

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

**August 10, 2022**

**Call to Order**

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on August 10, 2022. Board President Carl 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

**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, Jill Cook, Morrison Maierle, Inc., and Evelyn Pyburn, *Yellowstone County News*. Assistant Manager Tony Reed was absent.

**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.

**Approval of Minutes**

2. The minutes of the June 8, 2022 Public Information Session were presented for approval. The following corrections were noted: In the title of the document, delete extra "H" before Information, and delete "**And Regular Monthly Board Meeting.**"

Page 1, bottom paragraph, phrase should read "**need to redo.**"

Page 5, next to bottom paragraph, last sentence phrase should read "**most of you.**"

- I. Carlotta Hecker moved to approve the June 8, 2022 Public Session Minutes with the corrections as set forth above. Stuart Deans seconded the motion. Motion carried.
2. The minutes of the June 8, 2022 Regular Board Meeting were presented for approval. The following corrections were noted: Change title to read "**Minutes of Board of Directors of Lockwood Water and Sewer District.**"

Page 1: Item 4 – Update on Water Treatment Plant; change reference to “cement” work to “**concrete**” work.

Page 2: Bottom paragraph, phrase should read “**pumps quit**”.  
Change page numbers to 1, 2, 3, etc.

II. Merrill Walker moved to approve the June 8, 2022 Regular Board Meeting minutes with corrections as set forth above. Stuart Deans seconded the motion. Motion carried.

3. The July 13, 2022 Regular Board Meeting Minutes were presented for approval. Only change was to insert page numbers 3 and 4.

III. Merrill Walker moved to approve the July 13, 2022 Regular Board Meeting Minutes with the addition as noted above. Stuart Deans seconded the motion. Motion carried.

The July 13, 2022, Public Hearing Minutes were presented for approval. Two corrections were noted: in the title of the document, delete the extra “**H**” from “Hearing”; delete “**And Regular Monthly Meeting.**”

IV. Scot Bowen moved to approve the July 13, 2022 Public Hearing Minutes with the corrections as noted above. Stuart Deans seconded the Motion. Motion carried.

4. July 21, 2022 Budget Meeting

The July 21, 2022 Budget Meeting Minutes were presented for approval. Two corrections were noted: Pages 1 and 2, Scot Bowen’s first name was misspelled as “Scott”.

Page 2 Item III, Resolution No. 179, change Board member who seconded the motion to **Scot Bowen**.

V. Merrill Walker moved to approve the July 21, 2022 Budget Meeting Minutes with noted corrections. Scot Bowen seconded the motion. Motion carried.

5. Approval of Pay Application #15 from Record Steel and Construction, Inc. (RSCI), for the 2020 Water Treatment Plant Upgrade Project

RSCI presented Application No. 15 covering services from 6/1/22 through 7/31/2022. Manager Ariztia reported that the numbers on the pay application are correct but in need of change to reflect adjustments for unscheduled employment

of the engineer in the amount of \$169,393.07 and \$70,500.00 in liquidated damages for late contract time. The amount recommended for approval is \$207,943.51. All numbers on the Morrison-Maierle cover sheet are to-date numbers, and the contractor has signed off on the Morrison-Maierle submittal.

- VI. Stuart Deans moved to approve payment of RSCI Pay Application No. 15 in the amount of \$207,943.51. Merrill Walker seconded the motion. Motion carried.

**Copy of RSCI Pay Application 15 attached to minutes**

6. Approval of Change Order No. 6 to the 2020 Water Treatment Plant Upgrade Project.

Manager Ariztia reported there is no need for a motion to approve Change Order No. 6 insofar as there has not been an agreement on the number of additional contract days for RSCI to install six new electrically actuated filter and backwash supply valves for existing Filters 1 and 2. The Board cannot approve the Change Order, but it can go forward with a Work Change Directive allowing RSCI to proceed with ordering the materials in the amounts as listed on the Change Order. The total cost of the six valves and actuators and the labor involved is \$174,889.39. Payment for this project will be paid with contingency funds.

**Copy of Change Order No. 6 attached to minutes**

- VII. Scot Bowen moved to proceed with a Work Change Directive to RSCI to order the materials set forth in Change Order 6 in the amount of \$174,889.39. Stuart Deans seconded the motion. Motion carried.

7. Approval of Agreement with Morrison-Maierle, to perform Design and Bidding Phase services for the Phase III Sewer Project.

In conjunction with the passage of Resolution No. 176 approving a special assessment levy for the Phase III Sewer Project, Morrison-Maierle Engineers presented an Agreement covering services for Phase III Design and Bidding in an amount not to exceed \$1,740,036, which covers survey, geo-tech and preliminary design, final design and then the bidding and negotiation phase. This also encompasses permitting, obtaining easements, and coordinating with Yellowstone County. Another agreement will be entered into for the construction phase.



- VIII. Scot Bowen moved to approve the agreement with Morrison-Maierle to perform Design and Billing Services for the Phase III Sewer Subdistrict Project in an amount not to exceed \$1,740,036. Merrill Walker seconded the motion. Motion carried.

**8. OLD BUSINESS**

None.

**FINANCIAL REPORTS**

9. Balance Sheets, P&L Budget Comparison, Yellowstone County Trial Balance Summary

Financial Reports attached to the minutes consist of the following reports for **July, 2022: Water Fund:** Claim Details; Trial Balance with Revenue and Expenditures; Statement of Revenue Budget vs. Actuals; Statement of Expenditures – Budget vs. Actual Report.

**Sewer Fund:** Trial Balance with Revenue and Expenditures; Statement of Revenue Budget vs. Actuals; Statement of Expenditures – Budget vs. Actual Report.

**10. APPROVAL OF BILLS DUE FOR SIGNATURE**

- IX. Merrill Walker moved to approve payment of the bills due for Signature. Stuart Deans seconded the motion. Motion carried.

**OTHER BUSINESS**

11. Water Treatment Plant Expansion Update

Manager Ariztia reported RSCI removed the defective concrete work from the vacuum chamber. It has been re-poured and the next test will be for leaks.

Roof trusses are beginning to be installed. They are continuing to work on the basins, doing crack sealing, and preparing to do coating in the plant.

**MANAGER'S REPORT**

- |                          |            |
|--------------------------|------------|
| 12. Pumping Record Water |            |
| July 2021                | 57,278,300 |
| July 2022                | 45,765,700 |

Wastewater Record	
June, 2021	5,061,716
June 2022	5,745,000
Exxon Wastewater	
June 2021	46,281,004
June, 2022	26,163,000

Manager Ariztia advised he received this year's taxable valuations for Lockwood. Last year the taxable valuation was \$3,667,409 for Phase I. This year the taxable valuation is \$3,997,411.00. Last year the mill levy was set at 150 mills. Based on the increase of the taxable value, the mill levy should be set at 145 mills for the 2022 Phase I GO Bond payment, which is in the amount of \$579,710.00.

- X. Stuart Deans moved to approve the 2022 Phase I GO Bond mill levy at 145 mills. Scot Bowen seconded the motion. Motion carried.

**ADJOURNMENT**

- XI. Merrill Walker moved to adjourn. Stuart Deans seconded the motion. Motion carried.

There being no further business to come before the Board, the meeting was adjourned at 8:30 p.m.

  
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