

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

**September 8, 2021**

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on September 8, 2021. President Peters called the meeting to order at 7:00 p.m. in the Lockwood Water and Sewer District Office, 1644 Old Hardin Road, Billings, Montana 59101.

Present at the meeting were Board members' Carl Peters, Carlotta Hecker, Merrill Walker, Stuart Deans and new Board member, Scot Bowen. Also present was Manager Mike Ariztia, Assistant Manager Tony Reed, Jill Cook of Morrison-Maierle, Inc, and Evelyn Pyburn of the *Yellowstone County News*. Introductions were given for those attending to welcome the new Board member, Scot Bowen, owner and operator of MedWork Services.

**Attendance and voting record attached to minutes**

**PUBLIC COMMENT:**

Merrill Walker brought up the redo of the I-90 highway bridges. President Peters said he had spoken to a gentleman from Sletten Construction, who advised the Lockwood Interchange is part of this project, which will directly impact people using Coburn Road. The bridges are going to be prefab on the decking. Jill Cook advised that Morrison-Maierle had designed the bridges.

**APPROVAL OF MINUTES**

The minutes of the August 11, 2021 Board meeting were presented for approval.

Page 3, under Water Treatment Plant Expansion Update, first sentence, "RSCI has continued ~~to be~~ working on , , , " (delete ~~to be~~).

1. Merrill Walker moved to approve the minutes of the August 11, 2021 Board meeting with the correction as noted above. Stuart Deans seconded the motion. Motion carried.

**NEW BUSINESS:**

**\* Approval of Record Steel and Construction Inc. (RSCI) Pay Application No. 6 for the 2020 Water Treatment Plant Upgrade Project**

RSCI presented Pay Application No. 6 covering the 2020 Lockwood Water Treatment Plant Upgrade, for services rendered 8/1/2021 through 8/31/2021, in the amount of \$174,853.30. The majority of the work being done at this time is piping and concrete,

- II. Carlotta Hecker moved to approve payment of RSCI's Pay Application No. 6 in the amount of \$174,853.30. Stuart Deans seconded the motion. Motion carried.

**Copy of RSCI's Application attached to minutes**

\* **Discussion and possible motion to revise District wage and position clarifications**

Manager Ariztia reported that an employee wage and position clarification study was last completed in 2015 by Dick Larsen & Associates. There has not been an update or changes to the study since then. After discussion, the Board directed Manager Ariztia to do an internal investigation into comparable positions and wages at other facilities in Montana.

\* **Discussion and possible motion regarding annual wage increases for fiscal year 2022.**

2022 employee wage increases were brought before the Board for discussion. Wage increases would be retroactive to July 1. The Board decided that a 3% annual employee wage increase for 2022 should be given, including management. The increase will be contingent on the comparable wage and position review to be undertaken by Manager Ariztia and may result in a larger increase.

- III. Merrill Walker moved to approve a 2022 3% employee wage increase, retroactive to July 1, with the increase to include management, and to include the possibility of a larger increase after the wage and position review. Stuart Deans seconded the motion. Motion carried.

**FINANCIAL REPORTS**

The Yellowstone County Trial Balance indicated \$5,553.67 due the District for the period July 1, 2021, through July 31, 2021,

Financial reports attached to the minutes are: Check/Claim Detail for the Accounting Period August, 2021; Trial Balance with Revenue and Expenditures for the Accounting Period August, 2021; Statement of Revenue Budget vs. Actual for the Accounting Period Statement August, 2021, Statement of Expenditures - Budget vs. Actual Report for the Accounting Period August, 2021.

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

## **OTHER BUSINESS:**

### **\* Water Treatment Plant Expansion Update**

Manager Ariztia reported progress is not being made as quickly as he anticipated. The metal trusses that were designed for the roof of the building are currently not available. Apparently there is a nationwide steel shortage and if they were to wait for availability of steel trusses, they could be looking at eight to nine months delivery time.

The first option is to stick with the design and wait nine months to get the trusses in. The second option proposed by RSCI is steel beams which are easier to obtain than steel trusses, but would require a redesign of the load calculations and the roofing system to accommodate the steel beams. The other option would be to substitute wood trusses for steel,

Jill Cook advised RSCI will check on availability, pricing, and schedule for each of the options to allow for a decision-making level after which MMI would begin the redesign process. Ms. Cook said pricing on the steel beam substitution option and the five different wood truss options should be available by next week.

### **\* Rural Development Loans**

Manager Ariztia advised he had received an email from Rural Development wherein RD needs further documents, mainly signatures, on the loan. RD has moved forward with the loan as if LWSD was not getting ARPA funding for the full amount. However, a loan resolution will have to be prepared, one for a \$9,900,000 loan, and one for a \$9,940,000 loan. President Peters and Carlotta Hecker met in person with a representative of RD and signed the loan documents.

Carlotta Hecker read the Resolutions into the record.

### **RESOLUTION NO. 169**

A Resolution of the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving and/or extending its sewer collection system facility to serve an area lawfully within its jurisdiction to serve.

WHEREAS, it is necessary for the Lockwood Area/Yellowstone County Water and Sewer District hereinafter called "Association", to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of \$9,900,000 pursuant to the provisions of . . .

**RESOLUTION NO. 168**

A Resolution of the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving and/or extending its sewer collection system facility to serve an area lawfully within its jurisdiction to serve.

WHEREAS, it is necessary for the Lockwood Area/Yellowstone County Water and Sewer District hereinafter called "Association", to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of \$9,400,000 and pursuant to the provisions of . . .

- V. Merrill Walker moved to adopt Rural Development Loan Resolution No. 169 in the amount of \$9,900,000 for the Phase 3 sewer project. Carlotta Hecker seconded the motion. Motion carried.
  
- VI. Merrill Walker moved to adopt Rural Development Loan Resolution No. 168 in the amount of \$9,400,000 for the Phase 3 sewer project. Carlotta Hecker seconded the motion, Motion carried.

**MANAGER REPORTS:**

**Pumping Record - Water:**

August, 2020	54,050,800
August, 2021	57,278,300

**Wastewater record:**

July, 2020	5,767,828
July, 2021	5,340,720

**Exxon Wastewater:**

July, 2020	64,285,364
July, 2021	44,239,712

Manager Ariztia will be out of the office Friday of this week, and Monday, Tuesday and Wednesday of next week.

**ADJOURNMENT:**

VII. Merrill Walker moved to adjourn. 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 on October 13, 2021.

  
Attest

  
Attest