

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office September 20, 2018**

**Attendees**

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

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

Others Present: Curtis Wilson (WAWSA), Kim Schilke (WAWSA), Dustin Schultz (AE2S), Cory Chorne (AE2S), Tami Norgard (Vogel Law Firm), Todd Pokrzywinski (WAWSA), Jason Slater (WAWSA), Jacob Monson (WAWSA), Ben Clarys (NRWD), Liz Suhr (R & T), Kent Bickler (R & T), Jeff Shaffer (MCWRD), Jill Helmuth (MCWRD), Charles Vein (AE2S), Shawn Gaddie (AE2S), David Tuan (City of Williston), Mark Limpert (SEH), Ken Nysether (SEH), Rich Slagle (Moore Engineering), Kevin Bucholz (Moore Engineering) and Kyle Meyer (Moore Engineering).

**Meeting Called to Order**

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

**Approval of Agenda**

The agenda was presented for approval. Chairman Owan added item #4 to Project Updates "*2018 Transmission Main Improvement*" to the agenda. **Rust moved to approve the agenda with the addition, Haake seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

Minutes of the August 16, 2018 and September 6, 2018 board meeting minutes were presented for approval. **Haake moved to approve the minutes as presented, Koeser seconded.**

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

NAY: 0

CARRIED: 10-0

**Financial Report**

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

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

NAY: 0

CARRIED: 10-0

**Executive Director's Report**

**System Updates**

Wilson gave an update of the WAWSA system.

**Industrial Sales**

Schilke reported the industrial sales for August were \$1,563,667.00.

## **NDIC Industrial Expenditure Reimbursement Request**

Schilke submitted to the board a NDIC reimbursement request for \$903,443.54 for upgrades to the Alexander and Indian Hills pumps and upsizing 3 miles of pipe and a request for \$131,013.12 for upgrades to a pump station on the Keene Loop for their approval. The reimbursement request will be presented to the NDIC for approval to reimburse from the industrial account. **Zubke moved to approve the NDIC reimbursement requests, Rust seconded.**

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

NAY: 0

CARRIED: 10-0

9:15am Chris Brostuen joined meeting.

## **State Water Commission Update**

Owan gave an update on the SWC meeting. Wilson reported that he had attended the September 14<sup>th</sup> NDIC meeting and would be attending the NDIC September 27<sup>th</sup> meeting. Owan and Wilson will be attending the Joint Water Commission and Legislative Interim Water Topics Overview Committee meeting in Fargo on September 26<sup>th</sup> and 27<sup>th</sup>.

## **Industrial Contracts**

Four industrial contracts reflecting the recommendations made by the board's Industrial Contract Committee were presented to the board. Norgard gave an overview on the "Bulk Water User Contract", "Maintenance Water Contract", "Temporary Bulk Agreement" and "Interruptible Bulk Industrial Water Contract". The contracts contain language for annual rate increases which will be set by the WAWSA rate committee. Contracts will be per service location. Maintenance contracts will have longer terms. **Zubke made a motion to approve the contracts and that these contracts be used going forward, Haake seconded.**

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

NAY: 0

CARRIED: 10-0

The board authorized Executive Director Wilson to approve the industrial contracts.

## **RFPs for Legal and Engineering**

A summary of the board members' scoring forms from the September 6<sup>th</sup> RFP interviews with Moore Engineering and HDR, SEH Engineering and AE2S engineering firms and Dwyer Law Office, Olson & Burns PC and Vogel Law Firm legal firms were given to the board prior to the board meeting.

## **Engineering**

Zubke commented that he was impressed with Moore Engineering's presentation. He feels there are some unanswered questions with AE2S regarding the construction company and a few items that need to be addressed. Zubke suggested WAWSA retain AE2S pending final negotiations with the Executive Committee; over some of the unanswered questions and in that process would like to see Moore Engineering become involved in this project. **Zubke made a motion to award AE2S the general engineering contract subject to negotiations with the Executive Committee, Koeser seconded.**

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

NAY: 0

CARRIED: 10-0

## **Legal**

**Zubke made a motion to retain Vogel Law Firm, Koeser seconded.**

AYE: Rust, Rust voting for Anderson, Zubke, Zubke voting for Veeder, Koeser, Brandt, Brandt voting for Liesener, Haake, Brostuen, and Owan  
NAY: 0  
CARRIED: 10-0

### **Bank Accounts Authorized Signers**

Schilke requested that the Authorized Signers on the First National Bank and Trust account and the Bank of North Dakota accounts be updated. Schilke requested that along with herself, Curtis Wilson, Executive Director and Michelle Miller, Accounting Assistant be added as authorized signers on checking account #xxxxx8111 at First National Bank and Trust and Jaret Wirtz be removed from the account. She also requested that along with herself, Curtis Wilson be added to the Bank of North Dakota Reserve Checking Account #xxx2918, Project Funds Account #xxx1484, Renewal & Replacement Account #xxx2161 and the Industrial Checking Account #xxx2993 and Jaret Wirtz be removed from these accounts. **Rust made a motion to add Curtis Wilson and Michelle Miller along with Kim Schilke to the First National Bank and Trust checking account and remove Jaret Wirtz from that account and to add Curtis Wilson along with Kim Schilke to the Bank of North Dakota Reserve Checking Account #xxx2918, Project Funds Account #xxx1484, Renewal & Replacement Account #xxx2161 and the Industrial Checking Account #xxx2993 and remove Jaret Wirtz from BND accounts, Koeser seconded.**

AYE: Rust, Rust voting for Anderson, Zubke, Zubke voting for Veeder, Koeser, Brandt, Brandt voting for Liesener, Haake, Brostuen, and Owan  
NAY: 0  
CARRIED: 10-0

### **Project Updates**

Dustin Schultz presented a current water demand report and the capital accounting for August. He also gave updates on the current project progressions.

### **SWC Grant Requests**

The SWC \$60M Grant request #34-092018 and the SWC \$20M Grant request #11-092018 were presented to the board for their approval. **Zubke moved to approve the SWC grant requests, Rust seconded.**

AYE: Rust, Rust voting for Anderson, Zubke, Zubke voting for Veeder, Koeser, Brandt, Brandt voting for Liesener, Haake, Brostuen, and Owan  
NAY: 0  
CARRIED: 10-0

### **Executive Session**

**Rust made a motion to enter into executive session for contract discussion, Haake seconded.**

AYE: Rust, Rust voting for Anderson, Zubke, Zubke voting for Veeder, Koeser, Brandt, Brandt voting for Liesener, Haake, Brostuen, and Owan  
NAY: 0  
CARRIED: 10-0

10:40am the board entered executive session.

**Rust made a motion to exit executive session, Koeser seconded.**

AYE: Rust, Rust voting for Anderson, Zubke, Zubke voting for Veeder, Koeser, Brandt, Brandt voting for Liesener, Haake, Brostuen, and Owan  
NAY: 0  
CARRIED: 10-0

11:15am the board left executive session.

Schultz presented the recommendation to award the 2018 Transmission Main to low bidder Carstensen Contracting, Inc. in the amount of \$895,640.00. **Koeser moved to award the 2018 Transmission Main Bid to low bidder Carstensen Contracting, Inc., Haake seconded.**

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

NAY: 0

CARRIED: 10-0

**Rust made a motion to adjourn, Haake seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE

Chairman Owan adjourned the meeting.



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Mark Owan, Chairman



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Kim Schilke, Secretary