Saddle Mountain Service Corporation Board Meeting Minutes

July 20th, 2026

MT City Fire Station #2

Attendees:

Joanna Haddon, President

Mike Johnson, Vice President

Linda Kindrick, Treasurer

Josh Ault, Secretary

Kirk Fandry, Director

Matt Weber, Operator

Meeting called to order at 6:37 PM

Minutes from annual meeting: The annual meeting minutes were reviewed by board members. Linda moved the annual meeting minutes be approved. Mike seconded. Motion passed unanimously.

Minutes from last month's meeting: The meeting minutes from June were reviewed by board members. Linda moved the monthly meeting minutes be approved. Mike seconded. Motion passed unanimously.

Operator's report: Matt presented the operator's report. Matt noted that the recent power outages are causing issues with the system, requiring power to the pumps to be cycled off and on, and the LCD readout may need an electrician to repair. Joanna asked about access to a homeowners curbstop, which will need hydro-excavated before it can be accessed. Until that work is done, we are unable to turn off water and follow standard process for non-payment. Kirk motioned for Matt to request a quote from Rocky Mountain Operators to hydro excavate the curbstop. Mike seconded. Motion passed unanimously. Mike motioned for the operator's report to be approved. Linda seconded. Motion passed unanimously.

Treasurer's report: Linda Kindrick presented the treasurer's report. Joanna reviewed a Montana Rural Water Systems report on measuring financial health, which divides profit by expenses, with a ratio close to 1 considered healthy. Joanna recommended we track this going forward as a financial health indicator. Linda has also been working with ATS on correcting depreciation calculations and tax returns for past years. ATS will be fixing the last 3 years of tax returns and correct their reports. Mike motioned for the Treasurer's report to be approved. Kirk seconded. Motion passed unanimously.

Maintenance & Repair Committee Report: Mike brought up the corrosion of the reservoir hatch components and noted they may need replaced. Mike presented pricing options, but Matt recommended we don't need to replace the parts due to other ways of keeping the lids open. Additionally, the board discussed well 5, and purchasing a new pump (which would allow us to know the pump curve) and a VFD. Mike estimated $13k for the pump, plus an additional cost for the VFD. Due to well 5 being critical to the operation of the water system, the board agreed this would be good to pursue. Mike will get updated quotes, send them to the board, and then we can decide how to proceed. Linda motioned for the Maintenance & Repair Committee report to be approved as presented. Kirk seconded. Motion passed unanimously.

Old Business:

1. **Evaluate bid on VFD installation**: Based on the decision from the Maintenance Repair & Committee Report, Mike will have updated quotes for a new pump and VFD for well 5. Joanna offered to help Mike with the application to DEQ for the installation of the new components once we have the details.

2. **Purchase a set of standards:** Matt suggested not purchasing a set of standards, as we have Rocky Mountain Operators. The board agreed to close this item out.

3. **ATS, depreciation, and tax returns**: Linda reported our recent experiences with ATS have not met expectations, and requested the board's input on how to proceed. Linda suggested switching to an accounting firm recently started by our former bookkeeper. However, it was brought to Joanna's attention that a legal investigation is open against that firm. After Joanna consulted with our lawyer, she recommended we avoid working with this firm due to the potential legal implications that might have for the board. The board agreed, but noted that we should still look for a new accounting firm. Linda and Joanna will continue the search throughout the next month.

4. **Water rights proceedings:** In the Treasurer's report, Linda noted legal fees will be down now that the water rights work has concluded. However, this will eventually be back on the docket as the water courts work through the timeline and begin to review well 5.

New Business:

1. **Notes from the pumphouse**: Joanna sent out notes from the pumphouse to homeowners, but forgot to include notice of the consumer confidence report. Josh will make sure this was posted to the website and is accessible to interested homeowners.

2. **Update accounts with board member changes:** After the annual meeting and election of new board members, various accounts require notification of personnel changes. The MT Secretary of State, Northwestern Energies, and some First Interstate Bank accounts have been updated. Linda still needs to update ATS, finalize First Interstate Bank updates, and work with Joanna and Tom on getting a new credit card.

3. **Web based document storage**: Josh presented options for online document storage to the board, with primary goals being easier access to information and easier file sharing among board members. After reviewing options, Google Drive made the most sense due to the board's use of Google for e-mail, but will likely require purchasing increased storage estimated at $9.99/month. Josh made a motion to set up a shared Google Drive folder for board members, and purchase the increased storage when needed. Kirk seconded. Motion passed unanimously.

4. **Evaluate spalling damage**: It was noted that the concrete at upper west reservoir had spalling damage. Matt did not think this needed to be repaired at the moment, but recommended we keep tabs on in. The board agreed.

5. **Monthly meeting attendance notices**: Joanna suggested posting notices to the boards at each mailbox with information about monthly meetings in order to gain interest in attending from homeowners. The board agreed it would be worthwhile and Joanna will post notices for next month's meeting.

6. **Reinstate member voting rights**: Joanna asked about reinstating homeowners voting rights once they have been stripped. Linda noted that the bylaws state the homeowner must request that their voting rights be reinstated, and then the board votes on the request. Voting rights would only be reinstated with a ⅔ majority in favor of reinstatement.

7. **Interest in system walkthrough**: Each year the board offers new board members, and any interested homeowners, walkthroughs of the system. Joanna noted that she will include this offer in the notes from the pumphouse sent in the fall.

8. **Mailbox inventory in shed**: Linda brought to the board's attention that we have a large number of old mailboxes in our storage shed. In order to make space and have better organization in the shed, Linda suggested we get rid of the mailboxes. The board agreed.

With no further business noted, Kirk moved to adjourn. Mike seconded. Meeting adjourned at 8:08pm.

Submitted by: Josh Ault, Secretary

Next meeting – August 17th, 2026 at the fire house on Mission Mountain Road at 6:30 p.m.