

REGULAR MEETING OF THE TOWN OF PLEVNA – MONDAY, AUGUST 10, 2015, 7:00 p.m.
TOWN OF PLEVNA OFFICE

Mayor William Benner opened the regular meeting of the Town of Plevna Council at 7:02 p.m.

Aldermen present were Shawn Sander, TC Shelhamer and Gary Thielen. Ross Gray was absent. Also present were: Corrine Sander, wastewater operator; Rick Schell, water operator; Jason Rittal, EPEDC; Ryan Rittal and Tanner Cahill with Stahly Engineering.

No public was present.

The minutes of the July 13, 2015 minutes were read and approved.

Stahly Engineering – Ryan Rittal – Water Project

- Willie questioned Ryan about the curb stop by the E Free church that is not on the plans.
- Kinkaid is pressure testing the west side of town this week. They are also installing temporary water on the south side of town.
- BNSF permit 15-52448 was sent to the town without the full permit fee disclosed. The check for the remaining balance of \$100.00 will be sent on August 11. When Jones, Lang & LaSalle receive the fee they will send the executed contract to the Town.
- MDT is requiring a bore under County Road 494 for the water connection to Mae Bohle's property. They are also requiring backfill in the saw cuts on their ROW. Ryan will be sending Exhibits for the bore and the other stipulations MDT has for their ROW. This will require a change order.
- **Change order #2 was presented in the amount of \$17,672.04.** "Provide payment for additional quantity on Bid Item 129 (spoil transport) in the amount of \$10,000.00 and "Provide payment for repair of leak on unmarked water main (7/8/15)" in the amount of \$7,672.04. The water leak portion is for the issue at Main and Conser on July 8, 2015. The following is an email the town received from Ryan regarding the issue dated July 29 which was included in the council packets for their review:

* Kinkaid hit an unmarked charged water line on Conser at the alley east of Main Street, which caused the leak.

* The leak traveled through an old pipe casing (essentially a pipe/casing holding the charged water line). The water traveled west along the casing until it reached a break in the casing and surfaced at the intersection of Conser and Main.

* After determining there was not a leak on the new Phase 1 water mains at this location, we determined that the leak had traveled through the casing to that point.

* In the Phase 1 plans, this line was supposed to be abandoned by Diamond J and was not.

* A valve at the connection from the Phase 1 improvements to the existing system that is currently serving the remainder of the town was also not installed correctly in the Phase 1 project, creating problems trying to stop the leak.

* After all was said and done on the fixing of this problem, the cost of this was \$14,947.04.

Next came the process of who is responsible for what in this situation. Cleary Diamond J has some responsibility in this. The project also has some responsibility in it as well as the line that was hit was an unmarked line. That being said, I met with Darcy Wassmann, County Attorney, regarding the situation to get her legal advice regarding the situation. She advised me that we should be able to recover costs that were the direct result of Diamond J's errors in Phase 1, the remainder would be the responsibility of the project. This is a very difficult number to determine as there are a lot of "what if" scenarios that can be argued on both sides.

Initial conversations and emails with Diamond J indicated they were unwilling to accept any responsibility for the cost on this situation. This was obviously unacceptable. After many discussions and further emails negotiating and explaining the situation, Diamond J has finally agreed to pay \$7,275 of the cost. The remainder, \$7672.04 would be paid for in a change order and come out of the contingency for the project. I believe this is a fair way to close this issue and it is my recommendation to the Town of Plevna to accept this resolution. I have also asked Jason and Darcy to review and comment on this resolution and they had no issues with the recommendation.

Ryan indicated that he has spent a lot of hours on this issue but will be donating his time. Kinkaid will bill the Town for the repairs and the Town will bill Diamond J for their portion. Two days were added to substantial completion for this Change order #2.

- Pay Application #3 was presented in the amount of \$419,349.25.

Motion was made by TC, seconded by Gary to approve Change Order #2 in the amount of \$17,672.04 and Pay Application #3 in the amount of \$419,349.25.

Aye: TC, Gary, Shawn

Abstain: None

Carried: 3-0

Nay: None

Absent: Ross

- The council instructed Ryan to remove the fire hydrant on Rail Road Ave directly across from Shawn Sander's house. The hydrant is too far into the street and is likely to be hit by traffic.

EPEDC – Jason Rittal

- **Water Project** – Jason presented the completed 1% Contractor's Gross Receipts Withholding Return for Pay App #3 in the amount of \$4,235.85. He also went over the Uniform Status of Funds Spreadsheet dated 8/10/2015. This includes the staging area invoices from 4J for June, July and August.
- **Sewer Project** – Jason discussed moving forward with a sewer project. He indicated if we want to receive grants in this funding cycle we need to apply now. The proposed Preliminary Engineering Report from Stahly would cost \$50,000.00. Jason feels the Town could possibly receive planning grants in the amount of \$15,000 and \$10,000 from RRLG and TSEP which would leave a balance of \$25,000 to be paid by the Town. If the Town did the PER this funding cycle

but waited a funding cycle to do the project an updated PER would be required and cost \$10,000 to \$15,000.

Mayor Benner feels before we move forward with a project we need to finish the camera of the sewers and also find out if the school's storm water is emptying into the sewer system.

Gary feels the priority should be on getting a reliable backup well for the Town water system.

Ryan Rittal with Stahly indicated he would get the Town a cost estimate on either drilling a new well or possibly repairing the sand well.

Jason Rittal, Ryan Rittal and Tanner Cahill left the meeting at 8:02 p.m.

Rick Schell, water operator

- The chlorine problem seems to have been resolved.
- Discussion was held about the state requiring the valve before the fire hydrants being turned off and the fire trucks needing to carry a T to turn on that valve.

Approve Claims: Motion was made by T.C., seconded by Shawn to approve the claims as presented in the amount of \$486,748.58 and payroll in the amount of \$3,337.92, all in favor, motion carried.

July Claims (\$483,971.75)

1431	Kinkaid Civil Construction, LLC	\$419,223.50	1432	MT Dept of Revenue	\$4,234.58
1433	BNSF Railway Company	\$ 11,380.00	1434	4J Well Service Inc	\$2,000.00
1435	Boss Office Supply	\$ 48.99	1436	CT Excavation Inc	\$3,325.94
1437	Energy Lab, Inc	\$ 20.00	1438	Hawkins Inc.	\$ 826.55
1439	Herbst Insurance	\$ 100.00	1440	Mid Rivers Comm.	\$ 119.28
1441	Montana Dakota Utilities	\$ 1,010.60	1442	Plevna Propane	\$ 900.00
1443	Stahly Engineering	\$ 40,577.72	1444	T.C. Shelhamer	\$ 70.00
1445	Petty Cash	\$ 64.59	1446	Post Master	\$ 70.00

Payroll July 1 – July 31 Gross pay (\$3,337.92)

1447	Eileen Dahl	\$ 514.91	1448	Shanna Medearis	\$110.00
1449	Jodi Miller	\$1,383.75	1450	Corrine Sander	\$494.26
1451	Rick Schell	\$ 835.00			

August Claims (\$2,776.83)

1452	4J Well Service	\$1,000.00	1453	Baker Ace Hardware	\$ 21.99
1454	BNSF Railway	\$ 100.00	1455	Boss Office Products	\$ 129.95
1456	Coral Creek Landfill	\$ 304.25	1457	Direct Electric LLC	\$ 271.51
1458	Farmers Union Oil	\$ 31.00	1459	G&G Garbage	\$ 370.00
1460	MT Rural Water	\$ 150.00	1461	Plevna Rural FD	\$ 398.13

Rick Schell left the meeting at 8:16 p.m.

Sewer Project:

Discussion continued on the sewer project, Corrine Sander, Waste water operator also took part in the discussion. The lagoons have been going down since the water project has replaced piping and stopped the leaking of fresh water into the sewer system. The council came to the conclusion that the waste water system is not a primary concern at this time and the focus will be on a secondary source of drinking water. The clerk will contact Jason Rittal with this decision.

Council/Mayor Concerns:

There are still campers and boats being parked in alleys that will need to be removed in order to complete the camera of the sewer.

There are trees in the Baptist church alley, Catholic church alley and around the Hastig house on 1st Street that need to be trimmed or removed.

Correspondence:

- County Auction – Willie will haul over 4 pressure tanks the Town no longer has a use for.
- Amy MacKenzie, Midwest Assistance Program – Amy sent in a request to USDA to conduct an income survey for the Town of Plevna. She is waiting to hear back from them.
- MMIA informed its members that pollution coverage will be through Alliant with limits of \$2,000,000 per condition and a \$10,000,000 aggregate limit as a standard option.
- Fallon County Sanitarian – letter to Patrick Jeppesen dated July 21, 2015 regarding the Plevna Garage Building and demanding removal of the building.
- Brian Davis with Direct Electric called and informed the clerk he discovered on 8/4/15 the light at the dump site had been destroyed by wind. He will put it on his list and get over to repair it as soon as possible.
- James J. Wosepka, PC – sent three copies of the audit contract for the year ending June 30, 2015 to be sent to the State of MT for approval. This audit is required due to the expenditure of Federal grant funds in FY 15/16. The cost of the audit will not exceed \$6,000.00.
- Montana Dept of Transportation – Town of Plevna request for supply of surplus gravel located at MT-7 MP 48.8 was granted.
- Letter from Denise Wang dated July 5, 2015 regarding water line on their property west of Hastig’s.

Ordinance #50 – Town of Plevna Water System – first reading:

Change wording on Section 5.C.2. – strike “maintaining” - corrected to: “All expenses of laying the service pipes from the main to the consumer’s premises must be borne by the consumer.”

Motion was made by T.C., seconded by Shawn to approve Ordinance #50 with change as indicated above for first reading.

Aye: Gary, T.C., Shawn

Nay: None

Abstain: None

Absent: Ross

Carried: 3-0

Ordinance #51 – Town of Plevna Waste Water System – first reading:

Motion was made by T.C., seconded by Shawn to approve Ordinance #51 for first reading.

Aye: Gary, T.C., Shawn

Nay: None

Abstain: None

Absent: Ross

Carried: 3-0

Ordinance #52 – method of publication of notices, ordinances and proceedings – first reading:

Motion was made by Shawn, seconded by T.C. to approve Ordinance #52 for first reading.

Aye: Gary, T.C., Shawn

Nay: None

Abstain: None

Absent: Ross

Carried: 3-0

Financial Report – July 2015

The July 2015 cash report was reviewed by the council.

Preliminary Budget:

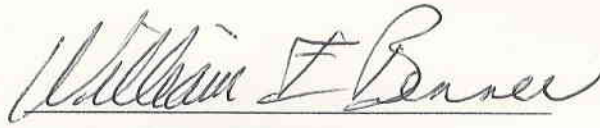
The preliminary budget was reviewed. A request will be sent to the Plevna School for the balance of water rate agreement. Garbage rates will need to be addressed in the future. The final budget approval meeting was set for August 24, 2015, 7:00 p.m. at the Town of Plevna office.

The council discussed the fact that Diamond J used rubber couplings on some of the curb stops, the Clerk will contact Ryan Rittal about how to handle this.

The council needs confirmation on how payment of deficient workmanship from Phase 1 will be handled in the future. Ryan Rittal has discussed this with Darcy Wassman, County Attorney, the clerk will contact Ryan and Darcy.

Having no further business, Mayor Benner adjourned the meeting at 9:28 p.m.


Town Clerk – Jodi Miller


Mayor – William E. Benner