

**Western Area Water Supply Authority
Board of Directors Meeting
WAWSA Office February 21, 2019**

Attendees

Members Present: Raoul Brandt, Chris Brostuen, Ellis Haake, Ward Koeser, Richard Liesener, Mark Owan, Larry Novak, Gary Rust and Gene Veeder.

Members Absent: none

Others Present: Curtis Wilson (WAWSA), Kim Schilke (WAWSA), Dustin Schultz (AE2S), Cory Chorne (AE2S), Seth Thompson (Vogel Law Firm), Jason Slater (WAWSA), Jacob Monson (WAWSA), Ben Clarys (NWRWD), Liz Suhr (R & T), Craig Haskins (R & T), Jeff Shaffer (MCWRD), Jill Helmuth (MCWRD), Kenny Bergstrom (City of Williston), Dave Bell (City of Williston), David Tuan (City of Williston), Ralph Reddell (Hott H2O), Steve Mortenson (Private Water Provider), Mike Ames, Rich Slagle (Moore Engineering), Tom Klabunde (Moore Engineering) and Kevin Bucholz (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. **Brostuen moved to approve the agenda, Haake seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the January 17, 2019 board meeting were presented for approval. **Koeser moved to approve the minutes as presented, Rust seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.

NAY: 0

CARRIED: 9-0

Financial Report

The January General financial reports and the January Industrial financial reports were presented for consideration and discussion. **Liesener moved to approve the financial reports as presented, Haake seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.

NAY: 0

CARRIED: 9-0

Executive Director's Report

System Updates

Wilson gave an update of the WAWSA system. He reported the he and an AE2S engineer had met with a HYMAX manufacturing representative concerning the continue failure of the 24" HYMAX couplers. The company has begun an investigation into the failures.

Wilson attended the ND Rural Water Expo in Bismarck.

Steven Mortenson (Private Water Provider)

Steve Mortenson addressed the WAWSA board with his concern about how WAWSA and NWRWD have affected him and his water company by selling industrial water near his depot.

Hott H2O Depot Water Supply Contract

The Hott H2O Depot Water Supply Contract for heating water at the WAWSA depots was presented to the board for their review and approval. Seth Thompson (Vogel Law Firm) gave an overview of the contract for the board. **Veeder made a motion to approve the contract with Hott H2O, Koeser seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.

NAY: 0

CARRIED: 9-0

BDW Director

Discussion was held on the need for another director for BDW. Rust and Liesener will try to find someone to fill the open position.

Limited Professional Services with Moore Engineering

Wilson requested the board approve a Limited Professional Services Agreement with Moore Engineering for the purposed of upgrading four of the WAWSA depots. **Novak made a motion to approve a Limited Professional Services Agreement with Moore Engineering for the depot upgrades, Liesener seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.

NAY: 0

CARRIED: 9-0

Break

Legal Updates

Seth Thompson (Vogel Law Firm) can an update to the board on items that Vogel is working on for WAWSA. Chairman Owan asked Thompson to start creating a white paper on clarifying the definition of "industrial." The term "industrial" has been defined differently among the state organizations and needs to be clarified.

Project Updates

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

R & T North Tioga Rural Distribution

Schultz presented the board with Carstensen Contracting balancing change order #8 in the amount of \$445,409.07 and the Final Inspection and Acceptance for the project to the board for their approval. **Haake moved to approve change order #8 and the accept the final inspection, Liesener seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.

NAY: 0

CARRIED: 9-0

MCWRD Spring Creek Rural Distribution

The bids for this project came in higher than the engineer's estimate. Due to the higher than estimated cost and the fixed capital available, AE2S recommended rejecting all the bids and rebidding the project. **Veeder make a motion to reject the bids and rebid the project, Rust seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.

NAY: 0
CARRIED: 9-0

R&TWD East White Earth Rural Distribution

Schultz recommended awarding the R&TWD East White Earth Rural Distribution Contract #1 project to low bidder Eatherly Constructors in the amount of \$1,897,090.00. **Rust made a motion to award the R&TWD East White Earth Rural Distribution Contract #1 project to low bidder Eatherly Constructors in the amount of \$1,897,090.00, Haake seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.
NAY: 0
CARRIED: 9-0

R&TWD Stanley Highpoint Pump Station Improvements

Schultz recommended awarding the R&TWD Stanley Highpoint Pump Station Improvements Contract #3 project to low bidder Swanberg Construction, Inc. in the amount of \$137,000.00. **Koeser made a motion to award the R&TWD Stanley Highpoint Pump Station Improvements Contract #3 project to low bidder Swanberg Construction, Inc. in the amount of \$137,000.00, Liesener seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.
NAY: 0
CARRIED: 9-0

Williston RWTP Pretreatment Part 3

Schultz recommended awarding the Williston RWTP Pretreatment Part 3 Contract #1 project to low bidder American General Contractors, Inc. in the amount of \$3,084,000.00 and Contract #2 to Muth Electric, Inc. in the amount of \$576,323.00. **Brostuen made a motion to award the Williston RWTP Pretreatment Part 3 Contract #1 project to low bidder American General Contractors, Inc. in the amount of \$3,084,000.00 and Contract #2 to Muth Electric, Inc. in the amount of \$576,323.00, Haake seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.
NAY: 0
CARRIED: 9-0

WAWSA McKenzie County 2018 Storage Improvement

Schultz recommended awarding the WAWSA McKenzie County 2018 Storage Improvement Contract #4 project to low bidder CB&I LLC in the amount of \$6,720,000.00. **Novak made a motion to award the WAWSA McKenzie County 2018 Storage Improvement Contract #4 project to low bidder CB&I LLC in the amount of \$6,720,000.00, Rust seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.
NAY: 0
CARRIED: 9-0

2018 Transmission Main and Pump Station Improvements

Schultz presented Amendment #1 to Engineering Task Order #60 for construction services in the amount of \$255,000.00 for board approval. **Koeser moved to approve the amendment to Task Order #60, Veeder seconded.** This is an industrial project and will be paid for with industrial sales.

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.
NAY: 0
CARRIED: 9-0

SWC Grant Requests

The SWC \$60M Grant monthly request #39-022119 and the SWC \$20M Grant monthly request #16-022119 were presented to the board for their approval. **Veeder moved to approve the SWC grant requests, Haake seconded.**

AYE: Haake, Brandt, Veeder, Koeser, Rust, Liesener, Brostuen, Novak and Owan.

NAY: 0

CARRIED: 9-0

Rust moved to adjourn, Novak seconded.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary