CENTRAL MT REGIONAL WATER AUTHORITY
Harlowton, MT 59036
August 13, 2025
MEETING MINUTES

WELCOME AND INTRODUCTIONS

- CMRWA: Sam Klepzig, Monty Sealey
- Great West Engineering: Amy Deitchler, Bob Church, Cheri Anderson, Kasia Little
- Shawmut-Deadman's Basin Water District:
- Funding Agencies: Greg Kruzich, Rick Duncan, Shelby Welch, Anna Miller, Shawn Swanz
- MMCWD: Ken Naylor, Dave Shreeve
- Sunset Colony: Walter Wipf, Eli Wipf
- Harlowton Board Members: Jim Kalitowski, Paul Otten
- Ryegate Board Member: Allen Davis
- Roundup Board Members: Dave Liggett, Dave Picchioni, Lon Sibley
- Stahly:
- Innova:
- Dorsey Whitney: Dan Semmens
- SEE ATTACHED SIGN IN SHEET FOR PUBLIC ATTENDEES

APPROVAL OF MINUTES FROM July 9, 2025.

- **Motion** to approve the July minutes by Allen, motion seconded by Dave P., motion carried.

TREASURER'S REPORT AND CURRENT BILLS

- **Motion** to approve the bills to pay by Dave L., motion seconded by Dave P., motion carried.

Invoices

Vendor	Invoice	Category	Amount	Bank	Funding Source
Great West Engineering	36760	PH II - Bidding, Construction Management & RPR	$34,442.06	1st Sec	SRF - PH IIC
Great West Engineering	36761	PH III & IIIA - Aquatic/Cultural Resources	$1,173.00	Stock	BOR - PH IIIA
Great West Engineering	36762	PH IV & V - Connecting Infrastructure	$93,735.60	Stock	BOR - PH IV
Great West Engineering	36763	PH III - Design Tasks	$52,145.59	Stock	BOR - PH III
Northwestern Energy	340218417	PH IV - Electrical Service, Melstone Tank	$10,194.00	Stock	BOR - PH IV
COP Construction	23122	PH IIB - Construction	$5,338.87	Stock	BOR - PH IIB
C&C Excavation	Pay App 10	PH IV - Construction	$729,555.13	1st Sec	DNRC – RW-23-081A and RW-24-086
MT Gross Receipts	1% Tax 10	PH IV - Construction	$7,369.24	1st Sec	DNRC – RW-24-086
Bighorn Public Affairs	1635	General Administration	$2,500.00	1st Sec	General Admin
Innova LLC	1337	Accounting	$1,004.00	1st Sec	General Admin
Big Sky Fire Equipment	505659	PH IIC - Construction	$1,355.00	1st Sec	SRF - PH IIC
Mid Rivers Comm	8740500	Water Monitoring – Lewistown	$60.30	1st Sec	General Admin
Project & Mgmt Serv	RW025007A	Administration Charges – July	$1,941.09	1st Sec	General Admin
Project & Mgmt Serv	RW02507	Admin/Coordination	$5,775.00	Stock	BOR – PH IV/III
BNSF	24W-22493	Phase 3 RR Crossing Permit	$10,966.00	Stock	BOR – PH3
		Total Invoices	**$957,554.88**		

O & M REPORT

- Monty Report on O&M Account
  - Update on account status – $98,328.28 is the balance
  - Got checks from Harlowton and Roundup, the account balance is much better
- Fergus Electric
  - **Sam Klepzig**: Called Fergus Electric and had them put a like a data logger on and first data logger they didn't have it set up right. Second one they set up was working but they haven't provided us any data from it yet. I keep calling the guy and so I'm going to have to just go down to Fergus's office to try and resolve this. I have talked to Seth with Townsend Coontrols and he's got his own data loggers. So we're going get one of those and put it on the power supply so we can see all the data.
- Well 3/General
  - **Sam Klepzig:** We got a leak on a blow off on the Phase 2C pipeline and we got that fixed with COP's help. Bac-T's are good. We just sent in our yearly disinfection byproduct samples. Right now we've got DN tanks at the Rothiemay tank fixing a vent on the top. It's under warranty. We've got some settling on the pipe to Roundup and at the Roundup vault that will be addressed under COP's warranty.
  - **Sam Klepzig:** Sunset Colony has requested buying bulk water directly from the CMRWA through a fill hydrant To do that, we'd need to buy a meter and backflow preventer we're looking at least $2,000 right off the bat in expense for the CMRWA. The Colony asked if the bulk sales could be done under their existing contract with the CMRWA.
    - **Susan** - The CMRWA has not set a bulk water rate yet. If the CMRWA decides it is going to sell water, a rate will need to be established. I don't know if we'd want to do it under the existing agreement or not.
    - **Bob** – Bulk water sales are a bit different. I guess either of those could be options. I've helped Paul Otten figure out what a minimum bulk rate should be so the people that are buying bulk water are not getting a better deal than customers connected to the system. A fair bulk water rate could be adopted or you could use the existing contract with the Colony. What the board's got to consider is whether you want to sell bulk water and the precedent this sets for future requests.
    - **Monty** – People should not be able to go to a fill station and get water cheaper than if they're connected to the system, that's just not acceptable. The issue with me is if this was a year out, we might consider selling bulk water to the Colony. The Colony should have water within the next month or two from our system. This issue may come up again on future phases of the project. Setting precedent isn't good and hopefully it's not over two months until the Colony has water, but probably is going to be a month and they'll have water. The third issue is with the City of Roundup, this source of water for people to buy in bulk has been available through a private enterprise for the last three years and at a very substantial capital cost investment. They are making big money off of it now, but that's not our issue. Our issue is supplying Roundup with water and Roundup's issue is dealing with that private company. I'm just suggesting we don't do that. It's just not a good thing because these are not the only people that are going to want bulk water in the future.
  - Paul Otten/AllenDavis suggested not allowing bulk water, it is going to cause too much labor to monitor.
  - **Monty** - There's also a bit of management issue with Tanya or somebody else administering this. One meter is not that big of a deal for, but if there ended up being a half a dozen of them that would be difficult. That's another thing you add to the management of the water billing and the collecting the funds.
- **Motion** to not sell bulk water made by Paul, motion seconded by Allen, motion carried.
- **Sam K.** We had to get the electricians back again to seal conduits coming into all the vaults so there shouldn't be any water leaking into these vaults anymore.

LEGISLATIVE SERVICES UPDATE

- Bighorn Public Affairs
  - Bighorn helped get the word out for the ribbon-cutting
  - Monty is suggesting shutting off legislation assistance
  - No need to continue paying when there is nothing going on for her to help with
  - **Bob -** suggested the board write her a letter thanking her for the good work she did
  - **Motion** to discontinue contract with Bighorn Public Affairs - Dave P motioned and seconded by Lon Sibley, motion carried.
- State Legislature
  - HB11 has been signed
  - Will be going after match money for Hobson in next legislative session.

PHASE II-TO ROUNDUP-STATUS

- Punchlist Items
  - $100K left in retainage

    - Punchlist is not complete so money won't be released until it's done
    - 2A is done
    - 2B has $10,000 left in retainage for a few minor punchlist items
- Ribbon Cutting – Today at noon
- Well 4 Connecting Infrastructure Bond Resolution
    - **Bob** - Connecting infrastructure project funding plan is split between phase 2 and phase 4 and so there's a loan component in the connecting infrastructure project that we call the well 4 project which is part of Phase 2.
    - **Dan** – Monty and Bob decided it was time to get the financing going for Well 4. Budget for the project is $7.2M, most of it is being paid by BOR funds. As well as some savings from Phase 2C ($900K) which will be added to this project. Loan will be $1.7M. Board would authorize the note and that would be purchased by DNRC, once Phase 2 project is completed this would be the final subcomponent of the loan. DNRC can then buy a bond that would take out this note and the other subphases notes for a grand total of $9.41M.
    - **Motion** to approve Resolution #0525 Allen Davis motion, seconded by Dave Liggett, motion carried.

PHASE IV TO MELSTONE-STATUS

- Schedule update
    - Installing pipe both directions currently about 1.5 mile out of Roundup and about 20 miles from Melstone.
    - The vault at Sunset is done and the vault at Griffith Rd is done enough to be able to provide water to Sunset.
    - Change order #5 increase of $16,838
    - **Motion** to approve Change Order #5 Dave Liggett motion seconded by Lon Sibley, motion carried.
- Phase 4 Loan Bond Resolution
    - **Dan** – Bond note that DNRC would purchase. The Authority is advised to purchase this note to pay for the ongoing project ($25M total). $3M bond to fill the gap with funding. Closing date will be sometime in September for both notes (Phase 2 and 4).
    - **Motion** to approve Phase 4 Bond Resolution #0625 Dave Picchioni motion seconded by Dave Liggett, motion carried.
- Contract with NWE for electrical service to Melstone Tank vault
    - $10,194.00
    - Approved as part of bills, no motion needed.

PH III TO BROADVIEW-STATUS

- Amendment to Engineering Task Order 46 **Bob Church**
    - Base Contract is T&M
    - Most of the Tasks have been significantly under contracted max
    - Task 46 during design there was complications with MDT and Lavina and the budget has been exceeded
    - Would like to add an additional $100k to the contract from $525k to $625K
    - **Motion** to approve Amendment to TO46 made by Allen, motion seconded by Paul, motion carried.
- Plans/Specs submitted to DEQ **Susan Hayes**
    - DEQ is reviewing
- State, MDT and Town easements **Susan Hayes**
    - MDT required 3 separate permits for different locations and we have been working with them toward approval
- BNSF Permit **Susan Hayes**
    - Applied for permit but have not executed it yet.
    - Will execute, permit and insurance total is $10,966
    - **Motion** to sign BNSF permit Dave P., motion seconded by Dave L., motion carried.
- Fergus Electric – Middle Rd PRV and Lavina Tank -
    - **Susan**: Waiting on one power easement form Eric Lehfeldt
    - Everything is in place for the PRV
- NWE – Broadview booster pump, Broadview meter pit
- Eagle Survey – survey required in March 2026 if contractor is in area north and south of Lavina. Cost for Power Engineers (WSP) to complete the aerial survey and follow up ground surveys is $29,000. Included in TO 46 Amendment
- Schedule Update
    - **Susan:** Joint application here for floodplain and wetlands work. We want to be able to trench some of the small wetlands encountered on phase three versus boring them. Right now the plans are set up to bore all of them.

- Other
    - **Bob** - one other thing on Phase 3 that I want the board to consider and I don't think we need to make a decision today, but our two primary pipeline contractors that have done all the pipeline work are currently working with on other projects. C&C will be working on Phase 4 into next spring and then COP got the big project on the connecting infrastructure. And so one thing we are considering is that when we bid Phase 3 is giving the contractors the option of starting next March and then that way both of them presumably would look at it and give us a good price.

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

- Environmental and Cultural Work
    - Half of the cultural field work is done, all environmental work is done
    - Working on easements
    - Little design has been done
    - Will be working on design more in the next month
- Need to Resubmit Grant Application for $2.3M to DNRC through on line Submittable process – Kasia is taking care of this
- Working with BOR on contracting federal funding

PHASE III B-TO RYEGATE-STATUS

- Stahly is working on project design

WELLS 4 & 5 SYSTEM CONNECTION-STATUS

- Schedule update
    - Stringing pipe, no install yet
    - **Kasia** – Authorization statement signed for both the admin grant and the construction grant applications to the DNRC. I will need Jim to sign these authorizing our applications for the two grants.

MIDDLE MUSSELSHELL DISTRICT

- **Susan** - we had contacted Stahly Engineering a couple months ago to ask where they wanted the connection for the future Middle Musselshell water system and they had indicated to us that they wanted one connection at E Sunshine Rd. So we got that information before C&C Excavation got to that point in the pipeline. There was a change order to put in a Tee and install that connection point which was completed by C&C. Then a couple of weeks ago we had a call with the funding agency and they had indicated that perhaps Middle Musselshell wanted two connection points. So I reached out to Matt Smith right after that call and asked him to verify one way or the other because the contractor was fast approaching the other location. I heard back from him yesterday saying that yes, indeed they did want another connection but Curt has already passed that location and the pipe is buried. So we wanted to discuss with the board about whether we just let Middle Musselshell know that when it comes to the time for them to make a connection, they need to make the connection themselves. Alternatively, we can ask for a price to go back and install a Tee and a valve and that would include not only the material cost now, but also to re-excavate the line and rebury it. So I believe the change order for East Sunshine was $12,000 just to get the parts and pieces and make that installation. But to go back and do this one, Tee is going to be a 12 by 6. So similar cost in materials, but the added cost of re-excavating the line and burying it. I would estimate more in the $15,000-$20,000 range to do that. So wanted some input on which direction to go.
    - **Board** – Would like to look into handling this now rather than later and having to restage the area.
- Matt indicated to MMCWD that they will have a final layout soon. Matt also stated that engineering would be done this winter and construction would start in the summer
- **Motion** to authorize connection cost for Sunshine and Snowflake by Alan, motion seconded by Paul, motion carried.

PHASE V TO HOBSON-STATUS

- None

BOR

- Phase 3A and 5 funding contracted with BOR
    - **Bob** – Reclamation has approved the additional $12M in federal funds

DNRC

- Regional Water meeting with DNRC
    - **Rick** - None

RD

- **Shelby** - None

UPCOMING MEETING DATES

- September 10, 2025

OTHER BUSINESS

- **Motion** authorizing the signature of the Chairman on our request to Submittable on line program for the 2025-2027 biennium by Dave L., motion seconded by Paul, motion carried.

Central Montana Regional Water Authority
August 13, 2025
Roundup, MT 59072

Name	Address	Representing	E-mail/Telephone
Monty Seeley	Rdp.	Proj + Mgmt Sem	
Amy Deitchler		Great West	
Kasia Bothman-Little		Great West	
Sandra Jones		City of Roundup	roundupmayor@yahoo.com
Walter Wiggins		Sunset Colony	
Eli Wiggins		Sunset Colony	
Dave Liggett		Roundup	
Susan Hayes			
Online Rick Duncan		DNRC	
Greg Kruzich		BOR	
Shelby Welch		RD	
Dan Semmens		Dorsey-Whitney	
Cheri Anderson		Great West	
Shawna Swanz		DNRC	

Central Montana Regional Water Authority
August 13, 2025
Roundup, MT 59072

Name	Address	Representing	E-mail/Telephone
Jim Kahitowski		HARD	
Ben Church		Great West	
Sam Klepzig		CMRWA	
Ken Naylor		MMCWD	
Dave Pichioni		Roundup	
Lon Sibley		Roundup	
Paul Otten		Nard	
Wendy L. Shreve		Roundup	
Dave Shreeve		Roundup	
Lyle Manley			
Jim Miller		DNRC	
Alan Homer		Ryegate	
[illegible]		RYEGATE	