

**Western Area Water Supply Authority
Board of Directors Meeting
WAWSA Office March 15, 2018**

Attendees

Members Present: Ward Koeser, Gary Rust, Denton Zubke and Mark Owan.

Members Absent: Bert Anderson, Chris Brostuen, Ellis Haake, Richard Liesener and Gene Veeder.

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Tami Norgard (Vogel Law Firm), Dustin Schultz (AE2S), Jason Slater (WAWSA), Jacob Monson (WAWSA), Kenny Bergstrom (City of Williston) and Jeff Shaffer (MCWRD).

Meeting Called to Order

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

Approval of Agenda

The agenda was presented for approval. **Rust moved to approve the agenda, Zubke seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the February 22, 2018 board meeting were presented for approval. Zubke requested a clarification of the minutes concerning the Non-Availability of Project Water Notice for County Recorders and the Easement Policy Amendment; to state that the board recommended that the WAWSA Members and Sub-members adopt a policy for filing a Notice of Non-Availability of Project Water and the board also recommended that the WAWSA Members and Sub-members adopt the easement policy amendment. **Zubke moved to approve the meeting minutes as amended, Koeser seconded.**

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

NAY: 0

CARRIED: 8-0

Minutes of the February 23, 2018 Executive Committee meeting were presented for approval. **Zubke moved to approve the executive committee meeting minutes as presented, Rust seconded.**

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

NAY: 0

CARRIED: 8-0

Financial Report

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

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

NAY: 0

CARRIED: 8-0

The 2017 O & M Budget/Actual true-ups for the City of Williston and R & T Water Supply were presented to the board for approval. **Koeser moved to approve the 2017 O & M Budget/Actual O & M expenses, Rust seconded.**

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

NAY: 0

CARRIED: 8-0

Executive Director's Report

System Updates

Wirtz gave an update on the system. He reported on a pipeline breaks north of Williston near the Ramada. He also informed the board of the additional need of an additional pump in the Indian Hill and Alexander pump stations.

Industrial Sales

The industrial sales for February were \$1,631,289.00.

Industrial Expenses

Wirtz submitted to the board a NDIC reimbursement request for \$203,593.61 for their approval that will be presented to the NDIC for approval to reimburse. **Zubke moved to approve the NDIC reimbursement request, Koeser seconded.**

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

NAY: 0

CARRIED: 8-0

Hot Water Agreement

Bakken Industries, LLC and WAWSA are negotiating an agreement for Bakken Industries to supply hot water at the North Williston and Watford City Depots. The agreement is being reviewed by Bakken Industries.

Armstrong Water Solution-MDU Interruptible Gas Service Agreement

Wirtz reported on the Armstrong Water Solution and MDU have a Gas Service Agreement which included a deficiency payment for gas not purchased by Armstrong. WAWSA offered MDU the balance in the escrow account to buy down the deficiency payment. MDU rejected the offer. Wirtz reported that Armstrong Water Solutions is not interested in contributing to the buyout of the contract.

Project Updates

Dustin Schultz presented a current water demand report and the capital accounting for January.

Watford City 16" Insulation of Pipeline Proposal

Schultz presented a \$93,000.00 proposal from Carstensen Contracting for the cost to insulate a 16" pipeline near the Watford City airport that will lose some of it coverage due to road construction. **Zubke moved to approve the cost to insulate the pipeline, Rust seconded.**

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

NAY: 0

CARRIED: 8-0

SWC Grant Requests

The SWC \$60M Grant request #28-031518 and the SWC \$20M Grant request 5-031518 were presented to the board for their approval. **Zubke moved to approve the SWC grant requests, Koeser seconded.**

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

NAY: 0

CARRIED: 8-0

Executive Session

10:15am **Rust made a motion to move into executive session for the purpose of discussing industrial contracts, Koeser seconded.**

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

NAY: 0

CARRIED: 8-0

11:10am **Zubke made a motion to leave executive session, Koeser seconded.**

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

NAY: 0

CARRIED: 8-0

The board advised Wirtz on industrial pricing and contracts.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary