

# Western Area Water Supply Authority

Board of Directors Meeting

**Williston City Hall**

Wednesday, October 17, 2012 at 1:30pm

## Attendees

Members Present: Bert Anderson, Ben Clarys, Ward Koeser, Jeffrey Mattern, Mark Owan, Gary Rust, Gene Veeder and Denton Zubke.

Members Absent: Kent Bickler, Brent Bogar, Ward Heidbreder and Michelle Klose.

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Tami Norgard (Vogel Law Firm), Jeff Romig (Armstrong Int'l), Mike Forman (IWP), Larry Hanson (SWC), Steve Burian (AE2S), Cory Chorne(AE2S), David Johnson(AE2S), Dustin Schultz(AE2S) and Cal Thelen (AE2S).

## Meeting called to order

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

## Approval of the Agenda

The agenda was approved with the following changes: Include the minutes for the October 5, 2012 Executive Session to the Minute Tab and there are additional O&M invoices to add to the O&M tab for approval. Under the Executive Directors report add Item #8 – Staffing, Item #9 – Interstate Engineering and Item #10 Depot Report. Under Project Updates: Item #1 – Engineering Task Order Summary will need a motion. At 4:00pm the Executive Session will discuss Item #1 – Discuss negotiation of agreement for dedicated lanes, Item #2 – Right of Way issues and potential condemnation litigation, Item #3 – Discuss negotiation of agreement with Aqua Source Waste Water Treatment, Item #4 – Discuss industrial water sales policy concerning the sale of maintenance water off the member entity infrastructure and Item #5 – Discuss recommendations of attorney John Olson re: legislative session and HB 1206.

Ward Koeser moved to approve the changes in the agenda, Garry Rust seconded. Motion carried unanimously.

## Approval of the Minutes

Minutes for the September 19, 2012 board meeting, were presented for approval. There were no corrections or additions. Jeffrey Mattern moved to approve minutes, Ben Clarys seconded. Motion carried unanimously.

Minutes for the October 5, 2012 Executive Committee meeting were presented for the board's information; there was not action taken at the executive meeting.

## Financial Report

The financial report was presented for consideration and discussion. Gene Veeder moved to approve financial report, Mark Owan seconded. Motion carried unanimously.

### **Payment Voucher**

Payment Voucher 05-101712 for \$10,876,378.73 was presented for approval. Jeffrey Mattern moved to approve the payment voucher, Gene Veeder seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Koeser, Mattern and Zubke

NAY: 0

September O & M Statement was presented for approval. Ward Koeser moved to approve the O & M Statement, Gary Rust seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Koeser, Mattern and Zubke.

NAY: 0

### **Executive Director's Report**

Jaret Wirtz presented a turn-out Request in McKenzie County. The cost will be paid by the developer. Gene Veeder moved to approve turn out, Bert Anderson seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Koeser, Mattern and Zubke.

NAY: 0

A report was given on the status of the Sub-Member Agreements. Jaret Wirtz presented the Water System Membership Agreement for the board's approval. A Motion was made by Ward Koeser to approve the Water System Membership Agreement, Gary Rust seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Koeser, Mattern and Zubke.

NAY: 0

An Addendum to WAWSA Membership Agreement for Temporary Uses was presented for the board's approval. A motion was made by Bert Anderson to approve the Addendum, Mark Owan seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Koeser, Mattern and Zubke.

NAY: 0

Jaret Wirtz gave a report on the Water Coalition Funding Meeting.

Kent Bickler joined the meeting at 2:15pm.

Cal Thelen handed out a memorandum summarizing the Projected Remaining WAWS Construction Projects for the 2013-2015 and the 2015-2017 bienniums.

Jaret Wirtz gave a report on the legislative strategy and the need for an additional \$40 million dollars in funding for the 2011–2013 Biennium and the request for \$120 million in new State funding for the 2013-2015 priority projects.

Jaret Wirtz gave an update on the budget, staffing and depots.

## Project Updates

### Task Orders

Cory Chorne presented a series of Task Orders for the most immediate project that need to be completed. Task Orders #10 and #10e are for the Intake Evaluation & Horizontal Collector Well Study, reducing the amount of Task Order #10 of \$420,000 by \$224,000 and an \$18,400 charge for a desktop study on the Horizontal Collector. Ward Koeser moved to approve Task Order #10 and #10e, Mark Owan seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne presented Task Order #10a and #10c, requesting \$460,000 for design work on the WTP Expansion. Gene Veeder moved to approve Task Orders #10a and #10c, Bert Anderson seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne presented Task Order #10d, Construction Phase Services for the WTP in the amount of an hourly proposal of \$1,042,000.00. Gene Veeder moved to approve Task Order #10d, Mark Owan seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne presented Task Order #11c, PLC & HMI Setup and Programming in the amount of an hourly proposal of \$195,000.00. Gene Veeder moved to approve Task Order #11c, Gary Rust seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne presented Task Order #17, Williston Phase II By-Pass Transmission Line in the amount of \$494,000.00. Mark Owan moved to approve Task Order #17, Gary Rust seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne presented Task Order #18, WRWD West Area Service Area Phase II Improvements in the amount of \$322,000.00. Ben Clarys moved to approve Task Order #18, Gene Veeder seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne presented Task Order #19, Regional Service to MCWRD System II (Keene) in the amount of \$395,000.00. Gary Rust moved to approve Task Order #19, Jeffrey Mattern seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne presented Task Order #20, Operations Plan in the amount of an hourly proposal of \$141,000.00. Gene Veeder moved to approve Task Order #20, Bert Anderson seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

## **Capital Accounting**

Steve Burian presented the Capital Accounting report.

## **Transmission Main to R & T Change Order**

Cory Chorne presented Change Order #1 for Natgun Corporation asking for an additional 25 days to complete the project. Gene Veeder made a motion to approve Change Order #1, Gary Rust seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

## **Williston Water Treatment Plant Recommendation to Award**

Cory Chorne recommended awarding the low bidder, PKG Contracting Inc., the General Construction Contract No. 1 plus Alternate No. 1 on the WTP Phase III Improvements Project with a base bid of \$10,921,000.00 and the alternate sum of \$1,038,000.00 for a total of \$11,959,000.00. Gene Veeder moved to accept the bid proposal, Ward Koeser seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne recommended awarding the low bidder, Williams Plumbing and Heating, the Mechanical Construction Contract on the WTP Phase III Improvements Project in the amount of \$241,000.00. Gary Rust moved to accept the bid proposal, Jeffrey Mattern seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Cory Chorne recommended awarding the low bidder, Colstrip Electric, Inc., the Electrical Contract No. 3 plus Alternate No.1 on the WTP Phase III Improvements Project with a base bid of \$1,553,785.00 and the alternate sum of \$325,360.00 for a total of \$1,879,145.00. Gary Rust moved to accept the bid proposal, Jeffrey Mattern seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### City of Arnegard Change Order

Cory Chorne presented Change Order #1 for Ryan Construction, for a turnout for City of Arnegard and repair coupling. The City of Arnegard or developers will pay for the turnout. Bert Anderson made a motion to approve Change Order #1, Ben Clarys seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### Phase II Transmission Main to Watford City Change Order

Cory Chorne presented Change Order #1 for Merryman Excavation, Inc, for the addition of some 8" x4" tees in the amount of \$68,079.84. This will be billed out to Patriot Point developers. Gene Veeder made a motion to approve Change Order #1, Bert Anderson seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### Phase II Pump Stations and Meter Vault Enclosures Change Order

Cory Chorne presented Change Order #3 for John T Jones Construction for adding service pumps and adding a meter in the line in the amount of \$80,919.00. Jeffrey Mattern made a motion to approve Change Order #3, Gene Veeder seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### Phase II Bulk Fill Depots Change Order

Cory Chorne presented Change Order #1 for Lakeshore TolTest Corporation in the amount of \$107,766.00. Gary Rust made a motion to approve Change Order #1, Gene Veeder seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### Phase II Bulk Fill Depot – Watford City Change Order

Cory Chorne presented Change Order #1 for PKG Contracting, Inc for a radio tower for the SCADA controls in the amount of \$324,900.00. Ward Koeser made a motion to approve Change Order #1, Gary Rust seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Anderson, Veeder, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Jaret Wirtz gave an update on the Ray Bulk Fill Station.

Gene Veeder left the meeting at 4:20pm.

Bert Anderson left the meeting at 4:30pm.

### **Board Entered Executive Session**

The purpose of the Executive Session is to discuss a Request for Dedicated Lanes at the Fill Stations, Right of Way and potential condemnation issues, Aqua Source Waste Water Treatment, discuss industrial water sales policy concerning the sale of maintenance water off the member entity infrastructure and legislative strategy regarding HB1206.

A motion was made by Gary Rust and seconded by Ward Koeser to enter into executive secession. Motion carried. The board entered executive session at 4:30 pm.

**Roll Call:**

AYE: Owan, Clarys, Rust, Bickler, Koeser, Mattern and Zubke.

NAY: 0

A motion was made by Gary Rust and seconded by Ward Koeser to move out of executive session at 5:05pm. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### **Dedicated Lanes**

Ward Koeser made a motion to approve the proposed contract with Power Fuels for dedicated lanes. Mark Owan seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### **Condemnation**

Ben Clarys made a motion to allow the Right of Way team to move into to eminent domain on the Eldean Flynn properties, properties owned by Berry family members, including Ron and Mavis Berry, Shawn Berry, Luke Berry, Tracy Berry and Will Berry, James Karst, Wayne and Rita Oakland, Harold Hoffelt Jr. and Nancy Hoffelt. Gary Rust seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Bickler, Koeser, Mattern and Zubke.

NAY: 0

### **Accounting Firm**

Ward Koeser made a motion to approve the Request for Qualifications for an Accounting Firm. Ben Clarys seconded. Motion carried.

**Roll Call:**

AYE: Owan, Clarys, Rust, Bickler, Koeser, Mattern and Zubke.

NAY: 0

Motion to adjourn was made by Gary Rust at 5:15pm, seconded by Kent Bickler. Motion carried unanimously.

Denton Zubke  
Chairman

Kim Schilke  
Secretary