



FORT SMITH WATER & SEWER DISTRICT
Board Meeting Minutes-Friday, November 21, 2025

-OPENING – ROLL CALL- Jim Hyde called the meeting to order @ 9:00 AM on November 21, 2025, meeting was held in person, via phone conference and Teams; Board members attending: Jim Hyde, Steve Saville, Jeff Buszmann and Katie Steele; Employees attending: Sandy Kust and Josh McCraw; public attending: none.

-APPROVAL OF OCTOBER 23, 2025, MEETING MINUTES- Motion by Ms. Steele and 2nd by Mr. Hyde to approve the October 23, 2025, meeting minutes as printed, motion carried unanimously.

-FINANCIALS/Bills/Past Due Accounts/Audit: Mr. Saville presented the treasurers report for November 2025 and stated expenses are \$15,700.92, income is \$18,447.94, checking account balance is \$163,916.10, CDARS \$29,976.00, wastewater saving account: \$41,000.00; total bank account: \$234,892.10. Discussion took place regarding the annual maintenance for the lift station pumps with Peak Water Services at a cost of \$3,478 per year, the contract did not mention pulling pumps and grinder to see if any maintenance is needed, the contract states the technicians would do electrical and contact checks, inspection of door components and control panel enclosure, and pump preventative maintenance of the lift station equipment, bearings on motor, and visually inspect pump components and impeller. The contract stated a discount would be given for additional maintenance needed outside of the contract, however the discount was not included in the contract. Mr. Hyde thinks the contract is expensive for the maintenance that would be conducted. Mr. Buszmann suggested reaching out the Peak Water Services with a list of questions before going into a contract. Josh was not trained in pulling the pumps or cleaning the grinder and perhaps Peak Water Services could provide training if needed. Motion by Ms. Steele to pay the bills, minus the Peak Water Services bill, for the annual maintenance and have Mr. Buszmann reach out to Peak Water Services for additional information, 2nd by Mr. Saville, motion carried unanimously. Report is on file with District records.

Past due accounts: Currently there are 10 accounts that are past due, totaling \$2,080.28; the water is turned off on 6 accounts and 4 have been sent a turn off letter and if not paid by November 25, 2025, the water will be turned off.

Audit/Financial reports/Budget: Sandy will be working with RPA Engineering regarding all the drawdowns, pay applications and reimbursements to make sure they all balance, as this information is needed for the audit. Mr. Saville presented the P&L for FY24 and Budget vs Actuals for FY25 as well as the FY26 budget showing the anticipated additional income from the rate increase. Reports are on file with District records. The board members discussed not paying the credit card fees for online payments as this will cut expenses, the District will continue to cover the online payments made using ACH fees. A motion was made by Mr. Saville to pass the credit card fees on to the customer and District will continue to cover ACH fees, 2nd by Ms. Steele.

Sandy stated Payment Service Network will notify customers paying online of this change but suggested they give customers 2 to 3 months' notice of the change. A letter will also go out to customers using online billpay to inform them of this change.

RATE INCREASE: The new rates for water and sewer will be starting with the November 2025 billing. The rate increase is for both the usage and base rate for water and sewer. Notices were sent out to customers with the September and October billing. The District will review rates and charges again in summer of 2026 and Midwest Assistance Program has offered to assist with the rate study.

DRAWDOWNS: Due to the government being shut down, no drawdowns are being submitted.

AERATOR REPAIR/MAINTENANCE/FENCING REPAIR AT LAGOON: Josh stated he turned off the aerator that quit working and turned back on, and it is now working, he will continue to monitor this aerator to ensure it continues working properly. Newterra has also suggested the aerators get taken out and drained if lagoon is going to freeze over. Newterra stated if aerators are not pulled in freezing temperature that if any water gets in the floats they could freeze and cause damage. Josh will also review the O&M manual to ensure all maintenance is completed. Josh also stated that Big Horn County Electric repaired the fencing they previously damaged while working by the lagoon.

OPERATOR REPORT: Josh stated everything is going well with the water and wastewater systems. In-control installed the touch screen, and everything is functioning good and Josh can hook up to the internet now and see everything for the water system on his computer or tablet. Josh stated the PHAS testing is currently being reviewed by MTDEQ and Fort Smith will receive a letter with instructions, once MTDEQ figures out a sampling/testing schedule. Josh stated that John Mangan took another job as needed for hours and will no longer be a back up operator. In the past, the District has advertised, put out flyers, asked customers in the District and put information in the billing to hire a back up operator and has not had any luck hiring anyone as there is no guarantee of hours. MTDEQ requires the District to have a back up operator and will try to get certified.

EYE ON WATER INSTALLS: Josh has ordered 25 Eye on Water registers/antennas, and the cost is \$2,120.11 and will start installing them once they come in, currently 20 customers have signed up for installation. Josh stated some of the water meter pit lids need replaced as vehicles and equipment have driven over them and caused damage, the board wanted the lids replaced with metal ones but the stated the antennas screw under the lids and can only go through plastic. Josh will conduct an inventory to see how many lids need to be replaced. Sandy and Josh will need to take training for the meter reading and billing software, once installation takes place and reading is completed.

POWER SECURITY and PEAK DEMAND CHARGE ISSUE: Mr. Hyde will contact Big Horn County Electric regarding access to power for the water/wastewater systems if there is a brown out and if the District could have priority to ensure systems stay running. Mr. Hyde will continue to research to see if there is a way to not get charged the peak draw, such as keeping motors running for longer periods of time instead of starting and stopping every few days.

COMMUNICATION READER FOR BUS SYSTEM: Thor Torske, Hardin School District board member, has set up a meeting with Josh on November 25, 2025, to discuss putting a communication reader on the water tower for communications with the bus drivers.

CONFERENCE CAMERA FOR MEETINGS: The District investigated getting a camera for the meetings for people attending via Teams, however this cost is \$1,200 which is expensive and Teams has been working just fine for the meeting, so the District will continue using Teams and not purchase a conference camera.

WEBCAM: Mr. Buszmann stated this is tabled as nobody will call back about wanting to put up a webcam.

CYBER SECURITY ISSUES AND PLANS: Mr. Buszmann stated that 10,000 residents controlled by an online system were hacked and Fort Smith Water Sewer District needs to look into cyber security, find out where the vulnerabilities are, have a manual backup, have IT professionals look into systems, have firewall protection and 2 factor authentication. Josh will visit with In-Control about the water and wastewater systems.

NEW BUSINESS:

DECEMBER MEETING: A meeting will not be held in December and a motion made by Mr. Buszmann to pay the December bills and payroll without having a meeting, unless something out of the ordinary needs to be paid, 2nd by Mr. Hyde, motion carried unanimously. A meeting will be scheduled for January 23 or January 30, 2026.

EMPLOYEE REVIEW AND PAY RAISES: Ms. Steele stated the District reviews giving employees cost of living raises each January and the cost of living raise for 2026 would be 2.8%. Ms. Steele will work on this and meet with employees later to discuss raises and employee reviews. Ms. Steele stated the District has tried to make salaries competitive and pay mileage reimbursement.

ACCOUNT #244: Account #244 has asked for credit to be given on account for a water leak as District has previously given customers credits for water leaks in the past. This customer has signed up for Eye on Water. Motion by Ms. Steele to give \$1,300 credit on account for water leak, 2nd by Mr. Hyde, motion carried unanimously.

-PUBLIC COMMENTS- None

-ADJOURN MEETING- Motion by Mr. Hyde to adjourn the meeting, 2nd by Mr. Saville; meeting adjourned at 11:32 AM