

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

November 9, 2022

Call to Order

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on November 9, 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, and Stuart Deans. Board member Scot Bowen was absent. 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.

Approval of Minutes

2. **September 14, 2022**
The minutes of the September 14, 2022 meeting were presented for approval. Page 2, Item 4 regarding Change Order No. 6, the sentence should read **Contractor shall elevate the Y960 backflow preventer as shown on MT-2 for a total cost of \$9,310.55, and two-day contract time.**
 - I. Stuart Deans moved to approve the September 14, 2022 minutes with the correction as set forth above. Carlotta Hecker seconded the motion. Motion carried.
3. **October 12, 2022**
The minutes of the October 12, 2022 Board meeting were presented for approval. Page 3, Manager Report, the paragraph following the Exxon Wastewater report, insert the word **a**, there was **a** mainline leak.

On Page 4, next to bottom paragraph, the first sentence should read **The water rights work with the Irrigation District will come out of the on-call budget.** (Insert the word will.)

- II. Carlotta Hecker moved to approve the October 12, 2022 minutes with the corrections as noted above. Merrill Walker seconded the motion. Motion carried.

New Business

4. Approval of Pay Application No. 18 to Record Steel and Construction Inc. (RSCI) for the 2020 Water Treatment Plant Upgrade Project

RSCI presented Pay Application No. 18 covering services from 10/1/2022 through 10/31/2022 in the amount of \$249,892.82.

- III. Stuart Deans moved to approve payment of RSCI's Pay Application No. 18 in the amount of \$249,892.82. Merrill Walker seconded the motion. Motion carried.

5. Discussion and approval of Amendment No. 3 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.

Jill Cook explained that in Amendment No. 3, Attachment 1, Page 2, it notes that the Contractor exceeded the substantial completion contract time, which was March 15, 2022. Unscheduled employment of the Engineer as of October 28, resulted in \$283,827.72 being withheld from Contractor's payment applications to cover additional Unscheduled Employment of the Engineer. Under Amendment No. 2, \$138,566.00 was withheld for ununscheduled employment of the Engineer through June 30, 2022. The difference of \$145,262.00 will be added to the project ceiling through Amendment 3 to Task Order No. 17. Ununscheduled Employment of the Engineer will continue to be withheld.

- IV. Merrill Walker moved to approve Amendment No 3 to Task Order No. 17 in the amount of \$145,262.00, resulting from increased costs for construction due to Ununscheduled Employment of Engineer. Carlotta Hecker seconded the motion. Motion carried.

6. Discussion and approval of Amendment No. 2 to Task Order No. 3 of the Water Master Agreement relating to the Water On-Call contract

Amendment No. 2 to Task Order 3 calls for modification of the Scope of Services to be provided by the Engineer. Engineer shall continue to provide on-call services beyond those already provided in this fiscal year. Changes to the Johnson Lane Interchange pre-design coordination, and Mid Zone Reservoir pre-design coordination on-call budgets of \$10,000 are expected to be exceeded and additional services are expected prior to July 1, 2023. This amendment raises the ceiling. The ongoing services will be provided on an as-requested basis and billed at an hourly rate. The revised total yearly compensation will be raised to \$20,000.

- V. Merrill Walker moved to approve Amendment No. 2 to Task Order No. 3 raising the total yearly compensation to \$20,000.00. Stuart Deans seconded the motion. Motion carried.

7. Discussion and approval of Task Order No. 19 of the Water Master Agreement relating to the Rosebud Lane water line relocation

Task Order No. 19 covers engineering services including survey, final design, construction administration, and post-construction services for relocation of a watermain between Rosebud Lane and Highway 87 East. Costs for these services is estimated to be \$16,990.00.

- VI. Stuart Deans moved to approve Task Order No. 19 at an estimated cost of \$16,990.00. Carlotta Hecker seconded the motion. Motion carried.

8. Discussion and possible motion to revise District wage and position classification.

Manager Ariztia advised he followed the recommendations from the Board at the last meeting covering the range of compensation for employee positions.

- VII. Merrill Walker moved to accept the revised District wage and position classifications presented by Manager Ariztia at tonight's meeting. Stuart Deans seconded the motion. Motion carried.

9. Discussion and possible motion regarding annual wage increases for fiscal year 2023.

Manager Ariztia reported that the Board at the last meeting requested information on what the increases would be for the three employees that are outside of the new range of compensation. It was decided that a \$3 per hour raise was appropriate for all employees retroactive to July 1, 2022.

- VIII. Merrill Walker moved to approve a \$3 per hour raise for all employees for fiscal year 2023, with one position receiving a \$4 per hour raise. This places every employee within their range. Stuart Deans seconded the motion. Motion carried.

Old Business

10. None.

Financial Reports

11. Balance Sheets, Profit & Loss, Budget Comparison, Yellowstone County Trial Balance Summary.

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

Approval of Bills due for Signature

12.

- IX. Stuart Deans moved to pay the bills. Merrill Walker seconded the motion. Motion carried.

Other Business

13. Water Treatment Plant Expansion Update

Manager Ariztia reported that RSCI is presently working on items inside the building putting up paneling on the inside of the roof and insulation. They are doing painting, sheetrock, and electrical components. They are also beginning installing insulation on the exterior of the building and the metal siding on the exterior of the building.

The red paint on the doors and frames is fading and clashes with the new tan color of the building. The Board did not object to repainting those items to match the tan paint.

Manager's Reports

14. Pumping Record

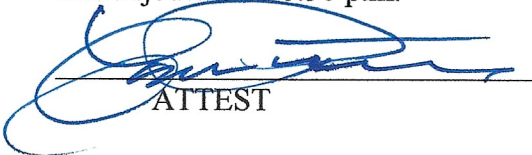
Water:	October, 2021	23,143,200
	October, 2022	26,696,800
Wastewater:	October, 2021	5,744,000
	October, 2022	5,370,000
Exxon	September, 2021	43,536,000
Wastewater:	September, 2022	67,174,000

Manager Ariztia advised he met with the Lockwood Irrigation District at their last Board meeting to discuss the District's proposal based on the water rights study and the prospective transfer of water rights to the District. No agreement was reached on the value nor the amount of water rights. Further discussions will be held.

Adjournment

- X. Carlotta Hecker 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.


ATTEST


ATTEST