

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

July 9, 2025

Call to Order:

The regular monthly meeting of the Lockwood Water and Sewer Board of Directors was held on July 9, 2025. 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, Carlotta Hecker, Brent Kober, Scot Bowen and Gary Forrester. Also present was LWSD Manager Mike Ariztia, Assistant Manager Tony Reed, Morrison-Maierle Engineer, Jill Cook, and Lockwood resident, Dick Hoke.

Public Comment:

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

There were no public comments.

Approval of Minutes:

2. **June 11, 2025**

The minutes of the June 11, 2025 Board meeting were presented for review and approval. Two corrections were noted; Page 1, bottom paragraph, last sentence, replace "charges" with "**changes**".

Page 2, item 4, change to Water and Sewer Crossings East of "**Johnson Lane Project.**"

- I. Carlotta Hecker moved to approve the June 11, 2025 Board minutes with corrections as noted. Scot Bowen seconded the motion. Motion carried.

New Business:

3. **Approval of Pay Application No. 4 to COP Construction for the I-90 Water and Sewer Crossings East of Johnson Lane Project**

COP Construction presented Pay Application No. 4 for work performed from May 26, 2025, to June 25, 2025 on the I-90 Water and Sewer Crossing East of the Johnson Lane Project, in the amount of \$634,470.54.

- II. Scot Bowen moved to approve Pay Application No. 4 to COP Construction in the amount of \$634,470.54, less Montana gross receipts tax, \$6,244.71. Gary Forrester seconded the motion. Motion carried.

4. Discussion and Approval of Amendment No. 2 to Agreement between owner and engineer for professional services, Task Order Edition

Amendment No. 2 contains the following:

A5: The schedule for rendering services is modified as follows:

The duration of the contract will be extended for 10 years to January 3, 2033.

A6: Other portions of the Agreement (including previous amendments, if any) are modified as follows:

Exhibit 1, Limitation of Liability. For each Task Order, the limit of liability will match the amount of the Task Order.

- III. Scot Bowen moved to approve Amendment No. 2 to Owner and Engineer Agreement for Professional Services, Task Order Edition, extending the contract 10 years to 2033. Carlotta Hecker seconded the motion. Motion carried.

5. Discussion and Approval of Task Order No. 4 to the Agreement between owner and engineer for professional services, Task Order Edition

The District was awarded a million dollar grant to assist property owners in connecting to the sewer. Task Order No. 4 encompasses Sewer Service Grant Administration and Support for installation and connection of a sewer service under the EPA Emerging Contaminant Grant Program. Compensation to engineer for services rendered under this Task Order is \$100,000.00 based on an hourly rate. Manager Ariztia is waiting for verification of the grant before further action is taken.

- IV. Brent Kober moved to approve the Task Order No. 4 Agreement between Morrison-Maierle and the District covering Sewer Service Grant Administration in installation and connection of sewer services under the EPA Emerging Contaminant Grant Program. The amount of compensation to Engineer not to exceed \$100,000.00. Carlotta Hecker seconded the motion. Motion carried.

6. Renewal of agreement with 120 Water for the Revised Lead and Copper Rule improvements (LCRI) inventory and regulatory assistance

120 Water presented the District with a renewal proposal for inventory and regulatory assistance with the Revised Lead and Copper Rule improvements. 120 Water prepared the initial report. The new EPA rule for lead and copper mandated an inventory identifying every service in District territory, both on the District side and the customer's side, in terms of what the line material was, lead, galvanized, or any potential of being connected to lead, non-lead, or unknown. The inventory list is required to be updated to identify any material found to be lead or unknown. The Board selected a three-year renewal of 120 Water's agreement at \$10,138.79 per year.

- V. Scot Bowen moved to approve the 120 Water proposal for a three-year extension of services at \$10,138.79 per year. Carlotta Hecker seconded the motion. Motion carried.

7. Approval of Petition for Inclusion into Water District #1 and Sewer Service District #1 from Paul Fasching at 327 Sandy Lane, Johnson Park Subdivision, Lots 7A, 8 and 9, Block 3

Paul Fasching, Lockwood resident, presented a petition requesting inclusion of his property at 327 Sandy Lane, Johnson Park Subdivision, into Water District #1 and Sewer Service District #1.

- VI. Gary Forrester moved to approve Mr. Fasching's petition for inclusion of his property at 327 Sandy Lane, Johnson Park Subdivision, Lots 7A, 8 and 9, Block 3. Brent Kober seconded the motion. Motion carried.

Old Business:

8. I-90 Water and Sewer Crossings East of Johnson Lane Project

The water is complete as far as construction all the way under the Interstate. It is under Johnson Lane to the west side, and has been documented. What remains to be done as far as the water is change the line, pressure test, and chlorinate. They are currently working on tying in the three sewer force mains. The bores are complete. Based on the construction meeting held this week, it is anticipated the project will be complete within the next two weeks. Paving is contemplated to be started next week.

Phase 3 Sewer Project Update

The project was advertised for bids and the District went out for bid. The pre-bid meeting was held this week. Bid opening is to be held on the 22nd.

Contractor questions arose regarding partial and final completion timeframes. Various contractors asked if the District would be open to doing partial substantial completion as they completed construction in predetermined blocks. That would potentially allow property owners in completed predetermined blocks of the project, to connect to the sewer before the entire Phase 3 project was 100% was complete.

After discussion, the Board was agreeable to allowing partial completion in predetermined blocks. Instead of a motion, Gary Forrester requested it be put in a directive to Manager Ariztia incorporated into the minutes, to allow construction to be put into predetermined blocks for issuance of substantial completion before completion of the entire project.

Financial Reports:

9. The Board discussed balance sheets, questions on invoices, P&L Budget Comparison, and Yellowstone County Trial Balance Summary.

10. Approval of Bills Due for Signature:

- VII. Brent Kober moved to pay the bills due for signature. Scot Bowen seconded the motion. Motion carried.

Other Business:

None.

Manager's Report:

11.	Pumping Record Water	June, 2024	29,836.354	June, 2025	32,355,120
	Wastewater Record	May, 2024	4,526,000	May, 2025	4,156,000
	Par MT Wastewater	May, 2024	50,374,000	May, 2025	72,886,000

Manager Ariztia reported one of the raw water pumps was plugged, one of the O Rings was broken and missing, and the impeller shaft was jammed. After securing new O Rings and repairing the shaft, the problem was solved by internal staff.

One of the water haulers caught the hose and pulled out the piping resulting in leakage. They are still working on various leaks they have found, and are investigating purchasing tools to facilitate repair of leaks. The AWWA says 10 to 15% unaccounted water is normal.

Adjournment:

VIII. Carlotta Hecker 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.

Carlotta Hecker

ATTEST

Scot Bowen

ATTEST