

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

February 13, 2019

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on February 13, 2019. President Peters called the meeting to order at 7:00 p.m. in the conference room of the Lockwood Water and Sewer District Office, 1644 Old Hardin Road, Billings, Montana.

Present at the meeting were Board members' Carl Peters, Nancy Belk, and Stuart Deans. Board members Merrill Walker and Carlotta Hecker were 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

APPROVAL OF MINUTES:

The minutes of the January 9, 2019 Board meeting were presented for approval. No corrections were noted.

- I. Nancy Belk moved to approve the minutes of the January 9, 2019 Board meeting as written. Stuart Deans seconded the motion. Motion carried.

NEW BUSINESS:

*** Approval of the 2019 health insurance renewal**

Terry McGuinness Insurance presented the renewal health insurance plans from Blue Cross/Blue Shield, Pacific Source, and Montana Health Co-op. After discussion, the Board approved the Blue Cross/Blue Shield G933PFR plan, which in essence is the same plan that is presently in effect.

- II. Stuart Deans moved to approve renewal of BCBS Plan G933PFR presently in effect. Nancy Belk seconded the motion. Motion carried.

Copy of insurance plans and rates attached to minutes

*** Approval to attend the Montana Rural Water Conference**

Manager Ariztia advised he would be attending the Rural Water Conference on February

20-22 in Great Falls, along with Nick Baker. No Board members are planning on attending.

Copy of Registration Form and Conference Agenda attached

* **Approval of Change Order No. 7 to the Water Intake Project**

Manager Ariztia advised Change Order No. 7 is what he would call a “cleanup” change order to take care of all the items the District was waiting on during the project. It includes errors in Change Order 5 and Change Order 3, which included a credit for the small VFDs. However, it was determined that the original size VFD was the proper fit, resulting in Western being reimbursed the credit issued to the District for the smaller VFD. Also contained in the Change Order was installation of the emergency piping connection that was put in with a permanent box over the top for future District use, if necessary. The total of Change Order No. 7 is \$6,037.45.

- III. Nancy Belk moved to approve Change Order No. 7 in the amount of \$6,037.45. Stuart Deans seconded the motion. Motion carried.

Note: Update report on Intake Project set forth under Other Business below.

OLD BUSINESS:

* **Discussion on the District’s reserve capacity at the City of Billings wastewater treatment plant. Review of flows on the 2008 Wastewater Service Agreement, current flows, projected future flows, and possible strategies.**

Manager Ariztia advised this is a rather significant decision, and felt the matter should be tabled until the next Board meeting when the full Board was present.

The Board, however, did direct Manager Ariztia to contact the City of Billings regarding the possibility of reducing capacity. A Reserve Capacity Information Sheet was provided to the Board for review.

FINANCIAL REPORTS

The January Yellowstone County trial balance was not received.

Financial reports attached to the minutes are: Check/Claim Detail for the Accounting Period January, 2019; Trial Balance with Revenue and Expenditures for the Accounting Period January, 2019; Statement of Revenue Budget vs. Actual for the Accounting Period Statement, January, 2019; Statement of Expenditures - Budget vs. Actual Report for the Accounting Period January, 2019.

APPROVAL OF BILLS DUE FOR SIGNATURE:

- IV. Nancy Belk moved to approve payment of the bills submitted on the Check/Claim Detail List. Stuart Deans seconded the motion. Motion carried.

OTHER BUSINESS:

*** Intake Project Update**

The project is not yet finished. Western has pulled all the electrical equipment out of the pump station, replaced it with the new equipment, and put in new VFDs, so all the work surrounding the main issue has been completed.

An issue was noticed with pump number 3. When they installed the new VFDs, pump number 3 did not work. Western pulled the pump and sent it back to the manufacturer and sand was found inside the pump during startup. The pump is at the factory and they are ordering new parts for it. The parts will take about three weeks to arrive.

Pump number 1 is supposed to be pumping 2,000 gallons per minute, and it's only pumping about 1690 gpm, so it is about 300 gpm short of what it's supposed to put out. That pump will be pulled out and sent back to the factory for them to test too.

Jill Cook advised Western was trying to get the air purge working on line number 3, but they couldn't figure out what the problem was. Jill's opinion is maybe the two issues are related. Western Municipal is still working to get everything done within the March 31, 2019 deadline.

*** Johnson Lane and Prairie Drive property purchase update**

Morrison-Maierle finished the survey of the property. The application has been delivered, along with the purchase agreement and copy of the Certificate of Survey, to City/County Planning for review to approve splitting the property.

Jill advised she is working on the Johnson Lane, Prairie Drive water line extension. She has been working on specs and the survey has been started. Morrison-Maierle is aiming for bidding in July.

MANAGER REPORTS:

Manager Ariztia was contacted by Anna Miller of DNRC advising he would be receiving a call from the Army Corps of Engineers. The District's 2020 plan for water treatment plant improvements adding two filter trains was submitted, and the District will receive \$200,000 in funding from the Army Corps of Engineers to apply to the project.

There have been some comments and concerns raised surrounding the amount of expenses anticipated in the PER for the Phase III sewer project. The District may need to rethink some of the options the District has for placement of sewer lines to ascertain if there are other options to route sewer lines differently to reduce costs.

Manager Ariztia suggested a working group be formed with the Board members and the engineers to lay out the entire District, look at where the sewer lines are contemplated and research other options to reduce costs and service areas with less footage of pipe.

The matter will be discussed and reintroduced at a full Board meeting.

The water pumping record is as follows:

January, 2018	20,011,400
January, 2019	18,474,700

Wastewater record:

December, 2017	3,950,936
December, 2018	4,695,944

ADJOURNMENT:

V. Nancy Belk moved to adjourn the meeting. Stuart Deans seconded the motion. Motion carried.

There being no further business to come before the Board, the meeting was adjourned at 8:25 p.m.

The next Board meeting will be held on March 13, 2019.


Attest


Attest