

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

September 10, 2025

Call to Order:

The regular monthly meeting of the Lockwood Water and Sewer Board of Directors was held on September 10, 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, Jill Cook and Stephanie Seymanski, Engineers, 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 were no public comments.

Approval of Minutes:

- 2. August 13, 2025**

The minutes of the August 13, 2025 Board meeting were presented for review and approval. Manager Ariztia rewrote paragraph 1 under "Other Business" to read as follows:

"Gary Forrester questioned whether the Lockwood Irrigation District was able to cede some of the water rights they own to the Lockwood Water & Sewer District. He asked if the City of Billings received additional water rights from the BBWA for the use of the BBWA canal and the large water reservoir they were constructing west of Billings. He inquired if there was a difference between how the BBWA and Lockwood Irrigation District manage their water rights."

Manager Ariztia responded it was his understanding that the City and the BBWA had an agreement to just transport water. The City of Billings has a large bank of water rights themselves. He does not believe that BBWA is giving or selling any water rights to the City of Billings. They are just using their facilities to transport water.

- I. Scot Bowen moved to approve the August 13, 2025 Board minutes with the corrections as noted above. Carlotta Hecker seconded the motion. Motion carried.

New Business:

3. Approval of Change Order No. 3 to the I-90 Water and Sewer Crossings East of Johnson Lane Project

COP Construction presented the final Reconciling Change Order No. 3 covering installed quantities and contract adjustments on the I-90 Water and Sewer Crossings East of the Johnson Lane Project. Change Order No. 3 represents a decrease in the contract price in the amount of \$147,403.42. See Attachment 1 for clarification.

- II. Scot Bowen moved to approve Reconciling Change Order No. 3 decreasing the contract price in the amount of \$147,403.42. Brent Kober seconded the motion. Motion carried.

4. Approval of Pay Application No. 6 to COP Construction, for the I-90 Water and Sewer Crossings East of Johnson Lane Project.

The final Pay Application from COP Construction covering the I-90 Water and Sewer Crossings East of Johnson Lane was submitted in the amount of \$288,847.29, less Montana 1% Gross Receipts Tax, \$2,888.47, resulting in the amount to be paid to COP in the amount of \$285,958.82.

- III. Brent Kober moved to approve COP Construction final Pay Application No. 6 in the amount of \$288,847.29, less Montana gross tax. Scot Bowen seconded the motion. Motion carried.

5. Discussion and approval of Amendment No. 2 to Task Order No. 25 of the Water Master Agreement with the Engineer, Morrison-Maierle, Inc., relating to I-90 Water Sewer Crossings East of Johnson Lane Project.

Amendment No. 2 to Task Order 25 represents modification to the services of Morrison-Maierle, Inc., with regard to the Water Master Agreement relating to the I-90 Water and Sewer Crossings East of Johnson Lane Project, and is to recover unscheduled employment of Morrison-Maierle, Inc., in the amount of \$26,000.00.

- IV. Gary Forrester moved to approve Amendment No. 2 to Task Order 25 for the unscheduled employment of Morrison-Maierle, Inc., in the amount of \$26,000.00. Carlotta Hecker seconded the motion. Motion carried.

6. Discussion and approval of Amendment No. 1 to Task Order No. 23 of the Water Master Agreement with the Engineer, Morrison-Maierle, Inc., relating to the Lockwood Subdivision Water Improvement Project.

Amendment No. 1 to Task Order 23 of the Water Master Agreement covers additional services to be performed by Engineer, Morrison-Maierle, Inc. These services are in addition to design. They include modifications of payment to Engineer, and modifications to Time for rendering services. All services are performed at an hourly rate. Estimated compensation for basic services is in the amount of \$241,590.00.

V. Scot Bowen moved to approve Amendment No. 1 to Task Order 23 with Engineer, Morrison-Maierle, Inc., relating to the Lockwood Subdivision Water Improvement Project estimated in the amount of \$241,590.00. Carlotta Hecker seconded the motion. Motion carried.

7. Approval of Amendment No. 3 to the Lockwood Phase 3 Sewer Subdistrict Project Agreement with Morrison-Maierle, Inc., for Construction Phase Services and Post-Construction Phase Services.

Amendment No. 3 to the Lockwood Phase 3 Sewer Subdistrict Project covers additional services to be performed by Engineer, Morrison-Maierle, Inc., modifications to services of Engineer; Modifications to payment of Engineer, and Modifications to times. Amendment No. 3 additional agreement amount, \$2,884,000.00.

VI. Scot Bowen moved to approve Amendment No. 3 in the amount of \$2,884,000.00 to be paid to the Engineer, Morrison-Maierle, Inc., Lockwood Phase 3 Sewer Subdistrict Project. Brent Kober seconded the motion. Motion carried.

Old Business:

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

The project is now closed. There was a remainder of funds left from the EDA Grant that the county applied for. There is no guarantee that the EDA will approve issuance of the funds, but the District will be looking into the possibility of applying for those funds to finance other projects the District wishes to complete.

Phase 3 Sewer Project Update

Askin Construction is now obtaining all the required documentation. The contract documents have been sent to the District's attorney for review. The preconstruction meeting is scheduled for September 30, 2025.

Jill Cook advised she will be gone part of next week to speak at the Pacific Northwest Clean Water Association Conference in Portland, Oregon. Lockwood Sewer was presented as a topic and it has generated interest in Lockwood's background and story.

Mid-Zone Tank Update

The bid opening was done August 28 for the Mid-Zone Reservoir project. There are items being evaluated before recommendation for award is given. It appears that the low bidder was Western Municipal Construction. There were three bidders, however, the project has not been awarded yet.

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. Scot Bowen moved to pay the bills due for signature. Carlotta Hecker seconded the motion. Motion carried.

Other Business: None.

Manager's Report:

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| 11. Pumping Record Water | August, 2024 | 53,677,646 | August, 2025 | 54,513,753 |
| Wastewater Record | July, 2024 | Not Available | July, 2025 | 5,982,500 |
| Par MT Wastewater | July, 2024 | Not Available | July, 2025 | 13,811,800 |

The City approved their wholesale rates, but they only approved one year for this current fiscal year. They are going to be continually evaluating their processes over the next year, and then make another recommendation based on another one-year rate study. The District will be working with the City on their ongoing evaluations.

Adjournment:

- VIII. Scot Bowen moved to adjourn. Gary Forrester seconded the motion. Motion carried.

There being no further business to come before the Board, the meeting was adjourned at

8:00 p.m



ATTEST



ATTEST