**CENTRAL MT REGIONAL WATER AUTHORITY**
**Harlowton, MT 59036**
**May 10, 2023**
**MINUTES**

**WELCOME AND INTRODUCTIONS:** Chairman Jim Kalitowski called the meeting to order and asked all in attendance to introduce themselves.

**IN ATTENDANCE:** Jim Kalitowski, Harlowton; Dave Liggett, Roundup; Lon Sibley, Roundup; Connie Roussan, Melstone (By Proxy): Paul Otten, Harlowton: Dave Picchioni, Roundup by Zoom: Bob Church, Great West Engineering; Laura Lacocco, Ryegate; Patti Bruner, Ryegate; Dennis Lehfeldt, Ryegate; Eli Wipf, Sunset Colony; Greg Kuzich, BOR; Cody Hendrix, BOR; David Trimpr, BOR; Susan Hayes, Great West Engineering; Amy Deitchler, Great West Engineering; Marie Nopper, Deadman's Basin; Scott Keller, Deadman's Basin; Rick Duncan, MT DNRC, On-line; By Zoom=Shawna Swantz, ARPA; Anna Miller, MT DNRC; Shelby Atchison, Rural Development' Ryan Urbanec, Rural Develoment; Monty Sealey, Project & Mgmt Services; Jeff Sell, Harlowton; Josh Jabalera, MAP.

**TREASURER'S REPORT AND CURRENT BILLS:** Sec./Treasurer David Liggett presented the Treasurer's Report and the current bills. Liggett reported a starting bank balance at First Security bank of $31,611.80 with deposits of $12,066.80 for a sub-total of $43,678.60. Payments totaled ($177,797.55) leaving a reported ending balance of ($134,119.25). Liggett also reported a starting balance in Stockman Bank of ($163,622.11) with deposits of $163,623.38 leaving an ending balance of $1.27. Bills presented for payment totaled $411,720.36 leaving an ending balance of ($411,719.09).

Bills presented for payment included: Joel Schwers Easement for $6,760.00; Daniel DeBuff Easement for $9,990.00; Raymond Soulsby Easement for $9,660.00; Jakob Lea Easement for $19,020.00; Joan Schwers Easement for $16,530.00; Anvil Land MT LLC Easement for $3,510.00; Fauth Ranch Easement for $4,840.00; Kaufman Bros Trust Easement for $2,460.00; MT Dept of Revenue 1% COP 8 for $3,747.05; COP Construction Pay Est. #8 for $370,958.32; Urick Law Firm Statement for %2,000.00; Project & Mgmt Services Inv. #RW023004 for $9,195.11; Judith Basin Sheriff's Off. sign Statement for $75.45; The MT Group Inv. # 4642 for $4,000.00; MidRrivers Comm. Acct. #8740500 for $20.75; Big Horn Public Affairs Inv. #1450 for $5,000.00; Sweet Grass Title Statement for $400.00; Roundup Record Trib. Inv. #4642 for $143.00; Great West Engineering Inv. # 29030 for $37,014.99; Fergus Electric Coop Acct. 398258 for $155.09; Northwestern Energy Acct. #395545-8 for $429.09; Black Mtn. Software Inv. #29112 for $1,545.00; Yellowstone News Group Statement for $283.00; DNRC Sage Grouse Steward Program Fee for $24,279.48; Great West Engineering Inv. #29027 for $639.47; Great West Engineering Inv. #29028 for $4,447.72; Great West Engineering Inv. #29029 for $808.00; Great West Engineering Inv. # 29032 for $40,301.50; Great West Engineering Inv.#29033 for $9,926.19; Sweet Grass Title Statement for $1,350.00, for total bills of $589,518.21. Dave Liggett moved to approve the Treasurer's Report and pay all the bills subject to receipt of reimbursement funds; seconded by Lon Sibley, motion carried.

**MINUTES FROM APRIL 12, 2023:** Rick Duncan asked that the language describing evaluation of applicants for the O&M Job be modified. With that correction Jeff Sell moved to approve the Minutes from April 12; seconded by Lon Sibley; motion carried.

**WATER USER ACCOUNT:** Monty Sealey asked that the Board approve the transfer of $20,000 from the First Security Bank Water Account Letter of Credit to the Water User Account. Lon Sibley moved to transfer the $20,000; seconded by Dave Liggett; motion carried.

**PURCHASE OF CHLORINE:** Amy Deichtler presented an agreement for purchasing chlorine for the Disinfection Building. This was needed to insure a supply for the new system. The agreement was signed by the Chairman. Pattie Bruner asked for clarification about the amounts to be injected versus what Ryegate currently uses. Bob Church explained the target residual for our system is about 10% of Ryegate's.

**VENDOR INVOICES:** Monty Sealey asked the Board to re-authorize him to sign Vendor Invoices on behalf of the Board when reimbursements are sent in to funding agencies including ARPA. Jeff Sell moved to authorize; seconded by Lon Sibley; motion carried.

**O & M SEARCH:** Jeff Sell reported working with Lon Sibley related to employee search for the O&M position. They recommended selection of Chris Pike from the Portland area. He is licensed and has substantial experience working with relatively large water systems. He is willing to drive out here the weekend of May 19-21 if someone will meet him and show him around. CMRWA will reimburse his expenses for the trip to MT. Paul Otten will be available if needed. One concern from applicants is that it may begin only part time the first year. Discussion continued about perhaps some Construction Inspection or something from Monty's Scope of Work so we can hire him full time.

Lon Sibley moved to offer the job to Chris, pending Board Approval. He included that we should pay his expense to come out here to look the job over. If that does not work out we can go to the second choice; seconded by Jeff Sell; motion carried. Further discussion led to the individuals to meet here with Chris are Lon and Monty with Paul available if needed.

**INSURANCE:** Chris Hindoien from Rocky Mountain Insurance Services at Choteau came into the meeting to explain the Insurance proposal from Gladfelter and answer any questions from the Board. Chris explained that he has many public entities insured through his agency. This proposal includes Property, Crime, Inland Marine, Auto, General Liability, Public Officials, Excess Liability; all for an annual premium of $12,487. He will notify our list of "additional insureds". The policy has a $5,000.00 deductible. Monty Sealey noted the Mr Hindoien was recommended by Key Insurance. Jeff Sell moved to accept the proposal with quarterly payments; seconded by Lon Sibley; motion carried. Chris will also arrange for Worker's Comp coverage and will put a plan together.

**ROAD IMPROVEMENT AGREEMENT:** Bob Church explained that an agreement had been reached with Judith Basin County to complete road improvements to the 2+ mile stretch of road leading to Mauws' property. Lon Sibley moved to accept the proposal and move forward with the agreement; seconded by Jeff Sell; motion carried. It was noted we are also working on ROW encroachment permits from Golden Valley County.

**PHASE I STATUS:** Amy gave an overview of the activities continuing in Phase I. She stated the well #3 pump and controls were supposed to be here yesterday. They were not here yet this AM. They will be working on connections to the tank during the next five days. They hope to begin testing by April 23. C&C is ready to come into Harlowton and begin digging for pipe to the Harlo tank. They think it will take up to two weeks to complete the digging and tie in. MT Civil Contractors is working on well #2 so it can be included in the testing. Greg Kruzich mentioned that there may be need to celebrate Harlowton coming on-line with the Deputy Director and others.

**PHASE II STATUS:** We now have a contract with C & C Construction for Phase IIA. They have everything except insurance. The Pre-construction meeting is scheduled for Wednesday afternoon. We are ready to offer the Notice to Proceed. Lon Sibley moved to approve the Notice to Proceed and accept the contract; Jeff Sell seconded the motion; motion carried.

The Phase IIB Pre-bid conference and Pre-Construction meeting are scheduled for May 17 in Harlowton. It was noted that they found no eagles in Phase IIB.

The BLM permit for Phase IIC has been delayed. We still need an Encroachment Permit from Musselshell County. We also are looking for our national wetlands permit for boring. It is believed IIC will be advertised for bids by mid-June. It was suggested we not pay the Sage Grouse fees until everything is completed.

**PHASE IV STATUS:** Next week we will have a presence to re-do part of the cultural survey with some minor changes. We also need to re-look at wetlands in those areas. When the re-route is identified we will begin trying to secure easements for the pipeline. We will begin the route to Melstone by going around the southern end of Roundup Mesa, then up Alec Roy Road.

Bob church is working on an update of the 4-year plan so we can get under contract with future funding for Phase IV, III, and IIIA. Phase IV is at least 52 miles long; includes to the Sunset Colony.

**EMERGING CONTAMINENTS:** Bob Church explained that the City of Roundup had applied for 100 % loan forgiveness; through the Priority List Survey; first step in the process. Next will come a Uniform Application. This could offset loan funds in the same amount if applied to the next well for Roundup.

DEQ had asked about Ryegate. It was noted there may be a couple options. Susan Hayes stated the estimate for cost of pipeline from Deadman's to Ryegate is $2.5 million. If they agreed and

were successful it could move them up to Phase IIIA. (Anna Miller noted that since the loan may be forgiven through Roundup the funds could be considered local.)

A long discussion was held to explain how it could work if Ryegate agrees. We do have some time to move this forward.

**BUREAU OF RECLAMATION:** Greg Kruzich noted that this project had only received BIL funding in the amount of $37.5 million for FY22. They are working on FY 23 BIL in the amount of $28.5 million. The ceiling at this time is $79 million. This will depend upon the State and Local share over the next 2 years. He mentioned a placeholder for 25 in the President's Budget. He hopes we can find it all through BIL. There is $5.5 million request in for 24. We may need to pound on some doors to keep things on track. In the meantime we will be looking at regional indexes and match funds.

Monty Sealey asked about whether we still need the full services from Jennifer in Washington. Jeff Sell and Dave suggested we see if we can lower the price because activities seem to be less. Sealey will call Jennifer and discuss that option.

**MT DNRC:** Rick Duncan stated we need to submit invoices for the $18,400 grant for easements. Monty Sealey will forward the reimbursement request soon.

Rick noted we are approaching the end of the biennium. At this time they will be sorting out the next biennium and needs, etc. We need to submit a Work Plan for the next biennium. There may be an extra $25-30,000 available per year.

Rick also noted the $1,648,000 grant is being circulated for signatures and should be available to us prior to July 1. There should be $2.8 million more available for the 2025 biennium. It was also noted we need to check addition of Phase IV Construction Sheets.

**OTHER BUSINESS:** Shawna Swantz noted she was okay with the new authorization for Monty Sealey to sign vendor invoices for the ARPA Grant.

Paul Otten stated that the City of Harlowton would like to use the well near the old Graves Hotel to irrigate the park. Susan said that was okay as-long-as it is documented that the irrigation system and well were disconnected from the new system. Photo's could be used for documentation.

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Monty L. Sealey, Project Administrator Date