

**Western Area Water Supply Authority
Board of Directors Meeting
WAWSA Office January 17, 2018**

Attendees

Members Present: Raoul Brandt, Chris Brostuen (via phone), Ellis Haake, Ward Koeser, Mark Owan (via phone), Gary Rust and Denton Zubke (via phone).

Members Absent: Bert Anderson, Richard Liesener and Gene Veeder.

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Tami Norgard (Vogel Law Firm), Dustin Schultz (AE2S), Cory Chorne (AE2S), Steve Burian (AE2S), Todd Pokrzywinski (WAWSA), Jason Slater (WAWSA), Jacob Monson (WAWSA), Kenny Bergstrom (City of Williston), Deborah Kloeckner (Stantec), Ian Morrison (Stantec) and Kevin Martin (HEI).

Meeting Called to Order

Chairman Owan called the meeting to order at 9:00am.

Approval of Agenda

The agenda was presented for approval. The agenda was amended to include the Election of Officers and added Items #4b Carstensen Payment for Stored Materials, #5 Procurement of Equipment for the Williston Regional Water Treatment Plant Facility and #6 Bonding Release and Retainage for Murphy Pipe and Civil to the Project Updates. **Koeser moved to approve the amended agenda, Haake seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Board Re-Organization

Vice-Chairman Brostuen called for nominations for Chairman. **Haake moved and Rust seconded to nominate Mark Owan for Chairman. Koeser made a motion that nominations cease and cast a unanimous ballot for Mark Owan for Chairman, Haake seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Owan called for nominations for Vice-Chairman. **Koeser moved and Haake seconded to nominate Chris Brostuen for Vice-Chairman. Haake made a motion that nominations cease and cast a unanimous ballot for Chris Brostuen for Vice-Chairman, Koeser seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Owan called for nominations for Secretary-Treasurer. **Haake moved and Koeser seconded to nominate Kim Schilke for Secretary-Treasurer. Haake moved that nomination cease and cast a unanimous ballot for Kim Schilke, Koeser seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the December 21, 2017 board meeting were presented for approval. **Haake moved to approve the meeting minutes as presented, Rust seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

Financial Report

The December General financial reports and the December Industrial financial reports were presented for consideration and discussion. **Rust moved to accept the financial reports as presented, Haake seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

Executive Director's Report

System Updates

Wirtz gave an update on the system. He reported that WAWSA had held a training on SCADA for the WAWSA and the Member Entity employees.

Industrial Sales

The industrial sales for December were \$1,193,166.00.

Fourth Amendment to Member Agreements

Wirtz reported that the Fourth Amendment to Member Agreements is being distributed to the Member and Sub-members for their signatures.

SWC Update

Owan reported that the SWC held a Cost Share Policy Committee meeting and will be asking for stakeholder input on policies. The next SWC meeting will be February 8th.

NDIC Update

Wirtz has been attending the monthly NDIC meetings. On January 24th the NDIC will be reviewing the 2017 industrial sales and sales forecast for 2018.

Industrial Expenses

Wirtz reported that WAWSA will be submitting the engineering expenses for industrial connections to the NDIC for approval to be reimbursed by industrial revenues. The request will be presented to the WAWSA board at the February meeting.

Employee Compensation

Fourth quarter employee bonus evaluations have taken place. Chairman Owan recommended a 9% 2017 4th quarter bonus for Executive Director Jaret Wirtz. **Haake moved to give Wirtz a 9% 4th quarter bonus based on Chairman Owan's recommendation, Rust seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

Project Updates

Chorne presented a current water demand report, the capital accounting report and the Williston WTP master plan update.

R&T West White Earth Alternate

Schultz presented Carstensen Contracting Change Order #1 in the amount of \$333,557.31 for an increase in contract price due to PVC & HOPE, as well as PRV Vault material increases. The cost increase also includes pricing for three additional PRV Vaults that were added to the design after project bidding, due to the addition of new users to the board for their approval. However, Schultz recommended approving only \$47,699.76 of Change Order #1 for the increase of pipe pricing. The PRV Vaults may not be needed. **Koeser moved to approve Change Order #1 in the amount of \$47,699.76, Rust seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

R & T Stanley Rural Distribution Part 1 Alternates

Schultz presented a request that Carstensen Contracting be paid for \$175,859.42 for stored materials for the Stanley Alternates 1, 2, & 3 projects. **Haake moved to approve the payment for stored materials, Koeser seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

Williston Regional Water Treatment Plant Pretreatment

Wirtz requested that WAWSA approve purchasing the pre-treatment equipment for the Williston Regional WTP, before the project goes to bid, in the amount of \$755,495.00. Purchasing the equipment now would save WAWSA 10%-15% and equipment would be on site at the beginning of the construction season. **Rust moved to approve the purchase of the equipment, Haake seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

Murphy Pipe and Civil

Murphy Pipe and Civil have requested a release of a portion of their bond for the Tobacco Gardens project. WAWSA would retain a \$251,849.94 bond for reclamation until August 1, 2018. Schultz recommend releasing all but \$251,849.95 of their bond on the Tobacco Gardens project. **Rust moved to release a portion of Murphy Pipe and Civils bond, retaining \$251,849.95, Koeser seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

SWC Grant Requests

The SWC \$60M Grant request #26-011718, SWC \$39.5M Grant request #41-011718 and the SWC \$8.75M Grant request 3-1011718 were presented to the board for their approval. **Koeser moved to approve the SWC grant requests, Haake seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

Vogel Law Firm Rate Increase

Tami Norgard presented the board with a 2018 rate increase. Norgard noted that WAWSA has not had a rate increase since May 2014. The increase would be \$10 per hour for a rate of \$230 per hour. **Koeser moved to approve the rate increase, Rust seconded.**

AYE: Haake, Koeser, Brandt (also voting for Liesener), Rust (also voting for Anderson), Brostuen, Zubke (also voting for Veeder) and Owan

NAY: 0

CARRIED: 10-0

Stantec

Stantec presented to the board their progress to date, key issues, and next steps for the feasibility study of WAWSA *Industrial Water Supply Infrastructure Financial Analysis* as required by House Bill 1020.

Chairman Owan adjourned the meeting.



Chris Brostuen, Vice-Chairman



Kim Schilke, Secretary