

Western Area Water Supply Authority
Board of Directors Meeting
Williston City Hall
Wednesday, June 20, 2012 1:30 pm

Attendees

Members Present: Kent Bickler, Ben Clarys, Ward Heidbreder, Ward Koeser, Mark Owan, Gene Veeder, Jaret Wirtz, Denton Zubke and Michelle Klose via phone.

Member Absent: Bert Anderson, Brent Bogar and Gary Rust.

Others Present: Kim Schilke (WAWSA), Tami Norgard (Vogel Law Firm), Jeffrey Romig (Armstrong), Tom Morris (Armstrong), Mike Forman (IWP), Bob Harms (IWP), Steve Mortenson (IWP), John Olson (Olson P.C.), Dave Johnson (AE2S), Cal Thelen (AE2S), Steve Burian (AE2S), Cory Chorne (AE2S), and Larry Hanson (SWC).

Meeting called to order

Chairman Denton Zubke called the meeting to order at 1:30pm.

Approval of Agenda

Amendment #1 to Task Order No. 16 "Right of Way Acquisition" was added to the agenda. Kent Bickler moved to approve the agenda with the changes. Mark Owan seconded. Motion passed unanimously.

Approval of Minutes

Minutes were presented for approval. Gene Veeder moved to approve, Ward Koeser second. Motion passed unanimously. May 23, 2012 executive committee meeting minutes were presented for approval. Mark Owan moved to approve, seconded by Ward Koeser. Motion passed unanimously.

Financial Report

The financial report was presented for consideration and open for discussion. Kent Bickler moved to approve, Ward Heidbreder seconded. Motion passed unanimously.

Payment Voucher

Payment Voucher 12-62012 for \$ 4,929,173.36 and payment voucher 1-62012 for \$254,656.38 were presented for approval and discussion. Ward Koeser moved to approve payment voucher #12 and #1 for a total of \$5,183,829.74, Gene Veeder seconded. Motion passed unanimously.

Executive Director's Report

Jaret Wirtz gave a report concerning an office building WAWSA has found to rent. There is approximately \$6000.00 in renovations, building walls to create offices, that needs to be done. Ward Koeser moved to approve the renovations, Ben Clarys seconded. Motion passed unanimously.

Jaret stated the positions of board Secretary and Treasurer need to be filled. The Bylaws allow for the positions to be combined to one position and also provide that the Secretary and Treasurer positions do not have to be held by a member of the board. Ward Koeser made a motion to exercise the option of designate a non-member as Secretary/Treasurer, and nominated Kim Schilke as Secretary/Treasurer. Mark Owan seconded. Motion passed unanimously.

Jaret Wirtz presented the board with proposed WAWSA policy. Ward Koeser moved to approve the policies. Gene Veeder seconded. The Motion passed unanimously.

Two new rural water hookup requests for McKenzie County System IV were presented. Gene Veeder moved to approve the requests, Mark Owan seconded. The Motion passed unanimously.

Jaret presented the vehicle quotes he had receive for the possible purchase of a WAWSA vehicle. The decision was made to do an analysis comparing mileage reimbursements to the cost of a vehicle. This analysis will be brought to the board next month.

The State Water Commission Water Supply Cost Share Policy that was passed by the NDSWC on June 13, 2012 was given to the board.

Jaret presented a \$10 per hour rate increase submitted to WAWSA from Vogel Law Firm. Gene Veeder moved to approve the increase, Ward Koeser seconded. Motion passed unanimously.

IWP

Bob Harms, representing IWP, presented a letter to the WAWSA Board of Directors, sharing the IWP's views regarding WAWSA and IWP and the action IWP felt needed to done by WAWSA to minimize impact to private water providers.

Gene Veeder left the meeting at 2:30pm.

Project Updates

Jaret Wirtz gave a report on the Bulk Fill Depots.

Steve Burian (AE2S) gave the Capital Accounting report.

Steven Burian presented Amendment #2 to Task Order No.8 "Board Development and Administrative Support". Kent Bickler moved to approve the amendment to Task Order #8, Ward Heidbreder seconded the motion. Motion passed unanimously.

Cory Chorne (AE2S) gave project updates. Cory presented Change Order #1 for \$244,888.12 to the Regional Water Service to Crosby. Kent Bickler moved to approve Change Order #1, Ward Heidbreder seconded. Motion passed unanimously.

Ward Heidbreder moved to approve Change Order #4 to the Regional Water Service Phase 1 Pipeline in the amount of -\$6351.00. Ben Clarys seconded. Motion passed unanimously.

Cory Chorne reported on the bid opening for the Williston Water Treatment Plant Expansion. The bids came in higher than expected. AE2S recommended rejecting all bids and repackaging and rebidding the project. Ward Koeser made a motion to reject all bids on the Water Treatment Plant Expansion, Mark Owan seconded. Motion passed unanimously.

Cal Thelen (AE2S) presented an update on the Williams Rural Water District West Expansion Phase 1 from Williston to Basin Electric. Cal asked for the board's approval to open the project up for bids as soon as the plans and specs have the approval of the SWC and health department. Mark Owan made the motion to open the project up for bids once the SWC and health department approve, Ward Koeser seconded. Motion passed unanimously.

David Johnson (AE2S) presented an Amendment to Task Order No. 16 "Right of Way Procurement and Recording" adding additional services that AE2S will provide and extending the time frame to December

31, 2012 with no increase to the budget. Ward Koeser moved to approve Amendment #1 to Task Order No. 16, Kent Bickler second. Motion passed unanimously.

Board Entered Executive Session

The purpose of the executive session is to discuss the Armstrong Agreement, outstanding Right of Way Acquisition and potential condemnation issues and a negotiation of an agreement with EOG.

Ward Koeser moved to enter into Executive Session, Kent Bickler seconded. Motion passed unanimously. The board entered executive session at 4:00pm

Ward Heidbreder moved to exit out of Executive Session. Ward Koeser seconded. Motion passed unanimously. The board left Executive Session at 4:45pm.

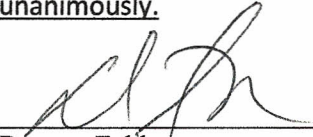
Right Of Way Acquisition

Ward Koeser made a motion to give Tomlinson & Bird, Robert Lomen, Daniel Owenson, Henry Eide, and DM Ellis until Friday, June 22nd at 5pm to get a signed easement to WAWSA or WAWSA will move to go to condemnation. Mark Owan seconded. Motion passed unanimously.

Mark Owan moved to give Lyle Bratcher, Russ Timmreck, and Rich Slagle until Friday, June 29th at 5pm, to sign easements or WAWSA will move to go to condemnation. Ben Clarys seconded. Motion passed unanimously.

Ben Clarys made a motion to allow David Drovdal the right to revoke his easement; he will have seven days to consider it and if he does revoke the easement WAWSA will go to condemnation. Ward Heidbreder seconded. Motion passed unanimously.

Ward Heidbreder made a motion to adjourn at 5:00pm, Kent Bickler seconded. Motion passed unanimously.

 7-18-12

Denton Zubke
Chairman



Kim Schilke
Secretary