

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office  
Wednesday June 17, 2015**

**Attendees**

Members Present: Chris Brostuen, Ellis Haake, Ward Koeser, Richard Liesener, Mark Owan, Gene Veeder and Denton Zubke

Members Absent: Bert Anderson, Raoul Brandt, and Gary Rust

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Todd Pokrzywinski (WAWSA), Tami Norgard (Vogel Law Firm), Cory Chorne (AE2S), Dustin Schultz (AE2S), Steve Burian (AE2S), Jeff Shaffer (MCWRD), Jeff Viniard (MCWRD), Suhail Kanwar (McKenzie County), Gary Black (AWS) and George Kaiser (ND House of Representatives).

**Meeting Called to Order**

Chairman Mark Owan called the meeting to order at 9:00 am.

**Approval of Agenda**

The Agenda was presented for approval. **Liesener moved to approve the agenda, Koeser seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

Minutes of the May 27, 2015 board meeting were presented for approval. **Veeder moved to approve the minutes as presented, Brostuen seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

**Financial Report**

The financial reports were presented for consideration and discussion. **Veeder moved to accept the financial reports as presented, Koeser seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

**BND Loan/SWC Grant Payment Requests**

The Bank of North Dakota Payment Voucher 03-061715 in the amount of \$2,088,313.56 and SWC Grant request 11-061815 in the amount of \$1,889,306.57 for a total request of \$3,977,350.13 were presented to the board for their approval. **Brostuen moved to approve the pay requests in the amount of \$3,977,350.13, Haake seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

**Executive Director's Report**

## System Updates & Industrial Sales Report

Wirtz gave a system update. Wirtz reported on the industrial sales; May industrial sales were \$2,165,790.00.

### ND Industrial Commission

Wirtz presented the board with industrial capital improvements pay requests in the amount of \$979,543.03. The ND Industrial Commission will be asked to reimburse WAWSA \$979,543.03. **Zubke moved to approve the reimbursement request to NDIC, Veeder seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

### State Water Commission

Wirtz reported on the June 1, 2015 meeting with the State Water Commission. WAWSA is receiving \$60M in project funding and is asking that the funding be 75% grant and 25% loan. If WAWSA were to get matching funds from another source the \$60M could be all grant. Wirtz suggested proposing to the SWC that WAWS could get \$20M matching funds as a loan from BND to be paid back with \$15M from industrial and \$5 M from domestic funds. **Zubke made a motion for WAWS to propose getting a loan for \$20M to be paid back with \$15M industrial and \$5M domestic funds, Koeser seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

### Office Building Lots

Wirtz asked for the board's guidance on what amount should be offered on lots for a new office/shop. Brostuen will visit with a realtor concerning the current market rate on city lots. **Veeder made a motion to allow the executive committee to direct Wirtz on the amount to offer for the lots, Brostuen seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

### Armstrong Water Solutions

Wirtz presented to the board the Armstrong/MDU deficiency payment for 2014 in the amount of \$34,354.00. This amount is covered by the escrow account.

### Missouri River Leadership Committee

Wirtz informed the board on the status of the Missouri River Leadership Committee.

### Staffing

Wirtz informed the board that WAWS is looking to hire someone to help with reclamation work. Funds are available in the budget for this hire.

### Add on to Rural Water Projects

Wirtz informed the board that a number of rural water signups are coming in for projects that are bid out or under construction. Wirtz was given the latitude to decide who can be added to the system at this time for projects bid or under construction or if the user will have to wait for future funding.

## Project Updates

### Capital Accounting

Chorne presented the Capital Accounting Report.

### Williston Water Treatment Plant

PKG Change Order #12 in the amount of \$336,054.00 was presented to the board for their approval. **Koeser moved to approve Change Order #12 in the amount of \$336,054.00, Zubke seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

### WRWD West Expansion Phase 2A

Chorne presented a Final Completion and Acceptance for American General Contractors, Inc. on the WRWD West Expansion Phase 2A 200k Pump Station. **Haake moved to approve the Final Completion and Acceptance for American General Contractors, Inc, Brostuen seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

Chorne presented a Certificate of Substantial Completion for Maguire Iron, Inc. on the WRWD West Expansion Phase 2B Elevated Tank. **Zubke moved to approve the Certificate of Substantial Completion for Maguire Iron, Inc., Brostuen seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

### MCWRD East Transmission Main

Merryman Change Order #5 in the amount of a decrease of \$5,016.72 for land reclamation work paid by WAWSA was presented to the board for their approval. **Zubke moved to approve Change Order #5 in the amount of a decrease of \$5,016.72, Veeder seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

Merryman Change Order #6 in the amount of \$156,012.63 was presented to the board for their approval. **Brostuen moved to approve Change Order #6 in the amount of \$156,012.63, Koeser seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

### WRWD Blacktail/BDW

American General Contractors, Inc. Change Order #1 in the amount of \$44,495.54 was presented to the board for their approval. **Haake moved to approve Change Order #1 in the amount of \$44,495.54, Brostuen seconded.**

AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0



CARRIED: 7-0

#### Engineering Task Orders Amendments

Chorne presented Amendment #5 to Task Order #7 for \$30,000.00  
Amendment #4 to Task Order #21 for (\$26,668.98)  
Amendment #3 to Task Order #24 for \$450,000.00  
Amendment #3 to Task Order #25 for \$425,000.00  
Amendment #4 to Task Order #31 for \$600,000.00

**Zubke moved to approve the engineering task order amendments in the amount of \$1,478, 331.02, Haake seconded.**

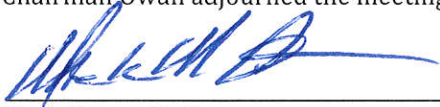
AYES: Veeder, Brostuen, Liesener, Koeser, Zubke, Haake, Owan

NAY: 0

CARRIED: 7-0

Chorne presented a PKG Work Change Directive for the board to review. The board requested more information on the work change directive. Chorne will bring back that information at the next board meeting.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary