

**Western Area Water Supply Authority
Board of Directors Meeting
WAWSA Office
Wednesday August 19, 2015**

Attendees

Members Present: Chris Brostuen, Raoul Brandt, Ellis Haake, Ward Koeser, Richard Liesener (via phone), Gary Rust, and Denton Zubke

Members Absent: Bert Anderson, Mark Owan, Gene Veeder

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Todd Pokrzywinski (WAWSA), Tami Norgard (Vogel Law Firm), Cory Chorne (AE2S), Dustin Schultz (AE2S), Jeff Shaffer (MCWRD), Liz Suhr (R & T Water), David Tuan (City of Williston), Holden Russell (Ames Water Solutions), Neil VanAmburg (NW Construction), T. Simpson (Savage) and Senator Brad Bekkedahl.

Meeting Called to Order

Vice-Chairman Chris Brostuen called the meeting to order at 1:10 pm.

Approval of Agenda

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

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the July 15, 2015 board meeting, Executive Committee minutes for July 20, 2015 and August 3, 2014 were presented for approval. **Zubke moved to approve the minutes as presented, Haake seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen

NAY: 0

CARRIED: 9-0

Financial Report

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

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen

NAY: 0

CARRIED: 9-0

Charge Off Accounts Receivable

The WAWSA board was presented with a list of accounts receivable to be charged off. A number of the accounts have been turned over to WAWSA lawyers for collections and WAWSA will continue to try collect on these accounts. **Zubke moved to charge off the accounts, Rust seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen

NAY: 0

CARRIED: 9-0

BND Loan/SWC Grant Payment Requests

The Bank of North Dakota Payment Voucher 05-081915 in the amount of \$2,796,025.57 and SWC Grant request 13-081915 in the amount of \$2,617,044.71 for a total request of \$5,413,070.28 were presented to the board for their approval. **Zubke moved to approve the pay requests in the amount of \$5,413,070.28, Koeser seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Executive Director's Report

System Updates & Industrial Sales Report

Wirtz gave a system update. Wirtz reported on the industrial sales; June industrial sales were \$1,653,158.00.

ND Industrial Commission

Wirtz presented the board with the industrial capital improvements pay request in the amount of \$129,627.32. The ND Industrial Commission will be asked to reimburse WAWSA \$129,627.32. **Zubke moved to approve the reimbursement request to NDIC, Rust seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Wirtz will present the NDIC with a request to build one mile of 12" pipeline from the transmission line north of Cty 12 to the Keene depot to create a better connection for industrial temporary direct connections. **Koeser moved to present the request to the NDIC, Haake seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

State Water Commission

The ND Missouri River Stakeholders will have a meeting on August 25, 2015 in Bismarck. Wirtz will be representing WAWSA.

Wirtz reported that a request has been made to the SWC by WAWSA to approve the \$60M project list and allow WAWSA to contract up to \$289M. He also requested that the SWC approve the project included in the \$80M project list in order to start design work.

Letter to the Editor

Wirtz presented a letter to the editor for the board's review and approval. The purpose of the letter is to inform the public that industrial sales are used to pay WAWSA loans and help keep customer rates down. Brostuen asked that the letter be sent to the ND Living magazine as well as the ND Rural Water magazine. **Rust moved to approve the letter, Zubke seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Office Building

The WAWS executive committee approved a purchase agreement of \$1.85M for the Baker Hughes building for office and shop. Wirtz asked for full board approval of the purchase. **Zubke moved to approve the purchase of the Baker Hughes building for \$1.85M, Koeser seconded.** The funds for the building and improvements will come from WAWS's project fund account.

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Wirtz asked for the board's approval to hire Hulsing and Associates as the architect and to prepare the bid packet for the building renovations. **Koeser moved to hire Hulsing and Associates, Rust seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Easement Acquisition

Wirtz informed the board that it has become more difficult to obtain easements and there will be more letters of condemnation sent out than in the past.

Project Updates

Chorne presented a current water demand report

Chorne presented the Capital Accounting Report.

Chorne presented the board with project updates.

Williston WTP

PKG Change Order #13 in the amount of \$371,181.00 for pretreatment facility improvements was presented to the board for their approval. **Zubke moved to approve Change Order #13 in the amount of \$371,181.00, Koeser seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

PKG Change Order #14 in the amount of \$99,656.00 for raw water and sludge pump repairs and purchase of back up sludge pumps was presented to the board for their approval. **Rust moved to approve Change Order #14 in the amount of \$99,656.00, Zubke seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Williston By-Pass Transmission Main

Merryman Change Order #8 for a 7 day time extension was presented to the board for their approval. **Zubke moved to approve Change Order #8 for a 7 day time extension, Koeser seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

WRWD West Expansion

Maguire Iron, Inc. Change Order #2 in the amount of a decrease of \$300.00 for seeding deduction was presented to the board for their approval. **Rust moved to approve Change Order #2 in the amount of a decrease of \$300.00, Zubke seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Chorne presented a Final Completion and Acceptance for Maguire Iron, Inc. for the WRWD West Expansion Phase 2B Elevated Tank. **Koeser moved to approve the Final Completion and Acceptance for Maguire Iron, Inc., Zubke seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Cherry Creek Pump Station

PKG Change Order #2 in the amount of \$6,930.00 for floor coating change was presented to the board for their approval. **Haake moved to approve Change Order #2 in the amount of \$6,930.00, Koeser seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

WRWD East Expansion

Rice Lake Change Order #1 in the amount of \$16,015.00 for sale tax increase and culvert replacement was presented to the board for their approval. **Zubke moved to approve Change Order #1, Rust seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

WRWD Blacktail/BDW

Carstensen Contracting Inc. Change Order #2 in the amount of \$15,894.80 for replacing standard AMR with pressure transmitting AMR was presented to the board for their approval. **Koeser moved to approve Change Order #2 in the amount of \$15,894.80, Haake seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

WRWD Wheelock/Epping

Northern Improvement Co. Change Order #4 for the addition of 6" pipe and removal of existing WRWD 4" pipe from BNSF ROW in the amount of \$221,904.00 was presented to the board for their approval. **Haake moved to approve Change Order #4 in the amount of \$221,904.00, Koeser seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Northern Improvement Co. Change Order #5 for final adjustment of installed quantities in the amount of a decrease of \$198,643.95 was presented to the board for their approval. **Koeser moved to approve Change Order #5 in the amount of a decrease of \$198,643.95, Zubke seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Chorne presented a Final Completion and Acceptance for Northern Improvement Co. for the WRWD Wheelock/Epping Transmission Part 1A. **Zubke moved to approve the Final Completion and Acceptance for Northern Improvement, Co., Haake seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

WRWD Epping Distribution Part 1

NW Construction, Inc. Change Order #1 for the addition of 15 users to their contract in the amount of \$408,850.00 was presented to the board for their approval, **Zubke moved to approve Change Order #1 in the amount of \$408,850.00, Rust seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Engineering Task Order Amendment

Chorne presented Amendment #2 to Task Order #28 for an increase of \$100,000.00 for McKenzie System IV Expansion. **Zubke moved to approve the amendment #2 in the amount of \$100,000.00, Koeser seconded.**


AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

BDW Rural Distribution Part 1 Alternate 1


Carstensen Contracting, Inc. Change Order #1 for replacing standard AMR with pressure transmitting AMR in the amount of \$17,661.00 was presented to the board of their approval. **Rust moved to approve Change Order #1 in the amount of \$17,661.00, Brandt seconded.**

AYES: Brandt, Rust (also voting for Anderson), Koeser, Zubke (also voting for Veeder), Haake, Liesener and Brostuen
NAY: 0
CARRIED: 9-0

Vice-Chairman Brostuen adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary