FORT SMITH WATER & SEWER DISTRICT
Board Meeting Minutes-Monday, June 15, 2026

-OPENING – ROLL CALL- Jim Hyde called the meeting to order @ 9:00 AM on June 15, 2026, meeting was held in person, via phone conference and Teams; Board members attending: Jim Hyde, Steve Saville, Katie Steele, Jeff Buszmann, and Tina Power; Employees attending: Sandy Kust, and Josh McCraw; public attending: Brandon Matz, and Devin Beal (MAP).

-APPROVAL OF APRIL 24, 2026 MEETING MINUTES- Motion by Ms. Steele to accept the meeting minutes as printed, 2nd by Mr. Hyde, motion carried unanimously.

-FINANCIALS: Mr. Saville presented the treasurers report for May/June 2026 and stated expenses are $19150.45 (not all expenses for June has been received); income is $11,352.00(not all income for June has been received); checking account balance is $218,990.11; wastewater saving account: $41,000.00; total bank account: $259,990.11. Year to date financials were also presented with income for water: $121,651.00; expenses for water: $115,967.00; net income for water: $5,684.00; income for sewer: $119,903.00, expenses for sewer: $113,561.00, net income for sewer: $6,342.00. Motion by Mr. Buszmann to pay the bills and accept the financial reports as discussed, 2nd by Ms. Steele, motion carried unanimously. Financial reports are on file with District records.

Audit: The audit for the wastewater project is on hold until Sandy and Wendy Accounting are able to resubmit the balance sheets separate for water and sewer funds based on fiscal year and not calendar year as the first six months are off, Sandy will work in accounting firm to get this done as quickly as possible as audit and annual reports need to be completed in November 2026. Project is anticipated to be closed out in August 2026, and Special Assessment for the wastewater will need to be completed by September 8, 2026 and per Big Horn County Treasurers office.

Little Horn State Bank: Sandy has sent information for the signature cards and will complete banking application and have Jim Hyde sign, then bank will contact the check signers for signatures. A motion was made by Mr. Hyde to get $100,000 cashiers check from 1st Interstate Bank and deposit into Little Big Horn Bank, once Little Horn State Bank has established the checking account, 2nd by Ms. Steele, motion carried unanimously.

Past due accounts: Currently there are 11 accounts that are past due, totaling $3,265.00; the water is turned off on 2 accounts and sent letters stating in not paid by July 31, 2026; the past due amount will be put on the taxes, and 9 have been sent a turn off letters and if not paid by June 25, 2026 the water will be turned off.

-OPERATOR REPORT: Josh stated he continues to train Anthony on both systems and stated Anthony is learning quickly and that both the water and sewer system are running great. Josh is currently getting quotes for the tank cleaning which must be completed by 2027. MTDEQ will be contacting Josh regarding the PHAS sampling as EPA has finally finalized the ruling.

Josh stated the Eco Flow Delta 3 Portable Power Station power supply is in use and also purchased the generator as well.

Tank Cleaning: Josh received a quote for the tank cleaning but is checking to see if other water districts in the area need tank cleaning also, as cost for travel could be split between other district making it cheaper for Fort Smith, the tank does not need to be cleaned until 2027.

Eye On Water Installs: Josh is still having problems with Eye on Water registers/antennas, as sometimes they read and sometimes they do not read, and it could be due to the cellular transmitters. Beacon performed a test and said the cellular transmitters are the correct ones and they will have to come on site to figure out what is going on, representatives from Beacon will come to Fort Smith in August to test the registers and antennas.

Training With Peak Water Technology Specialists for the Lift Station: Josh is anticipating the training with Peak Water Technologies to happen this summer to review different things to look for when a component is starting to fail or doesn't sound right, go over maintenance/repair schedules on the lift station, control panel, pumps, grinders, motors.

Easement for Fiber Company: Mr. Hyde and Josh McCraw had a meeting scheduled with Finley Fiber Company, a subcontractor for Nemont, but they did not show up. This is regarding the easement to install fiber optic across the field by the lagoon and they were not aware of a sewer force main or lagoons out there as it has not been updated on website used to download locations. The easement will not move forward until District is able to review the engineering plans.

Water/Sewer Application hookups: Mr. Nelson submitted an application for a new sewer connection; he currently has water hookups but is needing another sewer hookup and will pay all fees needed for the hookup. Motion by Mr. Hyde to approve application, 2nd by Ms. Steele, motion carried unanimously.

Mr. Matz submitted an application for 6 hookups on his property; he is willing to put in a 1.5" meter and 1 larger sewer tap and have 6 sewer service lines coming off the tap. He would have to pay the rate for the 1.5" meter and 6 sewer base rates. He will pay for the application fees, parts, and construction. Josh stated the main water/sewer lines would be impacted if 6 taps were to be put in that close together. Mr. Matz is willing to do what the District thinks is fair. A motion was made by Ms. Steele to approve the application submitted by Mr. Matz on a temporary basis, pending review on the violation of policies and this temporary approval is subject to change depending on the analysis review of the policies, 2nd by Mr. Hyde, motion carried unanimously.

Mr. Buszmann stated a policy manual needs to get handed out to anyone that gets a new service.

Policy Manual: Devin Beal, Midwest Assistance Program, attended the meeting to discuss the

concerns the board has regarding users in violation of the policy manual such as a lot having a water and sewer connection and allowing additional hookups for sewer by hooking up an RV in the sewer clean out and connecting a hose to the yard hydrant. The Districts goal is to get people into compliance, fairly, and the District will need to figure out how to deal with this in a fair way that follows the plumbing code and policy manual.

Devin stated this is in violation of the policy 1.4 Noncompliance:

Any person or entity who shall fail to comply with or shall be found to be violating these Rules and Regulations after being given a written notice of the nature of the violation and after being given a reasonable time to comply, shall be deemed to be in noncompliance and shall be subject to suspension of water and sewer service. Service shall not be restored until the violation is corrected and full compliance is assured. In addition, service shall not be restored until the customer pays to the District any applicable charges due, and any expense, loss or damage sustained to the District as a cause of the violation.

Devin stated the District would be justified to turn water off immediately but recommended a written letter be sent to user, stating the violation(s) and a reasonable time to address the violation, or water may be turned off.

Definition for Premises was also reviewed: Premises: Any of the following that are private or public, used for occupancy or multioccupancy, and that are on a continuous platted property not divided by a right-of-way:
stick-built house, modular home, mobile home, camper, travel trailer, motel/hotel/cabin, building, trailer court, mobile home park, or a group of adjacent structures.

Discussion took place regarding each premises shall have 1 meter and 1 sewer unless not able to which is discussed in the policy: Granting of Water Sewer Service within the District 3.3

Prior to being granted water and sewer service by the District, the owner of a premises agrees in writing to comply with these Regulations and to become a Customer of the
District.

In the event it is determined by the District that it is impractical to construct an independent and separate water and sewer system to serve each habitable structure on a premises, such as a mobile home court, planned unit development or large commercial or industrial establishment, then the District may allow more than one separate building to be served by a single service. However, the District's approval shall not be given in such circumstances until the property owner: provides the District with a copy of appropriate title memorandums; properly executes a multiple building service covenant; records the same with the County Clerk and Recorder; subsequently provides the District with a copy of the recorded document; and pays the District the appropriate special agreement fee.

If the District's base system extends to, fronts, and abuts the property where service is desired, as well as at the District's normal point of delivery, and the base system is adequate and suitable as to pipe size, water supply and pressure for the service desired, then service may be granted by the District to any prospective Customer who:

1. fully and truly sets forth all purposes for which the service may be required and those purposes comply with these Regulations;
2. at the time of application pays to the District all applicable fees, deposits, and charges required by the District;
3. provides the District with a legal description of the total area to be served and the area is located entirely within the District;
4. provides the District with the necessary information to properly process, account for, and bill the Customer for service;

5. will participate appropriately in the cost of the construction for the base system with which Customer's installation is to make connection at the point of delivery;

6. submits the required applications and service agreement forms to the District for the Board's approval; and

7. formally grants to the District the required right-of-way, permits, and licenses.

Devin stated this review is going to take at least two months, he would like to review the rate structure, system development fees, special assessments and then determine if policy should be updated to address seasonality and additional fees. Devin will continue to review policy and research additional hookups, and recommend a fair way for the District to keep and enforce compliance.

-PFAS SAMPLING: Josh has received a letter from DEQ with the schedule for PFAS sampling. Josh will contact DEQ to get bottles ordered as samples need to be taken no later than October 2026. There will not be a charge for the initial samples as DEQ will be conducting the lab analysis.

NEW BUSINESS:

-July Meeting: Meeting will be held July 31, 2026 @ 9:00 AM

-Board Member: Tina Power stated she does not have the time needed to be an efficient member and will resign once the District has someone that would like to serve on the board. Some members have made inquiries and these members will be contacted. The District will put together expectations for board members as need active board members to create more value to the entire District.

-PUBLIC COMMENTS- none

-ADJOURN MEETING- Motion by Mr. Hyde to adjourn the meeting, 2nd by Ms. Steele; meeting adjourned at 11:17AM