

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office  
Wednesday June 18, 2014**

**Attendees**

Members Present: Bert Anderson, Kent Bickler, Chris Brostuen, Ben Clarys, Ward Koeser, Richard Liesener, Mark Owan, Gene Veeder and Denton Zubke.

Members Absent: Gary Rust.

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), Cal Thelen (AE2S), Dave Tuan (City of Williston), Jeff Shaffer (MCWRD), Eric Hager (Armstrong), Gary Black (Armstrong) and Matt Dautle (Armstrong).

**Meeting Called to Order**

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

**Approval of Agenda**

Changes to the agenda include adding item #16 MCWRD Relocation of 20" pipeline near Hwy 85 Missouri River Bridge under Project Updates. **Liesener moved to approve the agenda with the addition, Koeser seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

Minutes of the May 21, 2014 board meeting and June 2, 2014 special board meeting were presented for approval. **Zubke moved to approve the minutes, Liesener seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

**Financial Report**

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

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

**Payment Voucher**

The Bank of North Dakota Payment Voucher 09-061814 for \$4,234,552.39 was presented for approval. **Liesener moved to approve the BND Pay Voucher 09-061814 request in the amount of \$4,234,552.39, Clarys seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

## Executive Director's Report

### Industrial Sales Report

Wirtz reported on the industrial sales. May industrial sales were \$2,590,771.00.

### Resolution for \$20,000,000 SWC Loan

Wirtz presented the "Resolution Approving Issuance" for the \$20,000,000.00 State Water Commission Loan. **Zubke made a motion to approve the Resolution Approving Issuance of \$20,000,000.00 State Water Commission Loan, Clarys seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

### Industrial Commission/State Water Commission

Wirtz gave an update on the NDIC and SWC meeting. The SWC approved the Stanley rural water project for design and construction. The NDIC also approved signs to be placed at the Alexander, Watford City and 13 Mile Bulk Water Fill Stations.

The board discussed depot relocations and the cost associated with the relocations. **Zubke moved to delay the use of capital funds for the relocation of 2<sup>nd</sup> Street and Tioga depots, and to instead focus on other capital projects that will facilitate industrial sales such as telemetry and meter vault construction, Koeser seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

### Bulk Fill Stations

Wirtz gave a report on the bulk fill stations. The Takeover Agreement between Lexon Insurance Co. and WAWSA concerning Alexander and Indian Hill Fill Stations as not been completed. The Executive Committee was given authority by the board to approve the agreement at the May 2014 board meeting. WAWSA received approval in April from the NDIC for depot improvements, including heated shelters for the new pin pads and the purchase of new hardware and software.

### Easement Procurement Policy

Wirtz reported that next month an Easement Procurement Policy will be presented for the board approval.

### Armstrong Water

The frac tanks at Armstrong's Watford City site are settling. Armstrong will need to remove frac tanks and gas line to complete groundwork for rig mats to be put down for the frac tank. Heating units will be rearranged and a super pod brought in. Armstrong will be shut down for about two weeks in late July or early August. Lane 2 would also be fixed at this time. This will not affect WAWSA cold water sales. **Clarys moved to approve Armstrong's site work at Watford City Depot, Anderson seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

### North Rural Water Service Area

A map of the North Rural Water Service Area was handed out reflecting the service areas for Williams Rural Water and R & T Service Areas. Ross, White Earth and Powers Lake will need to sign sub-member agreements with R & T.

### Staffing

Wirtz reported that WAWSA is still looking to hire another operator for the north side of the project and an easement coordinator.

### Wildrose Sub-Agreement

The 12" line between R&T and Wildrose is owned by Wildrose. The line was upsized and funded by the State of North Dakota for the benefit of Crosby, BDW and Wildrose. R & T is currently maintaining the line. R & T is responsible to establish a sub-agreement with Wildrose.

### WAWSA & AFR Sub-Lease Agreement

The Tower Sub-Lease Agreement states that Alexander First Responders must have WAWSA approval to allow other entities to put equipment on their tower that was constructed at the WAWSA Alexander Reservoir site. The Alexander First Responders had a request from McKenzie County Law Enforcement to use the tower. **Zubke moved to approve the form for the McKenzie County Law Enforcement request, Anderson seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

### Watford City Reclaimed Waste Water

Wirtz reported that a Waste Water Plant is being developed at Watford City. WAWSA was approached about the possibility of purchasing the waste water. WAWSA asked AE2S to formulate a plan to utilize this water. Next meeting AE2S will bring a Task Order for the board to review.

### NDDOT Request of WAWSA

NDDOT has a request from Tim Dwyer Jr, to use the Alexander First Responders tower at the Arnegard Reservoir. NDDOT is offering \$5000.00 for the relocation of equipment, but has not reached an agreement with Tim Dwyer Jr. yet. NDDOT asked WAWSA to consider allowing Tim Dwyer Jr. to install his equipment on the First Responders' tower. The board took no action on the request, since Tim Dwyer Jr. has been invited to submit a request with whatever terms he wants to propose, but nothing has been submitted by Tim Dwyer Jr. at this time. As such, the Board concluded there is nothing to act on. The Board would consider a request by Tim Dwyer Jr. if one is forthcoming.

### Williams Rate Study Reimbursement

WRWD is asking WAWSA to reimburse them for their previous rate study expense of \$35,000.00 as WAWSA is paying for the other entities rate studies. **Zubke moved to reimburse WRWD for the rate study, Veeder seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0



## Project Updates

### Capital Accounting

Chorne presented the Capital Accounting Report.

### Williston Regional WTP

Williams Plumbing and Heating Change Order #7 for the cost to repair broken domestic water copper lines in the amount of \$386.00 was presented for approval. **Koeser moved to approve Change Order #7 in the amount of \$386.00, Brostuen seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

PKG Change Order #15 for the cost to furnish Watson Marlow peristaltic pumps in the amount of \$4,068.00 was presented for approval. **Clarys moved to approve Change Order #15 in the amount of \$4,068.00, Brostuen seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

PKG Change Order #3 for the cost to furnish and install new 5" rigid conduit in the raw water tunnel in the amount of \$16,730.00 was presented for approval. **Brostuen moved to approve Change Order #3 in the amount of \$16,730.00, Koeser seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

PKG Change Order #4 for the cost to procure materials and labor for the partially complete pre-sedimentation basin in the amount of \$2,888,500.00 was presented for approval. **Koeser moved to approve Change Order #3 in the amount of \$2,888,500.00, Veeder seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

### Pump Stations/Meter Vaults

John T. Jones Construction Change Order #12 for the cost of painting the upper and lower level process piping, valves and fittings at Lewis and Clark and Indian Hills Pump Stations in the amount of \$29,161.00 was presented for approval. **Liesener moved to approve Change Order #12 in the amount of \$29,161.00, Brostuen seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan

NAY: 0

CARRIED: 9-0

### Williams Rural Water West Expansion

American General Contractors Change Order #1 for the cost of 4-20 foot downspouts and 4 leader boxes on the 200K Pump Station in the amount of \$12,253.88 was presented for approval. **Zubke moved to approve Change Order #1 in the amount of \$12,253.88, Liesener seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

### MCWRD System 1

Wagner Construction Change Order #10 for the cost of 12"x8" wet tap for the 8" line going to Lodge 85 along 134<sup>th</sup> Ave in the amount of \$18,375.00 was presented for approval. **Brostuen moved to approve Change Order #10 in the amount of \$18,375.00, Clarys seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

### R & T WTP

John's Refrigeration & Electric Change Order #5 for the cost of contract revision price due to coordination issues with power suppliers in the amount of \$4,900.00 was present for board approval. **Zubke moved to approve Change Order #5 in the amount of \$4,900.00, Anderson seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

### Engineering Task Orders

Amendment #3 for the Business Planning & Financial Management Task Order #9 in the amount of \$105,000.00 was presented for board approval. **Brostuen moved to approve Amendment #3 to Task Order #9 in the amount of \$105,000.00, Veeder seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

Amendment #5 to close out Task Order #16 in the amount of a decrease of \$64,698.50.00 was presented for board approval. **Koeser moved to approve Amendment #5 to Task Order #16 in the amount of a decrease of \$64,698.50, Brostuen seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

Amendment #3 for WTP Conventional Intake Task Order #21 in the amount of \$39,300.00 was presented for board approval. **Veeder moved to approve Amendment #3 to Task Order #21 in the amount of \$39,300.00, Rust seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

### Rural Water Project Request to Bid

**Zubke moved to give Wirtz the authority to decide which approved rural water projects are ready for bid and authorizes Wirtz to choose when to advertise for bids these approved rural water projects, Clarys seconded.**

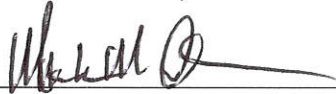
AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

### MCWRD Relocation of Transmission Line

Chorne presented the bids for the relocation of the MCWRD Relocation of the 20" Transmission Line. Chorne recommended low bidder of Merryman Excavation in the amount of \$538,267.60. NDDOT will reimburse for anything that is not in the right of way. Zubke recommended asking NDIC to cost share with NDDOT to pay for the relocation of the pipe since approximately 70% of the water going through the line is industrial water. **Zubke moved to award the bid to Merryman in the amount of \$538,267.60, Koeser seconded.**

AYES: Clarys, Anderson, Bickler, Brostuen, Veeder, Zubke, Koeser, Liesener, Owan  
NAY: 0  
CARRIED: 9-0

Chairman Owan adjourned the meeting.

  
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Mark Owan, Chairman

  
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Kim Schilke, Secretary