

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

October 13, 2021

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on October 13, 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 Scot Bowen. Also present was Manager Mike Ariztia, Assistant Manager Tony Reed, and Jill Cook of Morrison-Maierle, Inc.

Attendance and voting record attached to minutes

PUBLIC COMMENT:

None.

APPROVAL OF MINUTES

There were no minutes available from the September meeting due to the absence of the recording secretary.

NEW BUSINESS:

*** Approval of Pay Application No. 7 to Record Steel and Construction Inc. (RSCI), for the 2020 Water Treatment Plant Upgrade Project**

RSCI presented Pay Application No. 7 covering the 2020 Lockwood Water Treatment Plant Upgrade, for services rendered 9/1/2021 through 9/30/2021, in the amount of \$289,646.59. The majority of the work being done at this time is concrete work.

- I. Carlotta Hecker moved to approve payment of RSCI's Pay Application No. 7 in the amount of \$289,646.59. Stuart Deans seconded the motion. Motion carried.

Copy of RSCI's Application attached to minutes

*** Approval of Change Order No. 1 to the 2020 Water Treatment Upgrade Project**

Change Order No. 3 resulted from the need to replace three of the existing rubber boots on the lines running through the reclaim basin. A new line was drilled and installed into the

reclaimed basin as part of the project. During construction one of the existing rubber boots blew out, and it was determined that the other two boots needed to be replaced as well. The cost for exposing and replacing the three existing pipe boots is \$5,524.67.

- II. Merrill Walker moved to approve Change Order No. 1 in the amount of \$5,524.67 for exposing and replacing pipe boots for the damaged lines. Stuart Deans seconded the motion. Motion carried.

Copy of Change Order No. 1 attached to minutes

*** Approval of Change Order No. 2 to the 2020 Water Treatment Upgrade Project**

Change Order No. 2 is to fill the cracks on the exterior of the building that are seeping water with an epoxy type material, and apply a tar coating before the new wall is poured up against it.

The cost of Change Order No. 2 is \$21,658.63. A question arose on who should pay for the injection gun and who would retain ownership. This will be discussed with the contractor.

- III. Merrill Walker moved to approve Change Order No. 2 to allow filling of cracks on the exterior of the building that are seeping water in the amount of \$21,658.63. Scot Bowen seconded the motion. Motion carried.

*** Approval of Amendment No. 1 to Agreement between Owner and Engineer for Professional Services Task Order Edition**

Manager Ariztia said this is mainly a clerical change. When they were preparing all the documents to submit to Rural Development for the RD funding package, he noticed in the Sewer Master Agreement between Owner and Engineer with Morrison-Maierle, everything was correct except it didn't specify sewer. Language was added to include "From time to time Owner may request that Engineer provide professional services for Specific Projects *related to wastewater facilities.*"

- IV. Stuart Deans moved to approve Amendment No. 1 to Agreement between Owner and Engineer relating to wastewater facilities. Merrill Walker seconded the motion. Motion carried.

Copy of Amendment No. 1 to Agreement between Owner and Engineer attached to minutes

*** Discussion and possible motion on Change Order No. 3 to the 2020 Water Treatment Plant Upgrade Project**

Manager Ariztia advised the Board this item is will not be to approve Change Order No.

3. It's a discussion related to a future Change Order No. 3. They were hoping they would have enough information and costs associated with this Change Order to bring to the Board tonight. It didn't appear the information would be available, therefore, it was set forth as "discussion and possible motion on Change Order No. 3."

Change Order 3 pertains to the roof trusses as discussed at previous meetings. The recommendation at this time is to use wood trusses instead of steel. The wood trusses would potentially be here by the end of December or first part of January, as opposed to waiting for April or later of next year for the steel.

The architect, engineer, and all those involved, feel that the wood is capable of meeting the loads and the requirements for the building, so the change order would be for the cost of materials and any additional labor. The contractor has estimated the possible cost would be around a \$20,000 to \$25,000 increase in price over the steel. It is likely there will have to be a special meeting this month once the costs are known to get approval for that change order to move forward.

The decision was ultimately made to hold the special meeting to approve Change Order No. 3 on October 27, 2021 at 7:00 p.m.

* **Discussion and possible direction to staff on the Phase 3 Sewer Project**

Phase 3 has been delayed up to this time due to future action on ARPA funding. Lockwood did not get selected for ARPA funding for the first round. It will apply for ARPA funding for the second round. The maximum that Lockwood would be eligible for per project is \$2 million. President Peters stated Phase 3 funding should be presented to the community to let them decide if they want to continue with Phase 3. This will be discussed further at future meetings.

OLD BUSINESS:

None.

FINANCIAL REPORTS

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

- V. Carlotta Hecker moved to approve payment of the bills submitted on the Check/Claim Detail List. Stuart Deans seconded the motion. Motion carried.

OTHER BUSINESS:

* **Water Treatment Plant Expansion Update**

Discussed above.

MANAGER REPORTS:

Pumping Record - Water:

September, 2020	37,320,800
September, 2021	37,428,100

Wastewater record:

August, 2020	5,906,956
August, 2021	5,674,000

Exxon Wastewater:

August, 2020	73,709,416
August, 2021	48,250,000

Barbara Neise's replacement was hired on October 1st. Her name is Angela Watson. She will be training this month with Barbara.

ADJOURNMENT:

VI. 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 8:15 p.m.

A special Board meeting will be held on October 27, 2021 at 7:00 p.m.

The next regular Board meeting will be held on November 10, 2021.


Attest


Attest