

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office  
Tuesday November 22, 2016**

**Attendees**

Members Present: Bert Anderson, Chris Brostuen, Ellis Haake, Ward Koeser, Richard Liesener, Mark Owan, Gary Rust, and Denton Zubke

Members Absent: Raoul Brandt, Gene Veeder

Others Present: Jaret Wirtz (WAWSA), Lindsey Cameron (WAWSA), Todd Pokrzywinski (WAWSA), Tami Norgard (Vogel Law Firm) via phone, Cory Chorne (AE2S), Nathan Blackledge(CCI), Jeff Shaffer (MCWRD), Rory Nelson (Governor's Office) and Ben Clarys (WRWD)

**Meeting Called to Order**

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

**Approval of Agenda**

The Agenda was presented for approval. Cory Chorne requested item #12 City of Ray Change Order and item #13 Tioga High Point Change Order be removed. **Liesener moved to approve the agenda with changes, Koeser seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

Minutes of the October 21<sup>st</sup> and 31<sup>st</sup> Executive Committee meetings were presented for approval. **Zubke moved to approve the Executive Committee meeting minutes, Haake seconded.**

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

Minutes of the October 25<sup>th</sup> board meetings were presented for approval. **Koeser moved to approve the meeting minutes, Brostuen seconded.**

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

**Financial Report**

The October financial reports were presented for consideration and discussion. **Rust moved to accept the financial reports as presented, Brostuen seconded.**

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

**SWC Grant Requests**

The SWC \$60M Grant request #12-112216 in the amount of \$4,583,750.62 and the SWC \$39.5M request #27-112216 in the amount of \$34,375.00 were presented to the board for their approval. Chorne ask that the two Utility Systems of America

requested be excluded from pay request. **Brostuen moved to approve the SWC grant requests with the exclusion of Utility Systems of America pay requests, Koeser seconded.**

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

### **1st Dakota Enterprises Payment Request**

Wirtz presented the board with 1<sup>st</sup> Dakota Enterprises payment request #5 in the amount of \$453,348.00 for the office/shop renovations. **Rust moved to approve the payment to 1<sup>st</sup> Dakota Enterprises, Liesener seconded.**

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

## **Executive Director's Report**

### **System Updates & Industrial Sales Report**

Wirtz gave a system update. He reported on two line breaks.

#### **Industrial Sales**

The industrial sales for October were \$1,002,371.00.

#### **NDIC**

Wirtz reported that Chairman Owan and himself had met with BND about restructuring the BND loans to one loan for a 15-year term. WAWSA's intention is to work with BND and NDIC to restructure the loans and present a plan to the ND Legislature.

#### **Drinking Water Revolving Loan**

Wirtz reported that the R & T and WRWD Drinking Water Revolving Loans will be funded after the first of the year.

#### **2017-2019 Biennium Funding**

Wirtz reported that at this time WAWSA's funding is \$29M for the 2017 – 2019 Biennium Funding. The planned \$29M projects are the MCWRD Spring Creek Project, R & T Stanley Alternates, R & T West White Earth Alternate, R & T East White Earth project, WRWD North 200 Project and the R & T East Wildrose Base project.

#### **Resolution Approving Issuance of \$10 Million LOC Loan**

Wirtz presented the board with the "Resolution Approving Issuance" for the \$10M loan from BND for interim financing until the Drinking Water Revolving Loans are funded. Wirtz reported that Vogel Law Firm is creating an addendum to be attached to the resolution per BND's request. **Zubke moved to approve the Resolution Approving the Issuance for the \$10M interim financing loan with the addendum, Brostuen seconded.**

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

#### **2017 Budget**

Wirtz present the proposed 2017 WAWSA General and Industrial budgets to the board for their review and comments. **Zubke made a motion to accept the 2017 WAWSA General and Industrial budgets, Haake seconded.**

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

### 2017 Water Rate Increase

Wirtz presented the 2017 proposed 2% water rate increase for member wholesale water rates to the board. **Zubke made a motion to accept the 2% water rate increase effective January 1, 2017, Koeser seconded.**

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

### 2017 NDIC Industrial Water Reimbursement Rate

Wirtz presented the 2017 proposed NDIC industrial water reimbursement rate to the board with the understanding that the individual member's water reimbursement rates may have to be adjusted depending on the 2017 water rate of each member entity. The 2017 proposed industrial water reimbursement will be presented to the NDIC for their approval at their December meeting. **Zubke made a motion to approved the 2017 industrial water reimbursement rates and to allow the Executive Director the latitude to adjust the individual member rate reimbursement based on the member's 2017 water rates, Liesener seconded.**

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

### Project Updates

Chorne presented a current water demand report and the Capital Accounting Report.

Chorne presented the board with project updates.

### Williston Regional WTP

Chorne presented the Final Inspection and Acceptance for PKG to the board for their approval. **Rust moved to approve the Final Inspection and Acceptance for PKG, Haake seconded.**

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

### WRWD Blacktail Dam Base and Alternate

Chorne presented Carstensen Balancing Change Order #9 in the amount of \$183,306.84 to the board for their approval. **Anderson moved to approve the Balancing Change Order #9, Rust seconded.**

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

### R & T North Tioga Rural Distribution

Chorne presented Carstensen Contracting Inc. Change Order #2 in the amount of \$51,870.00 for the hydrovac cost on Hess unlocatable pipelines to the board for their approval. **Koeser moved to approve Change Order #2, Liesener seconded.**

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

**BDW South Crosby Rural Distribution**

Chorne presented Engineering Task Order Amendment #1 to Task Order 40a in the amount of \$50,000 for construction services to the board for their approval. **Zubke moved to approve the Engineering Task Order Amendment, Brostuen seconded.**

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

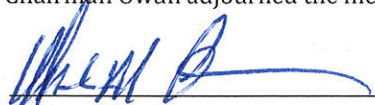
**Watford City South By-Pass Transmission Main**

Chorne presented Wagner Construction Change Order #1 in the amount of \$52,899.27 for remobilization and hydrovac costs to the board for their approval. **Zubke moved to approve Change Order #1, Koeser seconded.**

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

Due to the Christmas Holiday the December meeting will be Tuesday December 20<sup>th</sup>.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary