

Meeting Minutes:

February 18, 2026

February meeting of the L.I.D. was held at the Lockwood Water and Sewer District office, at 1644 Old Hardin RD. The board members present were Terry Seiffert, Bob Riehl, Brent Kober and Manager Carl Peters. Brian and Manny Richardson were also present.

The meeting was called to order at 7:00 PM by Terry Seiffert. January 21, 2026, meeting minutes were reviewed, and a motion was made by Brent Kober, seconded by Bob Riehl to approve the January 21st minutes, motion carried.

Public Comment: (None)

New Business

1. **\$1,739,00.00 Bond:** 2nd Phase: \$1.3 million to fund 7285, payments managed by Yellowstone County Finance to Watertronics, Performance, and Askin Construction. Invoice tracker was updated and will be submitted to DNRC soon. The January Performance Statement was submitted to County Finance today for payment.
2. **New Pump Station Project:** Northwestern Energy is scheduled to move the 60' power pole on 3-2-26. Kam with Northwestern Energy said that we can use this existing service for a future shop/office, if the building is within 100 feet of the transformer it would be at no cost to the District, except for trenching. The canopy enclosure was originally quoted at \$71,000.00 from Watertronics. PCO # 2 from Askin Construction for the canopy was quoted at \$39,294.00. MW Welding & Fabrications quote was \$34,500.00 with an extra \$7,900.00 to enclose it for a total of \$42,400.00. The Manager recommends MW welding because the other subcontractor for Askin is behind on the two sets of stairs at the new pump station. MW Welding did all the fabrication and welding on the lift pipes, in addition to working on the catwalk railings and trash racks as a subcontractor for Askin Construction. The board favors MW welding but are going to vote at the next meeting. On February 2nd the Manager met with Ryan Stitchman and he was less than responsive. He seemed apprehensive due to the lack of space around the skid. The Manager called him after, and he did not submit a quote. The Watertronics engineer said that there is a meter that cannot be exposed to UV rays and to put a bucket over it until we can get an enclosure for the skid. There are a couple LED lights that will need to be wired in as well. The accrued interest in the bond account is \$37,592.83 and after our change orders and adding in the railroad insurance that we didn't spend, we come out with a balance of \$32,687.61. This is amount that we must work with so far. There is such limited space that the fencing will have to come down to enclose the pump skid and the railing that was put in later will need to be removed and repositioned afterwards as well to have enough room to install the pump skid enclosure. The bid doesn't include removing the fence or the railings. MW will be talking with the Manager regarding the cost of removing the fence and the railing before the board will vote on the bid. Terry Seiffert asked if MW Welding will have enough time this Spring to erect this enclosure and the Manager was not sure. The board would like to make sure that this enclosure doesn't affect start-up at all, whether it happens before or after start-up. The board also expressed concern about heat buildup with an enclosure and requested engineer input.
3. **Phase 3 LWSD Sewer Project:** The check for \$5,880.00 was deposited for the 21 LID canal crossings at \$280.00 per crossing. Any additional crossing fees will be invoiced to Askin Construction. Performance Engineering came by and picked up the plans for this project, and Robbie didn't think they needed to be present for every crossing.
4. **MDT I-90 Interchange Projects:** nothing new to report.
5. **Clayton ST Project: 60' Greenwood Culvert extension:** nothing new to report.
6. **2026 Proposed Budget:** Terry Seiffert asked that we change the numbers on electricity from \$82,000 to \$80,000, natural gas from \$200.00 to \$700.00, and property lease RR from \$1,000.00 to \$2,500.00. The Manager is also going to add \$100.00 to the river permits for the SMEA program. This is a new expense from the DEQ for the quarry. All line items of the proposed 2026 O&M budget were reviewed and it was noted that the 2025 O&M

budget showed \$38,000.00 in unspent budgeted expenditures. In addition, the January 2026 Trial Balance for the O&M account is about \$27,000.00 ahead of the January 2025 Trial Balance for the O&M account. The Manager also requested a 4% increase for the two non-seasonal employees. The Manager will contact the State about a potential requirement for the PERS program for LID employees. A motion was made by Bob Riehl to approve the proposed 2026 budget with amended amounts including a 4% raise for the Manager and the Secretary/Treasurer, seconded by Bent Kober, motion carried.

- 7. Required Audit:** The Manager received an email from Tom at Strom and Associates explaining that with an audit contract in place the state will quit sending us requests in the future. Tom asked the Manager to wait until the state sends a new request and when this happens to forward it to him. The Manager emailed Anna Miller, DNRC and Dan Semmens, bond counsel about funding for the audit and they both confirmed that the \$5,000.00 in our bond account for an audit could be used to cover part of the \$14,000.00 LID 2024 audit contract with Strom and Associates.

Old Business

- 1. LID-LWSD Water Rights:** Nothing new.
- 2. 2014 LID Rate Update 2019:** On Hold.

Manager's Report:

The DEQ required a google map and one hundred dollars fee for the SMES permit on the quarry. A realtor called regarding 1265 Sannon Blvd. to ask why the taxes were so high for this location. The Manager pointed out that the largest amount was from the Lockwood Fire District. The Manager recommends that the District fix the leak in the 60' canal at 2540 Old Hardin RD rather than ask the property owners to pay part of it since they will not use the old HG.

Secretary's Report:

The January financial reports were presented, a motion was made by Bob Riehl to approve the financials for January, seconded by Brent Kober, motion carried. With no further business, a motion was made to adjourn by Bob Riehl, 2nd by Brent Kober, the meeting was adjourned at 8:00PM. The next board meeting will be on March 18, 2026, at 7:00 PM, located at the Lockwood Water and Sewer Office.

Respectfully submitted,
Angela Watson, Secretary/Treasurer