



COUNTY WATER DISTRICT OF BILLINGS HEIGHTS

Public Hearing – Northwest Pressure Zone Engineering Report

Board of Directors Meeting Minutes

March 19, 2025 at 6:00 PM

County Water District of Billings Heights 1540 Popelka Dr., Board room

The meeting is open to any interested member of the public. Agendas are prepared for the meetings; the agenda may be requested from the General Manager and are available at <https://heightswaterdistrict.com/agendas-and-minutes>. Agenda packets, due to their size, will not be printed for the meetings or at the public's request. The public can access and view the agenda packet online and print them.

CALL MEETING TO ORDER: President Doug Kary called the meeting to order at 6:00 PM.

WELCOME AND INTRODUCTIONS

Roll call of Board Members present: Doug Kary, Frank Ewalt, Tom Zurbuchen, Ming Cabrera, Jeff Essmann (Zoom), & Greg Erpenbach

Suzie McKethen (Board Secretary)

Staff Members present: Bo Andersson and Josh Simpson

Interstate Engineering: Brad Boehm, Project Manager; and Gina Barry, Project Engineer

Also present: Evelyn Pyburn (YCN), Pam Ellis, Kristi Gilliland, Michael Macki, Butch Bailey, Leon Scheeler, Mark Redding, Nancy McManus, and John Kaderavek

PRESIDENT'S REMARKS: Read by Doug Kary

During the course of the meeting, the Public may be heard before a vote is cast by the Board. The President will acknowledge the Public once the motion is made and discussed by the Board for their input. The President will recognize speakers who raise their hand. Once recognized, the speaker should move to the side of the board table so comments may be heard, identify themselves by name, and limit their comments to three minutes. Each speaker will have one opportunity to speak on any agenda item. Once the public comment period is over, there will be no additional comments unless specifically requested by the President, or presiding officer, of the meeting.

PUBLIC COMMENT on Non-Agenda Items: Read by Doug Kary

Any member of the public may be heard on any subject that is not on the agenda. Comments are limited to three minutes. You may speak once. The board will not take any action on items at this time but may choose to add the item to the agenda for the next scheduled board meeting.

PUBLIC HEARING – Northwest Pressure Zone

Brad did an overview of the project that started three years ago to address the low water pressure issues experienced in the Lake Hills pressure zone (neighborhood around the Lake Hills golf course). Low water pressure can significantly affect residents' daily lives, impacting everything from basic household tasks to fire safety. By enhancing the transmission infrastructure, the District's goal is to improve service

reliability and ensure that all customers have adequate water supply. Brad went over the requirements Department of Environmental Quality (DEQ) requires for pressure, what happens when demands fall below pressures to include a contaminated water supply. He also went over the existing and projected demands based on growth projects, with several alternatives. He stressed that the District needed to work towards solutions, changes don't happen overnight, and there are lengthy processes required for projects of this magnitude.

Gina presented the Environmental portion. Maps were provided for each alternative (14 total), as well as threshold, scoring, and viability for each alternative. There were many factors taken into consideration: present value of life cycle; technical and construction feasibility; environmental impact; public health and safety, public preference; and user rates, with each group given a weighting factor. The two highest scoring viable options were:

- 5B: Install 24" and 12" transmission main;
- 5A: Install 24" main.

Comments were heard from the public.

Public Hearing ended at 7:30 p.m. and a short break was taken.

BOARD MEETING: (started at approximately 7:40 p.m.)

MINUTES

1. Minutes from the January 15 meeting: Jeff moved to postpone approval of the January minutes until April. Tom and Ming objected.

Discussion: Tom felt the minutes defined what was said. Tom moved to adopt the minutes as presented for the January meeting. Ming seconded. Jeff asked for a roll call vote. Vote: Jeff: No. Greg: Yes. Ming: Yes. Tom: Yes. Frank: No. Doug: No. Motion failed on a tie.

2. Minutes from the February 19 meeting: Tom moved to approve as presented. Greg seconded. No discussion. Motion passed unanimously.

CONSENT AGENDA:

Motion and Vote:

Frank made a motion to approve the Consent Agenda. Tom seconded. No discussion. Motion passed unanimously.

MANAGERS REPORT:

- No changes on staffing.
- Update on Wex fuel card fraud. Resolution is leaning in favor of the District.
- We had two properties that had frozen water lines after the curb stop which is the homeowner's responsibility.
- Non-revenue water meaning water that is not being billed out. The issue with the City continues. February purchased water was 60.5 million gallons; compared to 50 million gallons

same time last year. 20% increase. Water sold for same timeframe was 34 million gallons. We sold 3.9% less water. The City billed us for 20.9% more. Revenue lost was 43.5% which makes no sense. Bo asked Jennifer Duray the last time the master meter was tested/certified for the accuracy. Debbie Mehling, Chris Kukulski, and the mayor all know about the problem. Bo would like a certification of the meter's accuracy. Suggestions were to go to the City Council meeting; possibly withholding payment until there is a resolution. Bo has suggested paying the same dollar amount as last year plus 10% and deposit the difference in an escrow account until there is a resolution.

- The District has a total of 6081 accounts. Water sold 32.4 million gallons, up 1.9% from January.
- Top expenses were CPA bill, meter repair and maintenance were up. Total revenue was \$4.3 million vs \$3.8 million last year, 12.5%.
- Josh gave an update about the Montana Rural Water Conference in Great Falls that he and Adam attended. They spoke with a lot of vendors, other operators from around the State, and the Lockwood Water and Sewer GM. Adam received his Continuing Education Credits to maintain his Distribution license. The conference was well worth attending.
- Jeff asked about the status of a fire hydrant testing program. Bo stated the testing is routinely done in the spring, since during the winter the risk of freezing water is dangerous. Bo has a draft of a protocol for testing hydrants. Josh explained a rep for Waterous hydrants came and did a training for the servicemen. Jeff stated on page 53 of 2021 review of District Operations where DEQ said the number one recommended item was to routinely exercise fire hydrants. Josh explained that one of the drawbacks is the cost of water in flushing the hydrants, but it is a necessary exercise.

OLD BUSINESS:

1. Consolidation Study Update to include Minutes from Consolidation Meeting February 18, 2025, Tech Memo, and Consolidation Physical Assessment:

Frank gave an update. All of the documents were included in the packet. Tom made a motion to adopt and accept the minutes of the February 18 meeting. Ming seconded.

Discussion: Ming asked if the consolidation report will be included. Doug said he would vote no because he wasn't at that meeting, so he can't approve.

Roll call vote: Jeff: Yes; Greg: No; Ming: No; Tom: Yes; Frank: No; and Doug: No. Motion fails.

NEW BUSINESS:

Item 1: Annexation of 3324 Latigo (Resolution 009-25):

Motion: Ming made a motion to adopt the annexation of this lot. Frank seconded.

Discussion: Tom asked if they had paid their fees? Josh said these fees aren't paid until the annexation is approved.

Vote: Motion passed unanimously.

Item 2: CWDBH Board Responsibilities (Resolution 011-25):

Motion: Tom moved for approval of the resolution. Greg seconded.

Discussion: Jeff commented that the division of labor was appropriate. He had a problem with Section 2, Item 4 (page 68). He wasn't clear on what speech the policy is limiting. He read the section. The Board President is the only party authorized to speak for the District. As an individual, Jeff said he does have a constitutional right to free speech.

Motion: Jeff made a substitute motion to adopt the policy but exclude Item 4. Ming seconded.

Discussion: Frank and Jeff both stated the Board President has the right to speak on behalf of the District. No public comment.

All in favor of adoption of Resolution 011-25 as amended.

Vote: Motion passed unanimously.

Item 3: Mutual Aid Agreement (Resolution 012-25):

Motion: Jeff moved to adopt Resolution 012-25. Frank seconded.

Discussion: Bo stated the policy is for mutual aid between utilities, which the State of Montana does support. There is a Montana Water and Waste Water network. Josh said we used to attend LEPC (Local Emergency Planning Committee) committee meetings. We have Riverstone Health emergency response kits. We are already part of community mutual aid.

Public Comment: The comment made was not in relation to this resolution.

Discussion: Jeff stated this is simply a resolution to formalize board support and would not adopt anything without a thorough review being done by the board and management.

Vote: 5 Aye's; 1 Nay. Motion carries.

Item 4: Request for Proposals on District Rate Study (Resolution 013-25) (There is a typo on the Resolution number which shows 012-25 in error)

Motion: Jeff made a motion to adopt Resolution 012-25. Frank seconded. Motion corrected is to adopt Resolution 013-25. Frank seconded.

Discussion: Jeff commented on the need for commercial and residential classifications.

Motion: Doug would like to amend the resolution to strike the "5th Whereas Clause" (page 73) because it has no bearing on the rate study. Tom seconded.

Board discussion: Doug read the 5th Whereas Clause. Frank asked if that item would have a bearing on the rates. Doug replied that the company who does the rate study would take those factors into account.

Vote on the Amended Motion: 5 Ayes, 1 Nay.

There was discussion from both the Board and public on the Resolution.

Vote on Resolution 013-25 as amended: Roll call vote: Jeff: Yes; Greg: Yes; Ming: No; Tom: No; Frank: Yes; Doug: No. Motion failed on a tie.

Frank asked to have Interstate Engineering to look at Alternative 4 (single check valve) which had been previously discounted. Bo gave a history of what has been done over the years regarding pressures, cross connections, discussions with Louis Engel (City Engineer) and DEQ.

Next Board meeting Wednesday, April 16, 2025 at 6:00 PM.

Board Secretary, Suzie McKethen

Board President, Doug Kary

