

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

**March 14, 2018**

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on March 14, 2018. 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, Merrill Walker and Stuart Deans. Also present were Manager Mike Ariztia, Assistant Manager Tony Reed, and Jill Cook of Morrison-Maierle. Guests present were Matt Hjelm of Wipfli, and Evelyn Pyburn of the *Yellowstone County News*.

**Attendance and Voting Record attached to minutes**

**PUBLIC COMMENT:**

President Peters advised the Irrigation District had received a letter from the DNRC. The Irrigation District had applied for an RRGL funding grant for its pump station rehab project and was turned down. One of the things the DNRC mentioned was residential watering and affordable water to private and individual lawns is not an eligible benefit under their program because there was not enough agricultural acreage to qualify.

**APPROVAL OF MINUTES:**

The minutes of the February 14, 2018 Board meeting were presented for approval. Corrections were noted as follows: in motion V on Page 3, delete the spacing between in the “amount” and “of”.

At the bottom of Page 3 move the heading “Approval of request from Superior Builders”, etc., to the next page for continuity of heading.

Page 5, last sentence, this would put **“the”** building on hold. Insert **“the”**.

Page 5, bottom sentence, change to read the “adapter is located near the building footings”.

Page 6, top of the page, one of the **options was to potentially**, delete **potentially**.

- I. Nancy Belk moved to approve the minutes of the February 14, 2018

Board meeting with the corrections as noted. Stuart Deans seconded the motion. Motion carried.

**NEW BUSINESS:**

\* **Review and approval of the District 2017 Audit (Matt Hjelm with Wipfli)**

Matt Hjelm of Wipfli, LLP, presented the 2017 fiscal year audit for Board review.

Wipfli's audit was based on district-wide figures, combining sewer and water. The audit opinion was unmodified and designated as "clean". There were no reportable issues.

- II. Nancy Belk moved to accept the June 30, 2017 District Financial Audit of prepared by independent auditor Wipfli. Carlotta Hecker seconded the motion. Motion carried.

**A copy of the Auditor's 2017 report is available for viewing at the District office.**

\* **Review of Change Order No. 3 to the Water Intake Project**

Change Order No. 3 to the Water Intake Project was presented for approval. The Change Order covers:

(1) RTU for the chlorination system to be relocated to the north wall of the high service pump room - \$2,785.82;

(2) Credit for minor electrical changes due to smaller pump motor sizes: replace FVNR motor starter with 20/3 circuit breaker for air compressor and remove surge counter from SPD. Total credit: \$1,098.50;

(3) Complete repair of leaking 14" HDPE intake piping on Unit D, near 10+38 - \$34,237.91;

(4) Removal of concrete structure within excavation limits for cleanout tubes, vault and the NE corner of the building - \$2,991.84.

Total cost of change order - \$38,917.07.

- III. Stuart Deans moved to approve payment of Western Municipal Change Order No. 3 in the amount of \$38,917.07. Merrill Walker seconded the motion. Motion carried.

**Copy of Change Order No. 3 attached to minutes**

\* **Approval of Western Municipal Construction Pay Application #4 for the Water Intake Project**

Western Municipal Pay Application #4 in the amount of \$125,336.00 was presented for payment for services performed as of February 23, 2018 on the Water Intake Project.

- IV. Nancy Belk moved to approve Western Municipal Construction Pay Application #4 in the amount of \$125,336.00. Carlotta Hecker seconded the motion. Motion carried.

**Copy of Pay Application #4 attached to minutes**

\* **Approval of Task Order No. 8 with Morrison-Maierle, Inc., to update the 2016 Water Master Plan**

Morrison-Maierle presented for approval Task Order No. 8, which incorporates the following items for preparation of a Water Master Plan Update:

- Task 1 - Provide preliminary engineering report
- Task 2 - Environmental update
- Task 3 - Review of water rights
- Task 4 - Project management and quality assurance
- Task 5 - Presentation and public participation

Manager Ariztia advised the District would have to apply in June for the next round of RRGL and TSEP funding. It was determined that the District will need to incorporate updates to the PER to reflect removal of the line replacements, the mid zone reservoir out of the 2020 project, and to apply for funding for two additional filter trains at the water treatment plant.

Jill Cook advised there will have to be an updated environmental review, along with publication of the plant improvements and a public meeting held so that people are aware the focus is on plant work, the cost, and to take public comments. Notification and participation of the public is important to the agencies.

- V. Nancy Belk moved to approve Morrison-Maierle Task Order No. 8 to update the 2016 Water Master Plan, in an amount not to exceed \$8,700. Carlotta Hecker seconded the motion. Motion carried.

**OLD BUSINESS:**

None.

**FINANCIAL REPORTS**



Yellowstone County ending trial balance as of 2/28/18, \$5,194.56.

Financial reports attached to the minutes are: Check/Claim Detail for the Accounting Period February, 2018; Trial Balance with Revenue and Expenditures for the Accounting Period February, 2018, Statement of Revenue Budget vs. Actual for the Accounting Period Statement, February, 2018; Statement of Expenditures - Budget vs. Actual Report for the Accounting Period February, 2018.

VI. Carlotta Hecker moved to approve payment of the bills submitted on the Check/Claim Detail List. Merrill Walker seconded the motion. Motion carried.

**OTHER BUSINESS:**

- \* **Intake project update**  
**Sewer PER update**

**Intake project update**

Jill Cook advised Western Municipal is currently 13 days behind schedule. Based on final completion, if they were on schedule, they should be done by June 24<sup>th</sup>. However, the most critical thing that needs to be happen is by May 1<sup>st</sup> Lockwood Irrigation needs to be regularly accessing its pump house, and have access available to the diversion. Western Municipal is confident that it will be able to accommodate the Irrigation District's needs.

Excavation will be finished fairly soon. All of the work in the river is complete. The cofferdam has been for the most part removed. Bank restoration still needs to be done. Other than the delay, there are no major issues to report.

**Sewer PER**

No further update on sewer PER.

**MANAGER REPORTS:**

The water pumping record is as follows:

February, 2017	18,931,200
February, 2018	21,119,200

Wastewater record:

January, 2017  
January, 2018

3,595,636  
4,535,124

Manager Ariztia reported that the County Commissioners did a drawing to determine the initial terms for the TEDD advisory board. The District, represented by Manager Ariztia, received one of the one-year terms.

Advertisement for bids for the main sewer lift station upgrade to add the third pump will be advertised for the next three weeks. The bids will be opened on April 4<sup>th</sup>, and a recommendation given to the Board by Morrison-Maierle to approve a contractor at the April Board meeting.

Manager Ariztia attended the Rural Water convention and found it to be beneficial in that he was able to meet and visit with the funding agency representatives. He stated it was a good experience and was grateful to be able to attend.

Manager Ariztia test drove the Chevrolet Traverse, however, they no longer had 2017 models available. There was one 2018 on the lot that would meet all the specifications, but would be about \$1,000 more than the bid. He decided to proceed with the purchase of the 2018 Chevrolet Traverse.

VII. 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 8:30 p.m.

The next Board meeting will be held in combination with the public hearing and will be held at the Lockwood Fire Station on April 19, 2018.

  
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