

**Western Area Water Supply Authority
Board of Directors Meeting
Williston Community Library
Wednesday December 18, 2013**

Attendees

Members Present: Ward Koeser, Ben Clarys, Mark Owan, Bert Anderson, Gary Rust, Gene Veeder, Richard Liesener, Chris Brostuen and Denton Zubke (also holding voting rights from Gene Veeder).

Members Absent: Kent Bickler

Others Present: Jaret Wirtz (WAWSA), Tina Oberzan (WAWSA), Kim Schilke (WAWSA), Tami Norgard (Vogel Law Firm), Cory Chorne (AE2S), Dustin Schultz (AE2S), Steve Burian (AE2S), Suhail Kanwar (McKenzie County), Jeff Shaffer (McKenzie County) and Todd Pokrzywinski (WAWSA).

Meeting Called to Order

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

Approval of Agenda

There were no changes to the agenda. **Rust moved to approve the agenda, Liesener seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the November 20, 2013 board meeting were presented for approval. **Veeder moved to approve the minutes, Anderson seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Financial Report

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

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Payment Voucher

The Bank of North Dakota Payment Voucher 03-121813 for \$2,525,567.75 was presented for approval. **Veeder moved to approve the BND Pay Voucher request withholding Merryman payment of \$169,162.91 in the amount of \$2,356,404.84, Ward seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Executive Director's Report

NDSWC (12/13/13 meeting report)

Jaret Wirtz gave an update on the recent State Water Commission policy meeting. Jaret Wirtz will work with Michelle Klose, with the State Water Commissioner to rewrite the policy concerning the public comment period on contracted water.

Also discussed was the State Water Commission loan proposal of \$79 million with \$40 million loan and \$39 million grant. Wirtz will work with the BND and the SWC staff regarding the terms of the loan.

Industrial Sales Report

Jaret Wirtz reported on the Industrial Sales. November sales were down due to restricted flow from the WTP and line breaks. A temporary pumping company was brought in to pump water from the Missouri River to the wet well to increase capacity at the WTP the end of November when frazzle ice restricted the current intakes.

R & T Water Supply

Richard Liesener gave an update on the 2014 Water Demand Projections for R & T. The summer months in 2014 could exceed 3.0 MGD with anticipated peaking around 4 MGD. The State Water Commission has been asked to extend R & T's interim allocation increase. R & T will need 3 seasonal operators from May to September in 2014.

Staffing

Jaret Wirtz reported that WAWSA has hired Todd Pokrzywinski as the Operations Manager.

Office Building

Jaret Wirtz reported WAWSA will be moving into the new office building at 820 East Broadway Suite 101, Williston on December 30, 2013. Jaret informed the board that a sign will be purchased for the front of the building.

2013 Employee Compensation

Jaret Wirtz presented to the board bonuses for the employees. **Veeder made a motion to approve the employee bonus up to 5% based on the discretion of the Executive Director, Anderson seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

City of Grenora

Jaret Wirtz gave an update that a councilman for the City of Grenora has informed WAWSA that Grenora has voted to defer service at this time. Grenora bulk rate would be \$6.25 per thousand, which is more than they wanted to pay. WAWSA will plan to serve only rural water in that area at this time.

Jaret Wirtz gave an update that the City of Arnegard will build their own distribution system. WAWSA will build a turnout and put in a meter pit. Arnegard will become a sub member to McKenzie County Water Resource District.

Project Updates

Capital Accounting

Cory Chorne presented the Capital Accounting Report.

Regional Water Service Phase II Reservoirs

Cory Chorne updated the board on Engineering America progress on 13 Mile and Arnegard reservoirs are ready to fill. Engineering America put a diver in the Indian Hill reservoir tank and the leaks were not in a localized area. They know that it is a broad problem.

McKenzie County System IV

Cory Chorne presented recommendation to award the bid for McKenzie System IV Expansion Project Part 3a to Merryman Excavation, Inc. in the amount of \$5,174,300 contingent upon them executing Change Order #1 for Merryman Excavation, Inc. by reducing the contract -\$2,355,015.00. As a result, the new contract price for the north portion of System IV Part 3a will be in the amount of \$2,819,285.00. **Anderson made a motion to approve awarding Merryman Excavation, Inc. for McKenzie System IV Expansion Project Part 3a in the amount of \$2,819,285.00, Veeder seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Amendment Task Order #9

Cory Chorne presented Amendment No.1 to Task Order #9 for Phase III Business Planning & Financial Management Assistance for Modifications of Payment to Engineer and Modifications to Time(s) for rendering services based on a 6 month time period in the amount of \$87,800.00. **A motion was made by Veeder to approve the Amendment No.1 to Task Order #9 in the amount of \$87,800.00, Rust seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Williston Regional WTP

Cory Chorne presented Change Order #2 for Williams Plumbing and Heating in the amount of \$422.00 for modifications to the piping on pressure gauge and on existing filters in order to be operational. **Ward moved to approve Change Order #2 for the amount of \$422.00, Liesener seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Cory Chorne presented Change Order #3 for Williams Plumbing and Heating in the amount of \$3,074.00 to reroute the natural gas pipeline at the raw water intake building to accommodate the new raw water control panel to take care of the heating issue. **Veeder made the motion to approve Change Order #3 in the amount of \$3,074.00, Clarys seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Cory Chorne presented recommendation to award Rodney Hunt-Fontaine in the amount of \$21,024.00 for equipment purchase of two downward opening gates as part of the equipment for the 14 MGD pretreatment system for the Williston Regional WTP. **Ward made the motion to approve the purchase from Rodney Hunt-Fontaine in the amount of \$21,024.00, Anderson seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Cory Chorne presented recommendation to award Vessco, Inc. in the amount of \$57,672.00 to supply chemical storage equipment for the chemical feed systems associated with the proposed pretreatment system for the Williston Regional WTP. **Brostuen made the motion to approve the purchase from Vessco, Inc. in the amount of \$57,672.00, Liesener seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Cory Chorne presented recommendation to award Envirodyne Systems in the amount of \$399,950.00 for a presedimentation basin within the pretreatment system for the Williston Regional WTP. **Anderson made the motion to approve the purchase from Envirodyne Systems in the amount of \$399,950.00, Veeder seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Cory Chorne presented Change Order #9 for PKG Contracting, Inc. in the amount of \$128,921.00 for labor and materials to remove debris from the river intake structure and bridge pier, sand from inside the river intake structure and rehabilitation of the six gates to get them operational. **Clarys made a motion to approve Change Order #9 for PKG Contracting in the amount of \$128,921.00, Liesener seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Regional Water Service Phase II Transmission Mains

Cory Chorne presented to the board for approval the Certificate of Substantial Completion date of August 5, 2013 for S.J. Louis Construction, Inc. for Task Order #11/Phase II Transmission Main. **Clarys made a motion to approve the Certificate of Substantial Completion date of August 5, 2013 for S.J. Louis Construction, Inc., Brostuen seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Regional Water Service Phase II Pump Station/Meter Vault

Cory Chorne presented Change Order #6 for John's Refrigeration & Electric, Inc. in the amount of \$86,090.00 for putting in 3 pumps at Arnegard Pump Station for the electrical install and variable frequency drives to connect into the Control System and Scada System. **Veeder made the motion to approve Change Order #6 in the amount of \$86,090.00, Owan seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Cory Chorne presented Change Order #11 for John T. Jones Construction in the amount of \$94,596.00 for general construction on installation of 3 pumps and associated process piping, valves, fittings and meters at Arnegard Pump Station. **Rust made the motion to approve Change Order #11 in the amount of \$94,596.00, Koeser seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Anderson, Owan, and Zubke.

NAY: 0

CARRIED: 9-0

Anderson left the meeting at 3:00 pm.

MCWRD System II

Cory Chorne presented Change Order #1 for PKG Contracting for a 60 day time extension for the Keene Loop. **Liesener made the motion to approve Change Order #1 for 60 day time extension, Owan seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

Right of Way Procurement

Cory Chorne presented Amendment No.4 to Task Order #16 for AE2S in the amount of \$350,000.00 at a standard hourly rate for services in developing exhibits and administrative services to keep track of easements and keeping easement procurement maps up to date. **A motion was made by Veeder to approve Amendment No.4 to Task Order #16 in the amount of \$350,000.00, Koeser seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

MCWRD East Transmission Expansion

Cory Chorne presented Change Order #1 for Merryman Excavation in the amount of \$58,497.50 for replacement of PVC Pipe to Fused Poly Pipe on the MCWRD East Transmission Expansion. **Liesener made the motion to approve Change Order #1 in the amount of \$58,497.50, Koeser seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

McKenzie County System I Improvements

Cory Chorne presented Change Order #8 for Wagner in the amount of \$29,450.00 for additional directional bore on the relocation of McKenzie County System I pipeline. **Rust made the motion to approve Change Order #8 in the amount of \$29,450.00, Clarys seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

R & T Expansion

Cory Chorne presented Change Order #2 for PKG Contracting, Inc. in the amount of \$12,825.00 to furnish and install chlorine analyzer, pipe and pressure reducing valve for the R & T Water Treatment Plant. **Koeser made the motion to approve Change Order #2 in the amount of \$12,825.00, Clarys seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

Cory Chorne presented Change Order #3 for PKG Contracting, Inc. in the amount of \$10,765.00 for installing a flow control valve at the R & T Water Treatment Plant. **Brostuen made the motion to approve Change Order #3 in the amount of \$10,765.00, Veeder seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

Cory Chorne presented Change Order #4 for PKG Contracting, Inc. in the amount of \$12,847.00 for installation of the diverter valve on the line feed system, a man hole drain and add an 8" valve on interior piping at the R & T Water Treatment Plant. **Owan made the motion to approve Change Order #4 in the amount of \$12,847.00, Veeder seconded.**

AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

McKenzie Easement System 4 Part 2

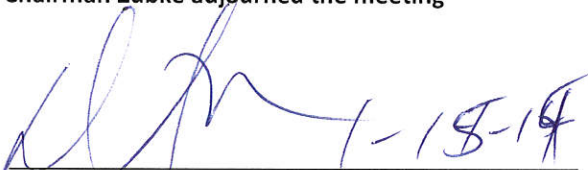
Denton Zubke presented to the board for Tami Norgard to proceed with eminent domain on any easements that we have not received and authorize condemnation at \$250.00. **Koeser made the motion to approve on moving forward with eminent domain on any easement that we have not received and authorize condemnation at \$250.00, Owan seconded.**


AYES: Clarys, Veeder, Rust, Liesener, Brostuen, Koeser, Owan, and Zubke.

NAY: 0

CARRIED: 8-0

Chairman Zubke adjourned the meeting


Denton Zubke, Chairman


Kim Schilke, Secretary