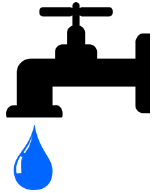


FORT SMITH WATER & SEWER DISTRICT
PUBLIC HEARING
AT THE BIG HORN BAPTIST CHURCH
LOCATED AT: 11 1ST STREET EAST
& VIA PHONE CONFERENCE

Fort Smith Water & Sewer District
Meeting Minutes-Public Hearing

Opening/Roll Call: Dr. Shaw called the meeting to order at 5pm on August 25, 2023. The meeting was held at the Big Horn Baptist Church via in person and phone conference, call in number was: 1-224-501-3412, access code was: 856-666-597. Board members present: Alan Shaw, Katie Steele, Tom Becker, Jim Hyde, & Steve Saville; Employees present: Todd Querry, Sandy Kust and attending via phone: Josh McCraw; Public present: Marily Hyde, Dennis Fischer, Bonnie Evans, Dave Evans, Ike Maynard, Trisha Siemion, Rush Locke, Brandon Siemion, Roy Bellew, Mike Miller, Bonnie Boggs, Jeff Boggs, Tom Welsch, S. Dubrarae, James Doudna, Paul Fitzgerald, and Maraily Alkire, copy of sign in sheet is on file.

-ANNEXATION OF PROPERTY INTO DISTRICT BOUNDARIES- Dr. Shaw introduced board members and employees and stated the District is only obligated to ensure the capacity of the water & sewer and not the nature of the development. reviewed the application for annexation with the public and then opened the meeting to the public. Questions from public: Will this be voted on tonight? What is the wastewater project? What is the cost per hookup? What guarantee do the current customers have that new customer coming in will pay their fair share? Does this benefit the District? Is there a deadline to approve the annexation application? Is the only reason we are here is to tell us about the existing system? How will the annexation help pay for the water system? Has project gone out for bid? Will developer stay to end of completion of housing project? What is the difference between the water bond and sewer bond? Who are the engineers? Who are the contractors? Is the impact fee put in place yet? What is the rush to approve this application? Comments from public: According to MCA 7-13-2341 the District does not have capacity for sewer. According to MCA 7-13-2341 (5) this does not meet the needs to of the District as DEQ will not allow more hookups into a failing sewer system. DEQ has progited any additional hookups. Cannot believe this is a functioning sewer system. Need to have fees established before the ordinance is passed. Comments from Board: The sewer system is functional and has capacity. Annexation not completed until sewer system is complete and functional. Applicant could do a petition or application-applicant went with application. Anyone coming into the District will have to pay current & previous equity and assessments for both water & sewer, will cost more to come in later than at the beginning. Engineering Firm is RPA Engineering out of Helena. Contractors are Western Municipal and Prospect. Once sewer system is complete there will be capacity for new hookups. The application is for up to 21 residential hookups, no commercial hookups were requested on application.



Meeting was closed and ordinance was voted on, copy of ordinance:

NOTICE IS HEREBY GIVEN that on August 25, 2023, the District Board (the “Board”) of the Fort Smith Water and Sewer District (the “District”), intends to adopt an ordinance to approve an application the board received to annex property into the District.

Ordinance 8-25-2023

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Fort Smith Water and Sewer District, Big Horn County, Montana (the “District”), as follows:

Section 1. Annexation. The Board received an application to annex property into the District.

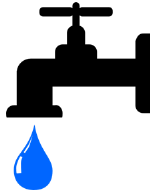
Section 2. Application for Annexation It is the applicant's intent to have the District's Board make a determination (pursuant to Section 7-13-2341(5), MCA). Applicant submitted a complete application. Applicant is a registered voter residing in the area described as the 3.58 acre unplatted tract of the Yellowtail subdivision, less the .79 acre westerly portion divided in COS #140CB on 6/13/2000, the undivided parcel is 147.5' x 1056' and lies north of second street and east of second avenue. The applicant is the sole owner. The property to be annexed is contiguous to existing District boundaries. The property owner of the land wishes to accomplish annexation without a vote of the electors of the District. The present use of the property is vacant land. The proposed use of property is residential with 21 or less water & sewer hookups. The applicant has been notified that there is excess capacity of the water system and when the sewer system is completed there will also be excess capacity.

Section 3. Approval of Annexation Application: The board approves the application as submitted requesting annexation for the parcel of 3.58 acres unplatted tract of the Yellowtail Subdivision, the undivided parcel is 147.5 X 1056ft and lies north of second street and east of second avenue as noted on cos #140cb. It has been determined that sufficient capacity for water service exists. The final approval of this request however, is contingent upon completion of and verified functionality of the new sewer system. Additionally, the applicant shall comply with all “Water System Development Fees” as determined by the board.

A public hearing notice regarding the application for annexation was published in the Big Horn County News on August 10th and August 17, 2023 as well as mailing the public hearing notice to all property owners in the Fort Smith water & Sewer District. A public hearing was held on the Annexation of property into the District Boundaries on August 25, 2023 @ 5pm at the Bighorn Baptist Church in Fort Smith, Montana. Comments were taken orally at the hearing.

Further information about the annexation approval may be obtained by contacting Alan Shaw, President, at (406) 995-2792.

This notice by Order of the Board of the Fort Smith Water and Sewer District this 25th day of August, 2023.



The District, after the first adoption and reading, will post copies of the ordinance and copies will be made available to the public, and a copy of the ordinance will be mailed to all property owners in the Fort Smith Water & Sewer District with the next billing.

Motion to adopt ordinance 8-25-2023 by Katie Steele, 2nd by Alan Shaw, motion carried unanimously.

A letter as well as the ordinance was mailed to all property owners in the District informing them of the adoption of the ordinance as well as the 30-day objection period.

An application for annexation of a 3.58-acre parcel into the District was submitted on April 23, 2023. There are two methods by which a property can be annexed into the district by which the applicant can choose from. The first is by a vote of the Board. The second is by a vote of District members. The applicant chose the method by which the Board votes to approve the annexation. The application was thoroughly reviewed by District staff and Board members and found to be complete and in compliance with the rules as specified in the District's Policy and Procedures Manual as well as the MCA. The annexation request is for 21 or fewer single-family residential hookups. No request was made by the applicant for any commercial hookups. The Board is required to have official confirmation that there is enough water capacity to service this additional property, and this was verified by the District's engineering firm. As far as sewer service is concerned, the engineering firm verified that adequate sewer service will be present but **ONLY AFTER SUCCESSFUL COMPLETION AND VERIFIED OPERATIONAL STATUS OF THE NEW SEWER SYSTEM.**

A public hearing to discuss the request was held by the District on August 25, 2023, and comments from those in attendance were received and taken into consideration. The Ordinance (**copy enclosed**) was adopted and as of this mailing, a thirty (30) day period starts whereby any member of the District can object to the Ordinance. This must be done in writing and received at the District's post office box or hand delivered to our operator, Josh McCraw. Find instructions below. A notice of objection must contain your name and address of your Fort Smith property. At the end of the 30-day period, **October 4, 2023**, if no more than forty (40) percent of the District members object, the Ordinance will be adopted. If more than forty percent of District members object, the Board will hold a vote where all District members can vote to adopt, or not adopt the Ordinance. If greater than fifty (50) percent of District members vote against the Ordinance, then it will not be adopted.

Josh is the only one to receive objections. All questions and concerns **MUST** be directed to Alan Shaw. When delivering objections to Josh, please try to do so during regular business hours.

For mail delivery: P.O. Box 7596 Fort Smith, Montana 59035-7596

Josh McCraw: phone: 662-419-7200

Alan Shaw, Board Chair, Fort Smith Water and Sewer District

Phone: 406-995-2792

Email: shaw195@aol.com