

Western Area Water Supply Authority

Board of Directors Meeting
Williston Community Library

Wednesday, November 21, 2012 at 1:00pm

Attendees

Members Present: Bert Anderson, Kent Bickler, Brent Bogar, Ben Clarys, Ward Heidbreder, Mark Owan, Gary Rust, Gene Veeder, Denton Zubke and Michelle Klose (via phone).

Member Absent: Ward Koeser

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Sherrie Pattern (WAWSA), Tami Norgard (Vogel Law Firm), Pat Wheeler (IWP), Steve Burian (AE2S), Cory Chorne(AE2S), David Johnson(AE2S), Dustin Schultz(AE2S) and Cal Thelen (AE2S), Jeffrey Mattern (SWC) via phone.

Meeting called to order

Chairman Denton Zubke called the meeting to order at 1:05 pm.

Approval of the Agenda

The agenda was approved with the following changes: Under the Executive Director's report add Item #10 – Resolution Approving Issuance for the additional \$25 million from the ND General Fund and Item #11 – Policy Regarding Access to Infrastructure. The 3:15pm Right of Way Acquisition will be moved to Executive Session. The November 5th IWP/WAWSA Mediation meeting will be discussed in Executive Session. The Chairman asked to be allowed to rearrange the agenda if needed to make sure that the Executive Session is held by 3:30pm because Brent Bogar will be leaving the meeting. Gary Rust moved to approve the changes in the agenda, Brent Bogar seconded. Motion carried unanimously.

Approval of the Minutes

Minutes for the October 17, 2012 board meeting, were presented for approval. Cory Chorne asked for clarification on page 4 under the Water Treatment Plant Recommendation of Awards that the bid amounts for PKG and Colestrip reflect the base bid amount and the bid amount with the alternates. Bert Anderson moved to approve minutes with the clarification, Ben Clarys seconded. Motion carried unanimously.

Financial Report

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

Payment Voucher

Payment Voucher 06-112112 for \$11,736,707.98 and voucher 01-112112 for \$180,277.00 for a total of \$11,916,984.98 were presented for approval. Ward Heidbreder moved to approve the payment vouchers, Ben Clarys seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

The October O & M Statement was presented for approval. Four additional crop damage claims were added to the O & M payables for a total of \$111,406.04. Mark Owan moved to approve the O & M Statement, Kent Bickler seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Executive Director's Report

Jaret Wirtz presented a turn-out Request in McKenzie County. Gene Veeder made a motion to approve the turn-out for ECS. ECS will pay all construction cost and will pay the industrial rate. Gary Rust seconded. Motion carried. A contract will be drafted for ECS to sign.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Jaret Wirtz gave a report on staffing. WAWSA has hired two operators. Jaret presented a request for two vehicles, possibly purchasing a used vehicle from WRWD.

Tami Norgard will draft a policy concerning WAWSA vehicle use.

Jaret Wirtz gave a report on the Sub-member Agreements. Tami Norgard will send an Access and Use Agreement to Wildrose.

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

Prioritization of Projects will be decided at next month's meeting.

John Olson gave a legislative update via telephone.

A letter from IWP Bob Harms was given to each board member.

Jaret Wirtz presented a draft of the O&M Budget for the board's review.

WRWD Motion Clarification

Jaret Wirtz presented a request from Williams Rural Water that a motion made by Mark Owan at the September 21, 2012 WAWSA board meeting be clarified. It was his request in his motion to obtain water through the WAWSA system. It was his request that WRWD be billed by WAWSA even though Williams Rural Water was receiving water through Williston's distribution system and that the unsigned annexation agreement not hold up WRWD from WAWSA being the billing entity. The billing would begin with the October bill. Mark Owan made the motion that WAWSA would begin billing Williams Rural Water for the water usage beginning with the October 2012 billing. Bert Anderson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Access to Infrastructure Policy

Policy 3:28 Commitment Regarding Access to Infrastructure was present to the board for approval. Bert Anderson moved to approve the policy, Ben Clarys seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Resolution Approving Issuance of Next \$25,000,000.00 from General Fund

Jaret presented the "Resolution Approving Issuance", a request to the Bank of North Dakota for the \$25,000,000.00 Utility System Revenue Note, Series 2012B. The funds would be coming from the general fund with an interest rate of 5%. Ward Heidbreder moved to adopt the resolution and Gary Rust seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Project Updates

Capital Accounting

Steve Burian presented the Capital Accounting report.

Regional Res. No. 1 to Bakken Industrial Park Change Order

Cory Chorne presented Change Order #4 for Merryman Excavation, Inc, a deduction to the final contract in the amount of (\$6,351.00). Gene Veeder made a motion to approve Change Order #4, Mark Owan seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Cory Chorne presented the Final Inspection and Acceptance for Merryman Excavation for the board to approve. The one year correction period will begin on June 20, 2012. The total amount for all Work completed on the project is \$4,049,188.17. Ben Clarys moved to accept the Final Inspection and Acceptance for Merryman Excavation. Ward Heidbreder seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

NW Williston Regional Reservoir Change Order

Cory Chorne presented Change Order #2 for Natgun Corporation for an outdoor telemetry panel in the amount of \$54,652.50. Gary Rust made a motion to approve pending Jaret's review and recommendation. Kent Bickler seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Region Service to Crosby

Cory Chorne presented Change Order #3 for Wagner Construction for a time extension of 45 days due to water availability for pressure testing, flushing and disinfecting. Gary Rust made a motion to approve the extension. Bert Anderson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Phase II Transmission Main to Ray Change Order

Cory Chorne presented Change Order #3 for SJ Louis Construction Co. for a time extension of 21 days because of easement issues. Bert Anderson made a motion to approve the extension. Brent Bogar seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Phase II Transmission Main to Watford City Change Order

Cory Chorne presented Change Order #2 for Ryan Construction, Inc., in the amount of \$579,306.60 and a request for a 15 day extension to complete the pipeline from west of Watford City to the Watford City Reservoir. Gene Veeder made a motion to approve, Brent Bogar seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Phase II Pump Stations and Meter Vault Enclosures Change Order

Cory Chorne presented Change Order #4 for John T Jones., in the amount of \$14,166.00 for the Lewis and Clark Pump Station. Bert Anderson made a motion to approve, Brent Bogar seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Phase II Bulk Fill Depots Change Order

Cory Chorne presented Change Order #1 for Glacier Construction Co. Inc., for the completion extension from December 15, 2012 to June 15, 2013 until an alternative location for the Ray depot is found. Bert Anderson made a motion to approve, Brent Bogar seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Cory Chorne presented Change Order #2 for Lakeshore TolTest Corporation in the amount of \$84,709.00, for lighting at the 13 Mile and Alexander Depot. Gary Rust made a motion to approve, Gene Veeder seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Cory Chorne presented Change Order #2 for PKG Contracting, Inc., in the amount of \$46,680.14 for the Watford City Depot, for piping changes and the control system. Gene Veeder made a motion to approve, Bert Anderson seconded. Motion carried. Armstrong Solutions will have a cost share of \$15,000.00 for this change order.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Williams Rural Water Phase 1 West Change Order

Cory Chorne presented Change Order #1 for Niebur Development, Inc., in the amount of \$86,241.40 for restrained joint pipe and a request for a substantial completion extension to December 15, 2012. Mark Owan made a motion to approve, Gary Rust seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Board Entered Executive Session

The purpose of the Executive Session is to discuss Right of Way and potential condemnation issues and discuss what WAWSA's response will be to IWP's demands and the mediation meeting held on November 5, 2012.

A motion was made by Mark Owan and seconded by Gary Rust to enter into executive secession. Motion carried. The board entered executive session at 3:00 pm.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

A motion was made by Bert Anderson and seconded by Kent Bickler to move out of executive session at 3:30pm. Motion carried.

Condemnation

Gary Rust made a motion to allow the Right of Way team to move into to eminent domain on the Arlen and Allen Dominek property. Ward Heidbreder seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Heidbreder, Bogar, Bickler, Anderson, Rust, and Klose.

NAY: 0

Motion to adjourn was made by Brent Bogar at 3:45pm, seconded by Gary Rust. Motion carried.



Denton Zubke
Chairman



Kim Schilke
Secretary