

**Fruitland Special Service District
Meeting Minutes – May 15, 2025**

Meeting called to order at 3:00 PM

Roll Call:

Present – Vicki Savage, Bart Morrill, Steve Hille, Jared Kesler, Mike Wilkerson, Judy Wilkerson, Zack Taylor, Brock Harrison

Approval of Minutes:

Motion to approve the April 2025 meeting minutes made by Bart Morrill, seconded by Steve Hille. Motion passed unanimously.

Financial Report:

Motion to approve the April 2025 financial statements made by Steve Hille, seconded by Bart Morrill. Motion passed unanimously.

Operations Manager Report:

- High runoff samples have been taken; results are expected in 2–3 weeks.
- Monthly compliance samples returned good results.
- Meters approved for installation have been or will be installed by the end of the month.
- Discussion on requiring customers to install their own shut-off valves on their side of the meter to prevent tampering and damage from customers operating FSSD meters.
- Several accounts were identified where meters were paid for but never installed; one meter paid for in 2007 has now been installed.
- A meter was activated in Pelorus but was never installed. Issue has been resolved.
- A meter installed in 1992 was found in the ground with no associated account in Pelorus. The board decided to activate the account, begin monthly billing, and turn on service, as the new property owner was under the impression the meter had always been active. Issue resolved.

Clerk Report:

- Continued interest in new water connections; some customers are awaiting site assessments and confirmation of water availability.
- Developers must bring waterlines to their subdivisions and appear before the board to request connections for new lots.
- Individual property owners must also appear before the board to discuss their unique circumstances.
- Provided an update on the CIB application process.

Engineering Discussion – Jones & DeMille:

- 3-phase power is unavailable in Bandanna to operate the pump from Little Red line to the Upper Mill Hollow tank. A phase converter is a possible solution.
- Brock Harrison discussed using a pilot pump or a larger pump for reduced runtime.
- Treated water cannot be pumped through untreated lines—Division of Drinking Water (DDW) input is needed.
- A site visit is planned with the operations manager to evaluate the district's highest-priority projects.
- The 90-foot elevation gain from Little Red line to the Mill Hollow tank may allow the use of a small pump, pending DDW approval.
- The Mill Hollow tank sits on private property; the board may need to coordinate with the landowner for additional space or an easement to install the chlorination system. Respecting existing property boundaries and updating easement records will be essential.

Public Hearing:

A public hearing was held to discuss Fruitland Special Service District's intent to submit an application to the Permanent Community Impact Fund Board (CIB) for funding assistance.

The proposed project includes:

- Construction of a chlorination system for the Mill Hollow Spring, which is currently offline due to contamination. The treatment system will allow the spring to be safely brought back into service.
- Acquisition of additional water rights to improve system reliability and ensure capacity for both current and future customers.

Project Scope:

The chlorination system will include a building or enclosure at the Mill Hollow tank site, injection equipment, and monitoring technology.

Funding Options Discussed:

The board discussed various funding paths, including CIB, Division of Drinking Water (DDW), and EQUAG. While an EQUAG application was initially pursued, the district was recently informed it is not eligible. Rural Water has also been contacted.

Contingency for Modified CIB Terms:

The board acknowledged that CIB often adjusts grant-to-loan ratios and expressed willingness to accept modified funding terms if necessary. If additional funding becomes available, the district would use that funding to supplement the project and reduce reliance on loan amounts.

Implementation Schedule:

Upon funding approval, the project would begin immediately with final engineering, followed by permitting and construction. The board anticipates initiating work within 6 months of award, pending contractor availability.

Impact on the Community:

This project is critical for water quality, supply resilience, and public health. Reintroducing Mill

Hollow Spring to the system will help meet current demand, provide redundancy, and improve service reliability. Without support, the cost of compliance and water acquisition would place significant financial strain on the small customer base of the district.

No public comments were received. No additional comments from the board.

Motion:

Trustee Steve Hille made a motion to approve the submission of a funding application to the Permanent Community Impact Fund Board in the amount of \$2,300,000, consisting of a \$1,750,000 grant, a \$400,000 loan at 0.0% interest for 30 years, and a local contribution of \$150,000.

The motion was seconded by Trustee Bart Morrill.

Vote:

All board members present voted in favor. Motion passed unanimously.

Board Discussion:

The board discussed concerns regarding legal expenses with Gordon Law.

It was agreed that both outstanding legal matters should be resolved as soon as possible, as invoices are growing and limited progress has been made.

A trustee raised concerns about overages on two meters tied to properties he owns. He indicated that one meter may need replacement and reported a possible leak on the District's side that he asked to have checked.

During this discussion, a related concern was raised regarding a damaged MXU wire on one of the trustee's meters. The trustee stated the wire had come off in his hand and denied tampering with the equipment. Another board member noted that the wire appeared cut and emphasized that only authorized District personnel should access or operate meters.

The board reiterated the policy that customers — including board members — are not permitted to access FSSD meters. Any damage or concerns should be promptly reported to the District office to prevent further issues and ensure proper maintenance. The importance of preserving metering infrastructure was reaffirmed.

The board also agreed to continue discussing a possible requirement for customers to install their own shut-off valves on the customer side of the meter to reduce unauthorized access and prevent future maintenance problems.

Adjournment:

Motion to adjourn the meeting made by Bart Morrill, seconded by Mike Wilkerson. Motion passed unanimously.

Meeting adjourned at 5:15 PM.