CENTRAL MT REGIONAL WATER AUTHORITY
Harlowton, MT 59036
August 9, 2023
MINUTES

WELCOME AND INTRODUCTIONS: Chairman Kalitowski called the meeting to order and asked that those in attendance introduce themselves.

IN ATTENDANCE: Jim Kalitowski, Chairman; Dave Liggett, Sec./Treasurer, Lon Sibley, Roundup-Proxy for Dave Picchioni, Roundup and Connie Roussan, Melstone; Monty Sealey, Project & Mgmt Services; Susan Hayes, Great West Engineering; Paul Otten, Harlowton; Jeff Sell, Harlowton; Sam Klepzig, O&M Manager; Tanya Lanter, Billing Contractor; Amy Deitchler, Great West Engineering; Dennis Lehfeldt, Ryegate; Allen Davis, Ryegate; Laura Larocca, Ryegate; Gerald Wood, C&C Excavation; ** Shelby Welch, RD; Shawna Swantz, ARPA; Steve Troendle-RD; Greg Kruzich, BOR;-by ZOOM; Rick Duncan, DNRC by Phone.

APPROVAL OF MINUTES FROM JULY 12, 2023: Jeff Sell moved to accept the Minutes from July 12, 2023 as sent out; seconded by Dave Liggett; motion carried.

TREASURER'S REPORT & CURRENT BILLS: Treasurer Liggett reported a beginning bank balance at First Security bank of ($58,003.26), with deposits totaling $12,538.48; for a sub-total of ($45,464.78). He presented invoices totaling $1,397,408.21 leaving an ending balance of ($1,442,872,99). Liggett also reported a beginning bank balance at Stockman Bank of ($1,053,372.94). Reported deposits totaled $1,429,000.08 for a sub-total of $375,627.14. Invoices presented totaled $4,657,721.26 leaving and ending balance of ($4,282,094.12). The invoice total includes $408,102 written after the last meeting and not on this list (Agenda).

Current bills submitted for payment included: C&C Excavation Pay Est #2 for $1,242,137.81; C&C Excavation Pay Est #2 for $578,972,97; MT Dept. of Revenue 1% Tax #2 for $18,395.06; C&C Excavation Pay Est #3 for $2,959,193.80; MT Dept of revenue 1% Tax #3 for $29,591.94; Great West Engineering Inv. #29907 for $838.50 Great West Engineering Inv. #29909 for $80,811.01; Great West Engineering Inv. # 29910 for $2,852.41; Great West Engineering Inv. #29911 for $30,243.14; Project & Mgmt Services Inv #RW023007 for $9,047.89; Great West Engineering Inv. #29927 for $9,305.09; Great West Engineering Inv. #29908 for $71,637.74; Urick Law Firm July Statement for $300.00; Big Horn Public Affairs Inv. 1465 for $2,500.00; COP Construction Pay Est #11-Ph I for $55,523.50; MT Dept of Revenue 1% Tax #11 for $560.84; MT Civil contractors Pay Est #5-PH I for $88,924.28; MT Dept of Revenue 1% Tax #5 for &898.23; C&C Excavation Pay Est # 13 PH I for $460,619.88; MT Dept of Revenue 1% Tax #13 for $4,652.73, for a total of $5,647,186.82.
Dave Liggett moved to accept the report and pay the bills subject to receipt of reimbursements; seconded by Lon Sibley; motion carried.

Tanya Lanter gave a report about expenditures for O&M that were paid from the First Security Bank Line of Credit Account. Moved by Dave Liggett to accept the report; seconded by Jeff Sell; motion carried.

CROSSING AGREEMENT: The Crossing Agreement with Express Pipeline was presented. Lon Sibley moved that we accept it and sign; seconded by Dave Liggett; motion carried. Chairman Kalitwoski signed the agreement.

CONTINGENCY ITEMS: Sealey read through the list of what was asked for in the Contingency request for Phase I. Susan Hayes explained the purpose of the items. There were two sections of items as looked at by RD. Part of them were on private property; part for which a change order has been approved. Some of the items can be ordered but we need to complete expense charges reconciliation, etc., before all can be ordered or approved. Steve Troendle noted it could be cash flowed through our line of credit or we can work with Rick for some of the items. Jeff moved; seconded by Lon to move forward with the purchase of the ATV from Lewistown Honda; motion carried.

O & M REPORT: Sam Klepzig reported that everything is moving forward for water turn on to Harlowton. He has been monitoring the activities and is being trained for the control system. He also turned in receipts for tools, etc., for operations that were listed with RD. Any balance will likely have to go to operations costs.

ARPA: Shawna Swantz noted we are winding down funds and Vendor Invoices for ARPA funds on Phase I She stated it appears there is $23,000+ left along with $20,000 for office and legal.

RURAL DEVELOPMENT-RD: Shelby noted the potential need for an amendment request from the CMRWA Chairman to adjust balances, including Contingency balances. Bob Church mentioned we still have to finalize Change Orders to attain the remaining balances.

PHASE I STATUS: Amy Deitchler reported that we are getting close to turning on water to Harlowton; perhaps two weeks. Wells have tested good; chlorine system tested good; Bac T's are okay; by tomorrow should be at PRV's with disinfection. Water test for Pump 2 being checked. Work on the 21st was described. We a nearly at the punch list for completion. Sam Klepzig noted the installs at the PRV to help mitigate water hammer when flushing begins.

PHASE II-A, B, C: It was reported that pipe is being laid in II-A. The first PRV has been poured. The Pre-Construction meeting for II B was earlier today. COP Construction hopes to start digging about September 5. It is possible they will have a winter shut down January-March, 2024.

Info for II C has been submitted to DEQ waiting for comments back next week. It is planned for bids to be opened on September 14, with a Notice To Proceed by mid-October. It is still anticipated there will be water to Roundup approximately November, 2024. It was noted we still need the Musselshell County Road permit.

PHASES III, IIIA, IV STATUS: The field work will continue for Phases III and IIIA depending upon BIL 23 funding agreement with BOR. Design work etc., for Phase IV is also dependent on BIL 23. Adjustments due to cultural resource findings along the route is fairly well identified for Phase IV.

BUREAU OF RECLAMATION-BOR: Greg Kruzich reported the fund numbers for BIL 23 have been completed, but the agreement is still several days away from being ready to sign. We are still waiting word about if Emerging Contaminants funding could be considered local. It does not look promising.

WELL'S 4 & 5: These well designs are ready for DEQ; will wait for comments. Work to ready them for bidding is proceeding. If the Emerging Contaminants funding cannot be used as local match we will have to go to the BIL funding; also will discuss options with DNRC. It will be at least a couple weeks to find out.

PUBLIC OUTREACH: Monty Sealey reported he had been contacted by Jennifer Johnson to arrange a meeting with a Congressional Staffer from Senator Tester's office (Tom Culver). He noted he will inform the Board of the date and location after it is arranged. The staffer would like at least a partial tour of the project.

Sealey also noted that anyone who has an idea of who we should invite to a "ribbon cutting" for the project after Harlowton is hooked up should let him know. He mentioned that the list of invitees may be quite large because of all who have been a part of the project development. Sealey thought the event would be up to a month after the actual hook-up.

DNRC-RICK DUNCAN: Rick reported he is waiting for updates; is waiting for Fiscal Bureau approval, including forms. DNRC prefers that all funding spent will be considered match to BOR funds.

Sealey asked when customers could expect to get paid for outstanding bills from requested funding; 1st of September or October. It was moved by Jeff Sell; seconded by Lon Sibley to pay extra bills when possible using Line of Credit funding until reimbursement

OTHER BUSINESS: The Chairman recognized Gerald Wood representing C & C Excavation. Mr. Wood was unhappy with the speed at which their Pay Estimates were being paid. He did not agree that the signed agreement between CMRWA and C & C Excavation set the reimbursement time up to 45 days from approval. Monty Sealey stated that there had been a couple mistakes with moving C&C submissions, but none of the payments to date had been past the 45 days. Sealey tried to assure Mr. Wood that we will continue to process pay requests as soon as possible, noting that some of the payments come from more than one source each month.

Monty L. Sealey, Project Administrator August 9, 2023