

**Western Area Water Supply Authority
Board of Directors Meeting
Williston Community Library
Wednesday, July 17, 2013**

Attendees

Members Present: Jeffery Mattern (NDSWC), Mark Owan, Kent Bickler, Ben Clarys, Richard Liesener, Gene Veeder, Gary Rust, Ward Koeser, Brent Bogar, and Denton Zubke.

Members Absent: Bert Anderson.

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Tina Oberzan (WAWSA), Tami Norgard (Vogel Law Firm), Steve Burian (AE2S), Dustin Schultz (AE2S), Shawn Gaddie (AE2S), Deon Stockert (AE2S), Cory Chorne (AE2S), Suhail Kanwar (McKenzie County), Karlene Fine (ND Industrial Commission), Cyrus Copenland (Armstrong Water Solutions), Jeff Romig (Armstrong Water Solutions), Charles Mihe (SCS/Jetstream) and Rory Nelson (ND Energy Coord.).

Meeting Called to Order

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

Kent Bickler arrived to meeting at 1:05 pm.

Approval of Agenda

Changes to the agenda included adding under Executive Director's Report #11 MCWRD Rural Water System and #12 Mediation Report from the July 10th Board Meeting.

Koeser moved to approve the agenda with changes, Owan seconded.

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes for the June 20, 2013 board meeting were presented for approval. Jeffery Mattern requested the "state engineers" be changed to the "Chief State Engineer" in the section discussing future industrial contracts. **Rust moved to approve the minutes with the correction, Bogar seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Minutes for the July 10th, 2013 board meeting were presented for approval. **Veeder moved to approve the minutes, Clarys seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Financial Report

The financial reports were presented for consideration and discussion. **Veeder moved to approve the financial reports, Liesener seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Payment Voucher

The Bank of North Dakota Payment Voucher 09-071713 for \$2,533,859.73 and voucher 01-071713 for \$293,304.89 were presented for approval. **Bogar moved to approve the BND Pay Voucher Requests, Owan seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Executive Director's Report

Election of Vice-Chairman

Ward Heidbreder is no longer serving on the WAWSA board. Denton Zubke opened the floor for nominations to fill the Vice-Chairman position that was held by Ward. Gene Veeder nominated Mark Owan. The board was asked for any other nominations. **Veeder made a motion that nomination cease and a unanimous ballot be cast for Mark Owan, Koeser seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Election of Executive Committee Member

Denton Zubke opened the floor for nominations for Executive Committee Member position that was held by Michelle Klose. Richard Liesener volunteered himself and was approved by Denton Zubke.

Jaret Wirtz gave an update on the transition progress for NDIC and WAWSA that occurs on August 1st. He reported working on reports that will go to the Industrial Commission concerning water sales rates. Todd Sando with the N.D. State Water Commission was sent a sample agreement for the temporary direct connects, carrier agreements and bulk direct connect agreements.

Jaret Wirtz presented the Industrial Sales report for June.

Jaret Wirtz gave an update on the R&T Land Purchase Agreement that was approved and asked for the Executive Committee to handle any amendments. **Rust moved to grant the Executive Committee the authority to make any amendments to the purchase agreement, Veeder seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Transmission Line Easement Amendments

Jaret Wirtz reported that some changes were made to the Transmission Line Easement.

Tami Norgard noted that the changes were minimal and reviewed them with the Board. **Koeser made a motion to approve changes to the Transmission Line Easement, Bogar seconded.**

Williston Water Treatment Plant Status

Jaret Wirtz reported that the Williston Water Treatment status is running at full capacity. The bucket elevator broke and had to be replaced. The Water Treatment Plant had a turbidity event from the recent rains that caused a spike in turbidity of approximately 1,900 NTU. The plant is back to full capacity, and currently at 80% storage across the system.

Jaret Wirtz reported the Water Treatment Plant is in need of a superintendent and operators for staffing at the plant.

Jaret Wirtz reported that the WAWSA budget will be presented in September and will planned to be finalized in October.

McKenzie County Water Resource District Rural Water System

Denton Zubke requested that the board take some time to consider WAWSA taking over McKenzie County Water Resource District Rural Water Systems.

Mediation Report

Denton Zubke reported that all parties have agreed on a settlement in the mediation. Vogel Law Firm is in the process of drawing up the settlement agreement of \$108,000.00. The Board delegated the authority of the Executive Committee to review and sign off on a settlement agreement. **Koeser moved to approve, Bickler seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Project Updates

Capital Accounting

Steve Burian presented the Capital Accounting Report.

Amendment No.1 to Task Order No.4a

Cory Chorne presented change order amendment for engineering services to Task Order No. 4. Chorne requested a motion to reduce construction phase service of Task Order No.4a from \$640,000.00 to \$431,150.95. **Bogar moved to approve Change Orders No.4a from \$640,000.00 to \$431,150.95, Liesener seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Cory Chorne presented progress on McKenzie County System IV. Chairman Zubke authorized contractor to install a pipeline to the Jim Jacobson residence with no construction cost to him. **Koeser motion to approve Jim Jacobson hook up with no construction cost, Anderson seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Williston Regional WTP

Cory Chorne gave a progress update on Williston Treatment Plant Expansion.

Regional Water Service Phase II Transmission Mains

Cory Chorne gave updated that service to R & T is ongoing. The line to Ray High Point has been pigged. Ray High Point reservoir is filling.

Regional Water Service Phase II Station/Meter Vault

Cory Chorne presented Change Order #5 for John's Refrigeration & Electric Construction in the amount of \$19,400.00. It is for work required for additional wiring at Alexander, N. Williston and Lewis and Clark pump station. John's Refrigeration & Electric Construction is requesting an additional 59 to 118-days extension on all final completion dates on all the sites. **Mattern moved to approve Change Order #5 for the amount of \$19,400.00 and the time extension, Veeder seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Alexander, 13 Mile, Indian Hills, Watford City and R & T Bulk Fill Stations

Cory Chorne presented Change Order # 5 for PKG Contracting in the amount of \$373,700.00 for installing Fill Pad Snow Melt System and Drainage System and to construct 10" reinforced concrete approaches on the entrance and exit of Watford City Depot. The exit cost will be shared with Taylor Ag for approximately \$18,000.00. **Mattern moved to approve Change Order #5 for the amount of \$373,700.00, Owan seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.
NAY: 0
CARRIED: 10-0

Cory Chorne presented Change Order #3 for Lakeshore Toltest Corporation in the amount of \$1,310,872.00 for providing Fill Pad Snow Melt and Drainage System at 13 Mile Corner Depot, Alexander Depot and Indian Hill Depot. **Veeder moved to approve Change Order #3 for the amount of \$852,739.00 with the removal of 13 Mile Depot to be discussed at a later date, Bogar seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.
NAY: 0
CARRIED: 10-0

Williams Rural Water West Expansion

Cory Chorne presented Change Order #3 for Niebur Development, Inc. in the amount of \$13,200.00. Change Order #3 final balancing adjustments to the contract for seeding quantities that were larger than originally anticipated due to alignment changes and larger areas of disturbance throughout the length of the pipeline. **Owan moved to approve Change Order #3 in the amount of \$13,200.00, Bogar seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.
NAY: 0
CARRIED: 10-0

R&T Depot

Jaret Wirtz gave an update on Glacier Construction Co. terminating their contract due to the delays on the project. A motion was made to repackage and rebid the depot. **Rust made a motion to approve rebidding the R & T depot, Bogar seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.
NAY: 0
CARRIED: 10-0

R & T Old WTP Rehab and Well Field Expansion Bid Opening

Cory Chorne recommended awarding bids for R & T old WTP Rehab and Well Field Expansion to PKG Contracting for contract #1 in the amount of \$1,121,969.00, John's Refrigeration and Electric for contract #3 in the amount of \$242,000.00 and PKG for the Water Treatment Facility Modifications in the amount of \$328,069.00. **Koeser moved to approve awarding PKG Contracting for contract #1 in the amount of \$1,121,969.00, awarding John's Refrigeration and Electric for contract #3 in the amount of \$242,000.00 and awarding PKG Contracting for Water Treatment Facility Modifications in the amount of \$328,069.00, Rust seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.
NAY: 0
CARRIED: 10-0

Resolution Thanking State Water Commission Members

Denton Zubke encouraged the board to pass a resolution of “Thanks” to Michelle Klose and Jeffrey Mattern, State Water Commission members, for all their efforts and work on the board as this was their last board meeting. **A motion was made by Koeser to pass the resolution, Rust seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

WHEREAS, Michelle Klose and Jeffrey Mattern have served with distinction on the Board of Directors for the Western Area Water Supply Authority since 2011; and

WHEREAS, Michelle Klose and Jeffrey Mattern have continued to believe that development of Western Area Water Supply Authority will ensure quality of life for future generations of North Dakotans; and,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Western Area Water Supply Authority duly assembled in Williston, in the state of North Dakota, on July 17, 2013, does hereby express its recognition for Michelle Klose and Jeffrey Mattern and their dedication as they were instrumental in establishing the foundation of the WAWSA and providing significant guidance in moving the project forward for the benefit of the citizens of northwestern North Dakota.

Right of Way Acquisition

Tami Norgard would like to have approval of the board to initiate condemnation on Rod Prewitt for a rural water line and for \$250.00/acre to deposit with the court. **Owan made a motion to approve, Bogar seconded.**

AYES: Mattern, Owan, Bickler, Clarys, Liesener, Veeder, Rust, Koeser, Bogar, and Zubke.

NAY: 0

CARRIED: 10-0

Chairman adjourned the meeting.

Denton Zubke, Chairman

Kim Schilke, Secretary