CENTRAL MT REGIONAL WATER AUTHORITY
Harlowton, MT 59036
December 10, 2025
MEETING MINUTES

WELCOME AND INTRODUCTIONS

- CMRWA: Monty Sealey, Sam Klepzig, Zach Tomlinson
- Great West Engineering: Susan Hayes, Amy Deitchler, Bob Church, Cheri Anderson
- Shawmut-Deadman's Basin Water District: Scott Keller
- Funding Agencies: Greg Kruzich, Shawna Swanz
- MMCWD: Warren Hansen
- Sunset Colony:
- Harlowton Board Members: Paul Otten, Jim Kalitowski, Jeff Sell
- Ryegate Board Member: Allen Davis
- Roundup Board Members: Lon Sibley, Dave Ligget
- Broadview Board Members: Steve Sorensen
- Stahly:
  (Sign-in Sheets attached)

APPROVAL OF MINUTES FROM November 12, 2025.

- **Motion** to approve the November minutes by Dave L. motion seconded by Lon motion carried

TREASURER'S REPORT AND CURRENT BILLS

- Beginning of the period of the first security bank, we had a beginning balance $99,051.00 and no deposits.
- We have invoices to pay $1,267,595 dollars, which is ending balance of -$1,168,540 dollars.
- Stockman Bank had a beginning balance of -$1,614,672 dollars and a deposit of $1,750,000.
- We have invoices totaling $887,787. For an ending balance -$752,459
- **Motion** to approve the bills to pay by Dave L. motion seconded by Allen, motion carried.

Invoices					
Vendor	Invoice	Category	Amount	Bank	Funding Source
Great West Engineering	38069	PH II - Construction Management	$6,245.32	Stock	BOR - PH II
Great West Engineering	38074	PH III & IIIA - Aquatic Resource Inv. & Cultural	$2,278.50	Stock	BOR - PH IIIA
Great West Engineering	38070	PH IV & Well 5 - Construction Eng. & RPR	$91,545.35	Stock	BOR - PH IV
Great West Engineering	38075	PH III - Engineering, Const. Mgmt	$16,289.90	Stock	BOR - PH III
Great West Engineering	38076	PH IIIA - Design Tasks	$26,448.18	Stock	BOR - PH IIIA
COP Construction	Pay App 4	PH IV & Well 5 - Construction	$1,093,379.99	1st Sec	WRF-26602
MT Gross Receipts	1% Tax 4	PH IV & Well 5 - Construction	$11,044.24	1st Sec	WRF-26602
Innova, LLC	1429	Accounting	$271.75	1st Sec	General Admin
Urick Law Firm	Nov Statement	Site Title Opinion	$378.00	Stock	BOR - PH III
C&C Excavation	Pay App 14	PH IV - Construction (Pipeline)	$718,165.82	Stock	BOR - PH IV
MT Gross Receipts	1% Tax 14	PH IV - Construction (Pipeline)	$7,254.20	Stock	BOR - PH IV
COP Construction	Pay App 19	PH IIC - Construction	$99,000.00	1st Sec	WRF-24563
MT Gross Receipts	1% Tax 19	PH IIC - Construction	$1,000.00	1st Sec	WRF-24563
Mid Rivers	8740500	Water Monitoring	$30.35	1st Sec	General Admin
Townsend Electric	Inv. 0021920	Spare Relays	$800.80	1st Sec	O&M
Townsend Electric	Inv. 0021902	Radar Level Measurement - Olive Tank	$12,750.00	1st Sec	WRF-24563
Townsend Electric	Inv. 0021894	UPS Replacement (Construction)	$12,026.62	Stock	BOR - PH IV
Project & Mgmt Serv	RW02511	Prof Services	$6,300.00	Stock	BOR - PH IV
Project & Mgmt Serv	RW025011-A	Administration	$1,956.68	1st Sec	General Admin

Townsend Electric	Inv. 0021641	PH 1 Miscellaneous	$1,213.24	1st Sec	O&M
Townsend Electric	Inv. 0021642	PH 2-4 Miscellaneous (Construction)	$11,000.00	1st Sec	WRF-24563
Townsend Electric	Inv. 0021644	Temp Replacement	$215.00	1st Sec	O&M
Townsend Electric	Inv. 0021690	PH IV UPS Replacement (Construction)	$855.00	Stock	BOR - PH IV
Northwest Pipe Fittings	482786	Emergency Project	$34,929.07	1st Sec	WRF-26601
		Total Invoices	$2,155,378.01		

O & M REPORT

- Monty Report on O&M Account
  - You'll see on the first page of the agenda that three of those items are listed as O&M, but those three items will be paid by O&M account. And I did note in this report, but they're in addition to this. So you have just approved the payment of those three items in that O&M account.
  - Steve for your information we run three accounts. First Security Bank - All the federal grant money goes through Stockmans Bank in Helena and our State funds go through First Security. We also report on our operations account each month.
  - Beginning bank balance on 11/25 is $170,031.52.
  - Payroll $15,877.64.
  - Bond payments $10,597 which is every month. That's your rural development debt.
  - First Security Bank loan payment balance $4,820.60. And then we're done with that loan.
  - Claim besides payroll $12,645.67
  - All expenditures $44,120.31
  - Total revenues $75,683.35
  - Ending O&M bank balance of $202,594.56
  - Expected revenue for next water bill is $77,389.67 and in December O&M will be $10,121.00
  - Will change when we close out the loans when we start bond payments on these other loans. Bond payments are primarily what the rate payers are paying.
    - Bob – we will be closing out all of the Phase 2 interim loans in April and then loan payments will start on that.
    - Monty – and then the O&M account won't grow so fast, however when we get back into summer there is a bit more revenue because it is a lot more water usage charges.
    - Bob – and the Colony has been on water for how long now? Couple weeks?
    - Sam – yes, officially for domestic use was just before Thanksgiving.
    - Monty – so they'll get a prorated bill for that?
    - Sam – no we'll just bill them in January because it was just a few days of water use.
  - Dave – the checks have been written for these O&M items. (Discussion on past bills from Townsend that have already been paid)
- Fergus Electric
- Well 3
  - Spare parts – Northwest Pipe
    - The parts are interchangeable for various wells, but it was a good list that Baker Hughes and Northwest pipe provided and we could use the emergency funds to pay for those spare parts to make sure we have them on hand if needed. That was approved in the bills portion of the agenda.
    - Payment to Northwest Pipe – could be 50% up front or 100%. Sam will ensure everything ordered is delivered as called for.
    - Steve – are spare parts and list of them included in the O&M manual?
      - Sam – yes.
  - Sam:
    - BacT's came back good
    - Running good
    - We dug a leak near Anvil Ranch yesterday that it was a bad curb stop, so most of that money that would be warrantied through Curt because it was a faulty valve.
    - Well 3 – It's been running wonderfully. I'm only running it when we are filling Roundup's tank. Have not seen any bumps or problems with it so far.
    - The power monitor from Townsend Electric should be installed next week. Want to be able to see what is going on before turning it the well to auto.
    - We replaced the capacitors for Well 3. They were shipped in and Baker Hughes installed them.
    - Phase 4 – everyone there is pretty happy and the rural customers are getting their lines dug in.
    - Paul – Sam, is your chlorine injection automatic? Have been noticing a little bit of chlorine smell in the water.

        - Sam – yes it is. It could be smelling a bit more due to the slight increase during flushing. Should be going back down now.
    - Well 3 – we replaced the motor. Where the cable connected to the motor was fried. And there have been ongoing conversations about why that would have failed as it only has 1600 hours or so on it. We are working to get the right people up here so we can get the filters turned on and have everything running how it is supposed to. (surge/lighting protections side discussion)
- **Bob** - Well 3 in the process of pulling that old pump, we discovered there were some rocks and the cable assembly and a few small rocks on the pump intake. We didn't know where they came from.
    - Central Drilling was up there putting the three pumps in Wells 3,4 and 5 and they had a camera system. We used the camera on the casing and discovered there was a defect on Well 3 casing 415 feet.
    - There's a place where the casing peeled. It looks like a (few inches – view photos). Well was drilled in 2018. We previously had the pump set at 530 ft and we didn't want to put the new pump down below that, and we have enough excess drawdown depth in the well that we reset the new pump above that tear in the casing. I've sent this info to Hydro Resources who was the driller and asked them if they could take a look. I've never seen a casing like that before. I don't know if it happened when they were installing it or later when the pump was installed. We asked them to tell us what they think happened and if we were to fix it what would that entail. And also just get their opinion on it. We do not see any this issue causing any short term problems with the well performance.
    - This is past the warranty and we'll have to decide if we want to do anything different to it in the near term or not. We don't want to do it right now, nothing until at least the next 2 wells are online. Central Drilling has stated that they could grout it in the future if needed.
    - We also had our hydrogeologist and Mark Cunnane take a look at it as well and they are fairly certain there is no water intrusion happening at that location now. There is none seen on the video.
    - We also had Central Drilling camera the casing on Wells 4 and 5 as a precaution and there were no issues detected in either of those wells casings.

PHASE II-TO ROUNDUP-STATUS

- Final pay application for payment and final change order for quantity reconciliation
- Done with punch list
- Final pay application for $100,000, as well as the change order no. 5 for quantity reconciliation.
- Will close out Phase II

PHASE IV TO MELSTONE-STATUS

- Schedule update
- Completed Bore at 1744+00 yesterday.
- At 1765+00 with pipe
- About 13 miles from Melstone
- Will be there (Melstone) between February-May depending on soil conditions
- Water is following them and they are testing, all appurtenances done up to where they are.
- Valves are installed
- Will send Crew to install the Melstone vault, waiting on a couple pieces and then will have Griffith Vault complete as well. Bypass is set up on the Griffith vault currently.
- Change order 7, includes material cost for service at Teardrop ranch and fence removal and replacement at Sta 114+00. Total of $3,238.83
- **Motion** to approve the Change Order 7 by Allen motion, seconded by Steve, motion carried.

PH III TO BROADVIEW-STATUS

- Schedule Update
- Approved submittal for pipe
- Starting to manufacture pipe, Curt is working on laydown yards for delivery
- Will start fusing
- Start digging when they get to Melstone (March/April)
- Bonds/Insurance and Agreement are ready for signature
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PH III A-TO SHAWMUT/DEADMAN'S BASIN-STATUS

- Environmental and Cultural Work
- Design Updates

- **Bob**:
  - Working on routing of pipeline
  - Easement work
  - Finally reached Wilks Ranch and they have agreed to work with us on easements since we didn't want to put the pipeline in the road ROW in that area. We are making progress there.
  - Working with State of MT organization that maintains dams for the area around BCOA. They said they don't have staff to do easements, but we don't have a way to get around them. We are staying away from their dike and we are going to suggest that since we have gotten easements from State lands that perhaps they take that over.

WELLS 4 & 5 SYSTEM CONNECTION-STATUS

- Schedule update
  - Prepping generator pads
  - Well 4 pad is poured and 5 is being prepped
  - Chlorination has not started, waiting on parts
  - Flushing HDPE next week, Amy has flushing plan
  - Electrical building will be there next week
  - Well 5 tie in to surge tanks
  - Will be substantially complete March 5
  - Contractor has asked for a Stop Work Order from December 24 to January 4, which would add 12 additional days to their contract. Right now their contract is supposed to be done March 7, so this would put it done March 25. We typically don't do winter work stops for holidays.
  - **Motion** to approve Stop Work Order, motion was denied after schedule discussion.
- COP pitless adapter claim
  - $34,000, discussed documents provided by MMI and GWE from COP/Central Drilling
  - Board agrees to with MMI decision to deny the claim.
  - **Motion** to deny the claim by Jeff, motion seconded by Paul, motion carried
- Change Order No. 3
  - Cody McDonald requested bubbler valves instead of blow off hydrants in his field $4,004
  - And then there was a change order to connect to the pipe to the pitless adapters, they had to get some harness materials to get that connection good. Usually there's a flange there. The flange was not called out on the drawings, but in order to make that connection, they needed this harness. That cost was $7200 and $657. We also have the fence extension up at the disinfection building with a new approach for storage and that total cost was $32,051.23. So the total change order is 48,951.44. And 7 additional days for the Peterson service that was overlooked in CO2.
  - **Motion** to approve Change Oder No. 3 by Jeff, motion seconded by Allen, motion carried.

PHASE III B-TO RYEGATE-STATUS

- Design update (Stahly) (Allen)
- Still working on getting a value of the easement across the field
  - Bob – asked about other easements along the route and if they have all of that. Allen believes that he already has the easements.
- Still need plans from Matt and a design report

MIDDLE MUSSELSHELL DISTRICT

- Design update (Stahly)
- Sending letters to 28 users
- Funding for airport infrastructure

PHASE V TO HOBSON-STATUS – New Mayor

- Sent email for status
- Bob emailed an offer to them to find out if they still want to connect to the system

BOR

- No update

DNRC

- Admin grant is executed, Monty and Jim have it
- Grant agreement from Phase 3A is under review for a $2.3 M agreement

RD

- No update

LEGISLATIVE SERVICES UPDATE

- Not paying for federal assistance anymore
- May need to lobby more next legislative session but no need right now

UPCOMING MEETING DATES

- January 14, 2026 at 1:00pm
    - Paul Otten – recognition of service as Harlowton Mayor, 1/14/26 11:00am-1:00pm at the Harlowton Public Library.

OTHER BUSINESS

- **Monty** - I've contacted the auditor a couple times because we're late again and I got a letter from the Department of Administration and it says here you're subject to penalties after you're 180 days late. The penalty can be like $1,100 bucks. I got an e-mail from the auditor says they will pick up any extra charges that are charged by department administration.

12-10-25 CMRWA

NAME	REPresenting
Mark Sagler	RQP -
Bob Church	Great West
Amy Deitchler	GWE
Susan Hayes	GWE
Paul Oxley	Harlo
Allen Davis	RYEGATE
SAM KLEPZIG	CMRWA
Steve Sorensen	Broadview
Zach Tomlinson	CMRWA
Lon Sibley	Roundup
Dave Liggett	Roundup
Jeff Sell	Harlowton
Online Greg Kruzich	
Scott Keller	
Shawna Swanz	
Cheri Anderson	
Warren Hanson	
DW	
K. Willumson	