CENTRAL MT REGIONAL WATER AUTHORITY
Harlowton, MT 59036
April 9, 2025
MEETING MINUTES

WELCOME AND INTRODUCTIONS

- CMRWA: Sam Klepzig, Monty Sealey
- Great West Engineering: Amy Deitchler, Susan Hayes, Cheri Anderson, Kasia Little, Bob Church
- Shawmut-Deadman's Basin Water District: Scott Keller
- Funding Agencies: Rick Duncan, Greg Kruzich, Sandie Koenig, Shelby Welch
- MMCWD: Warren Hansen
- Sunset Colony:
- Harlowton Board Members: Jim Kalitowski, Paul Otten
- Ryegate Board Member: Allen Davis
- Roundup Board Members: Dave Picchioni, Lon Sibley, Dave Liggett
- Stahly: Matt Smith
- Innova:

APPROVAL OF MINUTES FROM March 12, 2025.

- Motion to approve (Allen) the March minutes, Lon seconded and passed

TREASURER'S REPORT AND CURRENT BILLS

- Motion to pay the bills by Dave L, seconded by Dave P and motion passed

Invoices					
Vendor	**Invoice**	**Category**	**Amount**	**Bank**	**Funding Source**
Great West Eng.	35690	Phase III – Aquatic Resource Inventory	$699.75	Stock	BOR
Great West Eng.	35691	Data Acquisition & Database Updating	$3,627.00	1st Sec	General Admin
Great West Eng.	35692	Phase II – Construction Management	$57,159.18	1st Sec	RW-23-076A/SRF
Great West Eng.	35693	Phase IV – Phase 4 & Well 5 Connecting Infra.	$36,654.33	Stock	BOR
Great West Eng.	35694	Phase III – Design Tasks	$90,622.48	Stock	BOR
COP Construction	Pay App 16	Phase IIC – Construction	$9,885.60	1st Sec	SRF
MT Gross Receipts	1% Tax 16	Phase IIC – Construction	$99.85	1st Sec	SRF
C&C Excavation	Pay App 6	Phase IV – Construction	$478,675.47	Stock	BOR
MT Gross Receipts	1% Tax 6	Phase IV – Construction	$4,835.11	Stock	BOR
Northwest Pipe Fittings	7256052	Clay Valve Seat Driver	$2,978.26	1ST Sec	General Admin
Times Clarion	Legal Ad	Phase IV - Ad for Bid-Well Connections	$600.00	Stock	BOR
Mid Rivers Comm.	March Bill	Water Monitoring	$30.15	1st Sec	General Admin
Innova	1248	Accounting	$281.50	Stock	BOR
MT Group LTD	1739	Montana Legislative Assistance	$4,000.00	1st Sec	O&M Account
Project & Mgmt Serv	RW025003	Project Administration	$5,998.00	Stock	BOR
Project & Mgmt Serv	RW025003A	General Administration	$1,772.67	1st Sec	General Admin
Heart S Cattle Co	Easement	Phase IV – Revised Payment-Less Hook-up	$490.00	Stock	BOR
		Total Invoices	$698,409.35		

O & M REPORT

- Monty
  - Fergus Electric was not happy their bill had not been paid. Made a deposit to make the account current to satisfy Fergus.
  - Hoping to have some Roundup earnings next month to get current on this account
- Sam
  - We have battery backups for phase one, Phase 2A and 2B installed that got finished today. We've got everyone over on 2B and 2C trying to get Roundup going. I'm sure that'll be discussed coming up. Report

more in depth on that. That's what I've been working on all this week. Zak will be out tomorrow until mid next week.

DORSEY ENGAGEMENT LETTER

- Dorsey and Whitney has proposed a budget between $30,000 and $40,000 to do the bond counsel work for phase 4. The letter is addressed to Anna Miller and CMRWA. The Phase 4 loan is estimated at 3 million. The letter states that we agree to pay that money.
- Motion to sign this letter by Dave P, seconded by Paul, motion passed.

LEGISLATIVE SERVICES UPDATE

- Bighorn Public Affairs
  - Funding for Phase 3 and 5 has been awarded to CMRWA and BOR is working on contracting it. Once contracted, 100% of the federal share will be available for this project. Funds will be available assuming it does not get frozen again. Monty doesn't want Daines or Troy to request anything more at this time.
  - Might consider eliminating the $2500/month for this service in the next couple months.
- State Legislature
  - Chuck Denowh indicated that the $10M was there for the regional water in HB 11
  - Didn't push for Hobson (Phase 5) funding at this time because of the schedule for the project in Hobson

PHASE II-TO ROUNDUP-STATUS

- Schedule Update
  - COP was not online.
  - Water to Roundup hopefully this afternoon.
  - Tomorrow want to run the system continuously to Roundup. Lon will lower the Roundup Tank level when asked (can only lower to 16'), do high flow and low flows.
  - Bob wants to make sure things are working well before having Lon flush lines. Tank flushing should take place next week.
  - Monty: When should Substantial Completion be given. When we feel like we've taken the system through enough of its paces and we're running a large amount of water through it, but everything's working. Bob is thinking this will be about a month.
  - Bob feels COP is committed to the project despite some turmoil along the way.
  - Notices to be sent out once water is flowing in the tank. New water bills go out next month so users need to be made aware clean water is flowing.

PHASE IV TO MELSTONE-STATUS

- Schedule update
  - Pipe to Big Wall Road
  - Griffith Vault being set today
  - Sunset vault is being set tomorrow
  - Some rock excavation happening
- Loan closing status/Coverage Report
  - Copies of loan coverage calcs were passed out. The report is a nice summary of where things are at right now.
  - Federal funds are unfrozen now and it is anticipated they will stay that way so the loan is planned to be used at the end of the construction project. Attorney Dan Simmons has been working with rural development because they have to sign off on this loan. Since it's a loan subsequent to the bond they issued you for phase one and they've asked for a lot of paperwork and Dan's put some of that together and I put some of that together working with Dan.
  - Monty and Dan agree that that closing the loan will be put off and relook at it each month.

PH III TO BROADVIEW-STATUS

- Design Status
  - Package will go in next few weeks on design.
  - New sheets will be ready Friday
- DNRC grant agreement
- Jones/Butler Easement
  - There is a pump house to pump water to Broadview. Butler signed the easement in October. She has since sold the land to Jones. Jones knew nothing about the easement but also wants to be connected to the system. Bob told him the process to get connected. Jones has questions: can pump house be relocated, What is the deadline?
  - Bob called him and he said he had a buy sell with Butler dated from September of last year and that said that she couldn't put any new encumbrances on the property. This is why he called and sent copies of the

documents. And sure enough, that's what it says. Butler agrees that she won't put any encumbrances on the property after the buy sell agreement, including easements.
    - Butler also got $12K, now Jones wants that payment
    - Board needs to decide if they pay $12K or not. Legal action is likely to cost way more than $12K.
    - Bob thought that you could tell him he can have his 3 ($6,000) connections for free, in exchange for him signing the easement.
    - Jones is feeling this isn't right and that he should be compensated somehow.
    - Board will offer Jones half price on 3 hookups and Butler will get $12K. If Jones requests more than the 3 hooksups at half or full price it comes back to the board for discussion. Motion made by Dave P, seconded by Lon, and motion passed.
    - Susan will check on NWE easement requirements for pump house.
- State, MDT and Town easements
    - Bob: Rick and I traded voicemails. Sounds like he's working on your grant agreement and we might even get a little bit more money than we asked for with this grant than requested in the application. This is because of a pending grant for another project that might not go through by end of the fiscal year.
- Schedule Update
    - Hoping for approval mid May
    - Permit applications
    - EA letters
- CM Task Order 47
    - Task order was given to Jim for $925,000. Hoping to award this phase in July
    - Motion made by Lon, seconded by Dave P., motion passed

PH III A-TO SHAWMUT/DEADMAN'S BASIN-STATUS

- Environmental and Cultural Work
    - Environmental work is done.
    - Cultural work will be done this spring.
    - Easement commitments will be getting done next.
- Design Task Order 48
    - Time and Materials not to exceed $475,000
    - Motion made by Paul, seconded by Dave L., motion passed.

PHASE III B-TO RYEGATE-STATUS

- Matt Smith
    - 50% design is done and will send to Amy
    - Need to meet with landowner on the North
    - Phase 1 of the engineering is done, will request 2nd phase.
    - Need to figure out when bidding will happen. Hoping for next winter

WELLS 4 & 5 SYSTEM CONNECTION-STATUS

- COP construction is awarded. MM is administering the contract
- No schedule on this yet.
- Should be ready to construct in August
- Precast building is having trouble getting them on schedule. They are 12 months out right now. Trying to find a different supplier.

PHASE V TO HOBSON-STATUS

- Water modeling is happening
- Nothing more to report

BOR

- Greg had to leave the call
- Phase 3A has money to pay for design
- Greg told Monty that contracting for the $5.5M is underway
- Monty will talk with Greg about the approval for $50K with DOGE as mentioned by Rick as a concern.

DNRC

- Rick: Anything over $50K has to be approved with DOGE even if it's under contract already
- Estimating $6 million available from Regional Water Trust for next biennium right now. If we get $10 million of authority, then the legislature's got to figure out a way to backfill that difference.
- Be aware of the status on the phase three funding. I think the original request from the authority was $2.8 million of Regional Water funds and I believe our initial award was going to be 2.2 million. So 2.2 million is what we've

been working with, but I this will be somewhere around 2 either 2.45 or 2.5 million. I have to check with the accountants here and find out just exactly how much spending authority we still have for the current biennium and that will be the amount that's in there. I'll get that information out within a week..I hope to have the funding agreement, the grant agreement out or submitted next week for a review process internally here, as far as the finalized version, or close to finalized version. So that should be out for the chairman's DocuSign signature sometime.

RD

- Phase 4 loan – Amount is $3M
- Will push this through to get this done

UPCOMING MEETING DATES

- May 14, 2025

OTHER BUSINESS

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