

PUBLIC HEARING – SEELEY LAKE SEWER ANNUAL ASSESSMENT
THURSDAY, MAY 17, 2007 – 7:00 P.M.
Elementary School Multi-Purpose Room, Seeley Lake, Montana

The Public Meeting on the Seeley Lake Sewer Annual Assessment was called to order at 7:00 p.m. by Acting Chair Commissioner Curtiss. Also present were Commissioner Bill Carey, Chief Civil Deputy County Attorney Mike Sehestedt, Rural Initiatives Assistant Planner Matt Boulanger, Seeley Lake Sewer District Board member Glenn Morin, Seeley Lake Sewer District Board member Bob Skiles, Seeley Lake Sewer District Board member Dave Whitesite, Seeley Lake Sewer District Board member Tom Morris, and Seeley Lake Sewer Manager Ralph Kloser. Chairman Barbara Evans was out of the office.

Commissioner Curtiss: Good evening, I'd like to welcome everyone who came tonight for our annual meeting with the sewer district in Seeley. I'm Jean Curtiss with the County Commissioners, Cathie, our secretary, Matt from Rural Initiatives office, Mike's here to answer all our legal questions, Bill Carey, and the board. If you'd like to introduce your board, Glenn.

Glenn Morin: I'm Glenn Morin, Tom Morris, Bob Skiles, and Dave Whitesite.

Commissioner Curtiss: So the reason we're here tonight is to hold a public hearing on the setting of assessments or the Seeley Lake Sewer District for the 2008 tax bill cycle. This will allow us to have enough time to make sure [inaudible] assessment has time to be on the tax bill. It is a public hearing and we record those, so as folks would like to make comment, we'll need you to say your name for the record, and speak into one of the microphones. We'll share them at that time.

I talked with Glenn a little bit, as he's the Chair this year. He's going to give an overview for the public and the Commissioners as to what's gone on so far and what the next steps are and the reason that they are asking us to consider the \$72.00 per parcel assessment again this year.

Glenn Morin: Thank you for coming. You have the report on what we've done and where we're at. Again, if I'd known it was going to be this type of a long project, I wouldn't have gotten into it. The grants that we've gotten, Water Monitoring: Drilling and Ongoing Testing Programs; the Preliminary Engineering Report, we've already taken that; we've gotten the money, which the community has raised for that; the Community Development Block Grant, CDBG: the Income Survey in Progress and, matter of fact, we're finalizing that as we're speaking; State Tribal Assistant Grant, 1,750,000; Department of Natural Resources, \$500,000; Rural Development. Then the preliminary engineering report is completed and we are also ongoing with our water testing. Vince Chapel from the Water District is taking samples quarterly, sending them in, and getting the report, and reporting back to us. We have reports on some of the degradation that we're finding in the groundwater, lake water, Clearwater.

Our financial strategy, the calendar of grant needs, applying for a WRDA grant through Senator Burns, we've had--we're set up to be able to get grants this year. Loosing Senator Burns, we've lost almost a whole year of grants that we were hoping to be able to get this year. Like I say, the income survey, we were finishing up or wrapping up at this time. We had Dick King from Missoula, working with OPG, that helped us out greatly on that, and got us going, got a gal that came up and went door to door and did a great job. Current status, money has been approved out of the award of the DNRC and STAG grants to proceed to try to identify the site. This leads to a site cost and then a bond election of total dollars needed to be pinned down.

The summary, major problem faced is having enough of the right type of money to fulfill the grants match requirements. One of the reasons we still continue to need to be working on this. The first contract identifies site and costs is underway. State Lands and Seeley Lake Medical Center desire to annex some property into the district and is being worked on. TSEP contract is being finalized to secure grant money for next year.

Commissioner Curtiss: Okay, thanks Glenn. This is a public hearing, is there anyone who'd like to make comment? If you'd like to make any comments about the \$72 assessment per lot within the water district, generates about \$32,112 per year. Part of the reason that we come back up every year is that because there isn't a facility that you're paying for right now, it's for studies; we need to ask the public to renew that interest every year. Everybody just came to get out of the sun or they wanted to talk?

Don Larson: Good evening, for the record, my name is Don Larson. I am a businessman here in Seeley Lake. I've been here 30 years. I had a couple of questions about the funding mechanism. I think most of us feel it's

inherently unfair. I would like to ask you how you assess the commercial properties. Pyramid Lumber Company, for example, has 180 acres in the sewer district. How much is Pyramid Lumber Company assessed for this study?

Commissioner Curtiss: I guess I don't have that with me right now, so do you guys know? Do they just get assessed by one lot or do they get assessed a bigger amount?

Glenn Morin: I guess I can't tell you exactly how much they pay, if they have their property in different lots or if it's all one acreage, I'm not sure. I'd have to go to the...

Don Larson: As I understand your funding mechanism, they are one unit, they are one taxable unit. Therefore, they were probably paying \$72.00. Now, let's take the Grimebuster Car Wash. That is a single unit that generates a million gallons of water waste a year and its assessed \$72.00. A single-family household, which may happen to be on two lots, which is very common in this sewer district, many of the household owners have two lots. They are assessed \$140 and probably generate 100,000 gallons of waste, one-tenth of what the car wash generates. Let's take the filling station, it sits on 1.6 acres, there are four commercial facilities on that property, including a laundromat. It generates two and a half million gallons a year. Its one taxable unit, it pays \$72. Is that fair?

Commissioner Curtiss: Do we have meters on all these?

Don Larson: They are metered. I owned both of those businesses at one time, so I can speak with some authority about the volume of water that goes out of them. Let's take the [inaudible] Apartments next. I own the [inaudible] Apartments. We have 12 units house, we house approximately 30 people, and we generate less than a million gallons a year. We are situated on 10 lots, therefore we pay \$720. Is that fair?

I'm just questioning your mechanism. I think it's unfair. I think it's arbitrary and I think, if you're going to be equitable, you need to make sure you apportion the cost of this study over all of the land equally. Now, if your lumber company has 180 acres within the boundaries of the sewer district and you approve a sewer, they're going to shut that mill down and they're going to subdivide that. They have potentially 360 lots and I question how they're paying for this study.

Commissioner Curtiss: You raise a good point.

Don Larson: I'd like to have some answers. I've asked this question for the last three times I've been at a hearing and I've never got an answer from you folks. Doesn't anybody on the board know how those commercial lots are assessed?

Glenn Morin: We don't have a system and we are working on a system. The only way that we could, at this point without having a system to--we don't have lots or any other way of measuring amount of sewage from each one. We had to go by lots and so the way we could finance this project to get underway to do the studying. Yeah you're right there's a lot more property out there, but the only way that, at this point, and we've talked with the Commissioners about it and it was the only real legal way that we could do it was go by the lots.

Commissioner Curtiss: So Mike could we have you address if all of the--and I can't remember if the water district and the sewer district exactly match, do they?

Glenn Morin: No, they do not.

Commissioner Curtiss: So not within the sewer district has public water or is it the other way around?

Don Larson: Not everybody in the sewer district has public water.

Tom Morris: Could I address your question, Don?

Don Larson: Please.

Tom Morris: This assessment is not for a study, it's for the operation of the sewer district, which was voted for by the people in the district back in 1992 I believe. This assessment is helping us to continue to plan for the future of

Seeley Lake. Each person in each one of those has one vote, as far as when the district was formed, therefore each person either said yes or no to forming the district. That's how the assessment is established based on one vote, one assessment.

Don Larson: Well, that's not entirely accurate Mr. Morris, because, as you know, and I think you might own two lots within the district. Is that not correct?

Tom Morris: No, I don't.

Don Larson: You only own one, okay. All right, if you're a single-family owner and you have two lots, you're assessed twice. Do you get two votes? No. Do I get 10 votes for the apartments? No. It's a funny mechanism and is not fair.

Tom Morris: Your renters do get--each one is allowed a vote.

Don Larson: A renter is not allowed to vote.

Tom Morris: Oh yes they are, by law.

Don Larson: On the sewer district?

Tom Morris: Yes, and they were also included on the income survey, that's the way it works. We're not trying to build a system with this assessment; we're trying to operate the district.

Commissioner Curtiss: So I'll ask Mike if he could take about--the state law only allows us a few different methodologies of how we can assess and per lot is one of them.

Mike Sehestedt: There are alternative methods of assessment. For example, the assessments could be spread proportionately based on area with a one-acre lot bearing a tenth of the cost of a ten-acre lot and so on, on up. That's one option. The other option is to spread the assessments based on taxable value, but its taxable value only of the real estate, exclusive of the improvements. An unimproved lot, assuming it was equal in taxable value to an approved lot, would pay the same assessment. What they do is figure out what the total assessed value of the land, exclusion of improvements, in the district was and then the total cost would be spread proportionately to each of those tax bills. That is how RSID 901, which is a County-operated sewer and water district, spreads its costs in the Lolo area. So there are choices and there are plus and minuses to both. I leave it to the decision makers to sort out which is most appropriate. I do hear what you're saying, I'm sure the Commissioners, and the board do as well.

Don Larson: So the question I would have to follow-up then, Mike, what would be the procedure for adjusting the funding mechanism for this particular sewer board?

Mike Sehestedt: I think the Commissioners could say this is how we're--you've given us your costs that need to be spread, this is how we propose to spread them. I think heretofore, the Commissioners, in the interest of local control and local autonomy have deferred to the decision of Seeley Lake Sewer Board in this particulate case. That's kind of where we're at.

Don Larson: So a follow-up question, if we denied the funding and forced the district managers to go to another funding mechanism, would that be a viable option?

Mike Sehestedt: At the end of the day, I think the Commissioners could say you've certified to us necessary expenses of \$32,000, we don't like your proposed assessment methodology, we would like to assess using this or that other assessment methodology. Again, frankly the Commissioners would control, in this regard, the decision of the Sewer Board. Again, I think Commissioners on local matters like this, have a tendency to defer to the local board. At the end of the day, they have to make the decision.

Don Larson: Thank you Mike. I hope that it doesn't go unnoticed that there are only three, maybe four people in attendance at this meeting. I hope you Commissioners are wondering why. I can attest to you that they left the last funding meeting last year angry at you because you carte blanche approved the funding mechanism, the \$72 assessment, when probably 75% of the audience opposed it. I phoned around today to some of those folks to

ask if they were coming and they said no, they don't listen to us anyway. I think the attendance here reflects some of the lack of confidence they have in this project and this process. Thank you.

Commissioner Curtiss: Thanks.

Commissioner Carey: I would certainly be willing to look at an alternative mechanism. I don't know how that would work, whether we could take a look at Lolo and see if that's any more equitable than this. If we could adapt it, I'm open to whatever changes we can make that make it fair.

Commissioner Curtiss: Okay, anybody else that wanted to comment or at least let us know whether you agree with what Mr. Larson just said or...?

Bob Skiles: I'm Bob Skiles. First of all, we're not--the Sewer Board's not asking for \$72 a lot to build a sewer. Seventy-two dollars a lot is to study it to figure out how we can get more money from the feds and from the state to build a sewer, so it doesn't cost as much. Is \$72 a lot fair when Pyramid owns so much and everybody else owns so much, and they have to pay? Yeah it is. The Sewer District needs so much money, X amount of dollars, whatever that dollar amount figure is, the easiest and fairest and simplest way to do that is to say \$72 a lot. Otherwise, you would be in here and everybody else in town would be in here saying nope, my land isn't worth a million bucks, it's only worth \$500,000. Nope, my land isn't worth this or my house isn't worth that, my business isn't worth this, I'd be up here fighting too, but if you have it at \$72 a lot, there's X amounts of lots in this town, X amount of money needed, that's how you do it, you divide it up, and it comes out \$72. Is it fair? No, I don't want to pay \$720 for my property either, either do you. Somebody else is paying \$140 or whatever, no, that's not fair. I don't think it's fair at all, but this is what we have to do. The only thing the Sewer Board is doing, and the reason I'm on it is because I'm pissed off like you are.

Ignorance is no excuse for not coming to a meeting. If you want to be ignorant about what's going on, then don't come to the meetings. Four people show up, the rest of the town doesn't show up. They all have the opportunity to, but if you want to be well informed and you want to get all the facts, and you want to know why it's \$72 a lot. You want to know how come its 14 million dollars or what the Sewer Board's trying to do, you want to know how they're trying to acquire Forest Service property and state property and what the plans are for the sewer, the Sewer Board meetings are open to the public. They're published, they're open to the public, if people don't want to come to the meetings because they're pissed off about what happened last time, that's fine, then don't come to the meetings, and then nothing will ever change. If you come to the meetings and you hound these people and hound these people, that's how things get changed. It's not four people showing up at a public meeting and then everyone else can say, well, just because I was pissed I didn't go. They didn't do what I wanted to do. I voted against the \$72 last time and it still happened, but I'm here today and I'm on the Sewer Board because this has to change.

We're going to get a sewer no matter what we do. The \$72 is going to make it cheaper for me and cheaper for you to get a sewer. We're already getting funds from all the agencies that we could possibly get funds from. We're getting them funds, we're getting them. We just had a meeting with the engineer 20 minutes ago, not one of you four people were there. It's an open public meeting. You can come and find out what's going on.

Unidentified Speaker: We don't know that.

Bob Skiles: You don't know that?

Unidentified Speaker: [Inaudible, spoke from audience.]

Bob Skiles: We have a meeting--when do we have our meetings, Glenn?

Glenn Morin: Every third Thursday at 5:00 at Pyramid and it is published in the paper.

Unidentified Speaker: [Inaudible, spoke from audience.]

Glenn Morin: At the Pyramid.

Bob Skiles: Pyramid Lumber Company.

Unidentified Speaker: [Inaudible, spoke from audience.]

Commissioner Curtiss: Let's not...

Bob Skiles: [Inaudible, spoke over each other.] ...informed, then you could be more informed and the more knowledge that you have and the more information that you have to process, the more informed that you are and the better decision you can make.

Unidentified Speaker: [Inaudible, spoke from audience.]

Commissioner Curtiss: You need to talk on the mic.

Bob Skiles: I'm done right now. You can come right up here and say whatever you like.

Robert Boyd: I've been here since 1990. My name's Robert Boyd. I don't ever remember voting in 1992 on this thing. You got the records to that?

Glenn Morin: Yes we do.

Robert Boyd: I was never informed that that was coming on.

Glenn Morin: Were you at the school election?

Robert Boyd: The school election?

Commissioner Curtiss: We need to make sure we're talking on the mic. So in 1992, is that the right year? In 1992, the elections for the sewer and those kinds of things are tied to the school election so we don't have to have a separate election.

Robert Boyd: Nobody said they were going to vote on an assessment, did they?

Commissioner Curtiss: Well, it would have had to have been published, just like any other election.

Glenn Morin: Excuse me, my name's Glenn Morin. It was in 92 that they voted in the district boundaries and they build the district boundaries, and the people voted on them in 92.

Commissioner Curtiss: We've only been doing the assessment--there was a sewer district and a board for a lot of years without any assessment. The assessment began-- this the third or the fourth year? Fourth year?

Glenn Morin: Yeah, third year.

Commissioner Curtiss: That was to help keep things going so that we could try to get the federal money to figure out where to put a sewer, how much it would cost, how to design it.

Robert Boyd: Okay, as I understand it, you've got three programs. One program paying now, 480--I guess I'd call them lots, they're not lots because some of them are paying--Don's paying a whole bunch. If this keeps going on for the next 10 years, are our 480 people keep paying and other people are never going to pay?

Glenn Morin: The only people--this is Glenn Morin again. The only people that will be paying for the district sewer system are going to be in the district itself. Nobody else is paying for it.

Commissioner Curtiss: In the future, when a system is built, and actually, in the last couple of years, people have annexed into the district, so we've added a few people into the district, but until they are within the boundaries of the district, they can't be assessed. But once there's a sewer and people want to connect to it, then the boundaries can be expanded, and then they would pay to use it.

Robert Boyd: But they haven't paid a dime like we do, the \$72.

Commissioner Curtiss: Not if they're not within the district.

Mike Sehestedt: I don't want to hold up Lolo as the model of the earth, but one of the things we do to address that very issue down in Lolo with the sewer system we operate in Lolo, is that if somebody says we want to annex in, we say, okay, there's a cash contribution. You need to make a capital contribution equal to the capital contribution that all the people in the district have paid to date to put those facilities in place. Then after you make that payment and you annex in, you pay the ongoing service costs on a regular basis. I can't guarantee you that that's what the board would do here, but it certainly seems to me to be a fair way to do it. Some people have made an investment, other people now what to use that investment, how do you be fair to the people that are in the district while still spreading the operating costs as widely as you can? That's the methodology we've used and I would heartily recommend it.

Robert Boyd: Well, I believe Glenn himself said that they're not getting very far with Helena. In fact, [inaudible] in three years, they haven't gained hardly anything, so this is three years this has been going on. What's to say it couldn't go on for another 10 years and we're still paying our \$72. Don's paying on 10 of them, I'm paying on three, we're going to have a lot of money invested and I don't people would come in that you say on that kind of deal, if they had that much money involved.

Mike Sehestedt: It's hard for me to say, but the economic value to somebody with--currently the health regulations say you've got to have one acre to have a separate septic and well. As developers look at the cost of development, the cost of roads, the cost of septic approval, everything else, an awful lot of them make the decision that's it's way cheaper to make that kind of capital upfront cost of paying the money. In fact, we just had a fairly good-sized development that, in fact, had gone through creating a sewer district, getting approval for a system of their own, pencil it out, and come hat in hand to Lolo, saying we'd like to make that capital contribution and lay the main to connect our operation to yours because it's cheaper for us than building our own system. It also allows them a higher density on that property than they can get if it's limited to one unit per acre. So we've had a number of development--in fact, the money we get allows us to pay the capital cost of upgrading the plant and it increases the capacity as well as the treatment. Basically, we have people fighting over the opportunity to buy the service capacity, so they can develop their land cheaper and at a higher density than they can do without. Whether that would be true up here or not, I don't know, but those people are making a capital contribution that includes not only kind of the operational start-up cost, but they're buying a share of the sewer system with their payment.

Robert Boyd: Well, I think the turnout here tonight tells you that not all the people in Seeley Lake are jumping at that chance. Thank you.

Commissioner Curtiss: Thank you, Mr. Boyd.

Glenn Morin: This is Glenn Morin, I was wondering if I could have the chair a little bit more?

Commissioner Curtiss: Sure.

Glenn Morin: I'd like to share our financial budget. Our fee assessment is \$32,000, is the total income. Booking is \$1400, grant writing is \$9,000, we have to have insurance \$1,000, bond counsel \$6,000, legal fees \$1000, management consultants \$7500, office supplies \$150, postage \$422, grant administration \$2,000, professional fees \$2,000, public relations \$1,000, telephone \$50, travel \$1,000, monitoring the wells and the lake \$2,000, total expense \$32,000. That's what you're money is going for. I have a manager that's working for us, putting in 22 to 30 hours a month and is contacting our engineer, contacting grant people, contacting Planning and Grants, all this stuff here just takes a lot of time, it takes a lot of money, and there's a lot of--they only way--well, we've raised 2.2 million and we lost some money this year, but because of that, we'll probably next year, hopefully be able to raise more than what we expected to raise this year. We continue to have to be contacting our grant people, working with our engineers, working with the Planning and Grants people is Missoula and the Commissioners, it just takes a lot of time. A lot of money has to be spent to raise that, so I'd say you're \$72 raised 2.2 million and we should have had another 2 million this year, but that's not going to happen, but we should have it next year. So I'd say you're \$72 is raising a lot of money.

Commissioner Curtiss: Thank you Glenn. Mr. Larson?

Don Larson: For the record, my name is Don Larson. Last year when we came to the hearing, we were told that the assessment was for the ongoing study of the water quality problems in Seeley Lake. I was led to understand

that certainly there are operating costs associated with the sewer district, but that the bulk of the money was to go for study of the water quality to determine if we did in fact need a sewer. And now you tell me that you just spent \$9,000 on a grant writer, presumably to obtain money to go ahead with a sewer when you don't even know empirically if the sewer is necessary and if a sewer project would clean up the problem.

A little bit of background for you Commissioners. As you know, Seeley Lake is a lagoon. The inlet and the outlet of Seeley Lake are at the same end of the lake and the lake's four miles long. I built docks up here for 20 years and I can tell you with authority that there is more than 15 feet of mud in the bay off Lindy's Steakhouse and that's an accumulation of years and years of logging. No amount of sewing folks is going to clean that up, no amount. Further Seeley Lake is an uncontrolled water shed. Every deer and beaver and tourist in Lake Elva, Lake Inez, Summit Lake, even the State Highway Department emits affluent into Seeley Lake. Seeley Lake is a catch basin, okay, and if you on down to Salmon Lake, it too is a catch basin. The mud down there is just as deep. First of all, you haven't determined where the pollution comes from, if there is pollution, and second, you haven't assessed whether in fact that sewer's going to clean that pollution up. So if you don't have the hard facts, why are you proceeding as if you're going to put a sewer in place that's going to solve all of your problems? It needs some empirical data, you don't have any. I'm disappointed that the Sewer District is spending \$9,000 on a grant writer, when they ought to be studying the problem. They ought to find out how much affluent comes out of Lake Inez now that they are building up there. Plum Creek sold off all of the properties up there, suddenly there's a building boom, and there's a ton of folks, and I can tell you from my dock-building experience, there's a whole bunch of 55-gallon drums that serve as sewers up there and that affluent comes right down the lake to Seeley. So folks, get some data. Why are you grant writing, why are you spending all of this money on engineering, when you don't even know whether there is a problem and a sewer will solve it?

Commissioner Curtiss: Would you like to respond, Glenn?

Glenn Morin: Yes, I wonder if I could call on Vince Chapel to bring the hard facts about the studies that Vince Chapel has done for us?

Vince Chapel: My name is Vince Chapel; I'm the manager of the Seeley Lake Water District. My job with the sewer district has nothing to do with the water district. I want to make that clear first. Number 2, I've been hired on my own to test the wells and we're talking groundwater wells in two lake sites on Seeley Lake, to check for contaminants that would be related to sewage from septic tanks. We do test every quarter, once every three months and we do an ongoing, once-a-month test as far as the depth of the wells, just to kind of monitor the amount of water moving through the ground.

In the last two years straight, all the testing we have done have come back positive for coliform and fecal bacteria and E. coli bacteria, which is representative of septic systems. Our nitrate levels, the state-allowable nitrate and normal drinking water would be at 10 milligrams per liter and we're running anywhere from a three, all the way up to an eight or nine at times, just depending on what's flowing through the ground at that time. Chlorides are high, which again is another indicator of septic discharge. So we do have evidence that the septic systems in Seeley Lake are polluting the groundwater in Seeley Lake. The sites that we have on the lake are also showing--which is pretty definite, you would show E. coli, fecal bacteria on a lake, and we are showing that consistently. Our nitrate levels on the lake are low right now and our chlorides, we have hits on that, but not significant. However, it still shows indicators that there are problems from our septic systems getting to the lake.

The Sewer District, from what I understand, is trying to solve the septic impacts on groundwater and/or lake water in Seeley Lake and they're doing everything that they can right now, with what they have to do that. I get about \$400-500 a year to do what I'm doing, which is pretty much nothing, but I want to help in whatever way I can. I know that the groundwater in Seeley Lake from the tests that I take, I wouldn't drink out of any well in Seeley Lake, that's my personal opinion. Other people say they can and have for years, that's their opinion, but my opinion is I wouldn't drink a lick of water out of the ground. So, you know, as far as data goes, the Sewer District has been trying to tract as much as they can within their means and I know they are trying to chase every possible solution to that and find that. It's a hard long process and it's not going to please everybody no matter what you do. I sympathize for the Sewer District and everybody in Seeley Lake. My person opinion is, I don't need another bill either, however, I know we need a sewer system. I know running the water district, which is again totally separate. We have bills coming up too and I know people don't like those either, but it's a fact of life and we have to clean up our environment for the people in our future. That's the way I see what the Seeley Lake Sewer District is trying to do.

Commissioner Curtiss: Vince, could I ask you, since Mr. Larson mentioned Seeley serving as a catch basin for the lakes upstream, do you--I know the water district takes their water out of the north end of the lake. Are there any monitoring sites on that end of the lake?

Vince Chapel: The Sewer District isn't monitoring the north end of the lake because the high impact of Seeley Lake and the Sewer District is on this end of the lake. I monitor the north end of the lake as far as water testing that we have to do with the water district and we're facing issues too. We're facing high organic levels that we can't compete with. We're having to change our disinfection systems because it's causing byproducts that we can't live with anymore. EPA, DEQ is not allowing us to live with those anymore. Other lakes upstream, streams upstream, the highway department, everything around Seeley Lake is dumping into that lake and it's the same for Salmon, it's the same for Placid. Lakes are a catch basin for what's around it. We have to clean up and try to do what we can with what's around our lake. Right now, the Sewer District's trying to take care of what's around their area. I know there's a lot of issues upstream too, but that's totally out of my jurisdiction and there's nothing I can do about it nor the Sewer District. I know EPA is actually actively looking at those areas right now, so sometime in the future, we may see more coming down the line on that.

Commissioner Curtiss: Thanks.

Don Larson: It's kind of nice having you folks all to myself. First of all, I want to thank you guys on the Sewer Board. You have a tough job, you really do, and I applaud your time and energies on this project. Now, I'm going to ask you a question. Why haven't you not dye-tested the lake dwellers? Over in Flathead in the 60s, they dye-tested every residence on that lake and if there was an ounce of pink water in Flathead Lake, those folks had to move their septics, that was it. Why don't you draw a concentric ring around Seeley Lake, dye-test those folks, and I mean dye-test them when they're using them. Those summer cabins are used heavily in the summer, then there dead in the winter. Dye-test them in the summer and if there's any affluent, make them upgrade those septics, then go back to your monitoring, let Vince monitor, and see what happens. I'll bet you [inaudible] nitrates in Seeley Lake are coming from those shore dwellings. We have highly gravelly soils here, everybody knows that, and they purify very quickly. The septics are highly efficient all through the district. I'll bet you the only people that are polluting Seeley Lake are those approximate to the lake. The first hundred yard perimeter around that lake, why don't you dye-test them. You probably are going to find out you don't need a sewer system.

Commissioner Curtiss: Have you guys discussed that, Glenn?

Glenn Morin: This is Glenn Morin--oh, excuse me, Dave wants to...

Dave Whitesite: My name is David Whitesite; I'm a member of the Sewer Board. We had a water study done by the School of Mines a few years ago and they tested the water in the district and around the district. They looked up several studies, one by the University of Montana, and one by somebody else. The water at the high corner of Seeley Lake is dang near pure. When you get down to the lake, it has some pollution, which obviously came from septic tanks. So we have indication, now there might be some argument about high serious the pollution is, but there is definitely some groundwater degradation from the septic tanks in Seeley Lake.

Commissioner Curtiss: Right, so Dave what you're saying is that the groundwater's degraded, not just the lake water. The groundwater shows degradation, not just the lake water.

Dave Whitesite: It is the groundwater that our tests show.

Don Larson: Yeah, I'm quick to concede that, I don't have any doubt that there's pollution associated with septics in Seeley Lake. I'm just questioning whether a central sewer system is going to clean up the problem. One of those test wells that the Bureau of Mines put in, Dave--pardon me, Don Larson again, for the record. One of those septics was--or wells was right next to the car wash, which I owned and so when the young man came up every few months to monitor it, I was quick to get out there and ask him, what did you find? Now, that well was 50 yards from my septic system for the car wash, it 50 foot from my building. He told me, and you check those records, there is no evidence of pollution in that well for my car wash, and I'm 50 yards from that well. That's a million gallons a year through that septic system in that car wash. That was gray water, of course. But you just check the well log, please.

Commissioner Curtiss: And I don't think many cars give off E. coli.

Don Larson: No, but back to my point folks, start with the simplest solution first, dye-test the folks around the lake to see where the pollutions is, let's pinpoint it, let's clean that up and let's step back another couple hundred yards, dye-test again and we're going to clean up the lake, but you're not going to solve the problem by sewing the entire district.

Commissioner Curtiss: Well, we have two people who haven't talked yet.

Vince Chapel: My name's Vince Chapel again. I just wanted to respond to Don's question there. I don't know what all legal rights, and this is something--I agree with maybe some dye testing on the wells--or the septic next to the lake because there's definitely some that are going straight into the lake. I don't know what kind of legal authority the Sewer District has or what kind of rights their Sewer District allows them to go out and monitor that and enforce that. This is a public health issue and it's maybe something that the public health department from Missoula County and the Sewer District can question each other and work together on. There are definite systems out there that are dumping straight into that lake. It's a good idea, but I don't know what legal authority they have or how far they can go as far as making that happen. With the public health department, however, they may be able to do that.

Commissioner Curtiss: I knew you'd think of something.

Howard Higgins: My name is Howard Higgins. I'm just a resident here, retired in Seeley Lake. I guess my only question I have is, right now we're paying \$72 per lot, which you're assessing. My question is, I guess would be to you, when the sewer system is put in or if it is, would we still be assessed for those lots if one of those lots was not used as a residential lot. That comes back to another question is why, if we have lots like that, why are we being assessed for them because they're not going to affect the sewer system?

Glenn Morin: When the sewer system does come in, the assessment is going to be dropped, but you'll be charged per lot for the septic system when that comes and that'll be monthly instead of just the once-a-year charge that we do.

Commissioner Curtiss: But at that time it would more likely to be based on a dwelling unit or the amount of water that you use, similar to what happens in the city.

Howard Higgins: The reason I'm asking that is I have a second lot, which was a residential lot before and which is now not ever going to be another residential in there, as long as I'm there anyway. When the sewer does come in, will I have the right not to hook up or put anything into that lot, when the sewer system does come in?

Commissioner Curtiss: The standard rule that is used by the Health Department right now is that if they system that you currently have fails, then you wouldn't be able to replace that system if there's a public system within so many feet. So you'd probably be able to continue using the system you have now, but if it failed and needed to be replaced, it would make more sense to connect then it would be put in a new sewer and a new drainfield.

Howard Higgins: Okay, thank you.

Tom Morris: This is Tom Morris. Just to kind of back-up what Mike said earlier also is there's so many different ways that you can set up your fee rate once you have a system, but it's really hard for a district to determine what the future of a property's going to be. So the easiest way to know that you're not going to pay for multiple lots is to combine them into one. Now that costs you money, I understand, but over the years, it would be less money to do that. If you leave them as separate lots, there's no guarantee that you're not going to come in, somebody's not going to come in and develop that. I know for a fact that there are people that own property in the district boundaries that are just waiting for the sewer, so they can do that. It's really hard for a board to design a fee structure without going per lot, that's the tough part.

Then I want to get back to my own personal feelings. If it was up to me, we'd put a moratorium on new building and all new growth to Seeley Lake. We wouldn't have another house, we wouldn't let anybody else come in and we wouldn't have to do this because I don't want to pay it either. But, that's not fair and it's not right and everybody has a need to have a place to live, so I know we're not going to do that. The reason I serve on this board is only to make sure that when we do what we need to do, that we do it at the very lowest cost to every user and we do what's right for the environment. I guarantee you, that's the only reason that I'm here. I don't want it. Thank you.

Commissioner Curtiss: And there are people who lived here before you got here that wanted to shut the gate too. There are different methodologies once there's a sewer in place. For example, the sewer system that was put out Mullan Road was a by-the-dwelling-unit, so if you had one house and 20 acres, you paid the same as if you had one house and one acre, but in the future, if you divide those others, you paid that same assessment per every new long. There are different ways to do it, so that as long as you lived there, you'd only pay the one time, but whoever gets it after you and wants more houses would help pay too.

Unidentified Speaker: [Inaudible, spoke from audience.]

Commissioner Curtiss: Yeah, it does take some survey money to consolidate lots. Are there any other comments? I don't know if I officially opened the public hearing, I said it was a public hearing, but if there's no more comments, I'll close the hearing. Were you ready to make a motion?

Commissioner Carey: Those in attendance have raised some valid issues I think. I think it would be worthwhile to take a look at perhaps trying to dye some of those cabins near the lake, if there's any possible way to do that. I don't know. I don't want to run your business at all, but we don't have any alternatives in front of us, so I think we need another year to do what we're doing here and hopefully, move forward on getting a more solid kind of scientific basis for the need for a sewer system or perhaps finding ways to not do it. I think you've done pretty remarkable work, \$2.2 million is on what you've been assessing is good and valuable work, so thank you.

Commissioner Carey made a motion that the Board of County Commissioners adopt the resolution setting assessments in the Seeley Lake Sewer District for the same amount as last year, which is \$72 per parcel. Commissioner Curtiss seconded the motion.

Commissioner Curtiss: The one thing that I'd like to point out is one of the things that Mr. Morin eluded to is he was telling about some of the money that's come in so far. I'm not sure who all the community members are, but I remember it well that the businesses in this community in one night committed \$15,000 to the community. I know one of those businesses was Pyramid Lumber, so I think that people have contributed in some other ways and maybe for next year we can look at some other methodology to maybe a by-the-acre kind of thing.

Ralph Kloser: [Inaudible, spoke from audience.]

Commissioner Curtiss: They raised \$30,000 in one night? Okay, Ralph corrected us, so thank you.

The motion carried on a vote of 2-0.

Commissioner Curtiss: I think that at least from my perspective, it would be good for you folks to look at next year your board taking the acreage within the district and figuring out what that would mean, if people paid by the acre.

Glenn Morin: This is Glen Morin. We did, before we did assess that, we did come in and we talked with Ann Mary and we were trying to--it was this whole [inaudible] to do it this way then try to do it that way. It just seemed to be a lot easier and less hassle to do it this way for this temporary assessment.

Commissioner Curtiss: Okay, so maybe next year what you could do is have both options outlined for us so we can have a discussion on both at least.

Mike Sehestedt: I agree, this is the simplest and easiest method. On the other hand, this is turning out to be more than a one-time thing. We're now four times into it. Probably we're still a few years from actually going, should we get to that point, of actually going operational with the sewer system. Once the acreage, if that's the methodology that's chosen, is calculated, it will be good every year just like the per-parcel is. I really think it probably would be a worthwhile effort and if we can get started on it now, then when the Commissioners come, they could have some alternatives. Frankly, these three people took the time to come and I would say they probably represent a pretty sizeable part of the community in terms of their views if I remember, some of our other hearings. I think it would be good to pay some attention to what they're saying and to have an alternative to offer, so that we're not stuck. That's not to say that there's not a great deal of legitimacy to what the board members have been saying about this methodology, but may if we've got a real choice the next time, we can have a real debate.

Don Larson: Don Larson, for the last time. I was a member of the Water District Board back in 1992 when we formed the Sewer Board. We formed it through the water board and then made it a separate board. Probably today in 2007, we should consider disbanding the Sewer Board, reconstituting it as a combined water and sewer board because it just makes good sense, water in/water out and redraw the district so that we don't have 200 acres of industrial mill property in your district. I think you guys got to think outside of the box. If there is a need for a sewer, then let's get a viable option for Seeley Lake that accommodates the needs of the community and accommodates the growth expectations of the community. The irony is you folks in the Commission have spent years trying to prop up Pyramid Lumber Company and the probability is, if you approve a sewer, you're going to hasten it's demise because it has over 180 acres on the west side of it that is subdividable and is in the sewer district. All of a sudden, subdivision is going to way more attractive than making boards, so think about that carefully. Thank you.

Commissioner Curtiss: Thank you, Don.

Vince Chapel: My name's Vince Chapel. I just want to throw something out real quick. The Sewer Board's looking for another board member, so if anyone wants to get their ideas out there, it's a good place to do it, whether you're for or against a sewer.

Commissioner Curtiss: Thanks, Vince. Is there any other business to come before the Commission?

There being no further business to come before the Board, the Commissioners were in recess at 8:00 p.m.