried unanimously.

II. Minutes / Treasurer’s Report – Bobby Schmitz moved to approve the minutes for the March 15, 2017, regular meeting and March 29, 2017, special meeting as presented. Dave Daigle seconded. Motion carried unanimously.

III. Treasurer’s Report – Bobby Schmitz moved to accept and pay the bills as presented for \$2,226.75 and transfer \$2,500.00 from the money market account to the checking account. Dave Daigle seconded. Motion carried unanimously.

Money Market Account Balance end of last meeting:		\$91,810.93	
03/22/17	Deposit – Water	\$17.00	
03/29/17	Deposit – Water	\$254.67	
03/31/17	Interest	\$10.22	
04/07/17	Deposit – Assessments	\$1,920.00	
04/10/17	Ck# 156 – Xfer to checking	\$4,900.00	
04/12/17	Deposit – Water	\$750.00	
04/30/17	Interest	\$9.74	
05/05/17	Deposit – Water	\$300.00	
05/05/17	Deposit – Assessments	\$7,680.00	
Balance in Account Prior to Meeting:			\$97,852.56
05/08/17	Ck# 157 – Xfer to checking	\$2,500.00	
Ending Money Market Balance:			\$95,352.56

Money Market Account – Infrastructure Fund end of last meeting:		\$125,273.83	
03/31/17	Interest	\$19.15	
04/30/17	Interest	\$18.54	
Ending Money Market – Infrastructure Fund Balance:			\$125,311.52

Money Market Account – Pump Replacement end of last meeting:		\$5,267.57	
03/31/17	Interest	\$0.45	
04/30/17	Interest	\$0.43	
Ending Money Market – Pump Replacement Account Balance:			\$5,268.45

Checking Account Balance end of last meeting:		\$7,094.44	
04/10/17	Ck# 156 – Stone Gate (April bills) – Deposit	\$4,900.00	
<u>Check #</u>	<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
2176	Cathey Consulting	Inv. 3843 – special mtg. \$100.00	\$526.96
		Inv. 3840 – Mar. Admin/Books/postage	\$426.96
2177	C N A Surety	Bond – Board	\$105.00
2178	Gillette News-Record	Notice of special meeting	\$33.00
2179	Water Guy, LLC	Inv. 2017-264 – moved meter \$1,500.00	\$3,936.50
		Inv. 2017-276 – water tank cleaning \$1,500.00	
		Inv. 2017-344 – Mar. Oper./Meters \$936.50	
AUTO	Powder River Energy	3126125 2/26-3/25/17	\$246.89
AUTO	Powder River Energy	8443000 2/26-3/25/17	\$123.70
TOTAL:			\$4,972.05

Checking Account Balance Prior to Current Meeting:		\$7,022.39	
Bills Paid At Meeting:			
<u>Check #</u>	<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
AUTO	Powder River Energy	3126125 3/25-4/27/17	\$316.72
AUTO	Powder River Energy	8443000 3/25-4/27/17	\$121.81
2180	Cathey Consulting	Inv. 3885 – April Admin/Books/Post. \$426.47	\$453.47
		Inv. 3851 – Filing fee \$27.00	
2181	Energy Laboratories	Inv. 74181 - Testing	\$380.00

2182	Hawkins, Inc.	Inv. 4050553 – Chlorine	\$10.00
2183	One-Call of Wyoming	Inv. 44677 – Jan., Feb. and March tickets	\$8.25
2184	Water Guy, LLC	Inv. 2017-447 – April water op./meters	\$936.50
TOTAL REGULAR BILLS APPROVED:			\$2,226.75
05/08/17	Ck# 157 – Stone Gate (May bills) – Deposit	\$2,500.00	
Checking Account Balance End of Meeting:			\$7,295.64

Receivables were reviewed.

IV. Unfinished Business

- a. Construction requests – None at this time.
- b. Road Connecting to Red Hills – No action or update needed – leaving on agenda to make sure the grant request for this street is done appropriately when the time comes. (Dave Daigle and Doug McDuff attended a County Commissioners meeting on June 17, 2014 The Commissioners agreed to a one-time only 50% reimbursement for Stone Place Avenue the next time the District adds rock to that street.)
- c. Dust Control on Roads – The County approved a District Support Grant on April 18, 2017, for \$3,000 (25% of \$12,000 project. The grant agreement was reviewed and signed. The dust control will hopefully be done the first part of June. This dust control will be applied to the normal District roads, not any of the new additions.
- d. Road Use and Maintenance Agreement with Simons Simple Subdivision – The agreement was signed by the Board and Tom Simons and filed with the County Clerk. Tom Simons also paid the \$750 he agreed to pay for the meter. When the assessments are done in July, invoices will be sent to the two landowners as of that date. There was discussion on getting a similar agreement for the other properties that have been developed.
- e. Budget – The budget was reviewed. Bobby Schmitz moved to approve the preliminary budget of \$187,506. Dave Daigle seconded. Motion carried unanimously. The budget is attached to these minutes. The following legal ad will run in the News-Record at least one week prior to the budget hearing.

LEGAL NOTICE OF PUBLIC BUDGET HEARING STONE GATE ESTATES IMPROVEMENT & SERVICE DISTRICT

Stone Gate Estates Improvement and Service District will hold a public hearing to review the 7/1/17 – 6/30/18 budget followed by the regular District meeting to adopt the budget and conduct regular business at the office of Cathey Consulting at 400 South Gillette Avenue, Suite 106, Gillette, Wyoming, (City Hall Mall / K2 Technologies Building – entrance is on 4th Street across from Arrow Printing) on July 10, 2017, at 7:00 p.m. The budget is summarized below:

Administrative \$6,625.00 Indirect \$3,355.00 / Operations & Misc. \$170,248 / Reserves \$7,278
Revenue and Rollover: \$187,506

The assessment is anticipated to remain the same at \$960.00. The complete proposed budget is available online at www.catheyconsulting.net – Stone Gate meeting minutes for 05/08/17. To contact the District or to request special accommodations for the hearing, call Cathey Consulting at 307-685-8235.

V. New Business

- a. Officer Elections were done in March.
- b. Letter and form from County Public Works – The County now requires a specific form for estimates from contractors for any road project grant application.
- c. A letter was reviewed from the Department of Audit regarding changes to special district budget laws. Helenanne Cathey will provide the required information to the state.

VI. **Date for next regular meeting** – Monday, July 10, 2017, 7:00 p.m. (Budget Hearing and Regular Meeting)

VII. **Meeting adjourn** – Bobby Schmitz moved to adjourn the meeting. Dave Daigle seconded. The meeting adjourned at 8:10 p.m.

**MEETINGS ARE NORMALLY HELD ON THE 2ND MONDAY OF EVERY OTHER MONTH
UPCOMING MEETINGS:**

BUDGET HEARING / REGULAR MEETING: MONDAY, JULY 10, 2017, 7:00 P.M.

**Location: Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106 (K² Technologies Building, Suite 106) –
Entrance is on 4th Street**

NOTES: The board reminds homeowners of the following:

- a. Water meter repair costs are to be split equally between the District and the homeowner.
- b. Only authorized people are to be opening water meter pits. Any damages that occur because of an unauthorized person entering the meter pit will be 100% the homeowner's responsibility.
- c. Keep the area mowed and/or free of debris around meter pits and readouts. If necessary, the District will hire someone to mow and/or clean it up and the homeowner will be billed.
- d. If you see the red light flashing on the water tank, please call Water Guy at 307-299-9911.
- e. **Check out Water Guy's Facebook page for information regarding water system issues. They will post information there when they are working on projects and when they are having issues with water systems. Go to www.wateryuywyoming.com for a link and for other information.**

Respectfully submitted,

Helenanne Cathey, Assistant to the Board of Directors, Stone Gate Estates Improvement & Service District

Dave Daigle, President (687-1785)

Charlotte Terry, Treasurer (670-2725)

Robert (Bobby) Schmitz, Secretary (686-0991)

Budget - Stone Gate Estates I & S District - 7/1/17 - 6/30/18 - DRAFT				
Budget Hearing July 10, 2017, 7:00 p.m. at office of Cathey Consulting / PO Box 992, Gillette, WY 82717				
	Actual	Budget	Actual (Estim.)	Budget
	7/1/15 - 6/30/16	7/1/16 - 6/30/17	7/1/16 - 6/30/17	7/1/17 - 6/30/18
Revenue				
Assessments	63,360	63,360	63,360	63,360
Assessments - Interest	120	50	19	50
Simple Simon Property Assessments				1,248
Grant - County - Roads (Mag Chloride 25%)	15,188	8,750	8,460	3,000
Grant - Count- Dist. Meter (33%)			2,944	
Interest	349	200	377	200
Methane Company Surface Use Payment	5,000	5,000		5,000
Other Fees (Late, Coll., Tap, etc.)	92		152	2,000
Water Overages	18,070	15,000	4,972	10,000
TOTAL REVENUE	102,179	92,360	80,284	84,858
CASH CARRYOVER	165,007	162,407	162,407	102,648
TOTAL REVENUE PLUS CASH CARRYOVER	267,186	254,767	242,691	187,506
Expenditures				
Administrative				
Contract Admin./Bookkeeping	5,100	5,100	5,800	6,000
Contract Legal				300
Office / Postage / Advertising / Other	814	475	375	250
Travel			69	75
TOTAL ADMINSTRATIVE	5,914	5,575	6,244	6,625
Indirect				
Insurance - Liab., Bonding	105	105	105	105
Insurance - Property	2,970	3,100	3,100	3,250
TOTAL INDIRECT COSTS	3,075	3,205	3,205	3,355
Operations				
Misc (Cash Carryover less reserves)				102,648
Water Operator / Meter Reading	10,301	11,362	11,238	17,350
Water System Chemicals (Chlorine)	1,365	1,500	1,400	1,500
Water System Electricity	12,616	13,500	13,500	13,500
Water System Repairs & Maintenance	33,591		50,454	3,650
Water System Maintenance/Upgrades	21,355		9,000	16,000
Water System Testing	125	500	1,560	1,600
Water Tank Cleaning & Inspection			3,000	0
Water System - Other Items	424	1,718	5,070	2,000
Roads	35,800	35,000	33,841	12,000
TOTAL OPERATIONS COSTS	115,577	63,580	129,063	170,248
TOTAL EXPENDITURES	124,566	72,360	138,512	180,228
Capital Improvements / Reserves				
Deposits into Reserves	25,851	20,000	23,070	7,278
Payments from Reserves	48,610		20,000	
TOTAL DEPOSITS TO RESERVES	-22,759	20,000	3,070	7,278
TOTAL EXP. PLUS NET RESERVES	101,807	92,360	141,582	187,506
Receivables Start of FY	564		3,652	
Payables Balance Start of FY	1,071		1,363	
	7/1/2015	7/1/2016	7/1/2016	5/8/2017
BEGINNING OF FISCAL YEAR BALANCES				
GENERAL FUNDS	165,007	162,407	162,407	102,648
RESERVES BALANCES	149,940	127,355	127,355	130,580
RESTRICTED FUND BALANCES				
TOTAL FUNDS BEGINNING OF YEAR	314,946	289,762	289,762	233,228
Receivables Balance End of FY	3,652			
Payables Balance End of FY	1,363			
End of Year Bank Balance	289,764		233,823	
	6/30/2016	6/30/2017	6/30/2017	6/30/2018
END OF YEAR PROJECTED AMOUNT				
GENERAL FUNDS				
RESERVES BALANCES	127,181	147,355	130,425	137,858
TOTAL FUNDS END OF YEAR	127,181	147,355	130,425	137,858

Net per year (Revenue minus Expenses) -22,387 20,000 -58,228 7,278
Net (including cash carryover) 165,379 162,407 101,109 0

Budget Message: The District manages the roads and water and covenants. Rates are anticipated to stay the same. Capital improvements include preliminary costs to connect to regional water supply and installation of system distribution meter. The District transfers the amount billed for meter readings as well as the amount received from the road surface use agreement to Reserves each year.

Board Member Signature

Board Member Signature