

**Stone Gate Estates Improvement & Service District**  
**Regular Meeting**  
**MINUTES**

**Monday, September 12, 2016, 7:00 p.m.**

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

BOARD MEMBERS PRESENT: Dave Daigle, Bobby Schmitz, Charlotte Terry

OTHERS PRESENT: Helenanne Cathey, Duaine Faucett, Kent Terry

Dave Daigle called the meeting to order at 7:00 p.m. There were no additions, changes or corrections to the agenda.

**I. Water System Update –**

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](http://www.wateryuywyoming.com) for a link and for other information.

Several homeowners have asked about purchasing a spare pump. There has been a lot of discussion regarding the water system problems. The following items were discussed at the meeting with Duaine Faucett (Water Guy). Duaine Faucett's responses to questions are shared below.

1. Spare pumps:
  - a. Are pumps for wells 1 and 2 identical – NO – Pumps are designed to lift so many gallons a minute so high. Wells are at different elevations and are different depths. You can't interchange the pumps.
  - b. Are there local suppliers – There are, but these bigger deep well pumps are made in New York or California, so those local suppliers have to order the pump. They are specific to each well – in other words designed to run right with the specifics to each well. You can't just go down to Walmart and buy a pump. The Stone Gate wells make a lot of gas, and with gas comes sand. The harder the well is pumped, the more sand that is being pulled into the pump. Also, the longer you pump it, the water table drops so you are pulling water from a lower elevation, putting more wear on the pump. When they pick a pump, you need to know how many gallons a minute a well makes. You damage it if you pump a long time and the water table drops. Force Road is right next to Stone Gate – their pump went out about three weeks before Stone Gate's. In that subdivision, there was 200' of water over the pump in the spring and only 60' over the pump when the pump went out. There was discussion on a pump that was found in Billings and whether or not it would have worked for Stone Gate. It would not have lasted.
  - c. What is warranty issue – You get a one year warranty from the time you purchase the pump. If you buy a spare, your warranty starts when you buy it. Also, if you rebuild it, there is no warranty.
  - d. Can either of the recently replaced pumps be rebuilt and retained as a spare – No – the pumps that Stone Gate has are not rebuildable. This pump was about 13 months old. The person that replaced the pump suggested that it looked like a lightning strike. There was discussion on turning in an insurance claim. Duaine Faucett will request a statement from the contractor that it was due to a lightning strike. The contractor was contacted by telephone at the meeting. He has sent the pump in for an analysis. He will advise the District when he receives the results. Dave Daigle will call the insurance company to start a claim.
  - e. Do other subdivisions have spares – No.
2. Status of meter program update. Duaine Faucett reported that the meters have all been recalibrated and will be read this week. The Board requested a letter be sent to the meter company requesting reimbursement on the meter readings. There was discussion on the readings and how to bill them. Charlotte Terry and Bobby Schmitz will help adjust the billing based on the recalibration information. Duaine Faucett will forward the readings to Helenanne Cathey, and she will contact Charlotte Terry and Bobby Schmitz to work on this.
3. Review recent need to haul water. Discuss minimum level to initiate purchasing of water. There was discussion on having a plan for hauling water when the tank level drops to a certain level. The regional water system will provide 70 gpm. The City is working on the Stone Gate tie in for the regional. It is estimated to be tied in next summer.
4. Discuss Board members ability / need to send group email to homeowners. There was discussion on sending

- out a mailing to everyone asking for emergency contact information. The County has a Reverse 911 (Reverse Dial) system that can be used, but people have to sign up. Charlotte Terry will contact David King with the County's emergency management system to find out how it works.
5. Discuss / define what the Board wants for a message when rationing is required. There was discussion on how any message should be worded. It should be household use only when there is an emergency situation. There are two levels – 1 restricted to household use and 2 – to just absolutely necessary household use (no laundry). Bobby Schmitz will work up standard language for the notices.
    - a. What to do if home owners refuse to limit usage – There were a few people who refused to cooperate with the watering restriction. There are some people with private wells that they use for watering.
  6. Can we get someone from the City to provide an update on Stone Gates's interconnect to the new County water system – Duaine Faucett reported that DOWL will probably attend the next meeting, and this can be discussed with them. DOWL is working on the Stone Gate tie in to the regional system. There was discussion on getting an additional tank. Some of the following will be discussed with DOWL or the City later.
    - a. What rate (gpm) has been designed for Stone Gate – The regional system is designed for 70 gpm.
    - b. Where will the interconnect be made. We need it at our tanks.
    - c. What is the current date for Stone Gate to be connected.
    - d. Will there be any costs to Stone Gate.
  7. We need to begin preparation of a billing structure for water delivered from the County system. This will be developed in the coming months.

Duaine Faucett reported on an issue several landowners have brought up. There is an iron problem in the system. When the water come out of the ground, there is iron in it, but the water is clear. When it is chlorinated, the iron settles out in the lines, which brings up dirty water complaints. There is a way to keep the iron from settling out. Part of the reason this happens is the long service lines in Stone Gate. Duaine Faucett suggested the District have DOWL look at this issue and get some cost estimates on a system to keep the iron from settling out.

When DOWL comes to a meeting, the District will ask them for a proposal for a new tank and a solution to the iron problem.

There will be discussion at the next meeting on assessments and if the District is setting aside enough funds for long term water supply. If the regional system can only provide 70 gpm, then the District needs the 2 wells.

**II. Minutes / Treasurer's Report** – Bobby Schmitz moved to approve the minutes for the July 11, 2016, regular meeting and budget hearing as presented. Charlotte Terry seconded. Motion carried unanimously.

**III. Treasurer's Report** – Charlotte Terry moved to transfer \$54,500 from the money market account to the checking account. Bobby Schmitz seconded. Motion carried unanimously. Charlotte Terry moved to pay bills as indicated under Section III a. in the amount of \$54,308.03. Bobby Schmitz seconded. Motion carried unanimously.

Money Market Account Balance end of last meeting:		\$152,587.57
07/12/16	Deposit	\$159.96
07/15/16	Deposit	\$550.00
07/21/16	Deposit	\$1,495.00
07/26/16	Deposit	\$1,242.50
07/27/16	Deposit	\$7.00
07/31/16	Interest	\$17.11
08/05/16	Deposit	\$209.96
08/08/16	Ck# 148 – Xfer to checking	\$4,000.00
08/09/16	Deposit	\$492.31
08/09/16	Deposit	\$75.00
08/09/16	Deposit	\$8.00
08/16/16	Deposit	\$140.00
08/31/16	Interest	\$16.93
<b>Balance in Account Prior to Meeting:</b>		<b>\$153,001.34</b>
09/12/16	Ck# 146 – X-fer to Infrastructure Fund	\$18,069.96
09/12/16	Ck# 147 – X-fer to Pump Repl. Fund	\$5,000.00

09/12/16 Ck# 149 – X-fer to checking \$54,500.00  
**Balance in Account End of Meeting: \$75,431.38**

Money Market Account – Infrastructure Fund end of last meeting: \$107,095.33  
 07/31/16 Interest \$11.79  
 08/31/16 Interest NO STATEMENT YET  
 09/12/16 Ck# 149 – from checking \$18,069.96  
**Ending Money Market – Infrastructure Fund Balance: \$125,177.08**

Money Market Account – Pump Replacement end of last meeting: \$20,259.82  
 07/31/16 Interest \$1.72  
 08/31/16 Interest \$1.72  
 09/12/16 Ck# 147 – from checking \$5,000.00  
**Ending Money Market – Pump Replacement Account Balance: \$25,263.26**

Checking Account Balance end of last meeting: \$7,086.68  
 08/08/16 Ck# 148 – Stone Gate (August bills) – Deposit \$4,000.00  

Check #	Payee	Purpose	Amount
AUTO	Powder River Energy	3126125 6/10/16-7/10/16	\$1,676.66
AUTO	Powder River Energy	8443000 6/10/16-7/10/16	\$594.03
2140	Cathey Consulting	Inv. 3501 – July Admin/Books/postage	\$449.44
2141	Hawkins, Inc.	Inv. 3910373 – Chlorine \$5.00	\$341.00
		Inv. 3917535 – Chlorine \$331.00	
		Inv. 3926487 – Chlorine \$5.00	
2142	Water Guy, LLC	Inv. 2016-801 – August Oper./Meters	\$936.50
<b>TOTAL:</b>			<b>\$3,997.63</b>

Checking Account Balance Prior to Current Meeting: \$7,089.05

Bills Paid At Meeting:

Check #	Payee	Purpose	Amount
AUTO	Powder River Energy	3126125 7/10/16-8/10/16	\$1,776.38
AUTO	Powder River Energy	8443000 7/10/16-8/10/16	\$644.33
2143	Aqua Pumps, LLC	Inv. 671997 – Well #2 repair – replace pump	\$13,755.96
2144	Cathey Consulting	Inv. 3548 – After hours emergency e-mail \$100	\$526.41
		Inv. 3456 – Aug. Admin/Books/Postage	\$426.41
2145	Dustbusters, Inc.	Inv. 48968 – Dustgard	\$9,701.20
2146	Hawkins, Inc.	Inv. 3940082 – Chlorine	\$330.50
2147	Melgaard Construction	Inv. 30178 – Rock for roads	\$24,140.00
2148	One-Call of Wyoming	Inv. 42029 – April, May and June locates	\$21.75
2149	Paintbrush Services	Inv. 68140 – Water	\$2,475.00
2150	Water Guy, LLC	Inv. 2016-909 – August water oper./meters	\$936.50
<b>TOTAL:</b>			<b>\$54,308.03</b>

09/12/16 Ck# 149 – Stone Gate (September bills) – Deposit \$54,500.00  
**Checking Account Balance End of Meeting: \$7,281.02**

Receivables were reviewed.

#### IV. Unfinished Business

- a. No construction requests.
- b. Road Connecting to Red Hills – No action or updated 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. Road work – Gravel surfacing on Stone Crest and mag chloride all of the roads - County approved grant on 4/19/16 for \$8,745 (project estimate: \$34,980). The County Grant Pay Request, Completion Report and Close Out letter were signed to submit to the County. There was discussion on the road work. There was

discussion on skipping a year (next year) on rock and putting the money in the pump replacement fund. The roads are in good shape.

- d. Charlotte Terry moved to transfer \$18,069.96 to the Infrastructure Fund (Amount of water overages billed 7/1/15-6/30/16). Bobby Schmitz seconded. Motion carried unanimously.
- e. Charlotte Terry moved to transfer \$5,000 to the Pump Replacement Fund (Road Surface Use Payment for 7/1/15 – 6/30/16). Bobby Schmitz seconded. Motion carried unanimously.

**V. New Business**

- a. A letter was received from the County Public Works office regarding notification regarding new construction. A letter will be sent to the County indicating that the District wants to be notified if any new lots are seeking a permit to confirm the District will provide water to those lots. There are only a couple of lots in the District that are not developed.
- b. Self-Audit – The District is required to have a self-audit done on the District’s 7/1/15 – 6/30/16 books. Bobby Schmitz moved to have Larry Cathey do the self-audit of the District’s books for 7/1/15 – 6/30/16 for \$75. Charlotte Terry seconded. Motion carried unanimously.

**VI. Date for next meeting** – Monday, November 14, 2016, 7:00 p.m. (Regular Meeting)

**VII. Meeting adjourn** – Bobby Schmitz moved to adjourn the meeting. Dave Daigle seconded. The meeting adjourned at 8:17 p.m.

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

***MONDAY, NOVEMBER 14, 2016, 7:00 P.M. / REGULAR MEETING***

***Location: Office of Cathey Consulting, 400 South Gillette Avenue, Suite 106 (K<sup>2</sup> Technologies Building, Suite 106) –  
Entrance is on 4<sup>th</sup> 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.

Respectfully submitted,

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

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Dave Daigle, President (687-1785)

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Charlotte Terry, Treasurer (670-2725)

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