



COUNTY WATER DISTRICT OF BILLINGS HEIGHTS

Board of Directors Meeting Minutes

March 20th, 2024 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; agendas 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 off for the meetings or at the public's request. The public can access and view the agenda packet online and can download them or print them at their own expense.

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

WELCOME AND INTRODUCTIONS

Board Members present: Doug Kary, Frank Ewalt, Tom Zurbuchen, Ming Caberera, Jeff Essmann & Laura Drager

Jenn Burnside (Board Secretary)

Staff Members present: Josh Simpson

Also present: Willeen and Greg Erpenbach, Tyrell Mailloux,

Pam Ellis, and Evelyn Pyburn (YCN)

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 has been made and discussed by the Board for their input. The President will recognize speakers who raise their hands. Once recognized, the speaker should move to the side of the board table so comments can be heard, identify themselves by name, and limit their comments to two minutes. Each speaker will have one opportunity to speak on any agenda item. Once the public comment period is over the public may not provide further comment or ask additional questions during the remainder of the agenda item discussion, unless specifically requested by the chair or presiding officer of the meeting.

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

- A. Any member of the public may be heard on any subject that is not on the agenda;
- B. The board will not take action on these items at this time but may choose to add the item to the agenda for the next scheduled board meeting.

March 20th, 2024 6:00 PM

PUBLIC COMMENT:

Pam Ellis said she has requested twice for an explanation about why there is a discrepancy between the postcards and the bills that are online. When she originally signed up to do emailed bills, she asked not to get a mailed bill thinking it would save the district money. Postcards sometimes come before the email bills and sometimes they come after. A lot of the history online is missing. For the last two months, the electronic bill doesn't match the paper. At the work session with Interstate Engineering, they explained a discrepancy between what was recorded in the minutes for February which is that Josh said we had a grant to pay for 100 hours of Interstate Engineering time. Interstate said they were hired directly by the state to provide 80 hours.

Doug requests to move agenda item #3 (Membership in Associated Employers of Montana) in New Business to after the consent agenda. No objection.

MINUTES:

Laura makes a motion to approve the minutes for the February meeting. Frank Seconds.

Public Comment:

Pam said the February minutes talk about the quote from Summers Mcnea. At the meeting, Frank asked Josh to check and see if Summers Mcnea would guarantee that price quote for three years, and he said he would. Minutes reflect they guarantee the price quote for three years. The minutes should reflect what happened at the meeting. Tom asks that the quote be brought to the next meeting it's not in the agenda packet. Josh reported that the City offered to do the engineering on the new storm pipe, but there was no report that anyone had ever talked to the project engineer. To her knowledge, she is the only one that contacted the project engineer. She doesn't remember Josh saying he had three price quotes for the pipe companies to replace the pipe on Bitterroot and one quote for labor but that should have been in the agenda packet. The board requested the price quotes for the excavation companies so they called in order of the least expensive, the minutes show he was directed to get an RFQ which is a request for qualifications for professional behavior. Also, the agendas are posted on Friday and corrected on Monday and there is never a note saying there were corrections made.

Motion and Vote:

Laura makes a motion to approve the minutes for the February meeting. Frank Seconds. Frank, Jeff, Doug, Laura, and Ming approve. Tom against. Motion Passed.

Tom comments regarding the minutes and the vote on the consolidation exploration. It says the minutes do quote the resolution as written.

Tom made a motion to reconsider the consolidation exploration resolution. No second.

Item #3 (Membership in Associated Employers of Montana)

Tyrell explains the benefits of being a member of the Associated Employers. Which primarily focuses on HR services. They have helpful videos, training, and a hotline to ask questions. The membership fee is \$675 annually with 5 hours free and \$110 an hour after. They also have OSHA compliance safety training which would be an additional \$675 annually. If you have both you receive a 25% discount. They have an in-house underwriter for insurance benefits as well as wage and benefit surveys.

TREASURES REPORT:

Laura explained Gross Income account is \$1. Service charge \$741.94. Sweep account \$582,087.63 Earned \$351.79. Payroll account. \$237,293.99 First Interstate Savings account \$258,211.86. Earned \$562.95 Yellowstone Bank Savings account \$219,584.53. Stifel investments \$6,636,132.58. Total cash position \$7,933,311.59. Change to cash position for the month of -\$35,009.65 Change in cash position for the year of \$927,376.51.

Ming asked about being down from January.

Laura said it was because we had more money available in our checking account. Some money was moved from Stifel investments which were making minimal interest into our money market account. Also, our Stifel smart rate program is paying 7.6% interest.

Jeff asks if the employees are on 26 pay periods a year.

Laura said that was correct.

Laura goes on to say that on Friday she applied for the Districts General Manager position. Our chairman checked with our legal counsel who said that by state law there was nothing that prohibited a board member from applying for the position however our by-laws do restrict that so she would not be eligible for consideration due to the by-laws. She then sent a letter of resignation to the Board of directors on Monday. She then read her letter of resignation.

CONSENT AGENDA:

Frank said he was going through the budget and had some questions so he came down and talked to Josh and got clarification on those items.

Frank makes a motion to accept the consent agenda. Tom seconds.

Public Comment:

Pam said that you are now a five-member board until you appoint someone else. So, you can't meet with three people at the office and approve bills because that's a quorum.

Motion and Vote:

Frank makes a motion to accept the consent agenda. Tom seconds. All Approved

MANAGERS REPORT: presented by Josh (Acting General Manager)

Paving on St. Andrews is done, the hot plant opened up so they were able to get in there and have it looking pretty.

He met with Interstate Engineering and got back the Geo tech proposal from SKA. It broke down to the original ten boaring at a 15-foot depth. They're looking at a cost of \$26,800, If they need additional boarings ten additional would add \$17,200 to that price tag. Fieldwork could begin 3 to 4 weeks weather dependent. It will take approximately 7 days to do the work and 5 to 7 weeks for lab testing and the final engineering report. Interstate has gone out with drones and surveyed the property already. There is an additional clause in the task order that allows for an additional \$60,000 to be spent as needed. Interstate has asked the City the question if two connections would be better than just one.

The Wicks Lane water main replacement preliminary task list was sent to the board. Josh then went over the Interstate report.

Frank reads resolution 005-24: The Board has approved Interstate Engineering Inc. to commence the engineering work to bring forth a complete construction design and plan on an emergency main line replacement on Wicks Lane, from Bitterroot Drive to Duran. Tom seconds.

Frank asks if they do the engineering on this project will it still be good in 10 years?

Josh said no it would have to be updated for any current specs.

Tom said he is in favor of this because the A/C pipe does not like ground shift. We just need to replace it and be done with it.

Ming said this is what we pay our engineers for, we need to continue it and move on.

Further discussion was had regarding this.

Public Comment:

Laura said she was in favor of this motion. She thinks that it is something the District needs to take care of and make it a priority.

Pam comments that she thought the City had offered to do the engineering. She also said what she had heard from the people who evaluate pipe that you can't tell by looking at it. She knows that A/C pipe is really fragile and that it does break and it does get more fragile the older it is. What is the timeline for getting the report back on the A/C pipe that was sent for review?

Doug said it should be back in a couple of weeks.

Motion and Vote:

Frank reads resolution 005-24: The Board has approved Interstate Engineering Inc. to commence the engineering work to bring forth a complete construction design and plan on an emergency main line replacement on Wicks Lane, from Bitterroot Drive to Duran. Tom seconds.
All Approved

COMMITTEE REPORTS:

Frank talks about the meeting with the City on the discovery of consolidation. They decided it would be best if they had a third party to collaborate on everything. They gave a list of state-approved engineers. Frank then sent out a list of engineers to everyone and asked them to remove any who may have a conflict of interest. He then listed the three that they removed from the list. H2S, Sanderson Stewart, Performance Engineering, this left 8 to choose from. They would like to get it down to three not to exceed four to go back to the City. Then we will get RFQ from the three top picks.

Tom said HDR does the City's hydraulic modeling and should be removed as well.

Jeff doesn't think that Sanderson Stewart should be left off the list. He believes that the top three should be Sanderson Stewart, Morrison & Maierle, and Dowl.

Doug would like to add KLJ to that as well.

Ming asks what we are looking at as far as cost for this consolidation exploration.

Doug said wait for your meeting and you will know.

Frank said in the meeting they also passed out a sheet for the cost of the street opening permits. There was also an announcement that there may be a possible 2.3% increase in water rates.

OLD BUSINESS:

Item #1 Decision on General Manager Employment

The board met and no decisions were made regarding the hiring of a new General Manager. They each went through and discussed as well as rated each applicant. They are attempting to narrow it down to three individuals if they can. Once they hear back from the Associated Employers if they approve it, they will proceed further.

Evelyn asked how many applications they received.

Doug said six.

Item #2 Geo Tech for Northwest Transmission Line

Doug explained this was covered in the Manager's Report.

Jeff says since our access time is limited, he would like to get the inventory performed while we have the access permits.

More discussion was had regarding the boaring.

Public Comment:

Laura asks if the proposal pricing good for 30 days. Did the board decide to take action on this tonight?

Doug said it was included in Task Order 28.

Jeff makes a motion to proceed. Frank seconds.

Public Comment:

Pam said that the Board President should sign the contract as well as the Board Secretary.

Motion and Vote:

Jeff makes a motion to proceed. Frank seconds. All Approved

Item #3 Custom Program to Help Customers Calculate Bills

Doug explains that we were looking at ways to make our bills more transparent to our customers.

Josh explains that Jenn's husband is a software engineer and that Jenn had mentioned the programming dilemma to him. He said he would be able to make a program that would be compatible with our website and we did verify compatibility with the Civic Plus. It shows the breakdown per tier for both commercial and residential as well as the cost for the meter size charge and the service line fee.

Jenn said she did go to Morrison & Maierle first before she talked to her husband. They were only able to make an Excel spreadsheet and were unable to make a full program.

Public Comment:

Willeen asked if they wanted to double check on our bill we could just go to your website and input our address.

Josh said no if you put in your usage, it will show you the breakdown of how that bill is calculated.

Jeff asks if we need to take action on this tonight. He feels that a press release would be a good idea to get the word out so that people can start using it.

Tom doesn't know if this will do any good. He would like to track how often staff has to calculate customer bills so we know where our money going.

Franks has concerns because the calculator doesn't include the rates and how they are calculated. These tiers are meant for water conservation so the customer needs to see when they will be going into the next tier.

Jenn said the formula was going to be added to the calculator page once it was complete and approved.

Ming said this would be good for those who have questions regarding their bills. He also feels we should proceed with this.

Public Comment:

Laura asked if the fee was an annual cost or a one-time fee.

Jenn said it was a one-time fee.

Laura said she would support this because there are so few things that we as the board that has done that are customer-facing. This is a tool for the customers and with that cost, she thinks it

would be something that would be a tool for the ratepayer and it would enhance their experience with the district.

Willeen said she does like the idea of putting the barrier between the tiers so the customer knows what the calculation details.

Tom asks what we would have to do to update this if we have a rate increase.

Doug said he would just go in and change the tier costs.

Frank asked about adding the calculation to the final webpage.

Jenn said yes, we would add a picture of the formulas next to the calculator if we can if not, we will add an additional sheet to a page of its own.

Doug asks how many times they could go and search.

Jenn said as many times as they see fit. She also stated that we have had a lot of customers who have asked about the potential summertime bills with watering and this would be a great tool for them.

Frank asks for this to be brought back next meeting with the tiers brought out.

Laura asks how much will it cost for the programmer to change the rates. What will his fees be and how long will it take him to change them?

NEW BUSINESS:

Item #1 Wicks to Duran RFP

Already discussed in Managers Report

Item #2 Proceed Engineering for Wicks Ln Main Replacement

Already discussed in Managers Report

Item #3 Membership in Associated Employers of Montana

Jeff makes a motion to invest \$675 for the board and General Manager to utilize the Human Resources and data they provide. Ming seconds.

Tom said he is against this because we have health insurance and we haven't had to advertise for the last several people we have hired.

Josh said we did advertise for the most recent job opening. He also asks if this does go through and the GM would like to utilize the safety training does the additional cost have to be brought to the board?

Doug said no it would be in the budget.

Frank said he was unimpressed with the video that was sent to him. He also feels there were too many hidden costs.

Further discussion was had regarding this topic.

Frank amends the motion to try it for one year if we don't use it enough in that time then we can get rid of it. Tom seconds.

Public Comment:

Laura said she was in favor of this because there are things that they cover that even a GM may not have current knowledge of such as the FMLA compliance. Also, they can do training on drugs and alcohol but they can also assist with the testing.

Pam asks Josh if he feels that there are things that are useful to him.

Josh said more training is always better. However, as far as what we use on a day to day he's always reached out and tracked down the answer himself.

Jenn asks if you call and have a five-minute question are you getting charged for an hour or for the few minutes that you are on the phone?

Doug said he would have to find out.

Laura said the hotline is available to members on a no-fee access.

Greg said employment law is changing constantly because of lawsuits. By looking stuff up on the internet, you may not find those little things that someone with experience can show to you.

Tom said we already have the drug testing available.

Motion and Vote:

Jeff makes a motion to invest \$675 for the board and General Manager to utilize the Human Resources and data they provide. Ming seconds. All Approved

Frank amends the motion to try it for one year if we don't use it enough in that time then we can get rid of it. Tom seconds. All Approved

Item #4 STIP Program

Authorize Representation:

Jeff makes a motion to participate in the STIP Program. Ming seconds.

Public Comment:

Laura says that all of the statements are electronic, and there will not be any paper statements generated. She would like to make a recommendation that Suzie be one of the employees because she pulls all of the electronic statements and provides those to the board of directors.

Josh asks how many you can have.

Laura said you can have up to three people.

Pam said it should be Jenn because she may need to transfer money.

Jeff makes a motion that e Signatures be the Board President, General Manager, and Accountant. Frank seconds.

Motion and Vote:

Jeff makes a motion to participate in the STIP Program. Ming seconds. All Approved

Jeff makes a motion that e Signatures be the Board President, General Manager, and Accountant. Frank seconds. All Approved

Work Session Tuesday, April 2nd @ 8:00 AM

Next Board meeting Wednesday, April 17th @ 6:00 PM

Meeting adjourned @ 8:09 pm

Board Secretary, Jennifer Burnside

Board President, Doug Kary