

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

January 11, 2023

Call to Order

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on January 11, 2023. 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, 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. December 14, 2022

The minutes of the December 14, 2022 meeting were presented for approval. One correction was noted on Page 3, paragraph beneath No. 9, Manager Ariztia reported that the negotiations are ongoing with the Lockwood **Irrigation** District, not Water District.

- I. Carlotta Hecker moved to approve the December 14, 2022 Minutes with the correction as noted above. Merrill Walker seconded the motion. Motion carried.

New Business

3. Approval of 2023 Board Meeting Schedule

The 2023 meeting schedule was presented to the Board for approval. The meetings will continue to be held on the second Wednesday of each month with the exception of March. Manager Ariztia will be gone on March 8, consequently, the Board agreed to hold the meeting on March 14th.

- II. Merrill Walker moved to hold the March Board meeting on March 14 instead of March 8 as Manager Ariztia will be unavailable on March 8. Stuart Deans seconded the motion. Motion carried.

Copy of Schedule attached to minutes

- 4. Approval of Pay Application #20 for Record Steel Construction, Inc. (RSCI), for the 2020 Water Treatment Plant Upgrade Project.

RSCI presented Pay Application No. 20 covering the period 12/1/2022 through 12/31/2022. The difference in the amount set forth in the application by RSCI of \$522,292.08, and the amount actually paid RSCI of \$12,943.42 results from underpayment of additional engineering costs and liquidated damages.

- III. Scot Bowen moved to approve RSCI Pay Application No. 20 for the 2020 Water Treatment Plant Upgrade in the amount of \$12,943.42. Carlotta Hecker seconded the motion. Motion carried.

- 5. Approval of Change Order No. 8 to the 2020 Water Treatment Plant Upgrade Project.

Change Order No. 8 in the amount of \$21,126.01, covers changes made by the contractor to the 3” vacuum piping to accommodate changes to the truss design. The contractor will also add snow guards to the metal roof and replace the existing storm caps that need repair.

Also related to Change Order No. 8, Jill Cook advised that Morrison Maierle issued a credit to the District in the amount of \$5,557.83 due to a conflict of the vacuum chamber with the trusses, which came about when steel trusses were not available and wooden trusses were substituted. Because of the conflict, the contractor had to modify the vacuum chamber. This was a design flaw.

- IV. Merrill Walker moved to approve Change Order No. 8 in the Amount of \$21,126.01. Stuart Deans seconded the motion. Motion carried.

Old Business

6. Water Treatment Plant Expansion Update

Manager Ariztia stated progress is being made. Parts needed to complete the clarifier came in and have been installed. Next week the Scada representative and the clarifier manufacturer's representative will be here to start working on the final integration along with startup and testing.

In addition, on the question of the horizontal siding, Manager Ariztia was advised there had been an alternate siding accepted by the siding contractor with the approval of the architect, which changed the siding from the original material. The architect has now offered to absorb the cost of ordering the materials that were originally planned to be put on the building. The siding will be horizontal.

Financial Reports

7. Balance Sheets, P&L, Budget Comparisons. The Yellowstone County Trial Balance Summary was not available.

Financial Reports attached to the minutes consist of the following reports for December 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 v. Actual Report.

Approval of Bills due for Signature

8.

- V. Stuart Deans moved to pay the bills due as set forth on the Water and Sewer Fund Claim Details. Carlotta Hecker seconded the motion. Motion carried.

Other Business

None.

Manager's Report

9.

Pumping Record

Water:	December, 2021	21,334,500
	December, 2022	23,397,400
Wastewater:	November, 2021	4,970,000
	November, 2022	4,452,000
Exxon Wastewater	November, 2021	56,642,000
	November, 2022	27,864,000

MCEP will be sending the District a contract for signature by Carl and Carlotta for the Phase 3 Sewer Project. Manager Ariztia made his first draw from the ARPA funds in the amount of approximately \$1.5 million.

Another meeting was held between Manager Ariztia, Jill Cook, Stephanie Seymanski and MDT. This is on the MDT Project covering Johnson Lane Interchange. Morrison Maierle will be putting together a cost estimate and a proposal to be reviewed at the February Board meeting so design can be started on relocation of water mains. The sewer mains will not have to be relocated.

MDT is just now starting the reacquisition process. Morrison Maierle will do the design. When completed, the design will be sent to MDT and DEQ for approval. The District will not have to go out for bids, MDT's contractor will also do the relocations. MDT will pay 75% of the cost of the construction; the District will pay 25% of the construction. The District will be responsible for 100% of the engineering expense.

EPA came out with a revised lead and copper ruling, which requires all water utilities to do a 100% inventory of all service lines. The surveys include the service lines to the curb stops, the service lines from the curb stops to the home, and plumbing within the home. That survey is put on the water utilities to find out what materials those service lines are composed of. The District has until October of 2024 to complete the surveys.

If you find lead or galvanized services, you are required to put together a plan to replace those. According to parties that have been familiar with the District for many years, lead service lines have never been encountered in Lockwood.

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 7:50 p.m.



ATTEST



ATTEST