CENTRAL MT REGIONAL WATER AUTHORITY
Harlowton, MT 59036
August 14, 2024
MINUTES

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

IN ATTENDANCE: Jim Kalitowski, Chairman; Dave Liggett, Roundup; Paul Otten, Harlowton; Dave Picchioni, Roundup-By Proxy; Connie Roussan, Melstone-By Proxy; Bob Church, Great West Engineering; Monty Sealey, Project & Mgmt Services; Scott Keller, Shawmut/Deadman's Basin District' Marie Nopper, Shawmut/Deadman's; Daniel Wiggs, BOR; Greg Kruzich, BOR; Tim Harsh, Middle Muselshell Water Dist.; Warren Hansen, Middle Musselshell Water Dist; Dave Shreene, Middle Musselshell District; Dave Ponte, Middle Musselshell District; Jesse Novak, Great West Engineering Sam Klepzig, O&M Manager; The following were thought to be on-line, however, a technical glitch kept them from participating in the meeting for at least the first half: Shelby Welch, RD; Rick Duncan, MT DNRC; Nina Denny, MT DNRC; Debbie Willumson, Roundup; Ed Grime, Roundup; Michael Pratt, Roundup; Sandie Konieg, MT DEQ; Those left on-line for the last few minutes of the meeting were finally able to hear and participate.

APPROVAL OF JULY 10, 2024, MINUTES: Allen Davis moved to approve of the Minutes from July 10, 2024, as sent out; seconded by Dave Liggett; motion carried.

TREASURER'S REPORT AND CURRENT BILLS: Treasurer Liggett reported a beginning bank balance at 1st Security Bank of ($946,963) with deposits totaling $1,096,063 and Invoices totaling $249,052; leaving and ending balance of $99,952. Liggett reported a beginning bank balance at Stockman Bank of ($2,279,395) with deposits of $2,511,682. Invoices totaled $2,939,578 leaving and ending balance of ($2,707,291).

Bills presented for payment included: Dorsey & Whitney Inv. #3997846 for $20,000.00; Project & Mgmt Services Inv. # RW024007 for $1,875.00; Project & Mgmt Services Inv. # RW24007 for $7,215.77; Innova LLC Inv. 1057 for $347.97; Bighorn Public Affairs Inv. # 1535 for $2,500.00; Flying S Title Statement for $700.00; Mid Rivers Telephone Acct. 8740500 for $64,97; Great West Eng. Inv. 33072 for $7,208.10; Great West Eng Inv. 33071 for $138,326.38; Great West Eng Inv.. 33067 for $2,450.73; Great West Eng Inv. 33073 for $13,525.45' Great West Eng Inv. 33074 for $2,267.75; Great West Eng. Inv. 33070 for $74,045.17; COP Construction Pay App #9 $241,821.71; MT Dept of Rev 1% Tax 9 for $2,442.64; COP Construction Pay App # 12 for $428,687.31; MT Dept of Rev 1% Tax 12 for $4,330.20; C&C Excavation Pay App #15 for $1,394,217.94; MT Dept of Rev 1% Tax 15 for $14,083.01; Hydro Resources Pay App #7 for $824,193,07; MT Dept of Rev 1% Tax 7 for $8,325.35, for a total of $3,188,630.35.

Dave Liggett moved to accept the Treasurer's Report and pay the bills as presented subject to receipt of the reimbursements; seconded by Allen Davis; motion carried.

Monty Sealey read that report summary for the O&M Account from Tanya Lanter. The report showed a Bond Payment #6 for $10,597.00 and an ending bank balance of $25,955.88. The reported loan balance at 1st Security Bank ($100,000 loan) is $76,878.63.

BIDS FOR PHASE IV TO MELSTONE: The bid tabs for PH IV were reviewed with three bidders: COP Construction, C&C Excavation and Western Municipal. C&C was the low bidder at $12,983,560.00. After review by Great West Engineering they recommended awarding the contract to C&C Excavation. The contract can be awarded after sign off by DEQ; subject to the Title Opinion from our attorney. Allen Davis moved to award the contract to C&C Excavation; seconded by Dave Liggett; motion carried.

TASK ORDER 46-PH III: Task Order 46 was presented related to design, route and bidding for the pipeline from Emory Road to Broadview in the amount of up to $525,000. Dave Liggett moved to accept and sign the Task Order; seconded by Allen Davis; motion carried.

ROUNDUP WATER RATES: It was reported that the water rate hearing for City of Roundup is scheduled for September 3, 2024. Notices have been sent to the citizens.

COMMERCIAL USE OF CMRWA WATER: A discussion was held related to the installation and use of fill stations for "commercial type" uses. It was suggested by Bob Church and Monty Sealey that the rules for such use be clarified. Some of the related concerns may include regulation of water quantity used; price of the water, system maintenance; responsible party, etc. Dave Liggett moved to have the regulation reflect clarification of the issue; seconded by Allen Davis; motion carried. The revised language will be brought back to the Board for review and approval.

PARITY LIEN-BY RURAL DEVELOPMENT: A Parity Lien form from RD was put before the CMRWA Board. RD requires it to be signed. Monty Sealey was in contact with Bond Counsel who okayed the document. Dave Liggett moved to sign the Parity Agreement; seconded by Allen Davis; motion carried.

ADMINISTRATIVE GRANT 082-REPORT & AMENDED BUDGET: Monty Sealey summarized the use of Administrative funds from DNRC Grant 082. The expenditures for the period through June 30, 2024 was low. A substantial balance was left in the Administrative Line-item because most of the Administrative expenses could be charged directly to individual grants. A balance of $144,393 was left after the first year. Sealey reported the expenditures and revised budget with a narrative report to MT DNRC. He is requesting the following expenditures in Year 2 from the balance:

Pickup Truck for 2nd employee:	$60,000
Wed Spraying-all ROW's:	30,000
Special tools and Trackers:	16,800
General Tools -ne truck:	7.700

Start=up Wages: !0,000

Total extra request is $124,5000.

O & M REPORT-SAM KLEPZIG: Sam Klepzig talked about the need to update the battery pack for our back-up because the existing are not sufficient to keep things running beyond time for a shutdown. Townsend Controls quoted $5,700 to replace the existing batteries. Bob church said we could take it from PH II Contingency funds. Dave Liggett moved to allow the purchase; seconded by Allen Davis; motion carried. Paul Otten noted we should check any other places that might need back-up @ NW Energies to keep the water flowing.

Sam also reported that we had 17 applicants for the Assistance Maintenance Man, so far. The deadline for application is August 23. He will sort them out and send the Committee the info.

Sam noted a thermal switch had been recalled. That may cause Pump #3 to be shut down for a while. Also, the Altitude Valve at Harlowton is on all the time. We need to get a summer program; the old one works in the winter because less water is used.

WELLS 4 & 5-STATUS: Bob Church reported that Well #4 was completed down to deeper point (3,000'). They were air lifting the liquids after the frac job; it appeared that the TDS had dropped by about ½.

They will finish pump testing Well #5 tomorrow; then go back to Well #4 for another shorter pump test. We should have all the results at the next meeting.

PHASE I-STATUS: Phase I is complete; reporting has been provided to RD. The Warranty Inspection should be done in the near future.

PHASE IIA, IIB, IIC-STATUS: The water storage tank near Rothiemay in PH II A is up; they are beginning the shotcrete over the next week. Then will have to complete the backfill; also plumbing. There are a few services yet to be put in; hope to complete all by the end of October.

In PH II B they have been pressure testing the pipeline; so far has passed. The electrical and Scada work are nearly done. Bac T's should be back shortly. They hope to be able to complete II B by the end of October. Change Order #3 was brought to the Board, which deals with putting in the road to the PRV; and adding additional culverts. Allen Davis moved to sign Change Order #3; seconded by Paul Otten; motion carried.

EPA is sending one of their people out to PH II C to check the use of American Steel products. Most of the main-line pipeline is installed. There are still some water services to install. There are still Control Vaults and PRV's to be installed (not yet received). Pipestone

should be here by the end of November? The hook-up to the Roundup water tank is yet to be completed..

PHASE III TO BROADVIEW-STATUS: We have nearly finished the pipeline route to Broadview and how it will go through Lavina from north to south. Most easements are being put together. It is thought there will be 15 connections in Lavina. We are keeping the mainline on the west side of town with a 4" stub-line along the east side of town. The Lavina School approved their hook-up.

The Town of Broadview is positive toward the whole project. They are now working on their water use contract with CMRWA. We hope to have the design completed by next spring.

SHAWMUT/DEADMAN'S BASIN: Bob Church reported we will soon start land acquisition of the route. We are still in need to State Funding for this project. It will be at least July of 2025 before that will be possible. The federal portion to complete land acquisition and design should be available within the next year. Discussion continues for an application for Emerging Contaminants funding ; also for Ryegate.

PHASE IV TO MELSTONE-STATUS: Earlier in the meeting award of the construction contract was approved. We are near getting our Site Tile Opinion from our legal counsel. Then DEQ will approve our Notice To Proceed. Work on PH IV will likely begin in early September.

PHASE V-TO HOBSON-STATUS: We will likely get more funding through the last year of the federal BIL funds. The pipeline to Hobson will be a relatively small diameter pipe; so we will go back and look at potential costs. This will also take some state funding. We may need to hire a lobbyist to help with our requests to the next Legislature.

MIDDLE MUSELSHELL WATER DISTRICT: During the last 2 weeks the district posted a notice for interested parties to create a relationship with the District. It is hoped that a bit of stability can be stepped up. It seems to be gaining interest from some who had opted out.

OTHER AGENCIES: Since it became apparent that we had not properly allowed admittance to the Team Meeting version, most agency reps had left the meeting. Greg Kruzich from BOR (In-attendance) had no additional comments.

Allen Davis moved to adjourn the meeting; seconded by Dave Liggett; motion carried.

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Monty L. Sealey, Project & Mgmt Services Date