

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

August 8, 2018

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on August 8, 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 and Merrill Walker. Board member Stuart Deans was absent. Also present was Manager Mike Ariztia, Assistant Manager Tony Reed, Jill Cook of Morrison-Maierle, and Evelyn Pyburn, *Yellowstone County News*.

Attendance and Voting Record attached to minutes

PUBLIC COMMENT:

None.

APPROVAL OF MINUTES:

The minutes of the July 11, 2018 Board meeting were presented for approval. BFDs, as set forth in the bottom paragraph of Page 3, should be VFDs. Also in that same paragraph, Boarder States should be **Border** States.

- I. Nancy Belk moved to approve the minutes of the July 11, 2018 Board meeting with the corrections as noted above. Merrill Walker seconded the motion. Motion carried.

NEW BUSINESS:

*** Approval of Change Order No. 5 to the Water Intake Project**

Western Municipal Construction presented for payment Change Order No. 5 in the amount of \$5,582.83 covering the following items of the Water Intake Project:

Add 2 signals from the Chlorination system into SCADA: low battery alarm and automotive closure - \$784.88; Due to damage to the exhaust fan by supplier, exhaust fan has cosmetic defects - Credit \$300.00; Cost to add level sensor readout to SCADA - \$1,099.06; Cost to add handrail to stairs, per building inspector - \$649.95; Add drains to pump and cleanout vaults - \$3,348.94

- II. Nancy Belk moved to approve payment of Western Municipal Change Order No. 5 in the amount of \$5,582.83. Merrill Walker seconded the motion. Motion carried.

Copy of Change Order No. 5 attached to minutes

* **Approval of Western Municipal Corporation Pay Application 9 for the Water Intake Project**

Western Municipal Pay Application No. 9 in the amount of \$6,725.77 was presented for Board approval covering services performed as of July 27, 2018 on the Water Intake Project. \$20,252 was withheld from the pay application due to the project going beyond the substantial and final completion deadline creating unscheduled work for the engineer.

- III. Merrill Walker moved to approve Western Municipal Construction Pay Application No. 9 in the amount of \$6,725.77. Nancy Belk seconded the motion. Motion carried.

Copy of Western Pay Application No. 9 attached to minutes

* **Approval of Amendment No. 1 to Task Order No. 7 for engineering services on the Lockwood Intake and Water Treatment Plant Project**

This Amendment covers the unscheduled employment of the engineer in seven additional construction observation days, based on the fact the unscheduled employment caused the District to go over the contract amount with Morrison-Maierle in the amount of \$30,870.28.

- IV. Nancy Belk moved to approve Morrison-Maierle Amendment No. 1 to Task Order No. 7 in the amount of \$30,870.28 for unscheduled employment. Carlotta Hecker seconded the motion. Motion carried.

* **Approval of Change Order No. 1 to the Sewer Lift Station Project**

Western Municipal presented for approval Change Order No. 1 to the Lift Station Improvements. The Change order modified Section 00500, Agreement 4.02.B changing the milestone to complete all bypass pumping to August 10, 2018. No price change or change in contract times is associated with the Change Order.

- V. Merrill Walker moved to approve Western Municipal Change Order No. 1 to the Lift Station Project, extending the time to complete all bypass pumping to August 10, 2018. Carlotta Hecker seconded the motion. Motion carried.

* **Approval of Western Municipal Pay Application No. 1 for the Sewer Lift Station Project**

Western Municipal presented for approval Pay Application No. 1 for the Sewer Lift Station Project in the amount of \$134,900.00.

- VI. Nancy Belk moved to approve Western Municipal Pay Application No. 1 to the Sewer Lift Station Project in the amount of \$134,900.00. Carlotta Hecker seconded the Motion. Motion carried.

OLD BUSINESS:

None.

FINANCIAL REPORTS

The Yellowstone County trial balance as of June 30, 2018 was \$1,128.05.

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

- VII. Nancy Belk 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**

Construction is now complete. Western is finishing correction of programming issues with the SCADA system, most of which have been taken care of. During the startup process it was discovered that the VFDs were undersized for the pumps. It is the responsibility of the contractor and its subcontractors to provide the District with a plan to remedy the situation. It is anticipated that this process may take 6 to 8 weeks. The supplier for the VFDs is Border States Electric, and the contractor who is being provided those parts is Ace Electric.

The pumps are presently pumping at 1700 gpm as opposed to 2000 gpm that is needed. The smaller 30 horse pump is not operational because the VFD that was installed hasn't functioned since the day it was installed. The problems are being monitored and the parties are working towards resolution. Manager Ariztia will keep the Board advised.

Lift Station Update

The project is moving along. There was an issue with some of the alignment on the piping inside the building. That has been taken care of through a switching out of a fitting which gave them the elevation differences they needed. They are working on installing the interior piping inside the vault itself. The vault has been plugged so the sewage is being bypassed,

Water Station Update: Manager Ariztia reported with regard to the water station sales site on Prairie Drive, the owner was agreeable to the District conducting a survey and valuation. The county advised that because that site would be accessing and exiting off of Prairie Drive and not creating a new approach on Johnson Lane, they didn't see any issues with that location.

MANAGER REPORTS:

The water pumping record is as follows:

July, 2017	57,474,500
July, 2018	50,730,700

Wastewater record:

June, 2017	2,945,624
June, 2018	

(June wastewater figure unavailable -- bill not received from the City of Billings)

A second Exxon study was completed to ascertain if the District has the potential to handle additional flows. The original agreement was a maximum 2 million gallons a day. It appears based on the study, that the District has the ability to take on additional flows without impacting existing District customers or future District customers, at least in the short term; short term being defined as five to 20 years. A meeting will be held with the parties' attorneys to negotiate a Memorandum of Understanding or an addendum to the agreement to increase the flow to 500,000 additional gallons a day for five years, but leaving the original agreement intact.

A tentative date for the Board tour of Exxon was set for the morning of August 30th. Stuart Deans will be contacted to confirm his availability on that date. Manager Ariztia will set up the tour with Exxon.

There was a broken 16" main on north frontage road in front of the Town Pump. COP Construction fixed the main. Causation was found to be a fiber optics company that bored through the line.

VIII. Nancy Belk moved to adjourn the meeting. Merrill Walker seconded the motion. Motion carried.

There being no further business to come before the Board, the meeting was adjourned at 8:20 p.m.

The next Board meeting will be a public meeting held at the Lockwood Fire Station, on September 12, 2018.

Carlotta Hecker
Attest

[Signature]
Attest