

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

July 13, 2022

Call to Order

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on July 13, 2022, following the Public Hearing on the Proposed Levy of Special Assessment in the Phase III Sewer Subdistrict Project. Board President Carl Peters called the meeting to order at 8:30 p.m. in the Lockwood Middle School Commons, 1932 Highway 87 East, Lockwood, Montana 59101.

Introductions

Present at the meeting were Board members Carl Peters, Merrill Walker, Carlotta Hecker, Stuart Deans, and Scot Bowen. Also present was Manager Mike Ariztia, Assistant Manager Tony Reed, Jill Cook, Engineer, Morrison Maierle, Inc., and Evelyn Pyburn, *Yellowstone County News*.

Public Comment

1. Any member of the public may be heard on any subject that is not on the agenda.

There was no public comment.

2. **Public Hearing on the Proposed Levy of Special Assessments in the Phase III Sewer Subdistrict of the Lockwood Area/Yellowstone County Water and Sewer District Montana**

Presentation on the Phase III Sewer Project

- History of the LWSD sewer projects
- Phase III Sewer Project funding and costs
- Assessment process, timeline and protest process
- Public comment

Close Public Hearing

Regular Monthly Board Meeting

Approval of Minutes

3. No minutes were available.

New Business

4. Resolution No. 176.

- I. Merrill Walker moved to adopt Resolution No. 176 approving levies of special assessments within the Phase III Sewer Subdistrict for the reasons as set forth below. Stuart Deans seconded the motion. Motion carried.

Resolution read into the record by Carlotta Hecker

RESOLUTION of the Lockwood Area/Yellowstone County Water and Sewer District relating to its Phase III Sewer Subdistrict; approving levies of special assessments within the Phase III Sewer Subdistrict for the purpose of repaying special assessment bonds that will be issued to finance a portion of the cost of certain local improvements consisting of extending a sewer collection system to serve the Phase III Sewer Subdistrict.

5. Discussion and approval of Amendment No. 1 to Task Order No. 3 of the Sewer Master Agreement relating to increased costs for the Phase III Bonding Assistance Project

LWSD and Morrison-Maierle entered into an agreement for the bonding process. Based on issues that extended the process and additional matters, MMI has gone over the amount that was allocated in the agreement and are requesting an additional amount to cover their costs.

Jill reported that the initial contract, Task Order No. 3, was for \$54,400. The contract was structured as an on-call contract to do anything and everything MMI was asked to do during the Phase III bonding process. The ceiling was an estimate only. If additional services were needed above that amount, the parties agreed there would be an amendment. MMI is asking for an additional \$6,000 which will cover their costs to date, and the Phase III bonding assistance Task Order 3 will be closed.

- II, Merrill Walker moved to approve Amendment 1 to Task Order No. 3 of the Sewer Master Agreement between Morrison-Maierle, Inc. and LWSD for a lump sum fee of \$6,000.00. Scot Bowen seconded the motion. Motion carried.

6. Discussion and approval of Amendment No. 2 to Task Order No. 17 of the Water Master Agreement relating to increased costs for the Construction Phase Services for the 2020 Water Treatment Plant Improvements.

This is an increase to the Master Agreement related to additional costs associated with the Water Treatment Plant Project. These costs are due to the contractor exceeding the contract time for the project. The contractor is beyond contract time. Substantial completion was supposed to be completed in March, 2022. The engineer is still obligated to monitor and inspect at the treatment plant. \$138,566 has been withheld from the contractor's payment application to cover the additional unscheduled employment by engineer.

- III. Stuart Deans moved to approve Amendment No. 2 to Task Order No. 17 of the Water Master Agreement covering modifications to services, payment and times for rendering services. Withheld for Additional Construction observation of engineer, \$138,566. Scot Bowen seconded the motion. Motion carried.

Old Business

None

Financial Reports

- 7. Financial reports attached to the minutes encompass the June, 2022 accounting period, and are as follows: Claim Details; Trial Balance with Revenues and Expenditures (Water Funds); Trial Balance with Revenues and Expenditures (Sewer Fund); Statement of Revenue Budget vs. Actuals (Water Fund); Statement of Revenue vs. Actuals (Sewer Fund); Statement of Expenditures, Budget v. Actual Report (Water Fund); Statement of Expenditures, Budget v. Actual Report (Sewer Fund).

8. Approval of Bills due for Signature

- IV. Stuart Deans moved to approve the bills for signature. Carlotta Hecker seconded the motion. Motion carried.

9. Water Treatment Plant Update

Jill Cook reported RSCI did not do a lot of payable work. They spent a fair amount of time removing and replacing. They are making progress, and are continuing to do additional work. They have not submitted a pay application this month because of the amount of non-payable hours of work and money being withheld due to unscheduled employment of the engineer. The pay application would have resulted in a negative number. Substantial completion should be in September with final completion in October.

Manager's Report

10. Pumping Record – Water

June, 2021	53,344,900
June, 2022	28,983,800

Wastewater Record

May, 2021	3,597,132
May, 2022	5,262,000

Exxon Wastewater

May, 2021	66,544,324
May, 2022	39,347,000

Manager Ariztia reported that the budget is done. A special budget meeting will have to be held. After discussion, it was decided to hold the meeting on July 21, 2022 at 7:00 p.m. at the LWSD office.

Manager Ariztia will be out of the office July 22, 23, 24 and 25.

Manager Ariztia and Carl Peters met with Yellowstone County, Montana Department of Emergency Services and FEMA regarding the flood situation to discuss what remediation methods LWSD can assist with, mainly the restoration of the road that goes to the pump station, repair of the main gate to the treatment plant and potentially some costs they are working on. There are some plugged air lines going to the screens in the intake. They officially submitted the request for assistance. There is a FEMA process for requesting funding.

The letter of award from ARPA was received giving the District \$2 million for the Phase III project and \$2 million for the treatment plant project.

Adjournment

- V. 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 9:30 p.m.


Attest


Attest