

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

June 12, 2019

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on June 12, 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, Carlotta Hecker, Merrill Walker and Stuart Deans. Also present was Manager Mike Ariztia, Assistant Manager Tony Reed, and Jill Cook, P.E., of Morrison-Maierle, Inc.

**Attendance and Voting Record attached to minutes**

**PUBLIC COMMENT:**

None.

**APPROVAL OF MINUTES:**

The minutes of the May 8, 2019 Board meeting were presented for approval. No corrections were noted.

- I. Merrill Walker moved to approve the minutes of the May 8, 2019 Board meeting as written. Nancy Belk seconded the motion. Motion carried.

**NEW BUSINESS:**

**\* Discussion and possible motion to add Ultraviolet (UV) disinfection system to the 2020 Filter Upgrade Project based on the LT2 2<sup>nd</sup> round sampling results**

Jill Cook presented an additional memo to the May 2 memo from Morrison-Maierle referencing "Long Term 2 Enhanced Surface Water Treatment Rule Compliance", which summarized the LT2 requirements and future impact to LWSD with regard to *E.coli* and Cryptosporidium detection. The Ultraviolet disinfection system, if added onto the 2020 Water Treatment Plant Filter Upgrade project, would be the most advantageous route for the District to take in terms of convenience and cost. It is contemplated that the cost of the filter project will encompass construction, engineering, contingency and UV disinfection.

- II. Merrill Walker moved to approve the addition of a UV disinfection system to the 2020 Filter Upgrade Project. Stuart Deans seconded the

motion. Motion carried.

**Copy of MMI Memo of 6/6/18 attached to minutes**

\* **Resolution No. 154 - fiscal year 2019 Sewer Planning Budget**

The fiscal year 2019 Sewer Planning Budget was presented for approval. Carlotta Hecker read the Resolution into the record as follows:

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 12<sup>th</sup> day of June, 2019, at the District office located at 1644 Old Hardin Road, Billings, Montana.

The following Resolution was adopted by the Board of Directors:

**RESOLUTION:** Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Sewer Planning Budget for fiscal year 2020 be approved in the amount of \$52,600.00.

**2020 Planning Budget with Cash Flow Analysis Attached**

Signed:

Name: Carl Peters  
Title: President  
Date: June 12, 2019

(SEAL)

Attested:

\_\_\_\_\_  
Carlotta Hecker  
Secretary  
June 12, 2019

III. Nancy Belk moved to adopt Resolution No. 154, the Fiscal Year 2019 Sewer Planning Budget. Merrill Walker seconded the motion. Motion carried.

**Copy of Resolution No. 154 attached to minutes**

\* **Resolution No. 155 – fiscal year 2019 Sewer Operations Expense Budget**

The Fiscal Year 2019 Sewer Operations Expense Budget was presented for approval. Carlotta Hecker read the Resolution into the record as follows:

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 12<sup>th</sup> day of June, 2019, at the District office located at 1644 Old Hardin Road, Billings, Montana.

The following Resolution was adopted by the Board of Directors:

**RESOLUTION:** Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Fiscal Year 2020 Sewer Operations Expense Budget and the Fiscal Year 2020 Capitalization Budget for fiscal year 2020 be approved as represented in the attachments to this Resolution entitled "PROPOSED 2020 LWSD SEWER OPERATIONS EXPENSE BUDGET" (page 1), with supporting exhibits entitled "2020 FORECASTED LWSD SEWER INCOME" (page 2), "PROPOSED 2020 LWSD CAPITALIZATION BUDGET" (page 3). The Sewer Operations Expense Budget for Fiscal Year 2020 therefore be approved in the amount of \$1,728,594.00 and the Fiscal Year 2020 LWSD Capitalization Budget be approved in the amount of \$486,882.00. Total: \$2,215,476.00.

Signed:

Name: Carl Peters  
Title: President  
Date: June 12, 2019

(SEAL)

Attested:

Carlotta Hecker  
Secretary  
June 12, 2019

- IV. Nancy Belk moved to adopt Resolution No. 155, the Fiscal Year 2019 Sewer Operations Expense Budget. Carlotta Hecker seconded the motion. Motion carried.

**Copy of Resolution No. 155 attached to minutes**

\* **Resolution No. 156 - Fiscal Year 2019 Water Operations Expense Budget**

The Fiscal Year 2019 Water Operations Expense Budget was presented for approval. Carlotta Hecker read the Resolution into the record as follows:

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 12<sup>th</sup> day of June, 2019, at the District office located at 1644 Old Hardin Road, Billings, Montana.

The following Resolution was adopted by the Board of Directors:

**RESOLUTION:** Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Fiscal Year 2020 Water Operations Expense Budget and the Fiscal Year 2020 Capitalization Budget for Fiscal Year 2020 be approved as represented

in the attachments to this Resolution entitled "PROPOSED 2020 LWSD WATER OPERATIONS EXPENSE BUDGET" (page 1), with supporting exhibits entitled "2020 FORECASTED LWSD WATER INCOME" (page 2), "PROPOSED 2020 LWSD CAPITALIZATION BUDGET" (page 3). The Water Operations Expense Budget for Fiscal Year 2020 therefore approved in the amount of \$1,488,011.00, the Fiscal Year 2020 LWSD Capitalization Budget approved in the amount of \$4,228,950.00. Total: \$5,716,961.00.

Signed:

Name: Carl Peters  
Title: President  
Date: June 12, 2019

(SEAL)

Attested:

Carlotta Hecker  
Secretary  
June 12, 2019

- V. Nancy Belk moved to adopt Resolution No. 156, the Fiscal Year 2019 Water Operations Expense Budget. Merrill Walker seconded the motion. Motion carried.

**Copy of Resolution No. 156 attached to minutes**

**OLD BUSINESS:**

None.

**FINANCIAL REPORTS**

Current trial balance from Yellowstone County not received.

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

**APPROVAL OF BILLS DUE FOR SIGNATURE:**

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

**OTHER BUSINESS:**

\* **Johnson Lane Highway 87 waterline update**

Jill Cook advised they are nearing 70% plan completion and are anticipating they will be able to provide the plans to the utilities, to MDT for the permit, and the county by the end of the week. MDT, the county and the utilities have been notified that the project is coming. A copy will be provided to the District so that Manager Ariztia can coordinate with the Fire Department for hydrant placement. Ms. Cook is hopeful that within the next couple of weeks, the final plans can be submitted to DEQ for approval. The plans also include 8" pipe down Prairie Drive to serve the new bulk water station. Construction may begin in August.

\* **Prairie Drive property purchase update**

The property purchase is complete. The recorded deed has been received from the county, and the District is now the owner of the property.

The District has received an offer for approval of a \$217,000 grant from the Army Corps of Engineers for the water project; \$212,000 to LWSD and \$5,000 for administrative processing fees. NEPA compliance is required. After submittal of the original documents, the District was notified it needed a more in depth environmental portion of the study than TSEP or SRF funding. Ms. Cook and her office have contacted the Army Corps to find out what further is required. The difference in requirements is the involvement of federal money. The NEPA compliance process is much more comprehensive than the state and what the District has done to date.

Jill presented Task Order No. 11 titled: NEPA Environmental Assessment for USACE Funding of 2020 Water Treatment Plant Upgrade.

Description: Prepare an EA as required by US Army Corps of Engineers funding for the planned 2020 Water Treatment Plant Upgrade project.

- VII. Nancy Belk moved to approve Morrison-Maierle Task Order No. 11 for preparation of NEPA compliance documents, not to exceed \$8,500. Stuart Deans seconded the motion. Motion carried.

**Copy of Task Order No. 11 attached to minutes**

**MANAGER REPORTS:**

The water pumping record is as follows:

May, 2018	19,930,300
May, 2019	23,604,000

Wastewater record:

April, 2018		4,177,580
April, 2019		3,259,784
April, 2019	Exxon Wastewater	55,152,284

The dump trailer was purchased.

Pump No. 1 at the intake station stopped working. Western Municipal and the pump manufacturer pulled and examined the pump. They believe it was sand or a small rock between the impeller and the edge of the casing that had caused the problem. So far, there have been no further issues with it working, however, there is still a new pump coming in as a replacement.

**ADJOURNMENT:**

VIII. 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 8:40 p.m.

The next Board meeting will be held on July 10, 2019.

  
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Attest

  
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Attest