

Western Area Water Supply Authority

Board of Directors Meeting

Williston Community Library

Wednesday, December 19, 2012 at 1:00pm

Attendees

Members Present: Bert Anderson, Kent Bickler, Ben Clarys, Ward Heidbreder, Mark Owan, Gene Veeder and Denton Zubke.

Member Absent: Brent Bogar, Ward Koeser, Gary Rust and Michelle Klose

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Sherrie Pattern (WAWSA), Tami Norgard (Vogel Law Firm), Larry Hanson (SWC), Larry Novak, Monte Hininger (JMAC), Steve Mortenson (IWP), Steve Burian (AE2S), Cory Chorne(AE2S), Dustin Schultz(AE2S) and Cal Thelen (AE2S)

Meeting called to order

Chairman Denton Zubke called the meeting to order at 1:00 pm.

It was noted that Ward Koeser has designated former Williston Mayor and current State Water Commissioner Larry Hanson to be Mr. Koeser's voting representative for the board meeting.

Approval of the Agenda

The agenda was presented for approval. An Executive secession will be held to discuss the WAWSA Board's negotiating position for the mediation meetings with IWP. Mark Owan moved to approve the agenda, Bert Anderson seconded. Motion carried.

Approval of the Minutes

Minutes for the November 21, 2012 board meeting, were presented for approval. Gene Veeder moved to approve minutes, Kent Bickler seconded. Motion carried unanimously.

Financial Report

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

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Hanson, Bickler, Anderson

NAY: 0

Payment Voucher

Payment Voucher 02-121912 for \$7,209,995.30 was presented for approval. Gene Veeder moved to approve the payment vouchers, Mark Owan seconded. Motion carried.

The November O & M Statement was presented for approval. Bert Anderson moved to approve the O & M Statement, Ben Clarys seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson

NAY: 0

Executive Director's Report

Member and Sub-Member Agreements

Jaret Wirtz gave a report on the Sub-member Agreements. Wildrose, Columbus and Noonan have not signed their sub-agreements.

The BDW Member Agreement must be amended to reflect the changes made to the Crosby sub-agreement; include Crosby's industrial sales, Crosby's WTP Debt Service of \$150,000.00, the \$194,000 payment for improvements that WAWS is benefiting from and that Crosby will not contribute any hours to the plant. Mark Owan moved to amend BDW's Member Agreement. Bert Anderson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson

NAY: 0

1:15pm Ward Heidbreder joined the meeting.

Prioritization of Projects

Jaret Wirtz presented the "Phase III Project Prioritization" for the board's review.

Legislative Update

Jaret Wirtz presented a copy of the draft Legislative Bill; asking for an additional \$40 Million in loan dollars. Gene Veeder moved to approve the draft Legislative Bill with changes reflecting an Emergency Clause and Moral Obligation to Cover BND loan language and to removal of the bonding language. Bert Anderson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

North Williston Depot

Jaret Wirtz presented WAWSA's cost share for expenses to the North Williston Depot site. The decision was made to wait until January 2013 meeting, AE2S will review the invoice.

AE2S Rate Increase

The 2013 AE2S rate increase was presented for board approval. Bert Anderson moved to approve the rate increase. Ben Clarys seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

O & M 2013 Budget

The 2013 O&M Budget was presented for board approval. Mark Owan moved to approve the 2013 O&M Budget. Gene Veeder seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Credit Card Limit Increase

Jaret presented a request to increase the credit card limit on the VISA credit card from \$5,000.00 to \$10,000.00. Bert Anderson moved to approve the credit card limit increase, Ward Heidbreder seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Company Vehicle Policy 4:16 and 4:17

The updated Company Vehicle Policy 4:16 and Driver Safety Policy 4:17 was reviewed and discussed. Gene Veeder moved to approve Policies 4:16 and 4:17. Larry Hanson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Project Updates

Capital Accounting

Steve Burian presented the Capital Accounting report.

Phase II Transmission Main to Watford City Change Order

Cory Chorne presented Change Order #2 for Merryman Excavation, Inc. in the amount of \$7,089.12. The developer will reimburse WAWSA for the total amount of this change order. Gene Veeder made a motion to approve, Bert Anderson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Phase II Pump Stations and Meter Vault Enclosures Change Order

Cory Chorne presented Change Order #5 for John T Jones Construction in the amount of \$51,810.00. The developer will reimbursement WAWSA \$42,483.00 of this change order. Bert Anderson made a motion to approve, Kent Bickler seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Cory Chorne presented Change Order #1 for Cofell's Plumbing and Heating in the amount of \$670.00 for a floor drain. Ben Clarys made a motion to approve, Larry Hanson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Phase II Bulk Fill Depots Change Order

Cory Chorne presented Change Order #3 for PKG Contracting, Inc. in the amount of \$69,976.00 for a communication shelter and soil analysis for tower construction. Gene Veeder made a motion to approve, Bert Anderson seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Williams Rural Water Phase 1 West Change Order

Cory Chorne presented Change Order #1 for Western Municipal Construction of Wyoming, Inc, in the amount of \$30,270.61 for materials. Mark Owan made a motion to approve, Ward Heidbreder seconded. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Board Entered Executive Session

The purpose of the Executive Session is to discuss what WAWSA's negotiating position will be in response to IWP's demands at the mediation meetings.

A motion was made by Bert Anderson and seconded by Kent Bickler to enter into executive session. Motion carried. The board entered executive session at 3:20pm.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

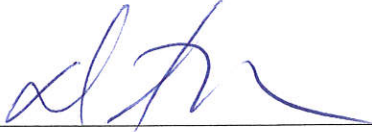
A motion was made by Kent Bickler and seconded by Ward Heidbreder to move out of executive session at 4:00 pm. Motion carried.

Roll Call:

AYE: Clarys, Owan, Zubke, Veeder, Bickler, Anderson, Hanson, Heidbreder

NAY: 0

Motion to adjourn was made by Gene Veeder at 4:05pm, seconded by Ward Heidbreder. Motion carried.



Denton Zubke
Chairman



Kim Schilke
Secretary