

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

November 10, 2021

The regular meeting of the Lockwood Water and Sewer District Board of Directors was held on November 10, 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, Jill Cook of Morrison-Maierle, Inc., and Evelyn Pyburn of the *Yellowstone County News*.

Attendance and Voting Record attached to minutes.

PUBLIC COMMENT

None.

APPROVAL OF MINUTES

September 8, 2021:

In connection with Merrill Walker's Public Comment regarding the new bridge construction, President Peters requested that the term "highway bridge" be stated as "**I-90 Bridges**". He also noted that Colburn Road was spelled incorrectly, it should be "**Coburn Road.**"

1. Carlotta Hecker moved to approve the minutes of the September 8, 2021 Board meeting with the correction as noted above. Stuart Deans seconded the motion. Motion carried.

October 13, 2021:

The first paragraph incorrectly stated the meeting date as September 8, 2021. Correct date is October 13, 2021.

- II. Stuart Deans moved to approve the minutes of the October 13, 2021 Board meeting with the correction as noted above. Merrill Walker seconded the motion. Motion carried.

October 27, 2021:

The first paragraph incorrectly stated the meeting date as October 27, 02021. The date was corrected to read 2021.

- III. Stuart Deans moved to approve the minutes of October 27, 2021 as corrected. Merrill Walker seconded the motion. Motion carried.

NEW BUSINESS

- Approval of Pay Application No. 8 to Record Steel and Construction, Inc. (RSCI) for the 2020 Water Treatment Plant Upgrade, for services rendered 10/1/21 through 10/31/21, in the amount of \$423,779.34.

- VI. Merrill Walker moved to approve RSCI's Pay Application No. 8 in the amount of \$423,779.34. Stuart Deans seconded the motion. Motion carried.

Copy of RSCI Pay Application No. 8 attached to minutes

- Discussion and possible approval of Task Oder No. 3 to the Sewer Master Agreement with Morrison-Maierle for engineering services as needed in the creation of the Phase 3 Sewer Sub-District Boundary and associated assessments.

Task Order No. 3 to the Sewer Master Agreement was presented to the Board for review and discussion. The specific project described in this Task Order is "As-needed engineering assistance related to informational meetings, cost assessments, and other tasks associated with the creation of the Phase 3 Sewer Sub-District and Special assessment legal process." Engineering services on the project are to be done on an hourly rate, the total not to exceed \$54,400.00.

The specifics of the agreement are set forth in the attached Task Order 3

- V. Carlotta Hecker moved to approve Task Order No. 3 to the Sewer Master Agreement with Morrison-Maierle, Inc., covering the creation of the Phase 3 sewer boundary and associated assessments, in an amount not to exceed \$54,400.00. Stuart Deans seconded the motion. Motion carried.

Copy of Task Order 3 attached to minutes

OLD BUSINESS

None.

FINANCIAL REPORTS

Financial reports attached to the minutes encompass the October, 2021 accounting period and are as follows: Claim Details; Trial Balance with Revenue and Expenditures; Statement of Revenue Budget vs. Actual; Statement of Expenditures – Budget v Actual Report; Trial Balance On Demand Report from Yellowstone County, Lockwood Sewer 9/1/2021 through 9/30/21; Trial Balance on Demand Report from Yellowstone County, Lockwood – Bond \$40.

- VI. Merrill Walker moved to approve payment of the bills submitted on the Claim Details list. Carlotta Hecker seconded the motion. Motion carried.

OTHER BUSINESS

Water Treatment Plant Expansion Update

Jill Cook reported there are no major issues right now. Construction is progressing nicely. The weather has been very favorable.

Phase 3 Sewer Update

After the last meeting, Jill, Stephanie, Dan Semmens and Manager Ariztia held a phone conference regarding the instruction the Board had given to proceed with the Phase 3 sewer project, and to discuss the next steps. They decided that after the first of the year they are going to start with the public process. Mr. Semmens is going to put together a schedule for the District on the legal time requirements for posting and notices and what meetings need to be held and what needs to occur at those meetings.

Morrison-Maierle has been working on updating, looking at some of the costs, making sure that the projected costs put together last year for the public meetings are still relevant or if they need to be updated.

The District will need to confirm which direction it wishes to follow before the public process is started, i.e., the special assessment process or the GO Bond process. Jill Cook explained to the Board the difference in the special assessment process and the GO Bond process.

USDA Rural Development (RD) Letter of Conditions extension request

Under a Letter of Conditions received from RD, there was an item in the contract that stated “Debt Authorization. All acquired notice vote and approval of debt must be completed within 180 days of this letter for the assessment bond. If the debt is not fully authorized within 180 days of this letter, the funding offered herein will be withdrawn with no further notice.”

The date of the letter was August 13th. RD advised the District could submit a letter to them requesting additional time. Manager Ariztia prepared a letter requesting an additional 120 days, which gives the District until June 9th to complete the public process.

VII. Merrill Walker moved to direct Manager Ariztia to send a letter to RD requesting a 120-day extension to respond to their Debt Authorization condition in the loan contract. Carlotta Hecker seconded the motion. Motion carried.

MANAGER'S REPORT

Pumping Record – Water

October, 2020	30,222,800
October, 2021	23,143,200

Wastewater Record

September, 2020	5,461,896
September, 2021	5,744,000

Exxon Wastewater

September, 2020	65,482,164
September, 2021	43,536,000

Manager Ariztia will be out of the office next week, and will return on November 22nd.

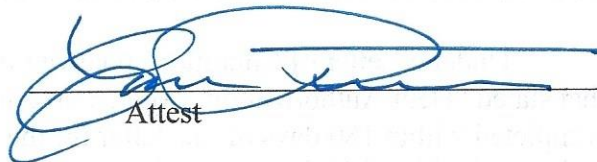
ADJOURNMENT

VIII. Carlotta Hecker moved to adjourn. Merrill Walker seconded the motion. Motion carried.

There being no further business to come before the Board, the meeting was adjourned at 8:10 p.m.

The next regular Board meeting on December 8, 2021.


Attest


Attest