

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

June 14, 2023

Call to Order:

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on June 14, 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 Board 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*.

Guests present were Lockwood residents Richard Hoke, 357 Hemlock, and Rodney Stoddard, 364 Juniper Drive.

Public Comment:

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

Rod Stoddard stated he wanted to bring to the attention of Manager Ariztia and the Board that there is an ongoing problem with Dry Creek flooding where his south property line is. He produced a video taken on his cell phone shot on grade prior to the Phase 2 project. Mr. Stoddard stated that ever since the Phase 2 project was finished, the water runs down the road through the ballparks and threatens everybody that lives down Clayton and Woodland Drive. The drainage is now absent across Juniper.

He does not know if this is a problem for the District or for the County, but the problem needs to be rectified. Manager Ariztia requested the video be sent to him so he could talk to the County Road Department and show them the problem as outlined in the video.

Approval of Minutes:

2. **May 10, 2023**

The minutes of the May 10, 2023 Board meeting were presented for approval.

Two corrections were noted: Page 2, Third paragraph was changed to read:

“For additional services or modifications to services, it was requested that the District pay engineer additional compensation up to \$2,500.00 on an hourly rate basis, resulting in a revised total cost of \$22,500.00 for the fiscal year ending June 30, 2023.”

Page 3, bottom paragraph: Power Montana should be **Par** Montana.

- I. Stuart Deans moved to approve the minutes of the May 10, 2023 Board meeting as corrected. Carlotta Hecker seconded the motion. Motion carried.

3. Resolution No. 180 – fiscal year 2024 Sewer Planning Budget

Resolution No. 180 was read into the record by Carlotta Hecker.

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 14th day of June, 2023, at the District office located at 1644 Old Hardin Road, Billings, Montana.

The following Resolution was adopted by the Board of Directors:

RESOLUTION: Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Sewer Planning budget for fiscal year 2024 be approved in the amount of \$50,600.00.

2024 Planning Budget with Cash Flow Analysis Attached

Signed and attested: President Carl Peters and Secretary Carlotta Hecker.

- II. Merrill Walker moved to adopt Resolution No. 180, Fiscal Year 2024 Sewer Planning Budget in the amount of \$50,600.00. Stuart Deans seconded the motion. Motion carried.

4. Resolution No. 181 – fiscal year 2024 Sewer Operations Expense Budget

Resolution No. 181 was read into the record by Carlotta Hecker.

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 14th day of June, 2023, at the District office located at 1644 Old Hardin Road, Billings, Montana.

The following Resolution was adopted by the Board of Directors:

RESOLUTION: Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Fiscal Year 2024 Sewer Operations Expense Budget and Fiscal Year 2024 Sewer Capitalization Budget for fiscal year 2024 be approved as represented in the attachments to this Resolution entitled “PROPOSED 2024 LWSD SEWER OPERATIONS EXPENSE BUDGET” (page 1), with supporting exhibits entitled “2024 FORECASTED LWSD SEWER INCOME” (page 2), “PROPOSED 2024 LWSD CAPITALIZATION BUDGET” (page 3). The Sewer Operations Expense Budget for Fiscal Year 2024 therefore be approved in the amount of \$1,940,248.00, and the Fiscal Year 2024 LWSD Capitalization Budget be approved in the amount of \$1,212,338.00. Total: \$3,152,586.00.

Signed and Attested, President Carl Peters and Secretary Carlotta Hecker.

- III. Merrill Walker moved to adopt Resolution No. 181, Fiscal Year 2024 Sewer Operations Expense Budget in the amount of \$1,940,248.00, and the 2024 LWSD Capitalization Budget in the amount of \$1,212,338.00. Carlotta Hecker seconded the motion. Motion carried.

5. Resolution No. 182 – fiscal year 2024 Water Operations Expense Budget

Resolution No. 182 was read into the record by Carlotta Hecker.

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 14th day of June, 2023, at the District office located at 1644 Old Hardin Road, Billings, Montana.

The following Resolution was adopted by the Board of Directors:

RESOLUTION: Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Fiscal Year 2024 Water Operations Expense Budget and the Fiscal Year 2024 Water Capitalization Budget for fiscal year 2024 be approved as represented in the attachments to this Resolution entitled “PROPOSED 2024 LWSD WATER OPERATIONS EXPENSE BUDGET” (page 1),

with supporting exhibits entitled “2024 FORECASTED LWSD WATER INCOME” (page 2), “PROPOSED 2024 LWSD CAPITALIZATION BUDGET (page 3). The Water Operations Expense Budget for Fiscal Year 2024 therefore approved in the amount of \$1,856,241.00. The Fiscal Year 2024 LWSD Capitalization Budget approved in the amount of \$3,849,000.00. Total: \$5,705,241.00.

Signed and Attested: President Carl Peters and Secretary Carlotta Hecker

IV. Stuart Deans moved to adopt Resolution No. 182, Fiscal Year 2024 Water Operations Expense Budget in the amount of \$1,856,241.00 and the fiscal year 2024 LWSD Capitalization Budget in the amount of \$3,849,000.00. Merrill Walker seconded the motion. Motion carried.

6. Discussion and approval to increase the dollar limit of Task Order No. 3 of the Water Master Agreement relating to the Water On-Call contract, from \$10,000.00 to \$20,000.00 and granting the District Manager the authority to approve expenses up to the limit without Board approval.

Task Order No. 3, which is Change Order No. 4 of the Water On-Call Contract is requested to be amended and increased from \$10,000.00 to \$20,000.00 per year. This motion would also grant the District Manager authority to approve expenses up to the limit without Board approval.

V. Stuart Deans moved to amend and approve an increase to Task Order No. 3, the Water On-Call contract, from \$10,000.00 to \$20,000.00 per year, and to grant the District Manager authority to approve expenses up to the limit without Board approval. Carlotta Hecker seconded the motion. Motion carried.

Old Business: None.

Financial Reports:

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

Financial Reports consist of the following designations for the Water and Sewer funds for May, 2023: Claim Details; Trial Balance with Revenue and Expenditures; Statement of Revenue Budget vs. Actual; Statement of Expenditures – Budget vs. Actual Report.

Approval of Bills Due for Signature:

8. VI. Stuart Deans moved to approve the bills due as set forth on the Water and Sewer Fund Claim Details. Merrill Walker seconded the motion. Motion carried.

Other Business:

9. Water Treatment Plant Expansion Update

Manager Ariztia reported no one from RCSI has been at the plant for three weeks. They are planning on being onsite next week. They are doing cleanup, consolidating miscellaneous equipment into one area. They are also working on a list of items that need to be fixed.

The original siding manufacturer has filed bankruptcy so another manufacturer has taken over their orders. Options were found which appear to be the only options that are available. Option 1 and Option 2 are the ones the contractor is recommending. The siding is concealed fastened wall panels in metal, tan colored. Option 1 can be shipped in 6 to 8 weeks.

The contractor has submitted for substantial completion. The District has not responded. There are other items that need to be discussed.

10. Phase 3 Sewer Update

There is not a lot to update. A utility coordination meeting was held last week. The 30% plans are being verified, and they are working on finalizing alignments.

11. TEDD/MDT Update

There have been several meetings between the engineers for the TEDD, Morrison-Maierle, Manager Ariztia, and MDT. Right now, the Johnson Lane water station will go from the west side of Johnson Lane, across Johnson Lane on the North Frontage Road, down to Firth Street and up Firth Street. That will be the location where LWSD will go under the Interstate across to Cole Street and tie in there. The Board has not officially approved the above, but the District has discussed paying 50% of those costs shared with the TEDD/County.

As part of that project, the force main will have to be relocated, and the water main crossing under the Interstate will go in the same bore pit. Presently they are working on right-of-way issues with construction to start next year,

Manager's Report:

12. Pumping Record

Water:	May, 2022	22,617,200	May, 2023	31,566,900
Wastewater:	April, 2022	5,599,000	April, 2023	5,440,000
Par Wastewater	April, 2022	64,531,000	April, 2023	53,027,000

President Peters brought up the condition of the heater house, citing holes in the roof and siding. Assistant Manager Reed advised they do not use that building anymore and it could probably be torn down. Manager Ariztia will look into it.

The heavy rain caused two sinkholes, a small one on Lantana and a large one at Becraft. The county responded with gravel and other material on top of it. Manager Ariztia will contact the county to see what the permanent fix will be.

Anderson Zermuehlen, now Pinion, will no longer be doing payroll for the District. He has contacted Steele Accounting, and it is available to do the payroll.

The watermain extension for Rosebud should start this week. They are waiting on materials. Construction will start as soon as the materials are received.

The Traverse is being repaired. The District will be responsible if the repair goes beyond the insurance repair limits.

Adjournment:

- VII. 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 9:10 p.m.



ATTEST



ATTEST