

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office  
Wednesday May 21, 2014**

**Attendees**

Members Present: Bert Anderson, Kent Bickler, Ben Clarys, Mark Owan, Gary Rust, Gene Veeder, Denton Zubke and alternate Dave Tuan (with voting rights for Ward Koeser and Chris Brostuen).

Members Absent: Ward Koeser, Chris Brostuen, Richard Liesener.

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Todd Pokrzywinski (WAWSA), Jacob Monson (WAWSA), Tami Norgard (Vogel Law Firm), Cory Chorne (AE2S), Dustin Schultz (AE2S), Steven Burian (AE2S), Taylor Amiot (AE2S & R & T), Deon Stockert (AE2S & R & T), Cal Thelen (AE2S), Jeff Shaffer (MCWRD), Suhail Kanwar (McKenzie County).

**Meeting Called to Order**

Chairman Mark Owan called the meeting to order at 1:00 p.m.

**Approval of Agenda**

Changes to the agenda, under the Executive Directors Report, include item #12 Pasture Damage, item #13 Building in McKenzie County and item #14 Request to use space on Alexander Tower. **Zubke moved to approve the agenda with the additions, Bickler seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

Minutes of the April 16, 2014 board meeting and May 7, 2014 special board meeting were presented for approval. **Zubke moved to approve the minutes, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Owan

NAY: 0

CARRIED: 8-0

**Financial Report**

Bert Anderson joined meeting at 1:10pm

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

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

**Payment Voucher**

The Bank of North Dakota Payment Voucher 08-052114 for \$6,967,442.07 was presented for approval. **Zubke moved to approve the BND Pay Voucher 08-052114 request in the amount of \$6,967,442.07, Clarys seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

## Executive Director's Report

### Industrial Sales Report

Wirtz reported on the industrial sales. April industrial sales were \$2,781,144.00.

### Bulk Fill Stations

Lakeshore Toltest Corp. contract was terminated at the May 7, 2014 board meeting. Tami Norgard presented options WAWSA has concerning the contract. Vogel Law Firm is negotiating a takeover agreement with the surety company. **Zubke made a motion to allow the executive committee to assist in negotiating and allow Chairman Owan to sign the agreement, Anderson seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

### Rate Schedule

Wirtz presented a Rate Schedule for various items such as; time expended by WAWSA staff responding to incidents created by Members, contractors or third parties. **Clarys moved to approve the rate schedule, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

### Staffing

Wirtz reported that WAWSA is looking to hire another operator for the north side of the project and an easement coordinator. **Zubke moved to add additional staff for easement acquisitions, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

### Pipeline Policy

Wirtz presented an amendment to the WAWSA Line Crossing Policies and Procedures for the board approval. **Zubke moved to amend the Line Crossing Policy as presented, Taun seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

### Third Party User Agreement for Electronic Data

WAWSA has had requests for electronic data for line locations. Wirtz presented a draft Third Party User Agreement for Electronic Data, which states that WAWSA will provide the data with the understanding that WAWSA makes no representation as to the electronic data's completeness or accuracy. **Veeder moved to approve the Form of Agreement for Electronic Data, Clarys seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

## Industrial Commission/State Water Commission

Wirtz reported on his meetings with the NDIC and SWC concerning depot relocations and depot signage.

### Authorization to Purchase

Wirtz ask for the board's approval to purchase a larger used skid steer with tracks. WAWSA will trade in their skid steer on the purchase. **Rust moved to authorize the purchase of the skid steer, Bickler seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

### Easement Procurement Policy

Wirtz reported that an Easement Procurement Policy is being developed and will be presented to the board for their approval.

### Wildrose Sub-Agreement

The board was given proposed changes submitted by the City of Wildrose to their sub-member agreement. There was no action by the board on the proposed changes.

### Pasture Damages

At this time WAWSA's policy is to not pay for pasture damage. Landowners are asking for payment for acreage that cannot be grazed. The pasture will be restored and reseeded. **Zubke moved to pay \$20.00 per acre on pasture land damages, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

### Building in McKenzie County

Wirtz is working on quotes for the cost of building a shop and office space in Watford City. He will explore cost sharing with MCWRD.

### Tower Space Lease

Tim Dwyer requested space on the Alexander First Responders Tower that is located on WAWSA land. Mr. Dwyer raised the request last week as one of his conditions of granting an easement for a rural water pipeline easement. The board discussed the difficulty in negotiating and obtaining easements from Mr. Dwyer, the time and expense of condemnation of the reservoir site due to lack of cooperation from Mr. Dwyer, and the fact that the tower lease is not even finalized yet, so such a request is premature, and that it is unlikely that an agreement could be reached with Mr. Dwyer before WAWSA needs to begin construction on the parcels subject to the easement. **Zubke made a motion deny the request, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan

NAY: 0

CARRIED: 9-0

## Project Updates

### Capital Accounting

Chorne presented the Capital Accounting Report.

#### **Williston Regional WTP**

Colstrip Electric, Inc. Change Order #11 for a time extension was presented for approval. **Zubke moved to approve Change Order #11, Taun seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

PKG Change Order #13 for a time extension was presented for approval. **Veeder moved to approve Change Order #13, Zubke seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

PKG Change Order #14 in the amount of \$60,332.00 was presented for approval. **Brostuen moved to approve Change Order #14 in the amount of \$60,332.00, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

PKG Change Order #2 in the amount of \$85,779.00 for a concrete walkway, stairs and landing was presented for approval. **Veeder moved to approve Change Order #2 in the amount of \$85,779.00, Clarys seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

Williams Plumbing and Heat Change Order #5 for a time extension was presented for approval. **Clarys moved to approve Change Order #5, Bickler seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

Williams Plumbing and Heat Change Order #6 in the amount of \$11,762.00 was presented for approval. **Clarys moved to approve Change Order #6 in the amount of \$11,762.00, Bickler seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

#### **MCWRD Cherry Creek Pumping Station**

John's Refrigeration & Electric Change Order #1 in the amount of \$29,491.00 and a 60 day extension was presented for approval. **Rust moved to approve Change Order #1 in the amount of \$29,491.00 with the 60 day extension, Taun seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

#### **MCWRD System 1**

Wagner Construction Change Order #9 in the amount of \$494,750.00 for the Alexander Bypass Pipeline relocation was presented for approval. NDDOT will reimburse WAWSA. **Veeder moved to approve Change Order #9 in the amount of \$494,750.00, Clarys seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

### Engineering Task Orders

Amendment #3 for the NDDOT Highway 85 Expansion – Pipeline Relocation Task Order #23 in the amount of \$35,000.00 was presented for board approval. **Zubke moved to approve Amendment #3 to Task Order #23 in the amount of \$35,000.00, Anderson seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

Amendment #1 for the WRWD Wheelock/Epping Transmission Part 1A Task Order #31 in the amount of \$210,000.00 was presented for board approval. **Clarys moved to approve amendment #1 to Task Order #31 in the amount of \$210,000.00, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

Amendment #2 for Phase III Business Planning & Financial Management Assistance Task Order #9 in the amount of \$162,400.00 was presented for board approval. **Clarys moved to approve Amendment #2 to Task Order #9 in the amount of \$162,400.00, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

Amendment #14f for Bulk Water Fill Stations Task Order #14 in the amount of \$80,000.00 was presented to the board for approval. **Tuan moved to approve Amendment #14f to Task Order #14 in the amount of \$80,000.00, Bickler seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

### R & T WTP

PKG Change Order #3 to construct a lime sludge pond at the R&T Water Treatment Plant in the amount of \$341,695.00 was present for board approval. **Rust moved to approve Change Order #3 in the amount of \$341,695.00, Clarys seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

### Land Purchase

**Clarys made a motion to pay up to \$7,500.00 per acre for land in the Blacktail Area for a pump station and reservoir, Bickler seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

#### **Board Entered Executive Session**

The purpose of the Executive Session is to discuss Contract Negotiation for Potential Business Opportunities.  
**Zubke moved to move into Executive Session, Rust seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

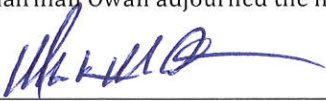
The board entered executive session at 3:55 pm.

**A motion was made by Zubke to move out of executive session, Veeder seconded.**

AYES: Veeder, Clarys, Taun (voting for Koeser and Brostuen), Rust, Bickler, Zubke, Anderson, Owan  
NAY: 0  
CARRIED: 9-0

The board moved out of executive session at 4:10 pm.

Chairman Owan adjourned the meeting.

  
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Mark Owan, Chairman

  
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Kim Schilke, Secretary