

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

August 9, 2023

Call to Order:

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on August 9, 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, and Jill Cook, Engineer, Morrison-Maierle, Inc.

Guest present was Lockwood resident Dick Hoke, 357 Hemlock.

Public Comment:

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

There were no comments.

Approval of Minutes:

2. July 12, 2023.

Page 4, third paragraph from the bottom, change to read "The District started work in June on the Rosebud Water Main Station"; change "Rosebud Water Main Station" to Rosebud Water Main **Project**.

- I. Carlotta Hecker moved to approve the minutes of the July 12, 2023 meeting with the correction as noted above. Scot Bowen seconded the motion. Motion carried.

3. **Discussion and approval of Amendment No. 1 to Task Order No. 19 of the Water Master Agreement relating to increased costs for the Rosebud Lane Water Main Project.**

Manager Ariztia reported that this project was at first believed to be an uncomplicated project of approximately 200 feet of new water main going through an easement. When construction was started, anchor walls and tiebacks to an existing

retaining wall and a drain pipe in the trench were encountered, which required changes to the waterline. None of these items appeared on any of the utility plans. This called for redesigning to include a casing to go underneath the concrete walls. There was also delay because of contractor scheduling conflicts.

Jill Cook advised this increased the services performed by the Engineer, as follows:

- Site visits
- Coordination with Owner
- Water main redesign because of existing anchor walls, tie-backs and drain pipe
- Corrosion protection calculations
- Review Change Order No. 1
- MDT permit
- Additional construction staking
- Easement revisions
- Additional Construction observation.

Additional time for these changes during construction includes 46 hours for engineering redesign and construction administration, 1 hour for a revised easement, 2 hours for construction staking and 53 hours for construction observation, resulting in additional compensation owing to the Engineer in the amount of \$14,410.00.

II. Merrill Walker moved to approve Amendment No 1 to Task Order 19 to increase Engineering services for the Rosebud Water Line Project in the amount of \$14,410.00. Stuart Deans seconded the motion. Motion carried.

4. Approval of Pay Application No. 1 to Askin Construction for the Rosebud Lane Water Main Project

Askin Construction presented Pay Application No. 1 for the Rosebud Lane Water Main Project in the amount of \$97,460.75.

III. Merrill Walker moved to approve Pay Application No. 1 to Askin Construction and the associated change order for the Rosebud Lane Water Main Project in the amount of \$97,460.75. Scot Bowen seconded the motion. Motion carried.

5. Discussion and possible motion regarding a three-year contact with Wipfli LLP – Billings, to perform the required annual audit of the District for fiscal years 2023-2025.

Manager Ariztia advised that the District is required by law to conduct an annual audit. The past few years this has been done by Wipfli LLP – Billings. The District has previously signed three-year contracts with Wipfli. The prior contract with Wipfli expired in June of 2022, and this contract, if signed, would cover fiscal years 2023 through 2025.

- IV. Merrill Walker moved to approve a three-year contract with Wipfli LLP – Billings, to perform the annual audit of the District for fiscal years 2023 to 2025. Total amount of the three-year contract would be \$92,000.00. Stuart Deans seconded the motion. Motion carried.

6. Discussion and possible motion regarding annual wage increases for fiscal year 2024.

Manager Ariztia presented for discussion the proposed wage increase percentages for fiscal year 2024. After discussion of percentages of raises given by other Montana entities, the Board decided to raise wages 4%.

- V. Carlotta Hecker moved to approve a 4% wage increase for fiscal year 2024. Scot Bowen seconded the motion. Motion carried.

Old Business: Manager Ariztia advised they have been doing investigation and research on the Juniper drainage that was brought to the Board’s attention by Rodney Stoddard at the June Board meeting. Several maps were pulled dating back to 2002, along with flood plain data. They discovered the elevations have changed from what they originally were.

The result of a mapping prepared by Jill Cook is it does not show a big dip in the road at the time of any of the surveys. That does not mean it did not exist sometime prior to her map.

Manager Ariztia stated at least from 2002 to 2023, elevation of the road at the crossing point of Dry Creek has not changed. 2002 is as far back in time as they could go.

Jill Cook advised that 2002 data shows a jump before you get to Dry Creek showing the road as two feet higher. In summary, the data does not show that from 2002 until now there was any significant difference in the elevation of the road.

The question of Lockwood road conditions was again raised by Mr. Hoke. A lengthy discussion was held in this regard. Manager Ariztia advised he will contact the County and other agencies to try and work out a solution.

Financial Reports:

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

Attached Financial Reports consist of the following designations for the Water and Sewer funds for July, 2023: Yellowstone County Trial Balance report, June 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. Carlotta Hecker moved to approve payment of 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 there were no real changes since the last meeting. Substantial completion was issued. The walk-through with the contractor was completed, and the official punch list was created covering items that need to be repaired before RSCI is issued final completion. The new siding is onsite, and scheduled to be installed the end of August. The siding was excluded from substantial completion so the warranty on the siding will not start until it is installed.

The District is reaching the end of its contract on some of the grant funds. RSCI has not provided the District with a pay application since December of last year. Consequently, the District has not been able to draw out any of this grant money because there is nothing to draw it for. MCEP, formerly TSEP, has a balance of \$10,000.00 in grant money. The District issued substantial completion, and due to the fact that the majority of the work yet to be completed is change order work and was not part of the original contract, the \$10,000.00 is available. There is no problem with RRGL. ARPA extended their contract for an additional year through December, 2024.

10. Phase 3 Sewer Update

Morrison-Mariele is working on the final design plans. Meetings have been held and are ongoing with property owners to obtain easements.

Manager's Report:

11. Pumping Record

Water:	July, 2022	45,765,700	July, 2023	51,488,600
Wastewater:	June, 2022	5,745,000	June, 2023	5,369,000
Par Montana Wastewater:	June, 2022	26,163,000	June, 2023	59,122,000

Manager Ariztia reported patching was done on Greenwood, Sunrise, and some on Hemlock.

They are still working on the relocation of the force main from Firth lift station. A verbal okay was received from Holiday Inn Express as far as granting an easement through their property to do boring under the Interstate and relocate the force main underneath, in addition to a tie-in for North Frontage Road to Old Hardin Road.

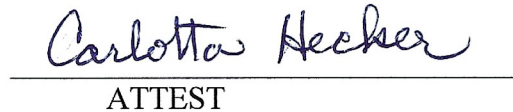
They are still working on an easement across from Johnson Lane over to Unertal. MDT has expressed satisfaction with the District's work in this regard.

Adjournment:

- VII. Merrill Walker moved to adjourn. Scot Bowen 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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