



COUNTY WATER DISTRICT OF BILLINGS HEIGHTS

Board of Directors Meeting Minutes

August 24th, 2022 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 Peyton Brookshire, peyton@heightswaterdistrict.com and are available at <https://heightswaterdistrict.com/agendas-and-minutes/>. Supplemental documents are linked in the Agenda Packet.

CALL MEETING TO ORDER: President Ming Cabrera called the meeting to order at 6:01 p.m.

WELCOME AND INTRODUCTIONS

Board Members present: Ming Cabrera, David Graves, and Brandon Hurst, Laura Drager

Staff Members present: Peyton Brookshire, Josh Simpson, and Jenn Burnside

Also present: Kelly Brookshire, Tom Zurbuchen, Frank Ewalt, Lee Hoblitzell, and Evelyn Plyburn (YCN),

PRESIDENT'S REMARKS: Read by Ming Cabrera

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 hand. 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.

PUBLIC COMMENT on Non-Public Hearing Agenda Items: Read by Ming Cabrera

- 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.

NEW BUSINESS

Ming starts the meeting off by announcing the current board members Brandon Hurst, David Graves, Laura Drager and Ming Cabrera. He goes on to say there is currently a law suit against former board member Pam Ellis and that she is welcome to sit with the audience but will not be recognized as a board member and will have no vote.

Minutes for July Board Meeting are approved.

June payables: Laura made motion to approve consent agenda David second; all approved

Audit quotes: Peyton contacted both Summers Mcnea and Anderson Zurmuhlen, only received a quote back from Summers Mcnea of \$13,500. Laura states that Anderson Zurmuhlen would not be able to meet our time frame for the audit. Dave makes a motion to go ahead with Summer Mcnea, Brandon Seconds: All approved

Annexation: Peyton, Ranchette Rd .58 acres. \$5886.70 SDF \$1830.14. David makes motion to annex Ranchette Rd Ming Second. All approved.

David calls for a vote of confidence for the entire staff for their hard work in spite of all of the controversy that is going on around them, Laura seconded all approved

Interstate Engineering: Contract is up in May and Heights Water has been with them since 2004/2005 They

maintain a living model which shows all the main lines and determine what is necessary for the district.

Motion to continue with Interstate Engineering by David, second by Brandon will come back to it....

Cancel contract with Yellowstone County News: Ming made motion to cancel the contract with them, David second, unnecessary expense: all approved.

Financial Committee: Meter counts total 6017 which is up 11 from June 2022, Laura discusses amounts in accounts including the Stifel investments. Tom suggests moving our money to another account that will have more of a return. Laura suggests waiting until some of our money matures.

Laura asks Jenn about the black mountain software conversion: Jenn: We did have to rush into the conversion quickly because we wanted to start at the beginning of our fiscal year which did create a few problems and things weren't quite ready yet, However the people at black mountain have been great in helping us work through all of the issues we have come across. Laura also asked if all meter readings communicate on the new accounting program now and Jenn said they do.

Motion Continued..... Interstate Engineering: Peyton: Several projects coming up and he feels that it would be a step back if we went elsewhere, he also feels they have great customer service. They put together a task order, the cost will come at the time of the hydraulic modeling. Large amounts will be brought to the board and all smaller amounts will be at the discretion of Peyton. Proposal is a 5-year extension. Laura asks about increase in compensation while in the middle of a project from the engineering firm. Peyton says that has never been the case. All approved.

Letter from the administrator: finish rate study and see what the increases will look like for the next two years. Ming makes a motion that the Contract discussion be tabled, Brandon second. Questions have been asked regarding the rate changes and we are still waiting on word back in September or October. All approved

MANAGERS REPORT:

SRF fund paperwork has been sent in so that we can be eligible for funds. Quote from Northern Lake lab services, we would like to use them when the time comes in 2025 for UCMR-5 testing.

Chlorination project/setting the mixer will start in the next few weeks. It is on time and on budget at this time.

Budget was done by Peyton. Some numbers had to be adjusted because of new employees on the insurance and taking others off.

Peyton states he doesn't think that the projected raise is out of line for the employees.

Laura states that in our projected budget there is \$588,000.00 for the employee wages. Laura recommends a 4% raise with the exception of Jenn she recommends a full dollar per hour for her. Laura states that they would be paying a lot more for the job she is doing.

Brandon asks if at the 8% are we still under budget. Laura says yes but she is not comfortable making that recommendation.

Laura has concerns on the cash flow. Ming mentioned the employees had a choice of better insurance or a raise of the previous year. Brandon suggests that we meet in the middle at 6%. Laura recommends 5% and says that it would be looked at again in June of 2023.

Brandon makes a motion for 5% for all employee plus \$2 an hour for Jenn. Laura second.

Tom worries about retention of employee because it has been 20 months since the last raise. Because of the rate of inflation, he urges the board to consider the 8%, He doesn't believe the 5% is adequate after 20 months.

Brandon amended motion to 8% for all employees plus an addition \$2 an hour for Jenn Retro to July 1st 2022. Laura second. All approved

Budget discussion: Peyton mentions that insurance was already paid for the next month and was on the last years end of year numbers. We will also have to wait for the actual insurance numbers before updating them on the budget.

Laura makes a motion to approve the proposed budget. David second.

Laura has a question about the amount budgeted for the buy-in fees. Peyton states that it is a guessing game and that many variables change depending on what the buy-in is and how many buy-ins there are in a year. Ming asks about the profit and loss; the chloritization project caused a hit to the budget. All approved.

Tom brings up that there are vacant seats on the board that are going unfilled. Ming state those don't need to be filled at this time and that there is no time frame on when they need to be filled.

The board is only deciding to fill the elected seat at this time leaving the appointed seats vacant.

Tom has been a resident of the heights since 1977. Tom has been a frequent flyer in the office since then. He has learned a lot about the district over the years and made himself familiar with the ins and outs of how things are run. He goes on to say that he likes what this district does. He likes that the district doesn't put water in a private street. He doesn't like to see articles in the Yellowstone County news calling this district a soap opera.

Frank has been apart of the district for 44 years; he agrees with Tom he doesn't like seeing the soap opera either.

Lee says he does not have as much time as the others he has been here since 2015. He views the resource of water as special. The water else where is not very good. He wants to make sure that it is protected. Also, he is a student of political science.

Diane was not there to speak for herself, but the board members spoke of her many years of service at the Heights Water District.

DISCUSSION OF APPLICANTS:

Ming says he talks to Tom all the time and he is very knowledgeable about the district and professional. Brandon agrees with Ming, he has a lot of knowledge and does his research very well. Laura agrees and states that he has also been at all of our board meetings which shows he's interested in the district. Laura says that we would like to keep Lee's application on file for future board opening. Laura says frank is not a good candidate because he would like to see the district dissolved. Laura states that Diane worked for the district for 30 years, so her knowledge of the district is vast. She has an understanding of the business so she would like to consider Diane.

Laura makes a motion to vote in Tom, Ming second. All approved

Brandon Motion to adjourn meeting Laura second. All approved.