

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

April 12, 2023

Call to Order:

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on April 12, 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 and Stuart Deans. Board member Scot Bowen, along with Assistant Manager Tony Reed were absent. Also present was Manager Mike Ariztia and Stephanie Seymanski, Engineer, Morrison-Maierle, Inc.

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. April 12, 2023.

The minutes of the April 12, 2023 Board meeting were presented for approval.

There were no corrections.

- I. Merrill Walker moved to approve the April 12, 2023 minutes as written. Stuart Deans seconded the motion. Motion carried.

New Business:

3. Review and possible approval of proposal from 120 Water to conduct lead service line inventory.

Manager Ariztia advised that 120 Water is a private company that has been working with utilities on the new lead and copper rules, which require all water utilities to do an inventory of every single one of their service lines in their district or cities to identify what

type of material the service lines are made of, lead, copper or unknown. Normally the District's responsibility is the curb stop at the property line. The requested inventory now wants to confirm what the line is made of on the municipality's side of the curb box and also what the material is on the property owner's side of the curb box running into the house, including what type of line material is present in the house. The survey is to be completed by October of 2024. After the survey is completed, a plan will be made to replace any material that's lead or unknown. 120 Water's one-year proposal for professional services is \$11,632.13.

- II. Stuart Deans moved to accept 120 Water's proposal to inventory the District's drinking water service lines for lead and copper and unknowns in a first-year amount of \$11,632.13. Merrill Walker seconded the motion. Motion carried.

Copy of 120 Water Outline of Services attached to minutes

Old Business:

4. Water Treatment Plant Expansion Update

Manager Ariztia reported there has not been a lot going on. The contractor has been in a stop work mode for the last two to three weeks waiting for materials to arrive. They are scheduled to come back to work next week. They will be working on replacing piping in the high service room and the main line.

The siding issue has not been 100% resolved, but a work change directive has been issued to place the siding materials on order. Other issues will be settled between the contractor, architect and the District when the siding is received.

5. Phase 3 Sewer Update

Stephanie Seymanski, Engineer, Morrison-Maierle, Inc., reported on the Phase 3 Sewer Update.

Morrison-Maierle's preliminary submittal was submitted to Manager Ariztia on April 3, 2023. The submittal included the following:

- Final Design Criteria;
- Preliminary Drawings - plan view only to show horizontal alignments of sewer mains;
- Outline of Project Specifications;
- Advise owner of additional information needed.

- Technical Memorandums, including:
- Lockwood and Opportunity Subdivisions Lift Stations;

Sewer Main between Noblewood and Becraft and Krumheuer and Becraft;
Old Hardin Road Sewer Main Alignment between Noblewood and Palomino;

Revised Opinion of Probable Construction Cost;
Supporting figures

The Geotechnical Engineering Report is not available as part of the preliminary submittal. Rimrock Engineering, who is preparing the geotechnical work, will complete the field work in June/July after water has been turned into the Lockwood Irrigation District facilities.

Work anticipated for the next month includes:
Complete Sewer Main Layout Technical Memorandum;
Transmit preliminary drawings to utility companies;
Set up a meeting with utility companies and LWSD to discuss coordination and possible relocations of private utilities;
Coordination with Rimrock Engineering for geotechnical field work.

Financial Reports:

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

Financial Reports attached to the minutes consist of the following reports for March, 2023:

Water Fund: Claim Details; Trial Balance with Revenue and Expenditures; Statement of Revenue Budget vs. Actual; Statement of Expenditures – Budget vs. Actual Report.

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

7. **Approval of Bills Due for Signature:**

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

Other Business:

8. None.

Manager's Report:

9. Pumping Record

Water:	March 2022	26,398,600
	March 2023	22,561,795
Wastewater:	February 2022	5,864,000
	February 2023	3,893,000
Exxon:	February 2022	72,847,000
	February 2023	56,761,000

With regard to the MDT Johnson Lane Interchange Project, a meeting was held between Manager Ariztia, MMI and MDT to go over the project. They looked at two options. One option takes it from the first lift station across the Interstate and then ties in at Old Hardin Road and Cole Street. The other option would take it further down North Frontage Road going across where the TEDD is planning on going across down to the west side of Bretz RV and down to Old Hardin Road.

MDT is open to considering both options. Anything that relates to replacement or moving of facilities, MDT will cover 75% of the cost. More than likely, the District will end up with Option 2, going across the Interstate to Cole Street and down to Old Hardin Road. The option decision is up to MDT.

Also discussed was the water main tie-in running by the Fire Department off of Johnson Lane and then tying into Unertal. If they want to work in the intersection of Old Hardin Road and Johnson Lane, there has to be a tie-in to feed water to that side. A cost estimate will have to be provided to MDT. If it is approved by MDT, MDT will pay 75% of the cost.

A special meeting was held today with the TEDD and two of the County Commissioner on utilities to see if there is anything we could do to benefit Lockwood and benefit the TEDD long-term. If the TEDD continues to do what they plan on doing, they will tie water and sewer to North Frontage Road down to Bretz RV. It is unknown whether this would be beneficial for Lockwood. The TEDD is an entity of the County, and it does not have sufficient funds available at this time, consequently, it will look to the County and Lockwood to help with the cost.

Most urgent at this time is to get the water across Johnson Lane outside of the interchange. After the interchange is in place, it will be almost impossible to get water across Johnson Lane over to North Frontage Road. The County agrees, and the TEDD

agrees that this would be a step forward for the TEDD to get utilities on this side of Johnson Lane into the TEDD area. It came down to if Lockwood agrees to this, how would this cost share work, because it does benefit Lockwood getting the water to that side of Johnson Lane.

The number talked about today was 50/50. The County or the TEDD would pay 50% of the construction and Lockwood Water would pay the other 50%. The total cost taking it across Johnson Lane up Firth Street and Coulson Road, and then down to a point where it's outside of the MDT project limit, is \$2.8 million. If we split that 50%, the District would be agreeing to pay roughly \$1.5 million towards this project to get water over to that side of Lockwood. The County will pay the other half. The \$1.5 million would be in addition to the 25% of everything that has to be replaced and relocated. The Board is open to splitting the cost 50/50.

Manager Ariztia was in an accident recently. Another vehicle pulled out and struck his company vehicle. The vehicle was close to totaled, but the body shop thinks it can be fixed. The driver of the other vehicle was driving with a suspended license, no insurance and was cited for failure to yield the right-of-way. The District's vehicle is covered by insurance.

There is a possibility that the District may receive another grant for the Phase 3 project. Manager Ariztia provided information to Senator John Tester's office asking for a letter of support for the project and a letter of support for the grant. It sounded favorable, but it is not positive at this point, nor is the amount of the grant known.

Manager Ariztia advised that the City had finished its rate study. Currently, the District pays a reserve capacity fee every month of \$25,239.00. Next year, fiscal year 2024, which starts in July of this year, the amount is raised to \$28,789.00, and the following year it is raised again to \$30,036.00. The per thousand-gallon rate the District currently pays is \$1.513 per thousand gallons. Next fiscal year it is \$1.425, and the year after that it is \$1.475 per thousand gallons.

Adjournment:

IV. 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.



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