

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

July 8, 2026

Call to Order:

The regular monthly meeting of the Lockwood Water and Sewer Board of Directors was held on July 8, 2026. 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, Gary Forrester, and Brent Kober. Board members Carlotta Hecker and Scot Bowen were absent. LWSD Manager Mike Ariztia, Assistant Manager Tony Reed, Engineer Jill Cook of Morrison-Maierle, Inc., and Evelyn Pyburn of *Yellowstone County News* were also present.

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 10, 2026**

The minutes of the June 10, 2026 Board meeting were presented for approval. No corrections were noted.

- I. Brent Kober moved to approve the June 10, 2026 minutes as written. Gary Forrester seconded the motion. Motion carried.

New Business:

3. **Approval of Pay Application No. 8 to Askin Construction, for the Phase 3 Sewer Project.**

Askin Construction presented Pay Application No. 8 for work performed 5/30/26 through 6/26/26 on the Phase 3 Sewer Project, in the amount of \$860,259.53; less 1% State gross receipt tax withheld, \$8,602.60; amount due Askin Construction, \$851,656.93.

- II. Gary Forrester moved to approve Pay Application No. 8 from Askin Construction for the Phase 3 Sewer Project in the amount of \$860,259.53;

less 1% State gross receipt tax withheld, \$8,602.60; amount due Askin Construction \$5851,656.93. Brent Kober seconded the motion. Motion carried.

4. Approval of Pay Application No. 6 to Western Municipal Construction for the Mid-Zone Water Storage Tank Project.

Western Municipal Construction presented Pay Application No. 6 in the amount of \$347,938.98, for work performed from 6/1/26 through 6/30/26, on the Mid-Zone Water Storage Project; 1% State gross receipts tax withheld, \$3,439.39; amount due Western Municipal Construction \$344,459.59.

III. Gary Forrester moved to approve Western Municipal Construction's Pay Application No. 6 on the Mid-Zone Water Storage Project, in the amount of \$347,938.98; less 1% State gross receipts tax in the amount of \$3,439.39; amount due Western Municipal Construction \$344,459.59. Brent Kober seconded the motion. Motion carried.

5. Approval of Amendment 2 to Task Order 24 for the 2025 Water Master Plan/Preliminary Engineering Report.

Task Order 24 extends completion of the Water Master Plan Preliminary Engineering Plan to no later than December 31, 2026. All invoices must be submitted no later than December 15, 2026 so that LWSD can submit them to the funding agencies by December 31, 2026.

The schedule for completion is as follows:

- Preparation of PER, September – December 2026
- Development of Recommendations and Opinions of probable cost. September – October 2026
- Environmental. November 2026
- Review of Water Rights. November 2026
- Conduct Second Public Hearing. Early December 2026
- Submit Final PER. December 2026

Grants have been extended to the end of the year.

IV. Brent Kober moved to approve the Amendment to Task Order No. 24. Gary Forrester seconded the motion. Motion carried.

6. Ordinance No. 2026-1 covering the petition for inclusion into Water District #1 and Sewer Service District #1 from Billings Johnson Lane Misc Re LLC, Legal Description S19, T01 N, R27E, C.O.S. 2928, PARCEL 1, (07).

Pursuant to Petition dated on September 15, 2025 for inclusion into Water District No. 1 and Sewer Service District No. 1 from Billings Johnson Lane Misc Re LLC, covering property described as S19, T01 N, R27E, C.O.S. 2928, Parcel 1, (07), was

approved by the Board of Directors contingent upon the approval of the City of Billings,

Ordinance No. 2026-1 was issued on July 8, 2026 as follows:

CERTIFICATE AS TO ORDINANCE AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the Lockwood Area/Yellowstone County Water and Sewer District, Montana (the "District"), hereby certify that the attached ordinance is a true copy of an Ordinance entitled: "AN ORDINANCE OF THE LOCKWOOD AREA/YELLOWSTONE COUNTY WATER AND SEWER DISTRICT, MONTANA, GRANTING THE PETITION OF, BILLINGS JOHNSON LANE MISC. RE LLC, (September 15, 2025) TO INCLUDE LANDS IN WATER DISTRICT #1 AND SEWER SERVICE DISTRICT #1 (the Ordinance), on file in the original records of the District in my legal custody; that the Ordinance was duly adopted by the Board of Directors of the District at a regular meeting on July 8, 2026, and that the meeting was duly held by the Board of Directors and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Ordinance has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Ordinance at said meeting, the following Directors voted in favor thereof: Carl Peters, Brent Kober, Gary Forrester; voted against the same: None; abstained from voting thereon: None; or were absent: Carlotta Hecker, Scot Bowen.

WITNESS my hand and seal officially this 8th day of July, 2026.

Secretary/Treasurer LWSD

(Notary clause)

- V. Brent Kober moved to approve Ordinance 2026-1, pursuant to the Petition of Billings Johnson Lane Misc Re LLC to include lands in Water District #1 and Sewer Service District #1. Gary Forrester seconded the motion. Motion carried.

Old Business;

7. Phase 3 Sewer Project Update

Jill Cook reported that Askin has five working crews consisting of one water crew and four sewer crews. They are working in Lockwood Subdivision and Macintosh Subdivision. The water and sewer work in Lockwood Subdivision is expected to be complete by the end of August.

Starting today Old Hardin Road will be closed to through traffic in the area between Noblewood and Palamino for approximately three weeks. Northwestern Energy

has expressed its concern for the trench sides collapsing and impacting their power poles in that area necessitating closure. Paving is expected to begin in early August in the area where Askin has completed its work. Gary Forrester inquired as to whether the public has been notified about the closure. Manager Ariztia reported that the current construction area is on the district website and accessible to the residents.

8. Mid-Zone Tank Update:

The last thicker coat is being applied to the tank and wrapped with piano string material. Friday they are going to apply the smoother, shiny final coat of concrete. The tank will then be wrapped in a saran or cellophane material to retain the moisture and let the concrete cure. Finish work will then be completed inside the tank. It now looks like a full tank. What's left is just the finish work by Western Municipal.

- 9. Financial Reports:** The monthly balance sheets were discussed by the Board along with any questions they had on invoices, P&L Budget Comparisons, and the Yellowstone County Trial Balance Summary.

10. Approval of Bills due for Signature

- VI. Brent Kober moved to pay the bills due for signature. Gary Forrester seconded the motion. Motion carried.

Other Business: None.

Manager's Report:

11. Pumping Record

Water	June, 2025	42,667,365	June, 2026	39,344,088
Wastewater	May, 2025	3,395,000	May, 2026	4,768,800
Par MT Wastewater	May, 2025	76,592,000	May, 2026	71,475,800

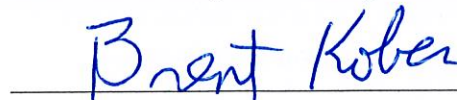
Adjournment:

- VII. Brent Kober 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

8:10 p.m.


ATTEST


ATTEST