

**MINUTES OF REGULAR MEETING
OF BOARD OF DIRECTORS
OF LOCKWOOD WATER AND SEWER DISTRICT**

August 9, 2017

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on August 9, 2017. President Carl Peters called the meeting to order at 7:00 p.m. in the conference room of the Lockwood Water & Sewer District Office, 1644 Old Hardin Road, Billings, Montana.

Present at the meeting were Board members Carl Peters, Nancy Belk, Carlotta Hecker and Stuart Deans. Board member Merrill Walker was absent. Also present was LWSD Manager Mike Ariztia, Assistant Manager Tony Reed, and Jill Cook of Morrison-Maierle.

Attendance and Voting Record attached to minutes

PUBLIC COMMENT:

None.

APPROVAL OF MINUTES:

The minutes of the Board meeting of July 12, 2017, were presented for approval.

Three corrections were noted: Page 5, change first paragraph of Becraft Update to read as follows: "After reviewing the option and liability issues, it was determined not only by the District but also the Lockwood Irrigation District Board, that the trench needed to be restored to the south side on Becraft to send the water along the path it has always traveled and not diverting it to the north side where it could potentially cause damage."

Page 6, June, 2017 water pumping record, change to 38,647,300; first paragraph on Page 7, change TED to TEDD.

- II. Carlotta Hecker moved to approve the Board meeting minutes of July 12, 2017 with the corrections as noted. Stuart Deans seconded the motion. Motion carried.

NEW BUSINESS:

*** Approval of 2017 Mil Levy for Phase II Sewer G.O. Bond**

Manager Ariztia advised the 2017 real property taxable valuation for the year 2017 was \$4,320,039. The 2017 mill levy will be 132 reduced from the 2016 mill levy of 135.

Total G.O. Bond payment for 2017 is \$544,586.

- II. Carlotta Hecker moved to approve the 2017 G.O. Bond 132 mill levy. Nancy Belk seconded the motion. Motion carried.

G.O. Bond payment calculation attached to minutes

*** Discussion and possible motion regarding annual wage increases for fiscal year 2018**

Manager Ariztia advised in the budget he had factored in a 5% wage increase and asked the Board for their determination on the amount of the wage increases, if any, they would elect to approve for fiscal year 2018. After discussion, the Board agreed on a fiscal year 3.5% across the board increase in wages.

- III. Nancy Belk moved to approve a 3.5% fiscal year 2018 across the board wage increase. Carlotta Hecker seconded the motion. Motion carried.

OLD BUSINESS

*** Intake pump station design update**

Jill Cook advised they have sent in 95% plans to DEQ. Comments sent back from DEQ and the funding agencies were minimal. Morrison Maierle's Internal Q/A process is taking place, and there will be revisions based on Carl Anderson's review as an internal quality control. They will then be ready to go out for bids. The goal is to have the contractor underway in mid-October. Work is scheduled to continue through the winter.

Manager Ariztia advised they are finalizing the contract with Springline Construction for the Johnson Lane water line extension project. Starting date is August 21st, and is anticipated to take five calendar days to reach substantial completion, and five extra days to reach final completion for cleanup, seeding, etc.

FINANCIAL REPORTS

A Yellowstone County trial balance was not received.

Financial reports attached to the minutes are: Check/Claim Detail for the Accounting Period July, 2017; Trial Balance with Revenue and Expenditures for the Accounting Period July 2017, Statement of Revenue Budget vs. Actual for the Accounting Period Statement July, 2017; Statement of Expenditures - Budget vs. Actual Report for the Accounting Period July, 2017.

- IV. Nancy Belk moved to approve payment of the bills submitted on the Check/Claim Detail List. Carlotta Hecker seconded the

motion. Motion carried.

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OTHER BUSINESS:

None.

MANAGER REPORTS:

The water pumping record is as follows:

July, 2016	50,749,100
July, 2017	57,474,500

Wastewater record:

June, 2016	3,567,960
June, 2017	4,198,524

Manager Ariztia advised the City of Billings did vote to approve their contract customer rates for fiscal year 2018, which included LWSD. The reserve capacity fee and CCF were reduced, however, the system development fee went up approximately \$15.

The development for Sanctuary Canyon off of Trailmaster is in the process of finalizing engineering and submitting to DEQ to start construction possibly sometime this year. Further information will be provided when available.

- V. Nancy Belk moved to adjourn the meeting. Carlotta Hecker seconded the motion. Motion carried.

There being no further business to come before the Board, the meeting was adjourned at 8:06 p.m.

The next Board meeting will be held on September 13, 2017.


Attest


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